

English Sports Development Trust Limited

Company number 4290188

[A subsidiary company of The English Sports Council]

Annual Report and Accounts

2020–21

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The English Sports Development Trust Limited (ESDTL) is a company limited by guarantee whose sole member and parent is the English Sports Council ('ESC'). The Company's purpose is to deliver the commercial contracts related to the media buying arrangements for the Women's Marketing Campaign ('This Girl Can') and the campaign to keep adults active during lockdown ('Join the Movement') both managed by the ESC.

A Parent/ Subsidiary Memorandum between the Company and the ESC, effective from 1 August 2014, provides the operating and governance framework between the two entities.

The Board of Directors monitor the progress of the campaigns, review and implement the media planning and buying contracts and provide reports back to the ESC.

The Chair has accountability for the management of the Company's operations. To facilitate effective operations, the Chair delegates authority for the day-to-day administration to officers of the ESC through a Service Level and Agency Agreement. This means that the Company has no employees.

The Company's activities are entirely funded by Lottery grants from the ESC National Lottery Fund.

In February 2018, the ESC awarded the Company £7.2m of Lottery funding to allow the Company to invest in paid media to support This Girl Can over the three-year period – 2018-2021. Determination for this third phase of Lottery investment was secured from the Secretary of State for Digital, Culture, Media and Sport under section 27 of the National Lottery etc. Act 1993 for each grant awarded by ESC.

£3m to support media buying for the 'Join the Movement' campaign was made available by ESC in March 2020 and determination by the Secretary of State under section 27 of the National Lottery etc. Act 1993 was obtained in April 2020.

There remains funding available for both campaigns which will be utilised during 2021-22, however this does not change the fact that ESDTL is expected to cease trading on 31 March 2022 so the financial statements (as for the prior year) have not been prepared on a going concern basis.

This Girl Can

This Girl Can celebrated its fifth birthday in January 2019 with a new TV and supporting creative, messages and materials – Me Again. It showed women getting active no matter what is going on in their lives including menopause, motherhood and menstruation. We had been intending to build on these themes through the year but paid media and PR plans were put on hold as the impact of COVID-19 and associated restrictions were too disruptive.

We continued to support women through our online communities and social media channels, responding to new questions and concerns about alternatives to the gym, juggling home schooling and home workouts, and exercising outdoors. And ESC provided expert commentary as the media discussed the importance of physical activity to support mental health and emotional wellbeing.

Updated, COVID-19-appropriate creative was promoted from September to November 2020 on Video on Demand (VOD), audio and paid social and search channels. This paid media investment of £1.33m successfully gave 85% of our target audience 6.5 opportunities to see the campaign. The combination of audio and VOD was successful in driving mass awareness and incremental reach to a broad demographic. Despite the absence of TV reach levels were maintained from the January burst despite the lower media spend.

The campaign benefited from the increased consumption of audio while facing rising costs across search and social as restrictions lifted and the market stabilised. However, overall frequency was down – we gave women fewer opportunities to see the creative – which had an impact on the number of click-throughs to the website.

The paid media had a halo effect on our organic social media channels. Cross channel social media engagements increased by 5,847% compared to the prior three-month period, at the same time as delivering its own audiences.

PR support gained coverage on BBC channels including Radio 4 Today, BBC London and BBC Cumbria as well as key national, consumer and trade titles including The Independent, Stylist, Telegraph, Metro and Campaign. We successfully joined conversations relating to International Menopause Day, street harassment, and getting active outdoors after dark.

Tracking data in November 2020 showed that brand awareness and campaign recognition remain high (our highest ever brand recognition result of 47%).

However, due to COVID-19 fewer women who recognised the ad went on to take action and there's a been a downward shift in positive attitudes to taking part. This is consistent with ESC's research into the impact of COVID-19 both practically and emotionally.

Plans for the final paid media burst in May and June 2021 are being developed. The remaining spend of £935,000 will be targeted at CID audiences, nudging them towards activity as COVID-19 restrictions start to ease. The timing of this burst will move if tighter restrictions remain in place for longer than expected at the time of writing.

ESC began to review the campaign's future in December 2019 with a view to evolving This Girl Can into a model that is less reliant on Lottery funding. This review was impacted by the outbreak of COVID-19.

Record numbers of women were taking part in sport and physical activity in the year leading up the pandemic (Active Lives, November 2019), but 12 months later the Active Lives results released in November 2020 indicate that we are facing the largest fall in participation by men and women that we have ever seen.

The long-term impacts of the pandemic on women's lives are not yet fully realised but we can already see that increased financial insecurity, a greater burden of care and reduction in opportunity have combined to make it feel harder for many women to get active. Anxiety levels have increased significantly during the third national lockdown and are contributing to a vicious cycle (for some) of fatigue, low motivation and negative self-criticism which can be hard to break out of.

Even when restrictions are lifted, experience from countries such as

Australia suggest that it will be some time before people feel able or comfortable exercising away from home and near others. This will be particularly true of women aged 55+ who we know have struggled to keep moving since the start of the pandemic. Women from Black and Asian backgrounds (in particular) who have reported higher anxiety levels which are compounding low pre-pandemic activity levels and the largest gender gaps, and women on lower incomes.

Since its inception, This Girl Can has helped women manage and overcome their emotional barriers – the fear of judgement (by others and of self) that can make physical activity feel impossible or unappealing. The campaign has a proven track record of connecting with its audience and helping them overcome the emotional barriers holding them back.

As we ease out of lockdown, This Girl Can will have a critical role to play in encouraging and reassuring women back into physical activity or perhaps taking part for the first time.

This Girl Can's ESC Project Board agreed in September 2020 that, rather than selling the brand or novating it to a trusted partner, it would be kept by ESDTL evolving it from an ad-led campaign into a partnership-led movement that replaced paid media building brand and activation partnerships.

Future funding is expected to be provided by ESC but will not include paid media. The campaign will continue to support

women as we ease out the lockdown and while a longer-term strategy in line with Sport England's new strategy, Uniting the Movement is established.

Join the Movement

Over the last year, ESDTL has also invested in Join the Movement (JTM) – a paid media campaign that signposted adults across the country towards ESC's #StayIn#WorkOut hub. This brought together tools, advice, information and guidance on getting active during lockdown.

At a time when a bewildered public was constantly receiving bleak, hard-hitting messages, JTM cut through with a positive, energetic tone. Rather than focusing on what we couldn't do, JTM celebrated what many of us actually did, with an engaging humour and lightness. It made a virtue out of our necessary reliance on user-generated content (UGC) – timescales and lockdown restrictions precluded filmsets and photoshoots – by asking people to share their activity footage.

The diverse, authentic compilation was mixed with a funky Fat Boy Slim track, bright colours and energetic graphics to create a celebration of the public's innovation, resilience and creativity, underpinned by a call to action that invited people to visit our hub to get ideas for how they could join in.

The radio ad, voiced by Mel Giedroyc, encouraged people to build movement into their working day, while social media

channels shared more UGC and signposted people through to our online hub.

The campaign targeted all adults with a myriad of interests and abilities to make it easy for everyone to find the way of getting active that worked for them. A digital toolkit of graphics, messaging and hashtags overlays allows businesses of all shapes and sizes including England Rugby, Department for Health and BBC Sport to join JTM, further amplifying our message.

Regional print and digital news media also told local stories, demonstrating how people within all communities were getting and staying active.

The campaign exceeded its targets in terms of campaign recognition, claimed action, website traffic and partner activity.

The paid media strategy ensured that 98% of adults across England had at least seven opportunities to see the campaign. There were over 800,000 visitors to the website hub, with more than 73,000 people going on to view content provided by third party providers.

Media metrics are all very well, but the most important measure is what the public did. To track this Sevanta Comres were commissioned to survey 2,360 adults and found that:

- 49% of adults recognised the campaign (target range 35-45%)
- 50% of recognisers then took action (target range 40-50%)

English Sports Development Trust Limited

Strategic report

- 40% reported increasing activity frequency or effort as a result (target range 15 - 25%)

Paid social and search to support will run until 31 March 2021 and plans are in development to invest the remaining £538,000 into messaging to support the return to activity throughout the spring and summer of 2021.

Tove Okunniwa
Chair
1 July 2021

The Directors present their report on the affairs of the Company together with the accounts and auditor's report for the year ended 31 March 2021.

Directors

The Directors who served during the year are:

- Nicholas Bitel (Chair resigned 31 March 2021)
- Tove Okunniwa (joined as Director 1 December 2020, took over as Chair from 1 April 2021)
- Serena Jacobs
- Lisa O'Keefe

Since January 2018, the ESDTL Board has been supported by the ESC's This Girl Can Project Board, whose purpose is to oversee campaign strategy and implementation. No ESDTL members served on the Project Board. The Project Board is chaired by the ESC CEO.

The Company Secretary who served during the year until resigning on 17 February 2021 was Hannah Kerly. Richard Mabbitt was appointed Company Secretary on 17 February 2021.

The ESDTL Board met five times during the year.

Registered address First Floor, 21 Bloomsbury Street, London WC1B 3HF

Sole member The English Sports Council

Auditor The Comptroller and Auditor General, 157 - 197 Buckingham Palace Road, Victoria, London, SW1W 9SP

Financial review

During the year the Company received £4.8 million (2020: £3.3 million) which was used to buy media of £4.7 million (2020: £3.4 million) (see note 4 to the accounts) including:

- £4.6 million (2020: £3.2 million) digital advertising including social media and video on demand.
- £0.1 million (2020: £0.2 million) media planning.

There is an accrual of £5,025 for audit fees at 31 March 2021 (2019: £5,025), supported by funds held by ESC on behalf of the Company (see note 13 to the accounts).

The general reserve arose from the receipt of merchandising income and licensing of the This Girl Can brand which is ring-fenced to fund projects for women and girls.

There has been no financial impact arising from COVID-19.

Future developments and Going Concern

These are discussed in the Strategic Report on pages 1 to 5.

Tove Okunniwa
Chair
1 July 2021

English Sports Development Trust Limited

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have elected to prepare the accounts in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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 of 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 judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.
- 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Statement as to disclosure of information to auditors

The Directors who were in office on the date of approval of these accounts have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware.

English Sports Development Trust Limited
Statement of Directors' responsibilities

Each of the Directors has confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

By Order of the Board

Tove Okunniwa
Chair
1 July 2021

Opinion on financial statements

I have audited the financial statements of English Sports Development Trust Limited for the year ended 31 March 2021 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statement of Comprehensive Net Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

In my 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 the net operating income for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements

have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the English Sports Development Trust Limited in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Modified conclusions relating to going concern

In auditing the financial statements, I have concluded that the Company's use of a basis other than a going concern in the preparation of the financial statements is appropriate. Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on this assessment. Note 1.1 to this account contains sufficient information to understand the alternative basis of account.

My responsibilities and the responsibilities of the Director's with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises information included in the Strategic Report and the Directors' Report but does not include the financial statements and my auditor's report thereon. Management is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in

doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In my opinion:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements

Matters on which I report by exception

In the light of the knowledge and understanding of the English Sports Development Trust Limited and its environment obtained in the course of the audit, I have not identified material misstatements in the

Strategic Report or the Directors' Report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit;

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for:

- the preparation of the financial statements and for being satisfied that they give a true and fair view.
- such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- assessing the company 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My 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 a report that includes my 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations – including fraud.

The certificate and report of the Comptroller and Auditor General to the members of English Sports Development Trust Limited

My procedures included the following:

- Inquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the English Sports Development Trust Limited policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including English Sports Development Trust Limited's controls relating to taxation legislation, the National Lottery etc. Act 1993, Government Resources and Accounts Act 2000, and Companies Act 2006.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals; and

- obtaining an understanding of English Sports Development Trust Limited framework of authority as well as other legal and regulatory frameworks that the English Sports Development Trust Limited operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the English Sports Development Trust Limited. The key laws and regulations I considered in this context included taxation legislation, the National Lottery etc. Act 1993, Government Resources and Accounts Act 2000, and Companies Act 2006.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Board of Director's and in-house legal counsel concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries

The certificate and report of the Comptroller and Auditor General to the members of English Sports Development Trust Limited

and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my report.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the

income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Gareth Davies

6 July 2021

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

English Sports Development Trust Limited
Statement of comprehensive net income

	Note	2021 £'000	2020 £'000
Income			
Lottery grants received	2	4,738	3,325
Other income	3	97	67
Total operating income		4,835	3,392
Expenditure			
Media planning and buying	4	4,749	3,413
Auditor's remuneration	5	5	5
Total operating expenditure		4,754	3,418
Net operating income/(expenditure) before taxation		81	(26)
Taxation	7	17	12
Net operating income/(expenditure) for the year		64	(38)

There are no other items of comprehensive income or expenditure.

The notes on pages 18 to 22 form an integral part of these accounts.

English Sports Development Trust Limited

Statement of financial position

	Note	2021 £'000	2020 £'000
Current assets			
Trade and other receivables	8	1,060	455
Total assets		1,060	455
Current liabilities			
Trade and other payables	9	589	48
Total liabilities		589	48
Assets less liabilities		471	407
Equity			
General reserve		471	407
Total		471	407

Company number 4290188

The accounts on pages 14 to 22 were approved by the Board of Directors and were signed on its behalf by:

Tove Okunniwa
Chair
1 July 2021

The notes on pages 18 to 22 form an integral part of these accounts.

English Sports Development Trust Limited
Statement of cash flows

	2021 £'000	2020 £'000
Net operating Income/(expenditure) before taxation	81	(26)
(Increase)/decrease in trade and other receivables	(605)	629
Increase/(decrease) in trade and other payables	536	(596)
Corporation tax paid	(12)	(7)
Net cash flow from operating activities	-	-
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at 1 April	-	-
Cash and cash equivalents at 31 March	-	-

The notes on pages 18 to 22 form an integral part of these accounts.

English Sports Development Trust Limited
Statement of changes in equity

	General Reserve £'000
Balance at 1 April 2019	445
Net operating income for the year	(38)
Balance at 31 March 2020	407
Net operating expenditure for the year	64
Balance at 31 March 2021	471

The notes on pages 18 to 22 form an integral part of these accounts.

1 Statement of accounting policies

The accounts have been prepared under the historical cost convention in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and the Companies Act 2006. As noted below, the accounts are not prepared as a going concern.

The policies adopted by the ESDTL as set out and described below have been applied consistently to all periods presented in these accounts.

1.1 Going concern

Three years of funding to support media buying for the “This Girl Can” campaign and the funding for Join the Movement is coming to an end with the remaining funding expected to be fully utilised during 2021-22.

As described in the Strategic Report (page 3 and 4) future funding of This Girl Can is not expected to include media buying. No further funding is expected for JTM. ESDTL is not expected to be a going concern after March 2022 and therefore the accounts are not prepared on a going concern basis.

The Directors are of the opinion that no adjustments are necessary as a result of the accounts being prepared on a basis other than going

concern as there are no non-current assets or liabilities and that the carrying values of their assets and liabilities that remain are not affected.

1.2 Lottery grant

The Lottery revenue grant is credited to the Statement of comprehensive net income in the year in which the grant is receivable. The grant is intended to compensate for related costs incurred.

1.3 Other income

Revenue is recognised on a receivables basis.

1.4 Expenditure

All expenditure is recognised on an accruals basis.

**1.5 Trade and other receivables/
payables**

Trade and other receivables/
payables are recognised at fair value.

1.6 Dividends

The Company is prohibited by its Articles of Association from declaring a dividend.

1.7 Taxation

Corporation tax is payable on income derived from trading activities.

English Sports Development Trust Limited
Notes to the accounts

2 Lottery grants received

	2021 £'000	2020 £'000
This Girl Can	1,676	3,325
Join the Movement	3,062	-
Total	4,738	3,325

3 Other income

	2021 £'000	2020 £'000
Costs recharged to ESC	5	5
Trademark income	92	62
Total	97	67

The costs recharged to ESC consist of audit fees in 2021 and 2020.

Trademark income was received in respect of the use of the "This Girl Can" brand.

4 Media planning and buying

	2021 £'000	2020 £'000
Digital media	4,629	3,267
Media planning	120	146
Total	4,749	3,413

English Sports Development Trust Limited
Notes to the accounts

5 Auditor's remuneration

	2021 £'000	2020 £'000
Audit fees	5	5

There were no fees for non-audit work in 2021 and 2020. The audit fees for both years have been recharged to ESC.

6 Staff Costs

The Company employed no staff in 2021 and 2020. ESC provides a financial and administrative service to the Company, under the terms of a service level agreement, for which no charge is made (note 12).

The Directors did not receive fees or allowances for the year.

7 Taxation

	Note	2021 £'000	2020 £'000
UK corporation tax at 19% (2020: 19%)		17	12
Total		17	12

Corporation tax is payable on income derived from trading activities (note 1.7).
Trademark income (note 3) is trading income and subject to UK corporation tax.

English Sports Development Trust Limited
Notes to the accounts

8 Trade and other receivables

	Note	2021 £'000	2020 £'000
Trade receivables		12	32
Accrued income		10	30
English Sports Council (ESC)	12	1,038	393
Total		1,060	455

Accrued income includes audit fees recharged to ESC. ESC represents the balance of Lottery grant receivable.

9 Trade and other payables

	2021 £'000	2020 £'000
Accruals	572	30
Deferred income	0	6
Taxation	17	12
Total	589	48

Accruals consist of audit fees and media buying and planning costs.

10 Value added tax

The Company is in a group VAT registration scheme with ESC and is jointly and severally liable for all group VAT liabilities. No VAT is charged on transactions between members of the VAT group.

11 Derivatives and other financial instruments

The Company relies entirely on the ESC National Lottery Fund grant to finance its operations. Other than trade receivables and trade payables that arise from its operations, it holds no financial instruments.

The Company performs all transactions in Sterling and therefore has no currency exchange risk. The Company does not enter into any forward foreign currency contracts or similar financial instruments. The Company does not borrow money and therefore has no exposure to interest rate risk or liquidity risk in this regard. The Company does not enter into any interest rate swaps or similar financial instruments.

12 Related party transactions

The Company has a close working relationship with its parent body ESC. ESC National Lottery Fund (note 2) is the Company's main provider of funds enabling it to carry out its objectives. ESC provides a financial and administrative service to the Company for which no charge is made. The Company has no bank account and uses the bank account of ESC to receive Lottery funds which are ring-fenced for the payment of expenditure relating to the Company.

	2021	2020
	£'000	£'000
Amount owing from ESC	1,038	393
Recharged income	5	5

13 Ultimate parent body

The results of the Company are consolidated in the accounts of the ESC. The accounts of the ESC Group are available from its registered office at First Floor, 21 Bloomsbury Street, London WC1B 3HF.

14 Post financial year-end events

There have been no post balance sheet events and the annual report and accounts were authorised for issue on the date of certification by the Comptroller and Auditor General.

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