

**Sport Taekwondo UK Limited**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 March 2021**

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**BEEVER AND STRUTHERS**

Chartered accountants & statutory auditor

The Beehive  
Lions Drive  
Shadsworth Business Park  
Blackburn  
BB1 2QS

# **Sport Taekwondo UK Limited**

**Company Limited by Guarantee**

**Financial Statements**

**Year Ended 31 March 2021**

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# **Sport Taekwondo UK Limited**

## **Company Limited by Guarantee**

### **Directors' Report**

#### **Year Ended 31 March 2021**

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The directors present their report and the financial statements of the company for the year ended 31 March 2021.

#### **Principal Activities**

The principal activities of the company in the year under review were those of the running of the elite athlete world class performance programmes (Olympic and Paralympic), preparing for major events scheduled for 2022 and 2023, delivering the talent development programmes, and managing the international relations and development strategy.

#### **Business review**

With the continued support of our major funders, UK Sport and Sport England, and sponsors, income for the year ended 31 March 2021 decreased by £678,987 to £2,458,255. Expenditure decreased to £2,458,255 resulting in a breakeven position.

The retained reserves at 31 March 2021 were £56,960. The directors continue to be mindful of the need to increase reserves to an appropriate level for an organisation with income and expenditure exceeding £2.4m per annum, and the need to continue to invest in the programmes to ensure that medals at future major championships are obtained.

#### **Performance review**

The year has been massively disrupted by the COVID-19 pandemic with far less international competition possible than expected and, critically, the Tokyo Games postponed from summer 2020 to 2021. Athletes and staff have coped extremely well in the circumstances.

Most notably the team managed to qualify 2 additional athlete places for the Paralympic Games. The team has therefore qualified a record 5 Olympic places and 3 Paralympic places.

We are proud of the way our athletes and staff responded and this has been reflected in some exceptional results in Tokyo. The 5 Olympians returned 3 medals and the 3 Paralympians returned 2 medals. These results were at the top end of our UK Sport medal ranges.

#### **Culture Health Check 2020**

Every year UK Sport conducts an anonymised survey of athletes, staff, and stakeholders. We are delighted to report that, once again, the emphasis we place on athlete welfare and support resulted in sector leading feedback.

#### **Directors**

The directors who served the company during the year were as follows:

M W C Archibald  
Dr M P Loosemore  
J J Newton  
G K Hall  
I F Gillis  
I Leafe

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# Sport Taekwondo UK Limited

## Company Limited by Guarantee

### Directors' Report *(continued)*

#### Year Ended 31 March 2021

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J Ho (Appointed 15 October 2020)  
S J Sutcliffe (Resigned 28 February 2021)

#### Directors' Responsibilities Statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# Sport Taekwondo UK Limited

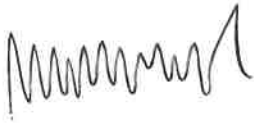
Company Limited by Guarantee

Directors' Report *(continued)*

Year Ended 31 March 2021

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This report was approved by the board of directors on 11 October 2021 and signed on behalf of the board by:



M W C Archibald  
Director

Registered office:  
National Taekwondo Centre  
Ten Acres Sports Complex  
Ten Acres Lane  
Manchester  
M40 2SP

# **Sport Taekwondo UK Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Sport Taekwondo UK Limited**

**Year Ended 31 March 2021**

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#### **Opinion**

We have audited the financial statements of Sport Taekwondo UK Limited (the 'company') for the year ended 31 March 2021 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions Relating to Going Concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# Sport Taekwondo UK Limited

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of Sport Taekwondo UK Limited *(continued)*

Year Ended 31 March 2021

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#### Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on Other Matters Prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

#### Matters on Which We are Required to Report by Exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
  - the financial statements are not in agreement with the accounting records and returns; or
  - certain disclosures of directors' remuneration specified by law are not made; or
  - we have not received all the information and explanations we require for our audit; or
  - the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.
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# **Sport Taekwondo UK Limited**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Sport Taekwondo UK Limited *(continued)***

**Year Ended 31 March 2021**

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#### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



# Sport Taekwondo UK Limited

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of Sport Taekwondo UK Limited *(continued)*

Year Ended 31 March 2021

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#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Ability to Detect Irregularities

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector in which the business operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 are indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
  - enquiring of management as to actual and potential litigation and claims.
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# Sport Taekwondo UK Limited

## Company Limited by Guarantee

### Independent Auditor's Report to the Members of Sport Taekwondo UK Limited *(continued)*

Year Ended 31 March 2021

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There are inherent limitations in the audit procedures described above. We did not identify any such irregularities however as with any audit, there remained a higher risk of non-detection of irregularities due to fraud, as these may involve deliberate concealment, collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

#### Use of Our Report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Bradley BA BFP FCA (Senior Statutory Auditor)

For and on behalf of  
Beever and Struthers  
Chartered accountants & statutory auditor  
The Beehive  
Lions Drive  
Shadsworth Business Park  
Blackburn  
BB1 2QS

11 October 2021

**Sport Taekwondo UK Limited**  
**Company Limited by Guarantee**  
**Statement of Income and Retained Earnings**  
**Year Ended 31 March 2021**

|   | Note | 2021<br>£        | 2020<br>£        |
|---|------|------------------|------------------|
| <b>Income</b>   |      | 2,458,255        | 3,137,242        |
| <b>Operating surplus</b>  |      | <u>2,458,255</u> | <u>3,137,242</u> |
| Administrative expenses   |      | <u>2,458,473</u> | <u>3,145,007</u> |
| <b>Operating surplus</b>  |      | (218)            | (7,765)          |
| Other interest receivable and similar income                      | 5    | <u>218</u>       | <u>742</u>       |
| <b>Surplus before taxation</b>                                    |      | -                | (7,023)          |
| Tax on surplus  |      | -                | -                |
| <b>Loss for the financial year and total comprehensive income</b> |      | <u>-</u>         | <u>(7,023)</u>   |
| <b>Retained earnings at the start of the year</b>                 |      | <u>56,960</u>    | <u>63,983</u>    |
| <b>Retained earnings at the end of the year</b>                   |      | <u>56,960</u>    | <u>56,960</u>    |

All the activities of the company are from continuing operations.

The notes on pages 11 to 16 form part of these financial statements.

# Sport Taekwondo UK Limited

## Company Limited by Guarantee

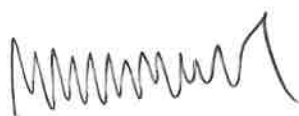
### Statement of Financial Position

31 March 2021

|   | Note | 2021<br>£      | 2020<br>£      |
|---|------|----------------|----------------|
| <b>Fixed assets</b>                                   |      |                |                |
| Tangible assets                                       | 6    | 81,591         | 101,989        |
| <b>Current assets</b>                                 |      |                |                |
| Debtors   | 7    | 80,764         | 144,407        |
| Cash at bank and in hand                              |      | 376,883        | 97,932         |
|   |      | <u>457,647</u> | <u>242,339</u> |
| <b>Creditors: amounts falling due within one year</b> | 8    | <u>482,278</u> | <u>287,368</u> |
| <b>Net current liabilities</b>                        |      | <u>24,631</u>  | <u>45,029</u>  |
| <b>Total assets less current liabilities</b>          |      | <u>56,960</u>  | <u>56,960</u>  |
| <b>Net assets</b>                                     |      | <u>56,960</u>  | <u>56,960</u>  |
| <b>Capital and reserves</b>                           |      |                |                |
| Profit and loss account                               |      | <u>56,960</u>  | <u>56,960</u>  |
| <b>Members funds</b>                                  |      | <u>56,960</u>  | <u>56,960</u>  |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 11 October 2021, and are signed on behalf of the board by:



M W C Archibald  
Director

Company registration number: 04489466

The notes on pages 11 to 16 form part of these financial statements.

# **Sport Taekwondo UK Limited**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year Ended 31 March 2021**

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#### **1. General Information**

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is National Taekwondo Centre, Ten Acres Sports Complex, Ten Acres Lane, Manchester, M40 2SP.

#### **2. Statement of Compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting Policies**

##### **Basis of Preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going Concern**

The directors confirmed that an assessment has been considered and these financial statements have been prepared on a going concern basis. The 4 year funding award for the period 2021 to 2025 from UK Sport has been confirmed and grant income from Sport England remains secured for the financial year 2020/21 and beyond. UK Sport have announced in December 2020 Paris cycle awards of £8,340,060 for the Olympic and Para taekwondo programmes.

**Sport Taekwondo UK Limited**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year Ended 31 March 2021**

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**3. Accounting Policies** *(continued)*

**Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Significant judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the directors the debt is not fully recoverable.
- Determination of whether leases entered into by the company as lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

**Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- An estimate of future expected cash flows is made in respect of trade debtors which have been identified as potentially unrecoverable. The estimate is based on managements' knowledge.

**Sport Taekwondo UK Limited**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements** *(continued)*  
**Year Ended 31 March 2021**

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**3. Accounting Policies** *(continued)*

**Revenue Recognition**

Income comprises revenue from a number of sources, including grants, donations and sponsorship.

Grants for running the elite athlete programme and delivering the talent development programmes are awarded to the company for a maximum amount of agreed funding over a number of years and credited to income to match expenditure in the year to which they relate.

Sponsorship income represents net sales invoice raised.

Donations are recorded as income when received.

All income shown net of Value Added Tax.

**Operating Leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

**Tangible Assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings                      -     20% straight line

**Impairment of Fixed Assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

# Sport Taekwondo UK Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31 March 2021

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#### 3. Accounting Policies *(continued)*

##### Financial Instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Company Limited by Guarantee

Sport Taekwondo UK Limited is a company limited by guarantee and therefore does not have any share capital.

Each qualifying member undertakes to contribute a sum not exceeding £1 in the event of the company being wound up.

#### 5. Other Interest Receivable and Similar Income

|                                       | 2021 | 2020 |
|---------------------------------------|------|------|
|                                       | £    | £    |
| Interest on cash and cash equivalents | 218  | 742  |



**Sport Taekwondo UK Limited**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year Ended 31 March 2021**

**6. Tangible Assets**

|                                   | <b>Fixtures and fittings</b><br>£ |
|-----------------------------------|-----------------------------------|
| <b>Cost</b>                       |                                   |
| At 1 April 2020 and 31 March 2021 | 250,258                           |
| <b>Depreciation</b>               |                                   |
| At 1 April 2020                   | 148,269                           |
| Charge for the year               | 20,398                            |
| <b>At 31 March 2021</b>           | <u>168,667</u>                    |
| <b>Carrying amount</b>            |                                   |
| At 31 March 2021                  | <u>81,591</u>                     |
| At 31 March 2020                  | <u>101,989</u>                    |

**7. Debtors**

|               | <b>2021</b><br>£ | 2020<br>£      |
|---------------|------------------|----------------|
| Trade debtors | 3,029            | 11,342         |
| Other debtors | 77,735           | 133,065        |
|               | <u>80,764</u>    | <u>144,407</u> |

**8. Creditors: amounts falling due within one year**

|                 | <b>2021</b><br>£ | 2020<br>£      |
|-----------------|------------------|----------------|
| Trade creditors | 88,190           | 31,634         |
| Other creditors | 394,088          | 255,734        |
|                 | <u>482,278</u>   | <u>287,368</u> |

**9. Operating Leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

|  | <b>2021</b><br>£ | 2020<br>£        |
|--|------------------|------------------|
| Not later than 1 year                        | 173,466          | 74,466           |
| Later than 1 year and not later than 5 years | 594,862          | 297,862          |
| Later than 5 years                           | 2,308,431        | 2,382,897        |
|  | <u>3,076,759</u> | <u>2,755,225</u> |

# Sport Taekwondo UK Limited

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year Ended 31 March 2021

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#### **10. Related Party Transactions**

I F Gillis a director, works as a solicitor at Hill Dickinson LLP. The LLP provides legal support services and sponsorship to Sport Taekwondo during the year amounting to £5,333 (2020: £8,000). The full amount was received and there was £nil (2020: £nil) amount due from related party at year end.