



# SPORT WALES CHWARAEON CYMRU

ANNUAL REPORT AND ACCOUNTS  
2019/20



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SPORT WALES



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## THE SPORTS COUNCIL FOR WALES AND SPORTS COUNCIL FOR WALES TRUST

1 APRIL 2019 - 31 MARCH 2020

### ANNUAL REPORT AND ACCOUNTS

The Annual Report incorporates the Performance Report including the Sustainability Report, and the Accountability Report including Remuneration Report. The Sports Council for Wales has adopted International Financial Reporting Standards (IFRS).

Sport Wales is a Sole Trustee of the Sports Council for Wales Trust.

### HISTORY AND STATUTORY BACKGROUND

The Sports Council for Wales (known by its trade name Sport Wales) was established by Royal Charter dated 4 February 1972, with the objectives of "fostering the knowledge and practice of sport and physical recreation among the public at large in Wales and the provision of facilities thereto". It is financed by annual funding from the Welsh Government and from income generated from its activities. These Statements of Account are prepared pursuant to Article 15 of the Royal Charter for the Sports Council for Wales (Sport Wales) in a form determined by the Welsh Government with the approval of HM Treasury. A copy of the Accounts Direction is available for public inspection at Sport Wales offices at Sophia Gardens in Cardiff.

The Sports Council for Wales Trust was constituted on 16 May 1972 and is registered as a charity with the Charity Commissioners in England and Wales, with the charitable objectives of:

1. preserving and safeguarding the physical and mental health of the community through physical recreation (including sport) and the education in relation thereto;
2. the provision of facilities for physical recreation (including sport) which shall be available for members of the public at large.

### REGISTERED OFFICE

Sophia Gardens  
Cardiff  
Wales  
CF11 9SW

# A MESSAGE FROM LAWRENCE CONWAY, CHAIR

**THIS YEAR SPORT WALES LAUNCHED OUR NEW STRATEGY. THE LAUNCH WAS, OF COURSE, JUST THE BEGINNING. THE HARD WORK IS NOW UNDERWAY TO ENSURE THAT WE 'ENABLE SPORT IN WALES TO THRIVE' AND THAT WE ARE ABLE TO SHARE AND EMBED THIS GOAL ACROSS THE SECTOR, REACHING ALL COMMUNITIES OF WALES.**

Sport partnerships and collaboration will form a key part of the strategy's success.

We must work together so that everyone can have a better chance to enjoy sport and physical activity, close to where they live and work.

We are committed to being a 'learning organisation.' While we are proud to have a diverse mix of Board Members at Sport Wales, we are unafraid to look at the challenges that exist within the sport sector more widely. We will continue to fight for inclusivity, so that the barriers to sport are broken down.

Sport plays a major role in tackling the alarming rates of obesity among young people. We understand that the contribution of sport to the health agenda is significant – and we know there is more to do.

Of course, the achievements of Wales at elite level continue to impress. Over the past 12 months, we've seen the men's Welsh rugby team lift the 6 Nations cup, our men's Welsh football team qualify for the Euros and our Olympic hopes including boxer Lauren Price and sailor Hannah Mills dominate in their sport. There have been many notable achievements over the past year and we welcome many more to come.

**LAWRENCE CONWAY, CHAIR**

# PERFORMANCE OVERVIEW

**OVER THE PAST 12 MONTHS, THERE HAVE BEEN MANY EXAMPLES WHERE WELSH SPORT HAS SHONE BOTH AT AN ELITE AND COMMUNITY LEVEL AND IT IS IMPORTANT THAT WE ENSURE THESE TWO PERCEIVED WORLDS ARE ENTWINED AND CO-DEPENDENT.**

This year's Wales Sport Awards was an exemplar moment and a particular instance that stood out for me was Alun Wyn Jones (winner of the Sports Personality of the Year) taking the time to chat and wanting his photograph with Inspiring Person of the Year winner Mia Lloyd and Young Sportswoman Lily Rice. This speaks volumes about Welsh sport performing as one, as it does about the humble and genuine elite stars Wales produces.

We are incredibly proud of our sport stars, from the medal winners to the volunteers at grassroots club and community level – all of whom contribute to the plan to 'enable sport in Wales to thrive.' But what do we mean by the word thrive? 'To thrive' can mean different things to different people. It is our task, at Sport Wales, to capture what those different things mean for sport. We must be flexible, willing to adapt and harness the views and energy of the many individuals who make up our sporting landscape.

We look forward to learning collectively and harnessing the benefits from the obvious diversity of our sector to ensure sport delivers all the good it is capable of doing for our communities and nation.

As we move forward, we will be looking to improve the way in which sport in Wales is funded so that it aligns to the Vision for Sport in Wales and our new strategy.

With positive steps forward already having taken place for the way in which sport is delivered, including Sport North Wales and a financial boost to our facilities, we move into 2020/21 with continued and justified enthusiasm.

Change brings with it the opportunity to challenge ourselves and work closely together to find solutions for the good of Welsh sport.

**BRIAN DAVIES, ACTING CEO**



## CORONAVIRUS IMPACT

Since preparing the core narrative of this annual report, the global Coronavirus Pandemic and its severe implications became a stark and dark reality.

The full impact is obviously yet to be realised but certainly during the last few weeks of this financial year there were direct implications for our method of working; income generation; and plans for future sector support and delivery.

In the interests of public health, Sport Wales took the decision to close our offices and both National Centres on 19 th March with staff being asked to work remotely where possible. While this led to some inevitable short-term disruption to operations and our ICT systems, Sport Wales' previous investment in technology facilitated the vast majority of staff to be able to work effectively from home within 72 hours of the decision being taken.

There has not been a significant increase in staff sickness rates as a result of the pandemic and there have been no long term absences of key management personnel. The wider impact of Covid-19 on both the Corporate Risk Register and wider governance arrangements can be found within the Annual Governance Statement on page 72.

Without wishing to detract from the seriousness of the pandemic, the majority of this report outlines what another successful year it has been for sport in Wales at all levels and how the sport sector has made such a positive impact across a range of other agendas important to society and Government.

Indeed, if there is at least one positive that can be gleaned from the dire pandemic situation, it is the fact that it is clearly still important for the nation to remain active. The benefits for physical health and mental well-being have never been made as clear.

The Board and Executive are also very grateful to the staff of Sport Wales for the way they have reacted and risen to the challenges presented by the COVID-19 crisis.

# ENABLING SPORT IN WALES TO THRIVE

**WE WANT TO UNLEASH THE BENEFITS OF SPORT ON EVERYONE IN WALES. SPORT WALES' NEW STRATEGY HAS BEEN CREATED WITH THE HELP OF PEOPLE FROM ALL PARTS OF WALES.**

## LET'S RECAP.



## WE'RE GOING THROUGH CHANGES.

Our approach is changing. We want to continue to learn, understand and explore.

We will strive to be more flexible so that we can respond more quickly to the changing needs and motivations of the people of Wales and its communities.

We will be investing our resources differently, seeking out and encouraging effective collaborations which have the potential to create far-reaching impact.

We will continue to work with our current partners, but we are open to working with different types of organisations too.

We will gather evidence to continually improve what we do.

We are evolving and we would love you to join us on the journey towards a happier, healthier, sportier Wales.

# LEARNING TOGETHER

We've spent the last year telling our partners we want an honest, open and challenging relationship. We want to learn together by knowing what worked, but also what didn't. If we expect that of others, we must expect it from ourselves, and so here we are telling you what we didn't get right.

## KEY THINGS WE COULD IMPROVE:

### BOARD DIVERSITY

The policy target of a 50-50 gender balance by 2020 was a great way to raise the profile and focus attention. We soon learnt that the intent, behaviours and approach were equally important. This learning led us to develop the essential requirements to highlight the progress being made by partners.

### SCHOOL SPORT SURVEY

We made changes in 2018 but didn't communicate them as well as we should have. We also didn't recognise the impact some of those changes would have. We've learnt from that and will be consulting on the 2021 survey in more depth, listening to the feedback and designing the new survey accordingly.

### OUR TEAM

We know we could have a more diverse and representative workforce. We are putting in place new approaches to how we recruit in order to attract a more diverse network of candidates and have explored opportunities such as work experience and shared equality objectives to better reflect the communities we wish to serve.

### OUR PARTNER INVESTMENT

Over the last 12 months, we've been asking the views of our partners on our investment process. We were told that there was too much subjectivity in our decisions around partner investment and that partners want a more transparent, flexible and less bureaucratic approach. Through our investment model work we are putting in place ways to respond to what we've heard and to implement the necessary changes.

# OUR INTENTIONS

We have developed six statements – our strategic intents – with clear outcomes. These organisational outcomes, which will act as our well-being objectives, demonstrate what you can expect to see as a result of our collective work.

## **#1 BE PERSON CENTRED**

The needs and motivations of the individual lead the delivery, whether just starting out, aiming to progress or striving for excellence on the world stage.

## **#2 GIVE EVERY YOUNG PERSON A GREAT START**

Every young person has the skills, confidence and motivation to enable them to enjoy and progress through sport; giving them foundations to lead an active, healthy and enriched life.

## **#3 ENSURE EVERYONE HAS THE OPPORTUNITY TO BE ACTIVE THROUGH SPORT**

Sport is inclusive and provides a great experience for all.

## **#4 BRING PEOPLE TOGETHER FOR THE LONG-TERM**

There is a collaborative, sustainable and successful sport sector, led by collective insight and learning.

## **#5 SHOWCASE THE BENEFITS OF SPORT**

The impact of sport is evidenced, and sport's reach is fully understood, showcased and celebrated through Wales.

## **#6 BE A HIGHLY VALUED ORGANISATION**

Sport Wales is a respected organisation, striving to overachieve by delivering an exemplary service through valued staff.

# BUSINESS PLANNING

This Annual Report performance overview updates on progress against the Business Plan 2019/20 and highlights examples of good practice, ongoing projects, other work that has been carried out, and challenges.

## EXAMPLES OF WHAT WE SAID WE'D DELIVER DURING 2019/20

- **A NEW RESOURCE STRATEGY THAT ALIGNS TO OUR STRATEGIC INTENT**
- **A STRATEGIC REVIEW OF ROLE & PURPOSE OF NATIONAL CENTRES**
- **A NEW APPROACH TO PARTNERSHIP SUPPORT & DEVELOPMENT**
- **A COMMISSIONED STUDY OF THE BEST ATHLETE ENVIRONMENT**
- **A COLLECTIVE APPROACH TO SUPPORT EDUCATIONAL SETTINGS**
- **A NEW PARTNER ASSURANCE FRAMEWORK**
- **A SPORTS INTELLIGENCE HUB**
- **A REDESIGNED AND REFRESHED ORGANISATION**
- **SPORT NORTH WALES**

## INVESTING IN SPORT

### A NEW RESOURCE STRATEGY THAT ALIGNS TO OUR STRATEGIC INTENT.

In order to achieve the new Vision for Sport in Wales, and recognising that we must operate within a finite public resource, Sport Wales has been developing a bold new investment model which will affect how partners such as National Governing Bodies are funded.

To be introduced in 2021/22, the new model will encourage innovation and collaboration, giving partners greater flexibility to decide how their funding can generate the maximum impact.

### FUNDING WILL BE DETERMINED BY THREE KEY COMPONENTS:

- 1. CAPABILITY**
- 2. INSIGHT, INFORMATION AND DATA**
- 3. ACCOUNTABILITY**

Clear, transparent funding decisions will be directly linked to Sport Wales' new strategy, and the emphasis will be on what really matters, rather than what can be easily measured.





SPORT WALES

**#1**

**PERSON-CENTRED**

# FREE SWIMMING

**SPORT WALES HAS WORKED IN COLLABORATION WITH THE SECTOR TO LAUNCH A NEW FREE SWIMMING INITIATIVE, FROM OCTOBER 2019.**

**THE PRIORITY AREAS TO REACH ARE:**



**YOUNG PEOPLE FROM DEPRIVED AREAS**



**PEOPLE OVER THE AGE OF 60 FROM DEPRIVED AREAS**

This focus allows us to target customers in a far more personalised way.

It's an opportunity for us to move away from concentrating on the numbers and instead place more emphasis on the person's individual needs and the reasons why they might enjoy a swimming session. To support partners in preparation for the launch and to assist in developing the initiative, Sport Wales hosted five learning events:-

**3**

**REGIONAL CONSULTATION EVENTS**

attracting over 70 delegates

**2**

**NATIONAL PARTNER EVENTS**

attracting over 75 delegates

The new initiative is operating in all 22 Local Authority (LA) areas in Wales.

It is too early to report on the impact to-date, but the early signs are positive in terms of how partners are engaging with the revised objectives and the target audiences.

We know that the right offer will take time to develop. Significant resources are being committed to evaluate the impact during 2020/21.



## SPORTING SPOTLIGHT SOLE SISTERS

Sole Sisters started out as a social running group, founded by Janine Price and Kath Cross. It is a safe space, where women of any age and any ability can come together in a non-competitive environment. They pride themselves in being open to everyone, with members ranging from 10 years old to 80 years old. For many of the local women attending the sessions, they wanted a place where they could be role models for their children - and this led to the creation of Junior Sole Sisters. The team behind Sole Sisters consulted with their community, where some women raised childcare as a barrier to physical activity. There are now many sessions running in Cwm as a result - including buggy fit, bootcamps and family walking groups - helping to meet the needs of the individual in a fun sport setting.



# #THRIVINGATHLETE

**SPORT WALES LAUNCHED AN ONLINE CAMPAIGN CALLED 'THRIVING ATHLETE' AROUND MENTAL HEALTH AND WELLBEING OF ATHLETES IN WALES.**

A number of high-profile athletes (current and retired) endorsed the messaging including David Cotterill, Jazz Carlin, Vicky Thornley, Beth Davies, Jamie Baulch and Menna Fitzpatrick. What's more, many sports contributed with photos of their athletes 'thriving,' stories and supporting messages (including a video message from Ryan Giggs). The campaign also attracted media attention, including a debate on Radio Wales featuring ambassador Jamie Baulch and Sport Wales Institute's Performance Advisor Zoe Eaton.

The messaging is ongoing with topics discussed including preparing for life after sport, obtaining a good life-sport balance and the benefits of wellbeing for athlete development.

## SPORT WALES INSTITUTE & ATHLETE MENTAL HEALTH

The Sport Wales Institute has continued to facilitate the roll out of Mental Health First Aid training for performance staff (delivered by Cardiff Met Uni Athlete Mental Health lead Dr Mikel Mellick). Coaches, Performance Directors and sports science & medicine practitioners from Welsh Boxing, Disability Sport Wales, Welsh Gymnastics, Welsh Judo, Swim Wales, Welsh Athletics and Welsh Cycling have all completed the 12 hour 'Training in Mind' accredited course.

The Institute also drafted the following resources:

Bereavement support for those experiencing a loss from death by suicide

Managing distressing events in a team environment at a Major Games

The former resource has recently been shared with wider staff and a key partner. Both have been shared with the UK Sport Mental Health Expert panel.



### SPORTING SPOTLIGHT WELSH GYMNASTICS - PERSON-CENTRED APPROACH

Welsh Gymnastics' performance team consulted with parents of their elite squads to improve the overall experience for the child and parent. Parents wanted a better understanding of the elite pathway and needed guidance to support their child in terms of nutrition, sleep, recovery and mental wellbeing. As a result of this feedback parent 'induction' workshops were introduced and experts brought in to cover those topics. In addition, a new 'Athlete Manager' role has been created to support anyone in junior or senior squads. The role looks at holistic plans for education, training and wellbeing.



**SPORT WALES**

**#2**

**GIVE EVERY YOUNG  
PERSON A GREAT START**

# EDUCATION

## A COLLECTIVE APPROACH TO SUPPORT EDUCATIONAL SETTINGS.

### CURRICULUM FOR WALES 2022

The revised Curriculum for Wales was published in January 2019. Sport Wales are pleased to see a greater visibility for sport in the Health and Wellbeing Area for Learning and Experience (HWB AoLE). This follows feedback as part of the consultation. We are also pleased to see that it remains physical literacy informed. Sport Wales is currently working in partnership with Public Health Wales and Natural Resources Wales to explore how we can best support the professional development of teachers to implement the Health and Wellbeing Area of Learning and Experience.

### YOUNG LEADERS

15 Young Ambassadors (YA) from across Wales have become the 5th cohort to complete the National Leadership Academy supported by Sport Wales and the Youth Sport Trust. The 12 female and three male YAs took part in residential weekends which focused on developing key skills like facilitation, presentation and networking while enhancing their confidence to help enable sport in Wales to thrive.



## SPORTING SPOTLIGHT 10TH ANNIVERSARY YOUNG AMBASSADOR CONFERENCE - NOVEMBER 2019

Sport Wales celebrated the Young Ambassadors (YA) programme as it hit the ten-year mark.

In collaboration with the Youth Sport Trust, the National YA steering group planned, organised and delivered a conference for 100 new Gold Young Ambassadors from across Wales. The aim was to inspire them to continue to make positive changes in their schools and communities through sport and physical activity.

A number of YA alumni came along to share their story of how being a YA helped them through education and into employment.

The project is a hugely successful London 2012 legacy, with around 4,000 YAs recruited and trained each year from Bronze to Platinum and around 20,000 YAs across Wales since 2010.



# PLAY MAKERS

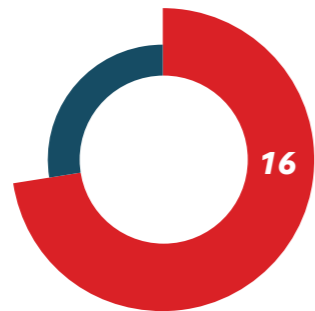
## 11,000 LEADERS

TRAINED IN THE FIRST 6 MONTHS OF 2019/20 INCLUDING

**2,500 AT LEVEL 1, 2 AND 3 (13+)**

AND

**8,000 PLAYMAKERS (9+)**

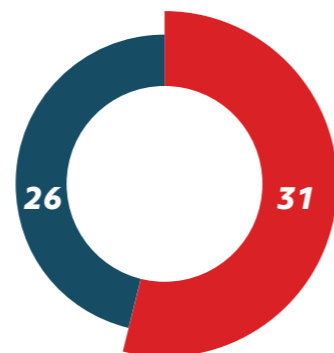


## 16 OUT OF THE 22 LA'S

are now delivering the PlayMaker Award to every Year 5 pupil across their counties to start them on their leadership journeys and support them to deliver sport and physical activity opportunities in their schools.

In many cases the PlayMakers are supported by Bronze Young Ambassadors in Year 6 who support the promotion, advocacy and delivery of the PlayMaker activities.

**31 NEW TUTORS TRAINED**  
AND  
**26 REFRESHED**



## SPORTING SPOTLIGHT ALL STARS CRICKET - ACROSS WALES

All Stars Cricket has helped many thousands of under 8s over the last three years develop a love for the game as well as a good measure of physical motor skills thrown in!

So why has All Stars (5-8s) been so successful? The scheme is easy to sign-up to and accessible for everyone, with over 125 centres across Wales.

Its success among children has helped raise the profile of local cricket clubs.

With new interest in the game, the demand has grown for the next age groups – and kick-started Dynamos Cricket.

Both All Stars and Dynamos Cricket give girls and boys an opportunity to try a new sport while the curriculum of fun cricket activities and games provide children with basic movement skills to begin a lifelong love of sport and physical activity.

What's more, the schemes are able to operate thanks to volunteers and have proved a huge success in getting parents involved.





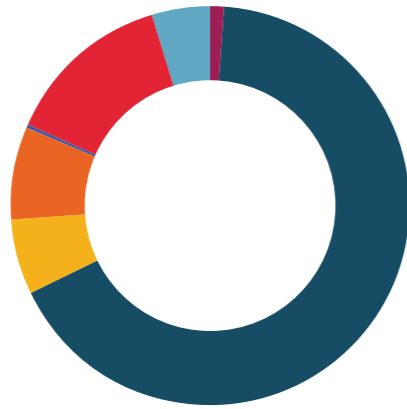
**SPORT WALES**

**#3**

**ENSURE EVERYONE  
HAS THE OPPORTUNITY  
TO BE ACTIVE  
THROUGH SPORT**

# OUR GRANTS

## COMMUNITY CHEST



**TOTAL AWARDS: 1341**  
**TOTAL AWARDED: £1,624,314**  
**TACKLING INEQUALITY: 303**

PRIMARY FOCUS	TOTAL AWARDED	NUMBER OF AWARDS
BME	£22,420	17
Club development	£1,082,676	896
Disability	£98,372	77
Lesbian, Gay, Bisexual and Transgender (LGB&T)	£1,215	1
Other	£121,447	99
Welsh language	£4,245	3
Women and girls	£219,933	178
Workforce	£74,006	70

## DEVELOPMENT GRANTS



**TOTAL AWARDS: 44**  
**TOTAL AWARDED: £819,254**

PRIMARY FOCUS	TOTAL AWARDED	NUMBER OF AWARDS
Club Development	£330,206	24
Disability	£114,304	7
Other	£353,080	10
Women and Girls	£21,664	3

# PLACE FOR SPORT

**IN 2019, WELSH GOVERNMENT ALLOCATED £5M PLACE FOR SPORT FUNDING TO AWARD GRANTS THAT COULD IMPROVE, PROTECT OR CREATE NEW SPORTS FACILITIES IN WALES.**

The money helped to fund:

**MORE THAN 150 PROJECTS**

**28 DIFFERENT SPORTS**

Projects ranged from new cycle tracks and changing room renovations to new artificial pitches, floodlight installations and table tennis training robots!

**118 OF THE CLUBS AND ORGANISATIONS AWARDED FUNDING APPLIED VIA A £1M OPEN FUND.**

A total of **319** applications were submitted for the open fund (with requests reaching more than £15 million for total project costs with more than £20 million).

Due to the huge appetite shown for further improvements across Wales, the Welsh Government has allocated **£3M WORTH OF PLACE FOR SPORT FUNDING TO SPORT WALES IN 2020/21** as part of the Healthy Wales Healthy Weight delivery plan to improve, protect or create new sports facilities across the country.

This will include:

**£1M FOR ARTIFICIAL PITCHES**

**£2M OPEN FUND**

# HEALTHY AND ACTIVE FUND

17 projects across Wales have been awarded a total of £5.4m from the first phase of the Healthy and Active Fund (HAF), delivered by Welsh Government, Sport Wales and Public Health Wales.

## THE FUNDING AIMS TO IMPROVE MENTAL AND PHYSICAL HEALTH BY ENABLING THE ADOPTION OF HEALTHY AND ACTIVE LIFESTYLES ACROSS WALES.

Money has been awarded to organisations who actively promote and enable healthy activity for one or more of the following groups:

CHILDREN AND YOUNG PEOPLE

PEOPLE WITH A DISABILITY OR LONG-TERM ILLNESS

PEOPLE WHO ARE ECONOMICALLY INACTIVE OR WHO LIVE IN AREAS OF DEPRIVATION

OLDER PEOPLE AND THOSE AROUND THE AGE OF RETIREMENT FROM WORK

### THE SUCCESSFUL PROJECTS WERE:

- 'SPORTING MEMORIES' - Sporting Memories Network CIC
- 'GROWING TOGETHER' - Keep Wales Tidy
- 'BALANCED LIVES FOR CARE HOMES' - Action for Elders Trust
- 'HAPPY' - National Trust
- 'SUPER-AGERS' - Bridgend County Borough Council
- 'WEST WALES LET'S WALK' - Pembrokeshire Coast National Park Authority
- 'ACTIF WOODS WALES' - Smallwoods Association - Coed Lleol
- 'WELSH ACTIVE EARLY YEARS PROGRAMME' - Early Years Wales
- 'HEALTHY & ACTIVE NEWPORT' - Newport Live
- 'PLAY AMBASSADORS' - Play Wales
- 'BABI ACTIF' - Eryri-Bywiol Cyf
- 'HEALTHY BODY - HEALTHY MIND PROJECT' - Women Connect First
- '5 WAYS TO WELLBEING' - Betsi Cadwaladr University Health Board
- 'STREETGAMES' - Street Games UK Ltd
- 'OPENING DOORS TO THE OUTDOORS' - The Outdoor Partnership
- 'CYFELLION CERDDED CYMRU' - Living Streets Cymru
- 'BEACTIVE RCT' - Interlink RCT



### SPORTING SPOTLIGHT BME SPORT HEALTHY BODY - HEALTHY MIND PROJECT' - WOMEN CONNECT FIRST

The mission of Women Connect First is to empower and improve the lives of disadvantaged BME women and communities in South Wales, to help them realise their full potential and make a positive contribution to Welsh society. They received funding through the Healthy and Active Fund. An example of one of the projects they have introduced is a new partnership with the women's group of Madina Mosque's management committee. An Open Day was organised during February half term 2020 which attracted over 200 women and children. Activities included Dance Fit and Yoga taster sessions for women and children, health and nutrition advice stations, a seminar delivered by Public Health Wales on screening programmes, and a consultation on what future activities they wanted to take part in.

## DISABILITY SPORT

**THE PERFORMANCE PATHWAY TEAM AT DISABILITY SPORT WALES HAVE EXPANDED THEIR PERFORMANCE PATHWAY HUBS TO ENABLE MORE OPPORTUNITIES FOR DISABLED ATHLETES IN WALES TO DEVELOP THEIR SKILLS AND INTERESTS.**

Sessions continue to be delivered twice a month at the West Hub in Aberystwyth providing multi skills activities and strength & conditioning for up to 19 participants.

A new multi-sport session has been established at a South Hub in Cardiff to provide an opportunity for participants to enter the programme from a young age to a non-sport specific environment. This also means the existing session at the South Hub can be moulded into a bespoke athletics performance-based session.

Discussions have now begun to create a North Hub in partnership with the community team to develop their understanding of what the pathway can provide and who could be signposted. This model will ensure that there is an opportunity for disabled people across all areas of Wales to be identified, profiled, develop interest and progress further along a performance pathway in disability sport.

## WOMEN AND GIRLS

### #WATCHHERGO

Sport Wales helped support the launch of Wales' Women in Sport initiative #WatchHerGo. The launch event at the Senedd saw a mix of high-profile speakers, including Claire Balding, help set the scene for the future of women's sport in the country. Encompassing participation, performance, volunteering, coaching and leadership – the movement aims to increase the visibility of women in sport.

## INTERGENERATIONAL SPORT

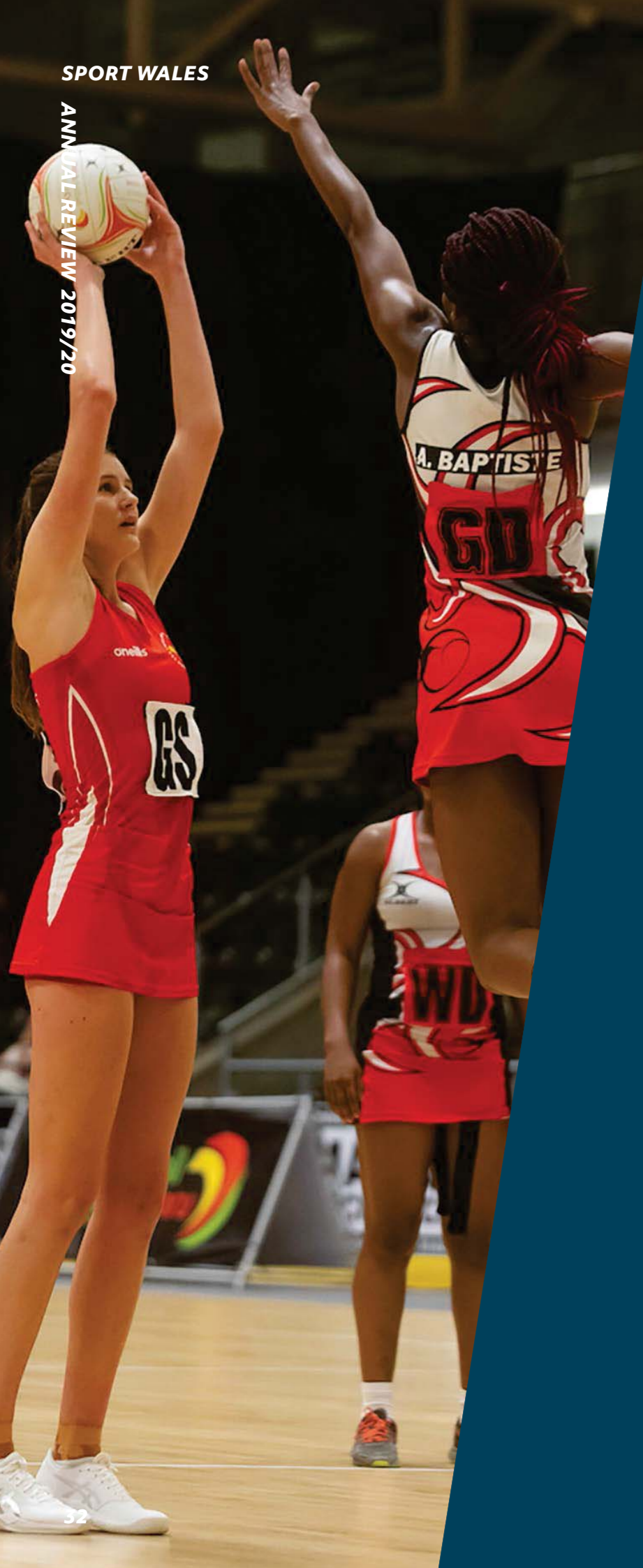
Young Ambassadors have visited older people to provide fun and accessible health activity sessions. The following two social media posts highlight examples from Sport Powys and Ceredigion Actif.



### SPORTING SPOTLIGHT THE URDD, WELSH LANGUAGE AND SPORT

The Urdd receives funding from Sport Wales annually. Its aim is to use the power of the Welsh language to engage with children, young people and families and get them actively involved in sport week in, week out - for life. The Urdd 'Chwaraeon Bach' programmes actively encourage families to participate in a fun and creative environment, introducing the fundamental motor development skills of children through play. Across South and West Wales 'Chwaraeon Bach' now includes vast opportunities for the foundation phase across varied sports to include football, rugby, netball, gymnastics and multi-skills, contributing towards the children's holistic wellbeing through Physical Literacy development.





**SPORTING SPOTLIGHT  
BOARD DIVERSITY  
NATIONAL GOVERNING  
BODIES (NGBS)  
AND KEY NATIONAL  
PARTNERS**

At its July 2018 meeting the Sport Wales Board agreed a policy for all sport NGBs and national partners to achieve gender parity (the EU Commission's definition of gender parity is at least 40% women or men on a board).

There has been a large cultural shift from 'why do we need a diverse and inclusive board?' to 'how can we develop a diverse and inclusive board?' which has brought about a solution-oriented focus.

Seven organisations have achieved the policy, with a further five only a few % points away from doing so. This is up from four organisations in July 2018.

Action plans from 16 partners have committed to providing a plan by end of the financial year.

Board Diversity has a far higher profile internally, with it featuring prominently on the Sport Wales website and attention driven to the subject through a series of events.

**SPORT WALES**

**#4**

**BRING PEOPLE  
TOGETHER FOR  
THE LONG-TERM**

## REGIONAL SPORT

## SPORT NORTH WALES

Over the past year the Sport North Wales Partnership has:



**AGREED A  
GOVERNANCE  
MODEL**



**DEVELOPED STRATEGIC  
OUTCOMES FRAMEWORK AND  
YEAR ONE DELIVERY PLAN**



**DEVELOPED  
THEIR FINAL  
BUSINESS CASE**

The roll-out for the Community Sport and Activity Programme (CSAP) has begun across other parts of Wales:

**3 SECTOR ENGAGEMENT  
EVENTS** held across  
South Wales in June 2019.

**180** individuals attended from  
around **90** organisations

**3 PARTNERSHIP  
DEVELOPMENT DAYS**  
held in October 2019.

attended by  
**80** participants  
from **44**  
organisations

**43** Expressions  
of Interest

## SPORT GOVERNANCE

The Government and Leadership Framework for Wales (GLFW) was first introduced in 2015 but was reviewed with partners and rewritten in 2019 to ensure it is up to date with political shifts and policy changes.

Since its launch, it has proved a hugely valuable resource – by the sector, for the sector - and seen Wales leading the way in this area of work.

It is designed to help organisations of all types and sizes develop solid structures and high quality behaviours so that they are well equipped to be the best they can be.

It has seven principles and key behaviours which should be used by boards to help lead an organisation. By adopting the Framework, organisations can more easily benchmark their progress and continually improve.

## MENTORING PROGRAMME

Sport Wales has supported 13 members of the Welsh Coaching Network to develop their understanding of mentoring and the contribution it can make to their organisation's coach development environment through an 18 hour mentoring programme.

## THE WELSH INSTITUTE OF PERFORMANCE SCIENCE (WIPS)

WIPS is a three-way partnership between Sport Wales, Wales' leading academic sport scientists and relevant industry partners. Together the partnership conducts high impact research in line with Sport Wales strategies, encouraging and maximising the latest research, innovation and technology to help enhance the performance of our nation's athletes.

## PROJECTS OVER THE PAST YEAR AND ONGOING INCLUDE:

Working with 'the female athlete' to identify how menstruation affects performance. Firstly, interviews with female athletes took place to understand their experiences. Following this and using the insight, coach and parent education is being developed and delivered to multiple sports.

The Sport Wales Institute is supporting judo in terms of physiotherapy, Strength & Conditioning (S&C) and physiology. WIPs reviewed information around competition demand and work to rest ratios. They were able to inform practice to support the most appropriate conditioning sessions.

The aim of the Coach Learning project was to understand how adults learn, retain information and apply knowledge. As a result, the project has enabled us to take an evidence-based approach towards coach development and enhance the support provided to coaches nationally.

A key role of the sport psychology team involves working with individuals to support their personal wellbeing and athletic development. The Thriving Environments project is developing our understanding of how people involved in sport (e.g. athletes, coaches) thrive effectively.

SPORTING SPOTLIGHT  
COLLABORATION  
NON-PERFECT DAD  
END OF 2019 AND START OF 2020

Gymnastics, Cricket, Athletics and Hockey joined forces to host a series of events for parents of athletes. Richard Shorter, otherwise known as "The Non-Perfect Dad" set about answering the question: how do parents ensure the support they provide offers the best chance of realising that potential? The sessions looked at how best to support children in sport, from club level through to elite. It was an example of sports finding a common aim and planning the sessions together.



**SPORT WALES**

**#5**

**SHOWCASE THE  
BENEFITS OF SPORT**

# CELEBRATING WELSH SPORT

## OUR SHINING STARS OF SPORT DESCENDED ON THE CELTIC MANOR IN DECEMBER FOR THE WALES SPORT AWARDS 2019.

Through the winners, prizegivers and guests, the event helped showcase the power of sport and celebrate its wider reach.

Jointly organised by Sport Wales and BBC Cymru Wales, it provides a chance to recognise the very best of community sport across the country, as well as our elite sporting heroes.

A dedicated nominations campaign saw a record number of quality entries for the community categories.

Stealing the show for grassroots sport on the night were **THE MIA LLOYD** (Inspiring Person), **THE HOMELESS WORLD CUP** (Great Sport Story), **GOODGYM CARDIFF AND VALE** (Getting Wales Active) and **HANNAH MILL'S COACHING CHAIN**.

In the elite world and in a big year for rugby union, Warren Gatland was named Coach of the Year, the men's Welsh rugby squad took Team of the Year and Alun Wyn Jones was hailed Wales' Sports Personality of the Year. Boxing legend Joe Calzaghe was awarded the Lifetime Achievement accolade while Lily Rice and Etienne Chappell claimed the Carwyn James awards.

The Awards were presented by Gethin Jones and Catrin Heledd.



### SPORTING SPOTLIGHT

#### MIA LLOYD WINNER OF INSPIRING PERSON OF THE YEAR AT WALES SPORT AWARDS 2019

Back in May of 2017, Mia (pictured) was diagnosed with a rare type of bone cancer called Osteosarcoma in her left femur. She had a nagging pain in her knee that seemed to get worse when exercising. The cancer spread to her lungs. She had 10 months of gruelling chemotherapy at Noah's Ark Children's Hospital in Cardiff. She opted for an above knee amputation – a tough decision, but one that allowed her to get back to the running track as soon as possible. The thought of getting back into sport kept Mia going during her hospital stay. She was introduced to Gemma Cutter (Disability Sport Wales) who explained all the opportunities open to her. Her goal is to get a running blade which should make her dream of running a little easier. She loves sport and trying new things. She takes part in wheelchair basketball, swimming and golf. She has also tried climbing, adaptive skiing and para-cycling.

# HAPPY BIRTHDAY NATIONAL LOTTERY

We helped celebrate the 25th birthday of the National Lottery in autumn 2019. As it turned 25, it offered a chance to recognise the investment it has provided Welsh sport over the past quarter century.

**MORE THAN £309 MILLION HAS BEEN GIVEN TO NEARLY 26,000 PROJECTS ACROSS WALES.**

Sport Wales took the opportunity to launch a new online magazine show Welsh Sport Insider, which is designed to showcase the best in sport across Wales.

Sport Wales worked with the National Lottery Promotions Unit (NLP) to ensure that Welsh sport was given a high profile in the national campaign and that the transformative impact of the funding to sport was recognised.

## SPORT'S WORTH TO WALES

Last year's Social Return on Investment (SROI) report found that

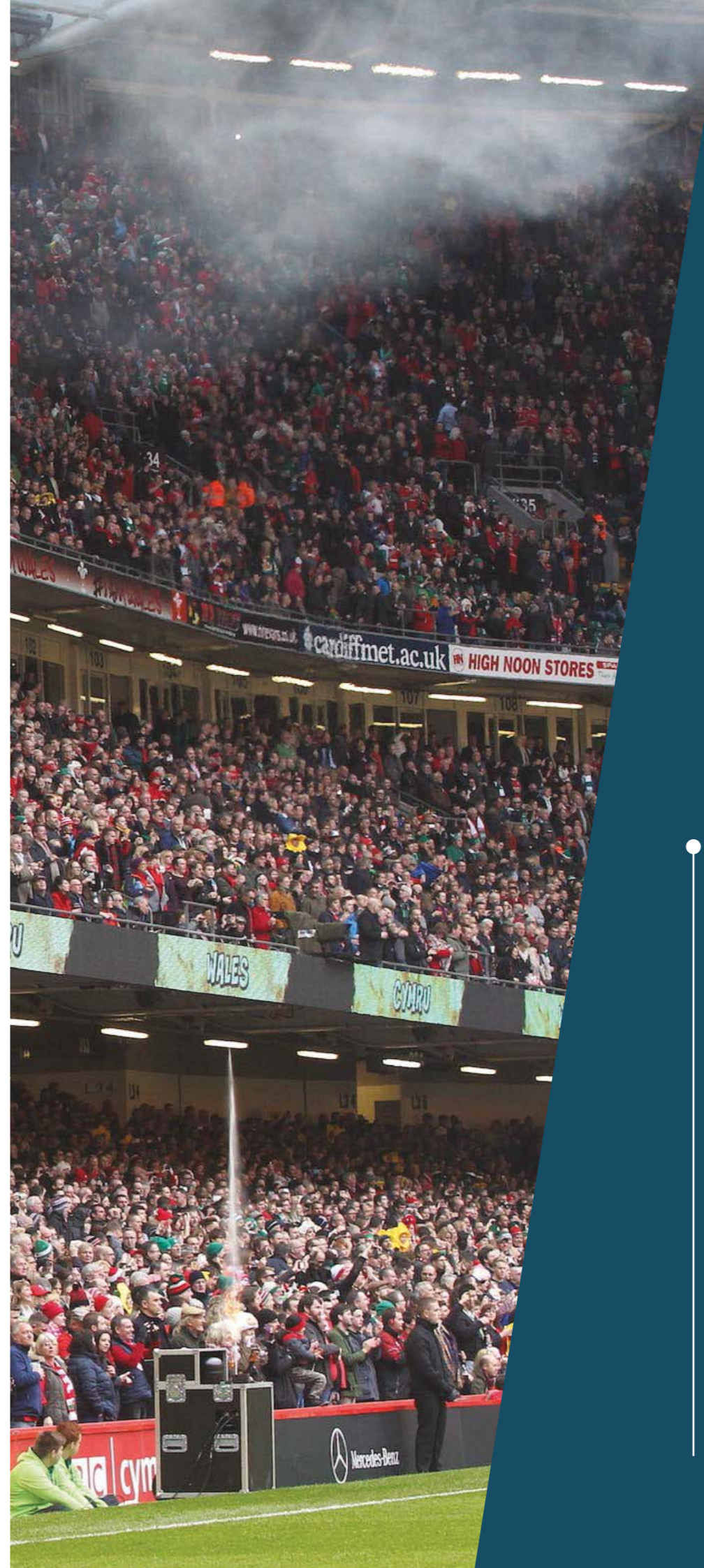
**FOR EVERY £1 INVESTED IN SPORT IN THE COUNTRY THERE IS A RETURN OF £2.88**

£1

£2.88

and a whopping **£3.4 BILLION** of benefits for Welsh communities. We continued to shine a spotlight on the #ValueofSport with the release of new data The Economic Importance of Sport in Wales 2016/17 - produced by Sheffield Hallam University.

It shows the sport industry grew to **£1,142M** (up 10% since 2010). It generated **29,700** sport-related jobs in the same year. The sport sector was also found to out-perform pharmaceuticals, travel, accommodation and textiles industries in Wales.



### SPORTING SPOTLIGHT THE PRINCIPALITY STADIUM

An assessment of the economic impact of the Principality Stadium showed its estimated value to the Welsh economy being £32.3m in additional Welsh economic activity/output, with £11m of this being gross value added.

The stadium's events calendar supported almost 400 full time equivalent jobs, at the stadium site and elsewhere in Wales through its supply chain.

Our report on the economic impact of sport found the sporting economy contributed £1,182m in Consumer Expenditure and generated 29,700 sport-related jobs (in 2016/17).

# LEARNING ORGANISATIONS

## COMMUNICATIONS, LEARNING AND INSIGHTS PROGRAMME (CLIP)

### EDUCATING THE SECTOR

CLIP provides regular access to education and training opportunities for partners of Sport Wales.

Following a successful trial that was rated 100% successful by the Welsh sport sector, we officially launched our new learning programme.

A joint approach from the Sport Wales communications and insight teams - training and support is focused on areas such as evidencing impact, using data, social media, and use of technology in marketing.

CLIP is subsidised by Sport Wales to ensure sessions are affordable for the range of organisations that make up the Welsh sport sector. In a recent survey, 95% said the Clip programme had already proved beneficial to their work.

## SHARING KNOWLEDGE

Under the umbrella of Sport Wales' respected CLIP learning programme, a series of presentation-style sessions were held to share lessons learned with others. Both Sport Wales staff and external partners shared experiences in interactive, energetic sessions which looked to provoke discussions and ideas.

### OBJECTIVES:

ENCOURAGE ORGANISATION OR SECTOR WIDE COLLABORATION

SHARING LESSONS LEARNED FROM SUBJECT

BOOSTING CONFIDENCE IN THE SPORT WALES STRATEGY

TO DISCUSS POLICY POSITION WITHIN THE SECTOR



### SPORTING SPOTLIGHT

## CLIP SESSION: HOW TO DEMONSTRATE THE IMPACT WE HELP TO MAKE

NOVEMBER 2019

A sold-out event of 80 attendees discussed the move away from measuring data to prove success and instead utilising data to learn and improve. The session helped explain what impact sport is having on Wales. Attendees were given a better understanding of how they can demonstrate the difference their work makes to Wales at an organisational and individual level.

### Speakers included:

- Dr Larissa E Davies, Reader in Sport Management within the Sport Industry Research Centre (SIRC) at Sheffield Hallam University;
- Bethan Smith, a Programme Manager for citizen engagement at Cognitive Edge
- Andrew Thomas, Group Manager - Sports and Physical Activity, Bridgend County Council
- Owen Lewis, Assistant Director of Sport System Strategy and Services at Sport Wales

A second session was held to discuss why it is important for the sporting offer for young people to be person-centred, and HOW to do it. More sessions are planned for the future.





**SPORT WALES**

**#6**

**BE A HIGHLY VALUED ORGANISATION**

# REDESIGN

## A REDESIGNED AND REFRESHED ORGANISATION.

The redesign and recruitment process is underway, following a completed consultation phase. The new-look Sport Wales will work according to the organisation's strategic intents. It is hoped that the process will be complete by late Spring.

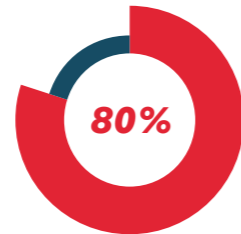
# USER VIEWS

## SPORT WALES INSTITUTE

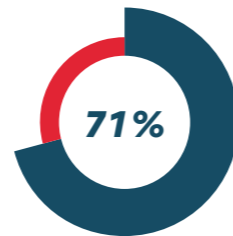
All athletes, coaches and performance directors (an estimated pool of 155 people) who access bespoke support services from the Institute were invited to complete the 2019 Sport Wales Institute Survey during September.



The most used services are soft tissue therapy, physiotherapy and performance nutrition, while the least commonly used services are physiology and performance analysis.



80% of athletes rate the institute services as either 'good' or 'excellent', which is a seven percentage point increase compared with 2017.



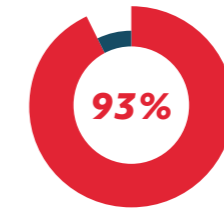
71% of coaches and performance directors rate the Institute services as either 'good' or 'excellent', which is a five percentage point decrease compared with two years ago.



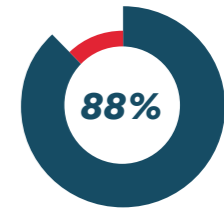
# SPORT WALES NATIONAL CENTRE



Excellent rating achieved in QUEST, the UK Quality Scheme for Sport and Leisure

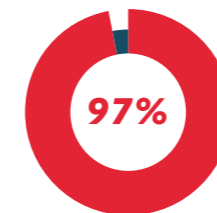


93% of users had a positive experience (good or very good) of their overall impression of the Centre.

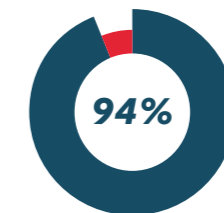


88% of users had a positive experience (good or very good) of the value for money provided by the Centre.

# PLAS MENAI NATIONAL OUTDOOR CENTRE



97% users of Plas Menai had a positive overall impression of the site.



94% had a positive experience of the value for money provided by the Centre.

The Net Promoter Score (NPS) for Plas Menai was a healthy +64 in 2019 (this is a measure of advocacy; recommending the Centre to friends and colleagues. NPS is calculated by subtracting the proportion of detractors (giving fairly negative ratings) from the proportion of promoters (giving positive ratings))





## NEW SPORT WALES WEBSITE LAUNCHED

The launch of a new corporate bilingual website saw completion of the very first phase of a project to increase engagement with our customers and improve businesses efficiency.

The first phase was about consolidation – providing an online resource that would present our services and products in a way that would make it easier for visitors to understand the role of Sport Wales.

### FUTURE PHASES WILL NOW LOOK AT:

- 1** Improved data visualisation to improve access to data on sports participation, including the School Sport Survey
- 2** Personalisation of the online experience, including an area to login to a learning resource for the sports sector
- 3** Personalisation for customer making the online experience a one-stop-shop for Sport Wales resources

Our Club Solutions website also continues to provide help and support to clubs and volunteers in Wales, while a new online resource – to drive commercial income – is being developed by Plas Menai.



### SPORTING SPOTLIGHT SPORT WALES INSTITUTE AND THE TOKYO OLYMPIC GAMES

#### SUMMER 2021

With the Tokyo 2021 Olympic Games on the horizon, the British Olympic Association has confirmed the performance services team that will provide day-to-day support for athletes.

Team GB's performance hub will be held at the Sport Wales Institute in Cardiff. Eight performance analysts based in the UK but working on Tokyo time will be situated at the Hub and supporting on the ground operations in Tokyo. These include two members from Sport Wales' Institute, Carys Jones and Jennifer Roach.

# OUR CENTRES AND THE ENVIRONMENT

## SPORT WALES NATIONAL CENTRE



Installation of **MOVEMENT ACTIVATED LIGHTS** and window upgrades for thermal efficiency (Energy Performance Operational Rating reduced to 43, reduction of 32.8% since scheme introduced)



**CYCLE RACKS** to promote active travel, and the use of timer controls to switch off equipment when not in use



**BIO-DEGRADABLE CUPS**, cutlery and containers are used in the centre's café, any food waste is composted, while cooking oil is recycled into biodiesel



**WATER** is provided free of charge in the centre's reception area to promote the use of re-usable bottles rather than single-use plastics



**FREE FRUIT FRIDAYS** once a month and cafeteria menus including more seasonally balanced healthy choices

## PLAS MENAI NATIONAL OUTDOOR CENTRE



The old light fixtures have been replaced with energy efficient low wattage LED units



Double glazed windows have been installed in the accommodation area



False ceilings and insulation has been added where necessary to make rooms more energy efficient



A conscious effort has also been made to reduce the number of trips made with the centre's vehicles

Although significant improvements have been made to reduce the carbon footprint of both centres in recent years, additional changes will be required over the next decade which will require further financial investment. Future plans will also look at how Sport Wales can support the wider sports sector, including national governing bodies, with their efforts to help tackle the global climate emergency.



## SPORTING SPOTLIGHT ATHLETE KITCHEN AND LOUNGE SPORT WALES NATIONAL CENTRE, CARDIFF

An athlete training kitchen and lounge is under construction to support high performance athletes. The kitchen area will help influence meal choices for more athletes and provide kitchen coaching to support high performance sport. The space will also serve as an area to prepare, serve and store food using good food hygiene standards. In addition, an athletes' lounge is being constructed as an appropriate rest and recreation area between training sessions.

- 153 events took place at the Sport Wales National Centre, ranging from European Championships to School Eisteddfods
- National Governing Bodies had 23,447 hours of use representing 58% of overall use. The balance is made up of community use.
- A membership total of 891, up 7.4% from last year
- Overall usage for the year was 244,551

## OUR PLEDGE

## WE WILL

**LEARN TOGETHER:**

Constantly exploring, testing and reviewing.

**DELIVER TOGETHER:**

Sharing outcomes, nurturing open and honest relationships, providing robust feedback, constantly improving performance.

**CELEBRATE TOGETHER:**

Recognising our shared successes through effective partners.

## BY ...

**ACTING WITH INTEGRITY:**

Understanding and respecting each other's cultures and values. Promoting equality and diversity.

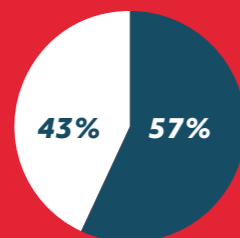
**ADDING VALUE:**

Ensuring the optimum mix of support, challenge, investment, skills and expertise to achieve our shared outcomes.

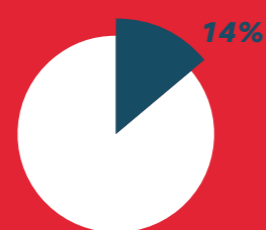
**ENCOURAGING INNOVATION:**

Welcoming new ideas and approaches and supporting ambition and fresh thinking. Not being afraid to feel uncomfortable.

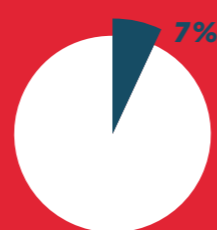
## SPORT WALES BOARD



57% FEMALE  
AND  
43% MALE



14% ARE  
FROM BME  
BACKGROUNDS



7% HAVE A  
DISABILITY

ALL AGE BRACKETS FROM 30S - 70S ARE REPRESENTED.

## OUR DUTIES

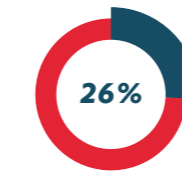
## SAFEGUARDING STANDARDS

ALL  
26

ALL 25 HIGH INVESTMENT SPORT have achieved either **LEVEL 2 OR 3** of the Safeguarding Standards (Young People)



100% of High Investment Sports have achieved at least Level 2 (Young People) with **28%** achieving Level 3.

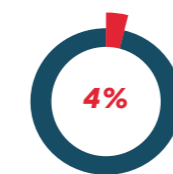


26% (5 out of 19) Low Investment Sports (LIS) to have achieved the new Level 1 Standard (Young People) – SnowSport Wales are the first of the LIS to have achieved Level 2 of the Standards

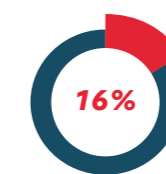
Since the introduction of the new Adults at Risk support service in Nov 2018 the engagement from partners has been excellent. The partnership with the Ann Craft Trust who provide the service will continue for another 2 years (minimal)

Engagement with Safeguarding lead officer events and training continues to be high across funded partners and beyond

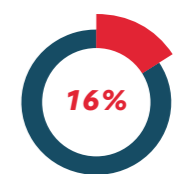
## EQUALITY STANDARDS



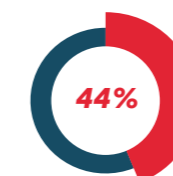
Only **1 (4%)** High Investment NGB has not achieved any of the standards



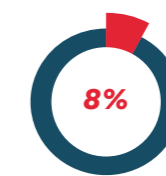
**5 High (16%)** Investment NGBs have achieved or maintained the Foundation standard



**5 High (16%)** Investment NGBs have achieved or maintained the Preliminary standard



**11 (34%)** High Investment NGBs have achieved or maintained the Intermediate standard



**2 (8%)** High Investment NGBs have started the assessment process for the Advanced standards – should they achieve the Advanced standard during 2020/21, Golf and DSW will be the first two partners in Wales

# SPORT PERFORMANCE

## IT'S DIFFICULT TO REFLECT UPON ELITE SPORT IN 2019 WITHOUT FIRST MENTIONING RUGBY.

The Welsh men's side won the Grand Slam in the Six Nations tournament, enjoyed a 14-game unbeaten run that saw them ranked number one in the world and gain a World Cup semi final spot in Japan.

2019 set a positive tone with **HANNAH MILLS** becoming a sailing world champion for the second time, **JADE JONES** claiming a taekwondo world title, boxer **LAUREN PRICE** punching her way to a world number 1 spot and **ELINOR BARKER**'s cycling world gold.

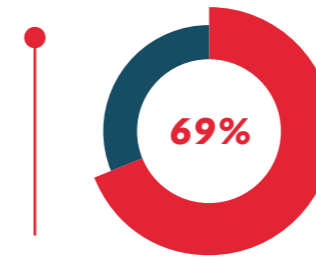
In para-sport, **HOLLIE ARNOLD** (javelin) and **ALED DAVIES** (shotput) both enjoyed success with their fourth consecutive World Para Athletics titles in Dubai.

In team sport, while the Wales netball team did not qualify for the World Cup, they did take part in a Summer Test Series. The matches against South Africa, Malawi and Trinidad & Tobago took place at the Viola Arena Cardiff (formerly Ice Arena Wales), while two games against Grenada took place at the Sport Wales National Centre.

Meanwhile, all eyes were on the men's Welsh football qualifiers for the Euros as they look to emulate the success of 2016.



## CLUB SOLUTIONS



69% increase of traffic to the site over the past 12 months to **17,260 INDIVIDUAL USERS**.

The club development tool has had a rebrand.

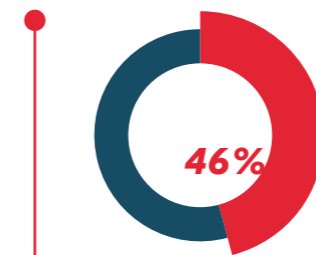
## VOLHOURS APP



Between April 2019 and end of January 2020 **33** sport organisations have set up VolHours accounts.

**743** individual volunteers have set up an account and logged **20,882 HOURS OF VOLUNTEERING**.

## BOARD DIVERSITY



Female CEOs now account for **46% OF HIGHER FUNDED NATIONAL GOVERNING BODIES (NGBS)**.

## URDD



**10,400 CHILDREN AND YOUNG PEOPLE** participate in weekly clubs provided by the Urdd through the medium of Welsh and there are over 600 active community coaches.





**SPORT WALES**

# **LOOKING FORWARD**

**AS DOCUMENTED THROUGHOUT THE REPORT, THERE ARE MANY ONGOING PLANS IN PLACE TO IMPLEMENT THE SPORT WALES STRATEGY.**



# ELITE SPORT

## A COMMISSIONED STUDY OF THE BEST ATHLETE ENVIRONMENT.

Sport Wales will continue to focus on its values and ensure that a holistic approach to athlete development is encouraged.

Sport Wales has instructed EdComs to carry out some cross-sport research, the purpose of which is to:

**BETTER UNDERSTAND THE FEATURES OF A POSITIVE DEVELOPMENT EXPERIENCE FOR ATHLETES**

**IDENTIFY THE BARRIERS AND CHALLENGES THAT ATHLETES AND THEIR PARENTS FACE**

**HIGHLIGHT METHODS TO SUPPORT SPORTS IN CREATING POSITIVE DEVELOPMENT ENVIRONMENTS**

The insight we hope to collect from this project will identify features of a positive development environment in Wales which can be used by sports and Sport Wales to:

**REFLECT ON CURRENT PRACTICE AND ACT ACCORDINGLY.**

**IDENTIFY ANY STRATEGIES THAT CAN BE DEVELOPED TO SUPPORT SPORTS IN CREATING POSITIVE ENVIRONMENTS.**

**IDENTIFY OPPORTUNITIES TO COLLABORATE.**



# FUNDING 'HEALTHY WEIGHT, HEALTHY WALES'

**FOLLOWING THE RELEASE OF HEALTHY WEIGHT, HEALTHY WALES, WELSH GOVERNMENT HAS COMMITTED £4.5 MILLION OVER THE NEXT TWO YEARS ACROSS THREE SPORT PROJECTS IN A BID TO PROMOTE HEALTHIER AND MORE ACTIVE LIFESTYLES.**

The funding projects will be co-ordinated by Sport Wales and are:

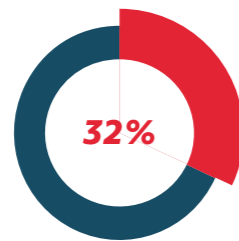
The **60 PLUS ACTIVE LEISURE SCHEME** to encourage more people aged 60 and over in Wales to access local leisure offers, with a free initial period, followed by a subsidised offer to help them develop new healthy habits.

Children and families will be a target for National Governing Bodies in Wales to pilot collaborative sports projects that help broaden opportunities to get more active, more often. **THE PROJECTS WILL BE KICKSTARTED WITH £200K.**

**£3MILLION OF WELSH GOVERNMENT FUNDING** will continue the successful work carried out as part of the Place for Sport fund that has already seen **£5 MILLION** invested into sporting facilities, including 118 Welsh clubs and organisations last year. This money has already allowed exciting projects to get off the ground, such as 'Overhang' in Carmarthenshire where work has begun to turn an old church into an indoor climbing centre, in the same year that climbing makes its Olympic debut.

# PERFORMANCE ANALYSIS

The Sport and Active Lifestyles section of the annual National Survey for Wales was released for 2018-19. Some of the findings help to measure progress towards the goals of the Well-being of Future Generations Act 2015.



The survey found that the number of people participating in a sporting activity three times a week or more remains unchanged at **32% FOR 2018/19.**

**ADULTS IN WALES ARE MOST LIKELY TO BE TAKING PART IN ACTIVITIES SUCH AS:**



#### WALKING

(2 miles or more;  
869,000 people),



**GYM OR  
FITNESS CLASSES**  
(405,000 people)



#### SWIMMING INDOORS

(279,000 people)

**THE FINDINGS ALSO SHOWED THAT 50% OF ALL ADULTS WOULD LIKE TO DO MORE SPORT OR PHYSICAL ACTIVITY.**

Preparations will soon begin for the next round of the School Sport Survey. The Survey gives children across Wales the opportunity to have their say on sport and their wellbeing, as well as giving the sector a rich insight into participation levels, behaviours and attitudes.

In addition to the Social Return on Investment review, conducted by Sheffield Hallam University, a further release showed the economic impact of sport. It found that the sport industry grew to £1,142m (up 10% since 2010), the sporting economy contributed £1,182m in Consumer Expenditure and generated 29,700 sport-related jobs (in 2016/17). The sport sector was also found to out-perform pharmaceuticals, travel, accommodation and textiles industries in Wales.

**WE HAVE EVALUATED AND SUPPORTED A NUMBER OF OUR PROJECTS OR AREAS OF WORK, INCLUDING:**

Sport Wales Institute Survey – we received 57 responses from athletes, coaches and Performance Directors and across the various sports we directly support. Feedback will help shape the services we offer going forward .

An independent review was carried out by Resources 4 Change into our current grants, with a view to launch a new grants scheme in late 2020.

Significant resources are being committed to evaluate the impact of the Free Swimming Initiative during 2020/21.

An Outcomes Framework has been developed and published. This will be populated on a quarterly basis to track our progress in real time.

The programme evaluation of the Healthy and Active Fund, including at individual project level.

*\*Sport Wales is a producer of Official Statistics and, as such, we comply with the Code of Practice for Statistics. This gives assurance to the public, government and other organisations that the data we produce is of value, if high-quality and can be trusted.\**



## FINANCIAL RESULTS FOR THE YEAR

The total comprehensive expenditure for Sport Wales after taxation for the year ending 31 March 2020 totalled £27,991,000 (2018/19 £21,654,000). The net movement on the general fund for the year (page 86), after the funding received from the Welsh Government, was a planned overspend of £4,393,000 (2018/19 planned under spend of £5,668,000). The £4,393,000 decrease was arrived at after charging £534,000 depreciation (2018/19 £521,000) and was largely due to the capital grants issued during 2019/20 from funding received at the end of 2018/19 from Welsh Government.

The results of the Trust are consolidated into these financial statements.

### SUSTAINABILITY

Sport Wales actively pursues policies and initiatives that seek to reduce the impact its operations have on the environment. The Corporate Environmental Strategy is fully in place since previously being approved by the Board. Sport Wales has continued to see a reduction in its CO2 emissions with a drop of 2% compared to 2018/19, which is just below our target of 3% annual reductions.

Sport Wales has continued to encourage staff to use video conferencing, Skype, Teams and Sharepoint in an effort to reduce travel.

Sport Wales also continues to offer a Cycle Scheme to employees, in order to reduce car usage. Employees may claim a mileage allowance of 20p per mile for all business journeys made by bicycle.

Sport Wales are continually looking at ways that technological solutions will help reduce emissions and waste. Staff are encouraged to work flexibly where possible, and this has led to staff working from home more regularly. To support this, additional laptops have been purchased and hot desking has been introduced in some office areas. While this does not have an impact on the mileage claimed by staff (staff cannot claim mileage expenses for commuting to work), it does contribute to a reduction in congestion and emissions.

In March 2020, Sport Wales purchased a second hybrid pool car, which will see a further reduction in carbon emissions in future years.

Sport Wales National Centre Energy Performance Operational Rating (DEC) reduced for the third

year in a row and remains well below the typical rating for the type of building and the centre continues to operate in accordance with the Waste Hierarchy guidance and operates an Environmental Management System.

Even though waste overall reduced, there was an increase in waste collection to landfill compared to 2018/19. This was due to large quantities of office furniture being disposed of due to a rationalisation of offices to make them more effective and modern workplaces. This, along with no green waste collection in the year reduced recycling rates for the year.

Sport Wales National Centre has introduced bio-degradable and compostable take away cups, containers and cutlery and removed single sachets of sugar and sauces and in addition, introduced crisp packet recycling.

There was a decrease in water usage in 2019/20 partly due to the bore hole being able to be utilised for longer before it dried up.

Plas Menai has continued to implement its Environmental Policy and the ongoing building refurbishment has given us opportunities to upgrade to more energy efficient systems that are reflected in the improvements shown in the tables. Following the building enhancements and investments made in previous years, we have seen a further reduction in the DEC score/rating, which is now a D with a score of 89, down from 123 from the previous year.

Refurbishment of the swimming pool lighting was completed in March 2019, the old inefficient lighting has been replaced with low wattage energy efficient LED lights and motion sensors have been installed to control the lights in the changing rooms and the viewing area. Gas Oil usage has returned to normal levels following an exceptionally warm summer where usage dropped in 2018/19.

In 2019 the Centre joined the Refill Cymru Network, encouraging people to top up their water bottles free of charge to help reduce the use of single use plastic.

A 350MW Solar Array has been installed at the Centre. This will help us make further energy reduction savings as well as reducing our electricity bills.

Over the next 12 months we will continue to look for funding to upgrade our Heating System, an options Appraisal had been conducted in 2019/20. Further investigation will also commence on installing an electric car charging point at the centre.

## ENVIRONMENTAL SUSTAINABILITY

The following tables includes all Sport Wales offices data and associated cost

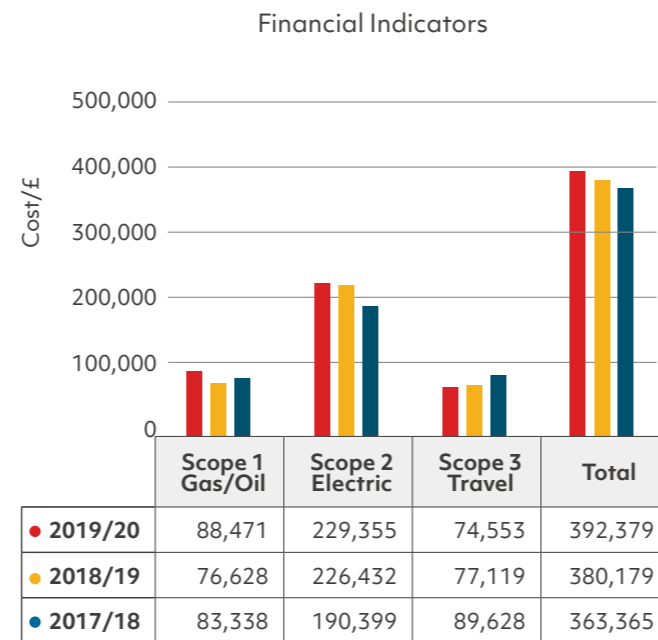
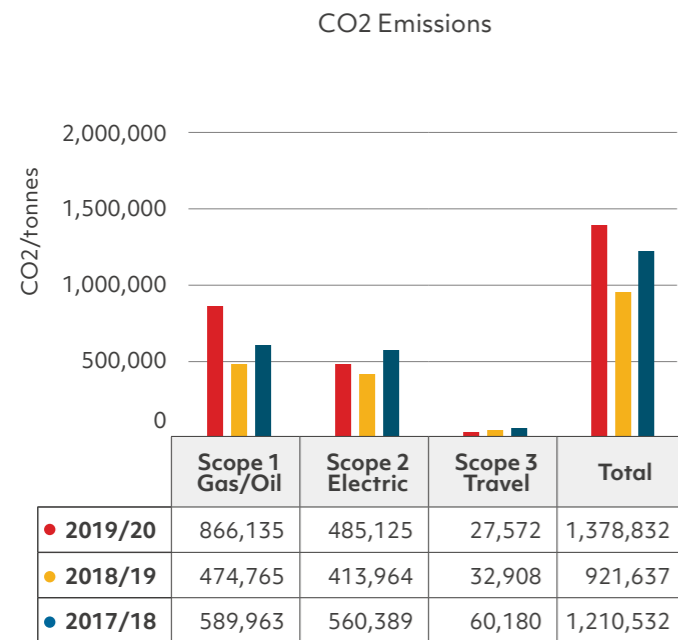
Waste		2019/20	2018/19	2017/18
Non-financial (tonnes)	Total KG	58,905	66,002	59,121

Greenhouse		2019/20	2018/19	2017/18
Co2	Total gross emissions (Co2)	866,135	888,729	1,150,352
	Total net emissions (Co2)	866,135	888,729	1,150,352
	Gross emission, scope 1	485,125	474,765	589,963
	Gross emissions, scope 2	381,010	413,964	560,389
Energy	Electricity (non-renewable)	1,490,651	1,462,408	1,594,006
kWh	Electricity (renewable)	0	0	0
	Gas	1,008,490	1,202,094	1,224,229
	Gas Oil	1,166,800	917,201	1,321,260
Financial Indicators (£)	Expenditure – energy	317,826	310,112	273,737

Finite Resource	Water	2019/20	2018/19	2017/18
Non-financial (M³)	Supplied	18,922	19,699	15,862
	Abstracted	2,722	2,087	3,663
Financial indicators (£)	Water supply costs	49,893	47,222	25,264

Travel		2019/20	2018/19	2017/18
Co2	Rail	3,989	5,616	5,571
	Air	7,072	1,456	22,719
	Ferry	0	258	0
	Car (Taxi/Bus etc)	307	195	164
	Own Car Usage	27,572	25,383	31,726
	<b>Total</b>	<b>38,940</b>	<b>32,908</b>	<b>60,180</b>
Cost	Rail	22,292	27,800	25,033
	Air	4,995	6,150	13,700
	Ferry	0	535	0
	Car (Taxi/Bus etc)	1,524	1,369	925
	Own Car Usage	45,742	41,265	49,970
	<b>Total</b>	<b>74,553</b>	<b>77,119</b>	<b>89,628</b>
Miles	Rail	60,590	79,359	74,430
	Air	20,086	29,090	69,588
	Ferry	0	1,243	0
	Car (Taxi/Bus etc)	1,602	574	578
	Own Car Usage	99,944	91,144	110,197
	<b>Total</b>	<b>182,222</b>	<b>201,410</b>	<b>254,793</b>





## CONSERVATION AND BIODIVERSITY

Sport Wales National Centre, Cardiff is located in a Grade 2 listed garden and all the trees have Tree Protection Orders which are managed in accordance with these orders.

The National Centre at Plas Menai continues to run marine environmental educational courses on the Menai Strait, has planted a managed woodland and bird boxes have been placed around the site.

## SUSTAINABLE PROCUREMENT AND THE FUTURE

Sport Wales's procurement policy requires that all procurement awards in excess of £25,000 should be awarded on the basis that they offer "the optimum combination of whole life costs and benefits to meet Sport Wales' requirements". Whole life costing considers not just the *purchase price*, but also takes into account the continued cost of ownership, maintenance and disposal of services.

We will continue to work to embed sustainable policies in our operations. In particular, we are conscious of the wider environmental impact which our work has and will investigate ways in which we can positively impact upon this.

**Accounting Officer: S Powell**  
16/09/2020

# DIRECTORS REPORT

## BOARD

During 2019/20, Sport Wales comprised the following board members;

<b>Mr Lawrence Conway**</b>	(Chair Appointed 01.09.2018)
<b>Ms Pippa Britton**</b>	(Vice Chair Appointed 01.10.2017)
<b>Ms Johanna Sheppard*</b>	(Retired 30.04.2019)
<b>Mr Richard Parks</b>	(Resigned 07.07.2019)
<b>Mr Ashok Ahir*</b>	(Appointed 01.10.2017)
<b>Mr Ian Bancroft</b>	(Appointed 01.10.2017)
<b>Ms Alison Thorne*</b>	(Appointed 01.10.2017)
<b>Ms Judi Rhys*</b>	(Appointed 01.09.2018)
<b>Prof Leigh Robinson</b>	(Appointed 01.09.2018)
<b>Mr Phil Tilley</b>	(Appointed 01.09.2018)
<b>Mr Martin Veale*/**</b>	(Appointed 01.09.2018)
<b>Ms Rajma Begum</b>	(Appointed 01.09.2019)
<b>Mr Dafydd Trystan Davies</b>	(Appointed 01.09.2019)
<b>Ms Delyth Evans</b>	(Appointed 01.09.2019)
<b>Ms Nicola Mead-Batten*</b>	(Appointed 01.09.2019)
<b>Ms Hannah Murphy</b>	(Appointed 01.09.2019)

<b>Chief Executive</b>	Ms S Powell
<b>Acting Chief Executive***</b>	Mr B Davies (Effective 01.12.2019 to 28.06.2020)

\* Member of the Audit & Risk Assurance committee

\*\* Member of the Remuneration committee

\*\*\*Acting CEO whilst covering CEO adoption leave.

## DECLARATIONS OF INTEREST

All Members and senior staff of Sport Wales have completed a return detailing any interests in organisations which provide, or may seek to provide, commercial services to Sport Wales for 2019/20. Information provided that requires disclosure in accordance with International Accounting Standard 24 is disclosed in Note 20 of these accounts.

## PERSONAL DATA RELATED INCIDENTS

Sport Wales has controls and policies in place to ensure data integrity. Information Technology systems ensure that the physical security of data is tightly controlled. As far as we are aware, no loss of data occurred during the period under review.

## RISK IDENTIFICATION AND MANAGEMENT

Detail on Risk Management is contained in the Risk Management section of the Annual Governance Statement on page 71.

## SUPPLIER PAYMENT POLICY AND PERFORMANCE ACHIEVED

Under the Late Payment of Commercial Debts (Interest) Act 1998 and in line with the Better Payment Practice Code (which can be located on [www.payontime.co.uk](http://www.payontime.co.uk)) Sport Wales is required to pay suppliers' invoices not in dispute within 30 days of receipt of goods or services or valid invoice, whichever is the latter.

Sport Wales aims to pay 100% of invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2020 Sport Wales paid 99% (2018/19 99%) of all invoices within the terms of its payment policy. No interest was incurred during the year as a result of late payments.

**FINANCIAL INSTRUMENTS**

Details of financial instruments can be found in note 1.11 to the financial statements.

**REMUNERATION OF AUDITORS**

The Audit & Risk Committee oversees the nature and amount of non-audit work undertaken by Wales Audit Office our external auditors. During 2019/20, work was undertaken around counter fraud as part of a national study, for which no fee was incurred. The audit fee is disclosed in note 7 to the financial statements.

## STATEMENT OF COUNCIL'S AND CHIEF EXECUTIVE'S RESPONSIBILITIES

Under the Royal Charter, dated 4 February 1972, The Sports Council for Wales (Sport Wales) is required to prepare for each financial year statements of accounts in the form and on the basis determined by the Welsh Government, with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of Sport Wales' state of affairs at the year end, including its net expenditure, changes in equity and cash flows for the financial year.

In preparing the accounts, Sport Wales is required to comply with the requirements of the Government Financial Reporting Manual and in particular:

- observe the accounts direction issued by Welsh Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departure in the financial statements; and

**STATEMENT ON DISCLOSURE OF RELEVANT AUDIT INFORMATION.**

1. As far as the Accounting Officer is aware, there is no relevant audit information of which the auditors are unaware, and
2. The Accounting Officer has taken all the steps that she ought to have taken to make herself aware of any audit information and to establish that the auditors are aware of that information.

- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the entity will continue in operation.

The Principal Accounting Officer for the Welsh Ministers has appointed the Chief Executive as the Accounting Officer for Sport Wales. My relevant responsibilities as Accounting Officer, including my responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable and for the keeping of proper records, and for safeguarding Sport Wales' assets, are set out in the Accounting Officers' Memorandum issued by HM Treasury.

**Accounting Officer: S Powell**  
**16/09/2020**

# ANNUAL GOVERNANCE STATEMENT 2019/2020

**INTRODUCTION**

The Governance Statement brings together all disclosures relating to an organisation's governance, risk and control. As Accounting Officer I am personally responsible for the Governance Statement which outlines how I have discharged my responsibility to manage and control the resources of Sport Wales during the course of the year.

As Accounting Officer, I have reviewed the Corporate Governance in Central Government Departments: Code of Good Practice 2017 and believe that Sport Wales has fully complied with the relevant elements of the code in respect of both its Exchequer and Lottery functions.

**CORPORATE GOVERNANCE****THE BOARD**

Corporate Governance is the system by which organisations are directed and controlled. The Board of Sport Wales is responsible for the governance of Sport Wales and the Sports Council for Wales Trust. The Board's role is to satisfy itself that an appropriate governance structure is in place and to scrutinise the performance of the executive and the organisation's delivery of the Sport Wales Vision.

The Sport Wales Board is made up of a Chair, a Vice Chair and up to twelve other members all of whom are appointed by Welsh Government. The Board's composition includes representation from a wide cross section of different professions and members with expertise and experience relevant to both community and elite sport.

During the year, Welsh Government appointed five new Board members, namely Rajma Begum, Dafydd Trystan Davies, Hannah Murphy, Delyth Evans and Nicola Mead-Batten. Two existing Board members, namely Johanna Sheppard (term expired) and Richard Parks (resigned due to change in circumstances) left the Board. I thank them for their dedicated service to Sport Wales during their tenures and warmly welcome the new members.

Sport Wales is committed to equality and the diversity of its Board, which now comprises 57% female representation, 14% BME and 7% consider themselves to have a disability.

Attendances for both the Board and the Audit and Risk Assurance Committee are shown in the table below:

Board Member	Board Meeting (Number of meetings attended of up to 5)	Audit & Risk Assurance Committee (Number of meetings attended of up to 4)
Lawrence Conway (Chair)	5 / 5	Not Applicable
Pippa Britton (Vice Chair)	5 / 5	Not Applicable
Richard Parks <sup>1</sup>	1 / 1	Not Applicable
Ashok Ahir	4 / 5	2 / 4
Ian Bancroft	4 / 5	Not Applicable
Alison Thorne	4 / 5	4 / 4
Judi Rhys	4 / 5	1 / 2
Leigh Robinson	4 / 5	Not Applicable
Martin Veale	5 / 5	4 / 4
Phil Tilley	5 / 5	Not Applicable
Rajma Begum <sup>2</sup>	3 / 3	Not Applicable
Dafydd Trystan Davies <sup>2</sup>	3 / 3	Not Applicable
Delyth Evans <sup>2</sup>	3 / 3	Not Applicable
Nicola Mead-Batten <sup>2</sup>	3 / 3	2 / 2
Hannah Murphy <sup>2</sup>	3 / 3	Not Applicable
<b>(Independent members – Audit and Risk Assurance Committee only)</b>		
Gareth Jones	Not Applicable	2 / 4
Robert Williams	Not Applicable	3 / 4
<b>Overall Percentage Attendance rate</b>	<b>92%</b>	<b>75%</b>

<sup>1</sup>Resigned 07.07.2019

<sup>2</sup>Appointed 01.09.2019

To discharge its responsibilities and to obtain the assurance required that demonstrate good governance practices are in place, two permanent committees are established; The Audit & Risk Assurance Committee and the Remuneration Committee.

### WHISTLEBLOWING POLICY

Sport Wales has an established and Board approved Whistle-Blowing Policy which is detailed in the Staff Handbook. During 2019/20 Sport Wales was not aware of any reported incidents. We believe that the policy is effective and staff have full access to it, if required. The policy is reviewed periodically with the Staff Handbook.

### AUDIT AND RISK ASSURANCE COMMITTEE

The Board has established an Audit and Risk Assurance Committee to support it in discharging its responsibilities specifically in the areas of risk, internal control and governance through:

- Reviewing the comprehensiveness and operation of current processes, controls and other measures to meet the assurance needs of the Board and the Accounting Officer;
- Reviewing the reliability and integrity of the assurances provided by the executive and the internal and external auditors;
- Providing an opinion as to how well the Board and Accounting Officer are supported in decision making and in discharging their accountability obligations (particularly in respect of Financial Reporting).
- Risks identified are assigned to Corporate Directors and mitigating actions are detailed in the risk register.

The Committee also bade farewell to Judi Rhys and the Board extends its appreciation for Judi's contributions. Nicola Mead-Batten was appointed to the Committee during the year.

During 2019/20, Sport Wales continued to use an 'Assurance Framework' to supplement the risk management process. The purpose of the Framework is to document the level of assurances, both internal and external, incorporated into business processes so as to provide the Accounting Officer and the Board with the requisite assurance. This is monitored regularly by the Audit & Risk Assurance Committee.

The Audit & Risk Assurance Committee consists of up to seven members, two of which could be independent, with a minimum of one independent member required. The Committee met four times during the year and there was an overall members' attendance rate of 75%.

Over the year the Committee's areas of focus included (but was not limited to):

- the operation and effectiveness of the risk management and assurance framework;
- internal audit reports covering specific business areas and the annual internal audit report;
- the Annual Report and Accounts and their format;
- observations made by external audit, particularly the annual management letter;
- compliance with the Framework Document issued by the Welsh Government as well as compliance with the Lottery Statement of Financial Requirement;
- regulatory compliance;
- review of grant funding;
- review of core financial systems
- review of Board member expenses;
- review the Gifts and Hospitality Register;
- agreeing the year's internal audit plan;
- performance monitoring of internal & external audit and reviewing the external audit plan.

The Board received the minutes of the Audit and Risk Assurance Committee at each meeting and are advised by the Chair of any significant matters. The Chair also presents a formal annual report on the Committee's work to the Board. IT systems ensure that the physical security of data is controlled. In 2019/20 no information risk issues, significant control weaknesses or fraud were identified and the Audit and Risk Assurance Committee was satisfied that the level of risk was acceptable and managed in an appropriate manner.

### REMUNERATION COMMITTEE

The Remuneration Committee meet to review and recommend for approval to Welsh Government the Chief Executive's salary and the annual pay award for all staff via the Welsh Government's pay remit process. Further details can be found within the Remuneration and Staff Report on page 74.

### THE EXECUTIVE SENIOR MANAGEMENT TEAM

The Executive, under the leadership of the Chief Executive, is responsible to the Board for the development and implementation of strategy and policies and the reporting thereof.

The Executive meets at regular intervals and typically fortnightly to discuss and agree corporate matters. Formal monthly meetings are held which follow an agenda and minutes are taken to ensure we record decisions at a corporate level. Progress against the Business Plan is reported and monitored on a quarterly basis.

As a result of the Covid-19 pandemic crisis, The Executive had to make decisions that might in normal circumstances have been expected to come to the Board before implementation. However, this was not possible within the time constraints imposed by the emergency and the deadlines that the Executive and Welsh Government had to work to, and in those circumstances the CEO's decision was made following discussion with the Chair.

To ensure due diligence going forward, at the April committee meeting the Board agreed to the formation of 2 new Board sub-groups as follows:

- A sub-group to consider those matters on which the CEO required urgent agreement, and which could not wait for a full Board meeting for approval. The Chair proposed this group involve the Chair, the Vice Chair, the Chair of the Audit & Risk Assurance Committee and up to two other Board members (chosen on an ad hoc basis and primarily in response to their availability).

- A sub-group charged with considering the longer-term recovery strategy for the organisation and sports sector at large. This group would also monitor the relevance and fit of the Vision for Sport and Sport Wales' new strategy.

### BOARD AND COMMITTEE EFFECTIVENESS

During the year, we continued to develop good governance. Board meeting structures have been amended to include a session focussing on a strategic area of the business and a decision tracker has been introduced to allow members to easily look back at previous decisions.

The Board carried out an effectiveness review during the year and a number of practical changes were introduced. Communication outside of board meetings, both formally and informally was identified as a key opportunity to help Board remain informed and engaged with the organisation.

A social media networking group was set up to assist with informal engagement and Board also receive formal updates from the Communications & Digital team on a fortnightly basis.

At the end of each Board meeting, Members reflect on business and discuss ways by which the Board can be more effective in discharging its responsibilities. The Board is committed to supporting the Executive Team and resolved during the year to nominate individual Board members to work closely with members of the Executive on all major projects, for example the Community Sport & Activity Project.

The Board is content with the quality and amount of information received in order for it to make considered decisions.

## RISK MANAGEMENT

### THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage and limit risk but can never eliminate it. It therefore only provides reasonable and not absolute assurance. The system of internal control is based upon an on-going process designed to identify and prioritise the risks of achieving Sport Wales' policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should this happen, and to manage them efficiently, effectively and economically.

The system of internal control has been in place at Sport Wales throughout the year ended 31 March 2020 and up to the date of approval of the annual report and accounts and accords with Treasury guidance. Finally, the system of internal control provides reasonable assurance that Sport Wales has complied with the Lottery financial directions and that adequate processes are in place for the detection of conflicts of interest and to minimise losses of Lottery grants.

### CAPACITY TO HANDLE RISK

As Accounting Officer I am personally responsible for ensuring that Sport Wales has an effective risk management process. This is overseen by the Board, through the Audit & Risk Assurance Committee. As an organisation, the key risks are monitored through appropriate use of the Corporate Risk Register. There is a documented Risk Strategy & Management Policy that contains definitions relating to risk management and the policy also sets out how risks should be identified, recorded, analysed and managed.

Corporate risks, and the control measures implemented to mitigate them, are assigned to and managed by the appropriate manager, corporate director or in some cases by the Accounting Officer. Operating risks are the responsibility of the relevant heads of department while day to day risk management may be delegated to the staff they manage.

New risks are identified by officers of Sport Wales, Audit & Risk Assurance Committee scrutiny or the

Board itself. When a new risk has been identified, it is inserted into the appropriate Risk Register, assessed and scored and assigned to a corporate director and/or manager.

### THE RISK AND CONTROL FRAMEWORK

Risk management is embedded within the management structure of Sport Wales. The majority of identified risks are derived from the organisational objectives and the business planning process of Sport Wales.

The Risk Register is an electronic solution that is accessible to all Sport Wales employees via an online portal, with editing rights limited to relevant managers. Sport Wales' risk management arrangements are subject to an annual internal audit and presented to the Audit & Risk Assurance Committee. The Risk Register records significant corporate risks including risks to information, an overall assessment of likely impact and probability, control measures and where required, a list of future action measures. The Corporate Risk Register is reviewed at regular intervals by Senior Management, the Risk Management & Assurance Group and the Audit & Risk Assurance Committee. In addition, managers present by rotation to the Risk Management & Assurance Group on their specific areas of risk and how they control or mitigate those risks. The Assurance Framework is similarly reviewed by the Risk Management & Assurance Group.

### GRANTS MONITORING

The majority of Sport Wales' funding is expended in the award of grants. Grant awards are made on clear investment criteria into key sporting outputs and outcomes. Sport Wales takes appropriate steps to monitor the application of such awards by requiring formal reporting from recipients, as well as maintaining an on-going dialogue with key partners to gather informal intelligence. In addition, there are specific reconciliation criteria and where expenditure may vary from the level of grant award, Sport Wales exercises its right to claw back such amounts.

**KEY RISKS**

Risks to key strategic and operational activities are identified, evaluated and considered by the Directors Group, and action taken to mitigate them. Risks and the actions to manage risks are reviewed at regular intervals. The internal audit programme is influenced by risks recorded in the Risk Register and, where appropriate, the auditors make recommendations to address any risk or identify new ones. The Audit & Risk Assurance Committee will review these recommendations and action appropriately.

Looking ahead, there are a number of key risks which have been identified at Sport Wales and included in the Corporate Risk Register. While Covid-19 has had a significant impact on the Corporate Risk Register, it has not affected Sport Wales ability to operate on a going concern basis with funding committed for the next financial year.

There is a substantial risk that the financial & delivery impact the Covid-19 pandemic will have on partners and the wider sporting sector will inhibit progress of the Sport Wales Strategy and Vision for Sport in Wales. In response to this risk, through a combination of Welsh Government & National Lottery funding, Sport Wales has developed an £8.5m Sport Resilience Fund to help protect the sport sector in Wales from the consequences of the restrictions put in place. A further £550k has been set aside for the Emergency Relief Fund targeted at clubs facing significant challenges and in need of immediate financial support.

Whilst Sport Wales is extremely grateful to Welsh Government for an increased budget for 2020/21, the increased financial cost of meeting pension deficit payments, coupled with the loss of income from the closure of our two National Centres during lockdown restrictions continues to present a huge challenge in delivering Sport Wales' objectives.

The Covid-19 movement restrictions have also led to a significant disruption to operations and our usual ICT systems. Sport Wales has strong controls and systems in place to allow staff to work remotely, but there would be a significant business disruption if these systems were to fail.

Other risks on the Corporate risk register include a failure to comply with all legislation, sensitive information loss or exposure and a failure to maximise the use of technology & data.

Sport Wales has an overall informed and measured appetite for taking risk to achieve its priorities. Risk appetite is owned by the Board and is reviewed annually. Where significant risk arises Sport Wales will take effective control action to reduce and manage these risks to a safe level. The Executive and Board are aware of the need to innovate further and faster in the future and to this end are actively exploring different delivery mechanisms and partners. This will create new and different risks and potentially increase the level of risk taken by Sport Wales. The Sport Wales risk appetite may therefore rise but only within an informed and managed risk environment.

The Internal Auditors have, for the fifth consecutive year, given Sport Wales an overall "substantial assurance" rating for the year. It also gave this highest rating category for Sport Wales' corporate governance and risk management arrangements. During the year, internal audit reports identified opportunities to enhance the control systems.

It is encouraging to note that arising out of the internal audit work, there were no findings classified as being of "high" risk. In total, 20 recommendations were made together with 4 action points. Of the recommendations made, 13 (65%) were classed as 'medium' priority and 7 (35%) were 'low' priority. In terms of follow-up action, 5 out of 7 previous recommendations had been implemented at the time of the audit and the remaining 2 recommendations had been implemented by the end of the year.

**INTERNAL CONTROL**

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Sport Wales' policies, aims, and objectives. I also have personal responsibility for safeguarding the proceeds from the National Lottery distributed to Sport Wales and Sport Wales' assets, in accordance with the responsibilities assigned to me in Managing Welsh Public Money.

I am responsible for reviewing the effectiveness of the system of internal control. This is overseen by the Board, through the Audit & Risk Assurance Committee. It is informed by the work of both the internal and external auditors and the staff presentations to the Risk Management Group of Sport Wales who have responsibility for the development and maintenance of the internal control framework. I plan to address identified weaknesses and ensure continuous improvement of these systems.

The internal audit service for Sport Wales during 2019/20 was provided by Deloitte LLP, who operated to standards defined in the Public Sector Internal Audit Standards. Internal audit submit regular reports which inform an independent annual opinion on the adequacy and effectiveness of Sport Wales' systems of internal control and risk management, together with recommendations for improvement.

Every year the Audit & Risk Assurance Committee produces an Annual Report of their work to the Board of Sport Wales. The internal audit programme for 2019/20 was completed prior to the impact of the Covid-19 pandemic and while there have been changes to ways of working as a result of movement restrictions, these have not had a significant impact on the system of internal control.

**ON-GOING DEVELOPMENTS**

Whilst the current system of internal control is strong, there are always areas which require or will benefit from improvement.

Following the launch of the Sport Wales Strategy, Sport Wales has been developing a new resourcing model, which will change the way that we fund our partners. This will be implemented through a phased approach and funding will be driven by a mixture of sporting insight and an assessment of the capability of our partners across several key areas of focus. The implementation of this model will further strengthen the controls in place to manage the risk inherent in investing public funding into third party organisations, whilst also increasing their accountability.

Throughout 2019/20, much work was done to strengthen our cyber security controls through the extension of threat detection tools, extensive staff training and the introduction of Sport Wales issued mobile phones for employees working with sensitive data. We recognise that this is a fast-moving area and we will continue to look at further improvements in the coming year.

**Accounting Officer: S Powell**  
**16/09/2020**

# REMUNERATION & STAFF REPORT

Sport Wales has an extensive range of policies which reflect current legislation and aim to secure retention and motivation. These policies are reviewed regularly with staff involvement via a recognition agreement with the Public and Commercial Services (PCS) Union. All policies are equality checked before implementation. Sport Wales is committed to a policy of equality of opportunity in its employment practices. In particular, Sport Wales aims to ensure that no potential or actual employee receives more or less favourable treatment on the grounds of age, disability, ethnic or national origin, gender, marital or parental status, nationality, political belief, race, religion, or sexual orientation. We also follow the 'Equality Standard for Sport' and 'Positive about Disabled' schemes.

Following the successful implementation of the new pay and grading structure from September 2019, employees have the choice to either remain on current terms or opt into the new structure and have access to the enhanced flexible benefits. The impact of this combined with a number of employees leaving from

## SICKNESS ABSENCE DATA

The sickness data for employees of the whole organisation for 2019/20 (2018/2019) is as follows:

Total Days Lost	Total Number of Employees (FTE)	Total Sick Days Lost Per Person
811.11 (868.30)	160.70 (154.52)	5.05 (5.62)

The overall absence rate for 2019/20 is 2.25%. This is an improvement from the 2018/2019 of 2.61% which was lower than the 2017/18 rate of 2.81% and is comparable with ONS (Office of National Statistics) latest published rates for the public sector of 2.7%.

Of the 2.25%, 1.29% were classed as long term and 0.96% as short term. As part of a continued focus on managing absence and employee health effectively, Sport Wales' sickness absence policy will continue to

voluntary exit or voluntary redundancy has led to a higher than usual increase in salaries and wages.

During 2019/20, Sport Wales signed up to the Healthy Travel Charter and we have become a Living Wage employer, with starting salary of at least £10 per hour. Sport Wales participated in the Cardiff Half 2019 Corporate Challenge again and the team finished a well-respected 4th place out of 47 corporate teams (2018, 8th out of 39 corporate teams).

A Staff Engagement Group has been established to bring together voices from across the organisation to help educate, inform and implement initiatives related to the culture and approach at Sport Wales.

## INVESTING IN OUR PEOPLE

The re-assessment for our Investors In People status was carried out during Spring 2019 and Sport Wales successfully retained the accreditation under the new framework. The assessment identified good practices already in place and made recommendation to build on these as we implement our new strategy.

be reviewed during 2020/21, with support from the recognised Trade Union (PCS).

This year we have reviewed our occupational health contract to ensure it provides the best service for Sport Wales and its employees. We have established a staff engagement group whose remit includes wellbeing. The group have established priorities for the year ahead and will be working with staff in their teams to provide a voice and shape direction.

## PENSION SCHEME

Sport Wales operates two pension schemes for its staff. Most staff are members of the Cardiff and Vale of Glamorgan Pension Fund. The Fund is a defined benefit scheme based on Career Average Re-Valued Earnings (CARE). The Fund's assets are held separately from those of Sport Wales. Any pension built up before April 2008 is calculated at a rate of 1/80th with a lump sum of three times pension. Pension built up from 1 April 2008 is calculated at the rate of 1/60th and there is an option to take an extra lump sum in exchange for pension. Pension built up from 1 April 2014 is calculated at the rate of 1/49th with an option to take an extra lump sum in exchange for pension. The contributions of employees are set at 5.5% to 10.5% based on salary range or 2.75% to 5.25% if the employee opts for the 50/50 pension scheme. Further details can be found in note 1.6 and note 18 to the financial statements. In addition, Sport Wales operates a Defined Contribution pension scheme, with Scottish Widows, in which Sport Wales contributes 6.5%, with employees contributing 1.5%.

## REMUNERATION POLICY

In accordance with Chapter 5 of the Financial Reporting Manual, Sport Wales is required to disclose the following concerning remuneration during the year of Council Members and senior staff with responsibility for running policy making departments. Treasury guidance requires the financial statements to disclose the cash equivalent transfer value of pensions for Sport Wales' Members and senior staff.

The Chair, Vice Chair and Members of Sport Wales are paid in accordance with the Welsh Government "Remuneration and expenses of Chairs and Members of WSGBs and NHS Bodies" policy.

The Remuneration Committee which consists of Sport Wales' Chair, Vice Chair and Chair of the Audit & Risk Assurance Committee supported by Sport Wales' delegated employees meets to agree the pay award for all staff via the Welsh Government's pay remit process. All changes of pay for the CEO are approved by the Remuneration Committee.

## SERVICE CONTRACTS

The senior staff of Sport Wales are employed on terms and conditions broadly analogous to the Welsh Government terms and conditions.

Sport Wales' Members are appointed by Welsh Ministers for a three year contracted period and may be reappointed normally for a further three year period. The Chair is entitled to be remunerated at a daily rate of £337 and is contracted to work two days per week. The Vice Chair is remunerated at a daily rate of £311 and is contracted to work three days a month.

## NOTICE PERIOD

The Chief Executive is entitled to four months' notice of termination of contract by Sport Wales and the remaining senior staff are entitled to three months' notice of termination of contract.

## TRADE UNION FACILITY TIME

Sport Wales allow members of the PCS union Branch Executive Committee to work on union matter's, when needed, during working hours and the employee will still receive their full salary entitlement.

**CHIEF EXECUTIVE OFFICER SALARY****REMUNERATION**

"Salary" includes gross salary, allowances and performance bonuses where applicable. During the year the Chief Executive received a gross salary of £97,400 (2018/19 £97,400). A backdated increase of £1,943 is due early 2020/21 relating to 2019/20. During 2019/20 the Chief Executive went on adoption leave. Brian Davies was appointed Acting Chief Executive effective 1st December 2019 at a gross salary of £75,700. During the year actual salary received was £66,500. No members of staff are eligible for a bonus payment.

A proportion of the Senior Management salary costs are allocated to lottery.

**STAFF COSTS (SUBJECT TO AUDIT)**

	2019/20	2018/19
	£'000	£'000
<b>Permanent:</b>		
Salaries and wages	6,246	5,667
Provision for redundancies and strain on pension	300	-
Social Security costs	586	545
Other Pension costs	2,190	2,002
Agency & Instructional Staff	82	75
Staff on secondment	(18)	(36)
	9,386	8,253
IAS19 Adjustments	(170)	(530)
	9,216	7,723
Less: Allocated to SPORTLOT	(2,700)	(2,319)
	6,516	5,404

**SALARY AND PENSION ENTITLEMENTS**

The following sections provide details of the remuneration and pension interest of the senior managers of Sport Wales. Details on start/leave dates can be found in the Pension Benefits table on page 78. This information is audited.

**BENEFITS IN KIND**

There are no benefits in kind

**REMUNERATION (SUBJECT TO AUDIT)**

Name	Title	% Apportioned to Lottery	Salary £000	Pension Benefit to the nearest £1,000	Total £000
		2019/20 (2018/19)	2019/20 (2018/19)	2019/20 (2018/19)	2019/20 (2018/19)
Mr Lawrence Conway	Chair	50% (50%)	35 - 40 (30 - 35)	-	35 - 40 (30 - 35)
Ms Pippa Britton	Vice Chair	50% (50%)	10 - 15 (10 - 15)	-	10 - 15 (10 - 15)
Ms Sarah Powell	Chief Executive	25% (25%)	95 - 100 (95 - 100)	25,000 (25,000)	120 - 125 (120 - 125)
Mr Graham Williams	Corporate Director	25% (25%)	60 - 65 (55 - 60)	40,000 (22,000)	100 - 105 (80 - 85)
Mr Brian Davies <sup>1</sup>	Corporate Director/ Acting CEO	25% (80%)	65 - 70 (60 - 65)	37,000 (19,000)	100 - 105 (75 - 80)
Mr Peter Curran <sup>2</sup>	Corporate Director	- (25%)	- (50 - 55)	- (16,000)	- (65 - 70)
Mr Paul Randle <sup>3</sup>	Corporate Director	25% (25%)	70 - 75 (15 - 20)	23,000 (5,000)	90 - 95 (20 - 25)
Mr Malcolm Zapple	Manager Sport Wales National Centre	0% (0%)	60 - 65 (60 - 65)	14,000 (5,000)	70 - 75 (65 - 70)
Mr Steven Morgan	Manager Plas Menai Watersports Centre	0% (0%)	50 - 55 (50 - 55)	19,000 (17,000)	70 - 75 (65 - 70)
Ms Johanna Sheppard <sup>4</sup>	Council Member	50% (50%)	0 - 5 (0 - 5)	-	0 - 5 (0 - 5)
Ms Julia Longville <sup>5</sup>	Council Member	- (50%)	- (0 - 5)	-	- (0 - 5)
Mr Peter King <sup>5</sup>	Council Member	- (50%)	- (0 - 5)	-	- (0 - 5)
Ms Sama Small <sup>6</sup>	Council Member	- (50%)	- (0 - 5)	-	- (0 - 5)
Mr Richard Parks <sup>7</sup>	Council Member	50% (50%)	0 - 5 (5 - 10)	-	0 - 5 (5 - 10)
Mr Ashok Ahir	Council Member	50% (50%)	5 - 10 (5 - 10)	-	5 - 10 (5 - 10)
Mr Ian Bancroft	Council Member	50% (50%)	5 - 10 (5 - 10)	-	5 - 10 (5 - 10)
Mr Christian Malcolm <sup>8</sup>	Council Member	- (50%)	- (5 - 10)	-	- (5 - 10)
Ms Alison Thorne	Council Member	50% (50%)	5 - 10 (5 - 10)	-	5 - 10 (5 - 10)
Ms Judi Rhys <sup>9</sup>	Council Member	50% (50%)	5 - 10 (0 - 5)	-	5 - 10 (0 - 5)
Prof Leigh Robinson <sup>9</sup>	Council Member	50% (50%)	5 - 10 (0 - 5)	-	5 - 10 (0 - 5)
Mr Martin Veale <sup>9</sup>	Council Member	50% (50%)	5 - 10 (0 - 5)	-	5 - 10 (0 - 5)
Mr Phil Tilley <sup>9</sup>	Council Member	50% (50%)	5 - 10 (0 - 5)	-	5 - 10 (0 - 5)
Ms Rajma Begum <sup>10</sup>	Council Member	50% -	0 - 5 -	-	0 - 5 0
Mr Dafydd T Davies <sup>10</sup>	Council Member	50% -	0 - 5 -	-	0 - 5 -
Ms Hannah Murphy <sup>10</sup>	Council Member	50% -	0 - 5 -	-	0 - 5 -
Ms Delyth Evans <sup>10</sup>	Council Member	50% -	0 - 5 -	-	0 - 5 -
Ms Nicola Mead-Batten <sup>10</sup>	Council Member	50% -	0 - 5 -	-	0 - 5 -

<sup>1</sup>Acting CEO from 01.12.2019

<sup>2</sup>Resigned 16th December 2018

<sup>3</sup>Appointed 2nd January 2019

<sup>4</sup>On Maternity leave from 1st January 2018, returned September 2018. Elected not to receive payment whilst on Maternity leave. Retired 30th April 2019

<sup>5</sup>Retired 31st August 2018

<sup>6</sup>Resigned 20th June 2018

<sup>7</sup>Resigned 7th July 2019

<sup>8</sup>Resigned 31st December 2018

<sup>9</sup>Appointed 1st September 2018

<sup>10</sup>Appointed 1st September 2019

The Remuneration Report now requires that a Single Total Figure of Remuneration is shown. The above table is similar to that used previously, and still shows the salary paid in bandings. The pension benefit figure which contributes to the single total figure is calculated in a new way as follows:

$(\text{real increase in pension} \times 20) + (\text{real increase in lump sum}) - (\text{contributions made by employee})$

\*excluding increases due to inflation or any increase/decrease due to a transfer of pension rights

The pension benefit figure is not an amount that has been paid to the employee by Sport Wales during the year. It is a future benefit for the employee which is influenced by many factors including but not limited to, salary changes and any additional contributions made by the employee.

#### PENSION BENEFITS OF SENIOR MANAGERS (SUBJECT TO AUDIT)

Name	Real increase in Pension (and lump sum) at state pension age for 2019/20	Total accrued Pension (and lump sum) at state pension age at 31 March 2020	CETV at 31 March 2020	CETV at 31 March 2019	Real Increase/ (Decrease) CETV in Year
	£000	£000	£000	£000	£000
Ms Sarah Powell Chief Executive	0.0 – 2.5 (-0.0 – 2.5)	30 – 35 (35 – 40)	495	460	25
Mr Steven Morgan Manager Plas Menai Watersports Centre	0.0 – 2.5 (0.0 – 2.5)	5 – 10 (0 – 5)	114	94	16
Mr Malcolm Zapple Manager Sport Wales National Centre	0.0 – 2.5 (-0.0 – 2.5)	30 – 35 (45 – 50)	601	574	22
Mr Brian Davies Acting CEO/Corporate Director*	0.0 – 2.5 (0.0 – 2.5)	15 – 20 (0 – 5)	242	203	33
Mr Graham Williams Corporate Director	0.0 – 2.5 (0.0 – 2.5)	25 – 30 (35 – 40)	432	389	38
Mr Paul Randle Corporate Director	0.0 – 2.5 (0.0 – 2.5)	0 – 5 (0 – 5)	45	5	33

\*Brian Davies was appointed Acting CEO as at 01.12.2019 whilst Sarah Powell is on adoption leave

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme

or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to Sport Wales' pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

#### REAL INCREASE IN CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

#### STAFF COSTS (SUBJECT TO AUDIT)

The average number of permanent employees during the year on a whole time equivalent basis was made up as follows:

	2019/2020 No	2018/2019 No
<b>Total</b>	160.7	154.5

Staff composition of corporate directors are 75% male and 25% female. Of the remaining permanent employees 46% are male and 54% female.

#### TAX POLICY FOR OFF-PAYROLL APPOINTEES

As at 31 March 2020, there were 6 arrangements that had existed (2018/19, 6 arrangements) and have been in place for 4 years or more. All arrangements have been assessed and are classed as operating outside of IR35. Sport Wales are content that assurance has been sought to confirm that individuals have made appropriate arrangements to pay tax. Neither individual is a Board member or is a senior official with significant financial responsibility.

#### COMPENSATION SCHEMES – EXIT PACKAGES (SUBJECT TO AUDIT)

Exit package cost band	Number of redundancies	
	2019/20	2018-19
< £10,000	1	0
£10,000 - £25,000	3	0
£25,000 - £50,000	7	0
£50,000 - £100,000	3	0
£100,000 - £150,000	0	0
Total number of exit packages	14	0
<b>Total resource cost (£)</b>	<b>582,000</b>	<b>0</b>

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme. Exit costs are accounted for in full in the year of departure. Where Sport Wales has agreed early retirements, the additional costs are met by Sport Wales. Of the 14 exit packages, 10 have been paid during 2019/20. Of the 10, one employee has an estimated pension strain which has yet to be paid and is included in the provision figure in note 19, along with the estimated exit packages for the remaining 4 employees.



**FAIR PAY DISCLOSURES (SUBJECT TO AUDIT)**

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

	2019/20	2018-19
Band of Highest Paid Director's Total Remuneration (£ '000)	95 - 100	95 - 100
Median Total Remuneration	30,558	30,180
Ratio	3.2	3.2

The ratio was calculated using the following assumptions:

1. Only salaries for staff paid through the payroll has been used,
2. Figures have not been adjusted to reflect any apportionment to the Lottery accounts i.e. costs reflect all staff employed by The Sports Council for Wales processed through the payroll.

Total remuneration includes salary and allowances but excludes severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Remuneration ranged from £19,300 to £97,400 (2018/19 remuneration ranged from £16,900 to £97,400).

**Accounting Officer: S Powell**  
16/09/2020

## THE CERTIFICATE AND INDEPENDENT AUDITOR'S REPORT OF THE AUDITOR GENERAL FOR WALES TO THE SENEDD

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OPINION

I certify that I have audited the financial statements of Sports Council for Wales for the year ended 31 March 2020 under paragraph 18(3) of Schedule 8 of the Government of Wales Act 2006. These comprise the Consolidated Statement of Comprehensive Net Expenditure, Statement of Financial Position, Consolidated Statement of Financial Position, Consolidated Statement of Cashflows, Consolidated Statement of Changes in Taxpayers' Equity and related notes, including a summary of significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs) as adopted by the European Union/United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In my opinion the financial statements:

- give a true and fair view of the state of Sports Council for Wales affairs as at 31 March 2020 and of its net expenditure for the year then ended; and
- have been properly prepared in accordance with Welsh Ministers' directions issued under the Government of Wales Act 2006.

#### BASIS FOR OPINION

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the body in accordance

with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my 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.

#### EMPHASIS OF MATTER – EFFECTS OF COVID-19 ON THE VALUATION OF LAND AND BUILDINGS AND PENSION FUND ASSETS

I draw attention to:

- Note 9 to the financial statements, which describes a material valuation uncertainty clause in the valuation report on certain property items arising from circumstances caused by the Covid-19 pandemic. My opinion is not modified in respect of this matter; and
- Note 18 to the financial statements, which describes a material valuation uncertainty in respect of pooled property investments within the pension fund as a result of the Covid-19 pandemic. My opinion is not modified in respect of this matter.

#### CONCLUSIONS RELATING TO GOING CONCERN

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date

when the financial statements are authorised for issue.

### OTHER INFORMATION

The Accounting Officer is responsible for the other information in the annual report and financial statements. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. 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 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

### OPINION ON REGULARITY

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### REPORT ON OTHER REQUIREMENTS

### OPINION ON OTHER MATTERS

In my opinion, the part of the Remuneration Report to be audited has been properly prepared in accordance with Welsh Ministers' directions made under the Government of Wales Act 2006.

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

- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Governance

Statement has been prepared in accordance with Welsh Ministers' guidance;

- the information given in the Annual Report provided with the financial statements for the financial year for which the financial statements are prepared is consistent with the financial statements and the Performance Report has been prepared in accordance with Welsh Ministers' guidance.

### MATTERS ON WHICH I REPORT BY EXCEPTION

In the light of the knowledge and understanding of the body and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- proper accounting records have not been kept;
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns;
- information specified by Welsh Ministers regarding the remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

### REPORT

I have no observations to make on these financial statements.

### RESPONSIBILITIES

#### RESPONSIBILITIES OF THE ACCOUNTING OFFICER FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Council's and Chief Executives Responsibilities, the Accounting Officer is responsible for preparing the financial statements in accordance with the Government of Wales Act and Welsh Ministers' directions made there under, for being satisfied that they give a true and fair view and for such internal control as the Accounting Officer determines 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 Accounting Officer is responsible for assessing the body'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 deemed inappropriate.

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 an auditor's 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.

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

#### RESPONSIBILITIES FOR REGULARITY

The Accounting Officer is responsible for ensuring the regularity of financial transactions.

I obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the Senedd and the financial transactions conform to the authorities which govern them.

Adrian Crompton  
Auditor General for Wales

24 Cathedral Road  
Cardiff  
CF11 9LJ

**CONSOLIDATED STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR  
THE SPORTS COUNCIL FOR WALES AND THE SPORTS COUNCIL FOR WALES TRUST  
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2019/20 £'000	2018/19 £'000
<b>EXPENDITURE</b>			
Grant Expenditure	5	20,314	14,890
Staff Costs	6	6,516	5,404
Other Expenditure	7	3,370	3,299
Depreciation	9	534	521
		<u>30,734</u>	<u>24,114</u>
<b>INCOME</b>			
Income from Activities	3	(2,939)	(2,699)
Other Income	3	(12)	(2)
		<u>(2,951)</u>	<u>(2,701)</u>
<b>Net Expenditure</b>		<b>27,783</b>	<b>21,413</b>
Pension Finance Cost		218	258
(Surplus) on Disposal of Property, Plant & Equipment	8	(1)	(13)
Interest Receivable		(11)	(5)
		<u>206</u>	<u>240</u>
<b>Net Expenditure after interest and before taxation</b>		<b>27,989</b>	<b>21,653</b>
Taxation Payable		2	1
<b>Net Expenditure after Taxation</b>		<b>27,991</b>	<b>21,654</b>
<b>Other Comprehensive Expenditure</b>			
Net (gain) on revaluation of Property, Plant & Equipment		(1,280)	(67)
Actuarial loss/(gain) pension		773	(441)
<b>Total Comprehensive Net Expenditure for the year ended</b>		<b>27,484</b>	<b>21,146</b>

**CONTINUING OPERATIONS**

No activities were acquired or discontinued during the current year or previous year.

The Net Expenditure after Taxation for the financial year attributable to the activities of Sport Wales was £27,991,000 (2018/2019 £21,654,000).

The notes on pages 89 to 105 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION OF THE SPORTS COUNCIL FOR WALES  
AS AT 31 MARCH 2020**

	Note	At 31 March 2020 £'000	At 31 March 2019 £'000
<b>Non-current assets</b>			
Property, Plant & Equipment	9(a)	534	535
<b>Total non-current assets</b>		<u>534</u>	<u>535</u>
<b>Current assets</b>			
Trade and other receivables	10	2,512	1,682
Cash and cash equivalents		576	5,410
		<u>3,088</u>	<u>7,092</u>
<b>Total Assets</b>		<b>3,622</b>	<b>7,627</b>
<b>Current liabilities</b>			
Trade and other payables	11	(766)	(709)
Grant accruals	12	(240)	(7)
Provisions	19	(300)	-
<b>Total current liabilities</b>		<u>(1,306)</u>	<u>(716)</u>
<b>Non-current assets plus net current assets</b>		<u>2,316</u>	<u>6,911</u>
<b>Non-current liabilities</b>			
Trade and other payables due in more than one year	11	(202)	(47)
Pension Liabilities	18	(10,754)	(9,891)
<b>Total non-current liabilities</b>		<u>(10,956)</u>	<u>(9,938)</u>
<b>Assets less liabilities</b>		<u>(8,640)</u>	<u>(3,027)</u>
<b>Taxpayers' equity</b>			
General fund		2,114	6,864
Pension reserve		(10,754)	(9,891)
Revaluation reserve		-	-
		<u>(8,640)</u>	<u>(3,027)</u>

The notes on pages 89 to 105 form part of these accounts.

The financial statements were approved by the Board on 16th September 2020 and were signed on its behalf by;

**Accounting Officer: S Powell**  
16/09/2020

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE SPORTS COUNCIL FOR WALES  
AND THE SPORTS COUNCIL FOR WALES TRUST  
AS AT 31 MARCH 2020**

	Note	At 31 March 2020 £'000	At 31 March 2019 £'000
<b>Non-current assets</b>			
Property, Plant & Equipment	9(b)	18,305	17,079
<b>Total non-current assets</b>		18,305	17,079
<b>Current assets</b>			
Trade and other receivables	10	2,512	1,682
Cash and cash equivalents	14	580	5,414
		3,092	7,096
<b>Total Assets</b>		21,397	24,175
<b>Current liabilities</b>			
Trade and other payables	11	(766)	(709)
Grant accruals	12	(240)	(7)
Provisions	19	(300)	-
<b>Total current liabilities</b>		(1,306)	(716)
<b>Non-current assets plus net current assets</b>		20,091	23,459
<b>Non-current liabilities</b>			
Trade and other payables due in more than one year	11	(202)	(47)
Pension Liabilities	18	(10,754)	(9,891)
<b>Total non-current liabilities</b>		(10,956)	(9,938)
<b>Assets less liabilities</b>		9,135	13,521
<b>Taxpayers' equity</b>			
General fund		14,402	18,795
Pension reserve		(10,754)	(9,891)
Revaluation reserve		5,487	4,617
		9,135	13,521

The financial statements were approved by the Board on 16th September 2020 and were signed on its behalf by;

Accounting Officer: S Powell  
16/09/2020

**CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE SPORTS COUNCIL FOR WALES  
AND THE SPORTS COUNCIL FOR WALES TRUST  
FOR YEAR ENDED 31 MARCH 2020**

**CASH FLOW FROM OPERATING ACTIVITIES**

	Note	2019/20 £'000	2018/19 £'000
Net expenditure after taxation		(27,991)	(21,654)
(Surplus) on disposal of property, plant & equipment	8	(1)	(13)
Depreciation of property, plant & equipment	9(b)	534	521
(Increase) in trade and other receivables	10	(832)	(382)
Increase/(Decrease) in trade payables	11	212	(198)
Increase in grant accruals	12	233	3
Interest received	13	(11)	(5)
Pension costs	18	90	(145)
Increase in provision for redundancies	19	300	-
<b>Net cash outflow from operating activities</b>		<b>(27,466)</b>	<b>(21,873)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant & equipment	9(b)	(480)	(364)
Proceeds from sale of property, plant & equipment	8	3	17
Interest received	13	11	5
<b>Net cash outflow from investing activities</b>		<b>(466)</b>	<b>(342)</b>
<b>Cash flows from financing activities</b>			
Funding received from the Welsh Government	4	23,098	27,081
Net (Decrease)/Increase in cash and cash equivalents		(4,834)	4,866
<b>Net decrease in cash and cash equivalents in the period</b>			
Cash and cash equivalents at the beginning of the period	14	5,414	548
Cash and cash equivalents at the end of the period	14	580	5,414
		(4,834)	4,866

The notes on pages 89 to 105 form part of these accounts.

**CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS EQUITY FOR  
THE SPORTS COUNCIL FOR WALES AND THE SPORTS COUNCIL FOR WALES TRUST  
FOR THE YEAR ENDED 31 MARCH 2020**

	Revaluation Reserve	General Fund	Pension Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 April 2019	4,617	18,795	(9,891)	13,521
Net Expenditure after interest and before tax	-	(27,991)	-	(27,991)
Funding received (Note 4)	-	23,098	-	23,098
Revaluation of tangible fixed assets	1,280	-	-	1,280
Pension costs	-	90	(90)	-
Transfer to general fund	(410)	410	-	-
Actuarial loss	-	-	(773)	(773)
<b>Funds at 31 March 2020</b>	<b>5,487</b>	<b>14,402</b>	<b>(10,754)</b>	<b>9,135</b>

The funds in Sport Wales own non-consolidated accounts at 31 March 2020 were (£8,640,000), (31 March 2019 ((£3,027,000)) with £17,775,000 (2018/19 £16,548,000) attributable to the Sports Council for Wales Trust.

**CONSOLIDATED STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR  
THE SPORTS COUNCIL FOR WALES AND THE SPORTS COUNCIL FOR WALES TRUST  
FOR THE YEAR ENDED 31 MARCH 2019**

	Revaluation Reserve	General Fund	Pension Reserve	Total
	£'000	£'000	£'000	£'000
Balance at 1 April 2018	4,935	13,127	(10,476)	7,586
Net Expenditure after interest and before tax	-	(21,654)	-	(21,654)
Funding received (Note 4)	-	27,081	-	27,081
Revaluation of tangible fixed assets	67	-	-	67
Pension costs	-	(144)	144	-
Transfer to general fund	(385)	385	-	-
Actuarial gain	-	-	441	441
<b>Funds at 31 March 2019</b>	<b>4,617</b>	<b>18,795</b>	<b>(9,891)</b>	<b>13,521</b>

The notes on pages 89 to 105 form part of these accounts.

**THE SPORTS COUNCIL FOR WALES AND SPORTS COUNCIL  
FOR WALES TRUST NOTES TO THE ACCOUNTS FOR THE YEAR  
ENDED 31 MARCH 2020**

**1. STATEMENT OF ACCOUNTING POLICIES**

These financial statements have been prepared in accordance with the 2019/20 Government Financial Reporting Manual (IFRS based FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Sport Wales for the purpose of giving a true and fair view has been selected. The particular policies adopted by Sport Wales are described below. These have been applied consistently in dealing with items that are considered material to the accounts. The Sports Council for Wales Trust accounts were prepared to adhere to the Statement of Recommended Practice (SORP) issued by the Charity Commissioners for England and Wales in 2015.

**1.1 BASIS OF ACCOUNTING**

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of land and buildings.

**1.2 FUNDING**

Sport Wales receives funding from the Welsh Government to finance the excess of its capital and revenue expenditure over its income. The funding is credited direct to the General Fund. Other operating income comprises income from fees, sponsorship and certain incidental trading activities.

The Sports Council for Wales Trust, a charitable body wholly owned by Sport Wales, receives grants from Sport Wales for capital expenditure on property, plant and equipment relating to land and buildings. The Trust also holds equipment and vehicles purchased prior to April 2006. Since April 2006 capital expenditure on equipment and vehicles is only included in Sport Wales's accounts. The proceeds from the disposal of property, plant and equipment by the Trust are surrendered to Sport Wales.

**1.3 PROPERTY PLANT & EQUIPMENT**

Freehold land is included in the statement of financial position at open market value and the buildings at depreciated replacement cost to reflect the specialist nature of the buildings. Professional valuations are obtained every year. Leasehold land under the operating lease is not included in Sport Wales's statement of financial position.

Equipment and vehicles are included in the statement of financial position at historic cost less a provision for depreciation. In the opinion of Sport Wales, there is no material difference between the historic and current cost net book values of these assets. The threshold for capitalisation of assets is £5,000 for Sport Wales and £5,000 for the Trust.

#### 1.4 DEPRECIATION

Depreciation is provided on a straight line basis on all property, plant & equipment having regard to their estimated useful lives and anticipated residual values. The average asset lives used for this purpose are as follows:

Freehold property	35 years
Leasehold property	35 -50 years
Equipment - computers	3 years
- other	3 - 10 years
Vehicles	5 years

The policy of Sport Wales is to depreciate assets from the month following acquisition.

#### 1.5 INVENTORIES

Sport Wales holds inventory for allocation as part of its grant activities and the related costs have been reflected in the Statement of Comprehensive Net Expenditure. It holds inventory for resale, which are not considered material. Inventory for resale has not been recognised as an asset in the Statement of Financial Position: the costs of these assets have been recognised as Other Expenditure in the Statement of Comprehensive Net Expenditure.

#### 1.6 PENSIONS

Contributions to Sport Wales's pension schemes are charged to the Net Expenditure Account so as to spread the cost of pensions over employees' working lives with Sport Wales. In accordance with IAS 19, the charge to the Net Expenditure Account is calculated based upon service and pension finance costs calculated by the actuary. Sport Wales' share of the assets and liabilities of the pension fund are reflected as a net pension liability in the Statement of Financial Position.

Any pension liabilities or assets are apportioned between Sport Wales and Lottery on the historic rate of apportionment of staff costs according to the time staff spend in carrying out Lottery activities.

#### 1.7 TAXATION

Non-recoverable Value Added Tax is charged to Sport Wales's accounts in respect of taxable expenditure on non-trading activities. UK Corporation Tax is calculated at 19% (19% 2018/19) of the interest accruing on Sport Wales's investment income, but not that of the Trust.

#### 1.8 GRANTS PAYABLE

Financial assistance by way of grants may be given to further the objectives of Sport Wales. Grants offers are recognised as expenditure, and if unpaid, as liabilities if a constructive obligation exists.

For a constructive obligation to exist the award commitment must be communicated directly to the award recipient and the appropriate grant-in-aid funding to meet the commitment must have been received from Welsh Government. Where a constructive obligation exists but there are grant conditions outstanding at year end, the grants are disclosed as a contingent liability.

If any forward commitments are made in the year relating to next year's activity, as disclosed in note 17, these are not charged to the Statement of Comprehensive Net Expenditure, as the grant-in-aid funding to meet these commitments cannot be recognised until it is received.

#### 1.9 CONSOLIDATION

The accounts of Sports Council for Wales Trust, a charitable body wholly owned by Sport Wales, have been consolidated within these accounts. The Lottery Distribution activities of Sport Wales are reported under the National Lottery Act 1993, as amended, in a separate account which is not required to be consolidated with these accounts.

#### 1.10 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires Sport Wales to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Information about significant areas of estimation and critical judgement in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:-

**Note 6** – Staff costs are recharged to Lottery according to the time they spend in carrying out Lottery activities. Where staff are identified as being employed 100% for Lottery purposes their costs are recharged in full.

**Note 9(b)** – Land is valued at open market value and buildings are carried at depreciated replacement cost. These valuations are carried out by external valuers in accordance with the Royal Institute Chartered Surveyors appraisal and valuation manual. A number of key assumptions are made during this process.

**Note 12** – Grant accruals and prepayments are calculated on the basis of the project start and end dates as set-out in note 1.8.

**Note 17** – Measurement of defined benefit contributions depends on the selection of certain assumptions which include the discount rate, inflation rate, salary growth, rate of increase in deferred pensions and expected return on scheme assets.

#### 1.11 FINANCIAL INSTRUMENTS

As the cash requirements of Sport Wales are primarily met through Grant-in-Aid provided by Welsh Assembly Government, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts

to buy non-financial items in line with Sport Wales's expected purchase and usage requirements and Sport Wales is therefore exposed to little credit, liquidity or market risk.

#### 1.12 IMPAIRMENT

The carrying value of Sport Wales assets, are reviewed at each reporting period date to determine whether there is any indication of impairment. If such an indication exists, the assets recoverable amount is estimated. The recoverable amount of an asset is the greater of its net selling price and its value in use.

#### 1.13 PROVISIONS

A provision is made to provide for liabilities which are likely to be incurred due to an event or decision being taken within a financial year, but there is uncertainty to the amount and/or date on which they will arise. A change to the provision is charged to the Statement of Comprehensive Net Expenditure. When the actual liability occurs, this is offset against the provision previously made.

Sport Wales has undertaken a re-design exercise and, as a result, a number of employees will be made redundant. The balance on the provision at 31 March 2020 recognises an estimate of the cost of redundancy payments and pension strain, payment of which will be made during 2020/21. Further information is set out at Note 19.

#### 1.14 NEWLY ISSUED ACCOUNTING STANDARDS NOT YET EFFECTIVE

The application of any new or amended IFRS standards is governed by their adoption by the FReM. Sport Wales applies changes to standards when they become effective. There are no known material impacts from IFRS changes that have been issued and are not yet effective on the financial statements in the period of initial application.

Due to the Coronavirus pandemic, HM Treasury have agreed with the Financial Reporting Advisory Board (FRAB) to defer the implementation of IFRS 16 Leases until 1 April 2021 for public sector financial reporting.

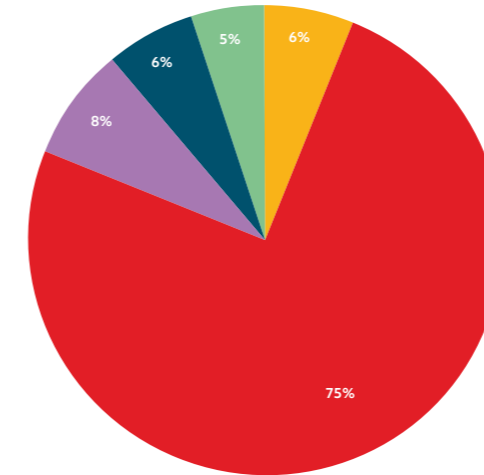
## 2. ANALYSIS OF NET COMPREHENSIVE EXPENDITURE

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of Sport Wales that are regularly reviewed by the Board in order to allocate resources to the segment and to assess its performance.

	Note	2019/20 £'000	2018/19 £'000 Restated
<b>National Centres</b>			
Revenue	3	(2,917)	(2,676)
Expenditure Other	7	1,586	1,400
Net Operating Contribution		<u>(1,331)</u>	<u>(1,276)</u>
<b>Grants</b>			
Sports Development Grants Income	3	(22)	(23)
Grant Expenditure	5	20,314	14,890
Net Operating Cost		<u>20,292</u>	<u>14,867</u>
<b>Sports Development and Corporate</b>			
Other Income	3	(12)	(2)
Expenditure Other	7	1,785	1,900
Net Operating Cost		<u>1,773</u>	<u>1,898</u>
Staff Costs	6	<u>6,516</u>	<u>5,404</u>
<b>Net Comprehensive Expenditure before Other Costs</b>		<u>27,250</u>	<u>20,893</u>
<b>Other Costs</b>			
Property, Plant & Equipment and Pensions		234	253
Net Operating Cost		<u>234</u>	<u>253</u>
<b>Total Comprehensive Net Expenditure</b>		<u>27,484</u>	<u>21,146</u>

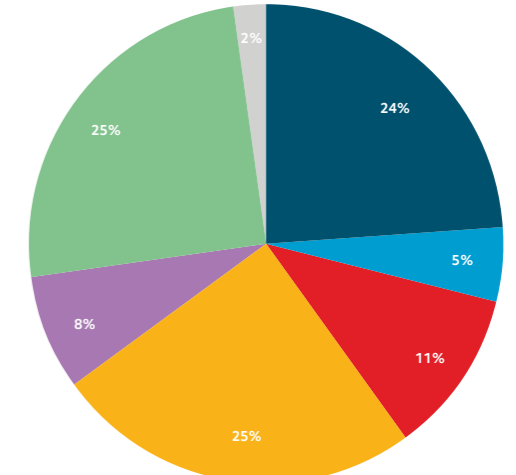
## 2. ANALYSIS OF NET COMPREHENSIVE EXPENDITURE - CONTINUED

Net Comprehensive Expenditure  
before Other Costs



- National Centres\*
- Grants\*
- Sports Development\*
- Corporate
- Staff Costs
- \* includes relevant staff costs

Grants Expenditure  
£'000



- Active Young People
- Free Swimming
- Healthy and Active
- Other Grants
- Coaching Plan
- Governing Bodies
- Capital Grants

## 3. INCOME

	2019/20 £'000	2018/19 £'000
<b>Income from activities:</b>		
Sports Development Grants:		
Other	22	23
National Sports Centres		
Catering	328	299
Governing Body Facility Usage	490	534
General Facility Usage	375	259
Accommodation	487	493
Fitness Centre Membership	193	181
Course Bookings	1,044	910
	<u>2,917</u>	<u>2,676</u>
	<u>2,939</u>	<u>2,699</u>
<b>Other operating income:</b>		
Recovery of grants	-	-
Other income	12	2
	<u>12</u>	<u>2</u>
<b>Total Income</b>	<u>2,951</u>	<u>2,701</u>

**4. GRANTS RECEIVED FROM GOVERNMENT**

	2019/20 £'000	2018/19 £'000
Capital Funding	-	5,000
Revenue Funding - Healthy & Active	1,697	-
Revenue & Internal Capital Funding	21,401	22,081
Transferred to general fund	23,098	27,081

**5. GRANT EXPENDITURE**

	2019/20 £'000	2018/19 £'000
Governing Bodies/External Partners	11,128	6,332
Local Authorities	9,186	8,558
	20,314	14,890

The figure above includes £1,384,727 direct expenditure incurred on behalf of grant recipients (£1,043,063 in 2018/19).

**6. STAFF COSTS**

	2019/20 £'000	2018/19 £'000
<b>Permanent:</b>		
Salaries and wages	6,246	5,667
Provision for redundancies & strain on pension	300	-
Social Security costs	586	545
Other Pension costs	2,190	2,002
Agency & Instructional Staff	82	75
Staff on secondment	(18)	(36)
	9,386	8,253
IAS19 Adjustments	(170)	(530)
	9,216	7,723
Less: Allocated to SPORTLOT	(2,700)	(2,319)
	6,516	5,404

Other Pension costs include a lump sum contribution of £941,000 towards the net pension liability (2018/19 £914,000). The lump sum contribution is allocated 75% Sport Wales and 25% Lottery. The allocation is part of the 'Allocated to SPORTLOT' line.

IAS19 Employee Benefits requires an actuarially calculated figure (current and past service cost) to

be charged to the Statement of Comprehensive Net Expenditure (SoCNE). For 2019/20, this charge was £1,830,000 and replaces the employer's pension costs in the SoCNE. The employer's contribution was £2,000,000, so the net effect was (£170,000) to staff costs. As current service cost is a notional entry, this is reversed in the Statement of Changes in Taxpayers' Equity so that the General Fund is only charged with the cost of employer's pension contributions.

**7. OTHER EXPENDITURE**

(a)	2019/20 £'000	2018/19 £'000
Auditor's Fees - Audit services	23	23
- Trust Accounts	3	3
Travelling, subsistence and hospitality expenses of:		
Members	7	12
Headquarters staff	32	34
National Sports Centres	4	2
Sports Development	99	103
Central Support Services	382	362
Marketing and communications	623	647
Research	329	482
Interest Payable to Welsh Government	9	4
Other Expenditure:		
National Sports Centres	1,581	1,397
Sports Development	281	226
Movement in Provision for doubtful debts	(3)	4
	3,370	3,299

This expenditure can be further analysed as follows:

(b)	2019/20 £'000	2018/19 £'000
National Centres	1,585	1,399
Sports Development	380	329
Corporate	1,405	1,571
	3,370	3,299



## 8. DISPOSAL OF PROPERTY, PLANT &amp; EQUIPMENT

	2019/2020	2019/2020	2018/2019	2018/2019
	£'000	£'000	£'000	£'000
Proceeds from sale		3		17
Gross book value	18		169	
Accumulated depreciation	(16)		(165)	
Net book value		2		4
Surplus on disposal		1		13

## 9. PROPERTY, PLANT &amp; EQUIPMENT

(a) Council:	Equipment	Vehicles	ICT	Total
	£'000	£'000	£'000	£'000
Cost as at 1 April 2019	882	184	162	1,228
Additions	62	13	49	124
Disposals	(8)	(10)	-	(18)
At 31 March 2020	936	187	211	1,334
Depreciation at 1 April 2019	(515)	(93)	(85)	(693)
Charge for the year	(69)	(22)	(32)	(123)
Disposals	8	8	-	16
At 31 March 2020	(576)	(107)	(117)	(800)
Net Book Value at 31 March 2020	360	80	94	534
Net Book Value at 31 March 2019	367	91	77	535

	Equipment	Vehicles	ICT	Total
	£'000	£'000	£'000	£'000
Cost as at 1 April 2018	833	217	212	1,262
Additions	65	11	40	116
Disposals	(16)	(44)	(90)	(150)
At 31 March 2019	882	184	162	1,228
Depreciation at 1 April 2018	(440)	(114)	(147)	(701)
Charge for the year	(87)	(23)	(28)	(138)
Disposals	12	44	90	146
At 31 March 2019	(515)	(93)	(85)	(693)
Net Book Value at 31 March 2019	367	91	77	535
Net Book Value at 31 March 2018	393	103	65	561

## 9. PROPERTY, PLANT &amp; EQUIPMENT

(b) Consolidated:	Plas Menai Freehold land buildings	Sport Wales National Centre buildings	Equipment	Vehicles	ICT	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation at 1 April 2019	5,948	10,596	1,433	186	162	18,325
Additions	92	264	62	13	49	480
Disposals	-	-	(8)	(10)	-	(18)
Revaluation	327	544	-	-	-	871
At 31 March 2020	6,367	11,404	1,487	189	211	19,658
Depreciation at 1 April 2019	-	-	(1,066)	(95)	(85)	(1,246)
Charge for the year	(177)	(234)	(69)	(22)	(32)	(534)
Disposals	-	-	8	8	-	16
Revaluation	177	234	-	-	-	411
At 31 March 2020	-	-	(1,127)	(109)	(117)	(1,353)
Net Book Value at 31 March 2020	6,367	11,404	360	80	94	18,305
Net Book Value at 31 March 2019	5,948	10,596	367	91	77	17,079

	Plas Menai Freehold land buildings	Sport Wales National Centre buildings	Equipment	Vehicles	ICT	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation at 1 April 2018	6,131	10,482	1,403	219	212	18,447
Additions	154	94	65	11	40	364
Disposals	-	-	(35)	(44)	(90)	(169)
Revaluation	(337)	20	-	-	-	(317)
At 31 March 2019	5,948	10,596	1,433	186	162	18,325
Depreciation at 1 April 2018	-	-	(1,010)	(116)	(147)	(1,273)
Charge for the year	(165)	(218)	(87)	(23)	(28)	(521)
Disposals	-	-	31	44	90	165
Revaluation	165	218	-	-	-	383
At 31 March 2019	-	-	(1,066)	(95)	(85)	(1,246)
Net Book Value at 31 March 2019	5,948	10,596	367	91	77	17,079
Net Book Value at 31 March 2018	6,131	10,482	393	103	65	17,174

Included in Plas Menai Freehold land and buildings is land valued at £175,000 (2018/19 £175,000). The land and buildings held by the SCW Trust were independently valued as at 31 March 2020 at £17,771,000 by Messrs Cooke & Arkwright, Chartered Surveyors in accordance with the Royal Institute Chartered Surveyors appraisal and valuation manual. This valuation excludes the land at Sport Wales National Centre, which is leasehold. Lease payments of £3,071 per annum are paid for the Sport Wales National Centre. There are 48 years remaining on the existing 99 year lease, equating to an overall outstanding commitment of £147,408.

The current response to COVID-19 means that Cooke & Arkwright are faced with an unprecedented set of circumstances on which to base a judgement. The valuations given for Plas Menai land & buildings and Sport Wales National Centre at Cardiff are therefore reported on the basis of 'material valuation uncertainty' per VPGA 10 of the RICS Valuation - Global Standards. Consequently, less certainty and a higher degree of caution, should be attached to the valuation than would normally be the case.

**10. TRADE AND OTHER RECEIVABLES (DUE WITHIN 1 YEAR)**

	At 31 March 2020 £'000	At 31 March 2019 £'000
Trade Receivables	117	206
SPORTLOT	1,667	1,040
VAT	85	31
Prepayments and accrued income	607	367
Grant prepayment	-	-
Grant repayable	38	43
Provision for bad and doubtful debts	(2)	(5)
	<u>2,512</u>	<u>1,682</u>

	At 31 March 2020 £'000	At 31 March 2019 £'000
<b>Intra-government balances</b>		
Balances with other central government bodies	1,756	1,072
Balance with local authorities	309	21
	<u>2,065</u>	<u>1,093</u>
Balance with bodies external to government	447	589
	<u>2,512</u>	<u>1,682</u>

**11. TRADE PAYABLES AND OTHER LIABILITIES**

	At 31 March 2020 £'000	At 31 March 2019 £'000
Trade Payables	34	144
Accruals	730	346
Deferred income	204	266
	<u>968</u>	<u>756</u>

	At 31 March 2020 £'000	At 31 March 2019 £'000
Current Trade and Other Payables	766	709
Non-current Trade and Other Payables	202	47
	<u>968</u>	<u>756</u>

	At 31 March 2020 £'000	At 31 March 2019 £'000
<b>Intra-government Balances</b>		
Balances with other central government bodies	375	140
Balance with local authorities	2	15
	<u>377</u>	<u>155</u>
Balance with bodies external to government	591	601
	<u>968</u>	<u>756</u>

**12. GRANT ACCRUALS**

	At 31 March 2020 £'000	At 31 March 2019 £'000
Accrued Grants	<u>240</u>	<u>7</u>

**13. GROSS CASH FLOWS**

	2019/2020 £'000	2018/2019 £'000
<b>Cash Flows From Investing Activities</b>		
Interest received	<u>11</u>	<u>5</u>
<b>Capital Expenditure and Financial Investment</b>		
Payments to acquire property, plant & equipment	(480)	(364)
Receipts from the sale of property, plant & equipment	3	17
	<u>(477)</u>	<u>(347)</u>
<b>Cash Flows From Financing Activities</b>		
Funding received from the Welsh Government (note 4)	<u>23,098</u>	<u>27,082</u>

**14. CASH AND CASH EQUIVALENTS**

	2019/2020 £'000	2018/2019 £'000
As at 1 April	5,414	548
Net change in cash and cash equivalent balances	(4,834)	4,866
As at 31 March	<u>580</u>	<u>5,414</u>
The following balances at 31 March were held at:		
Commercial banks and cash in hand	<u>580</u>	<u>5,414</u>
As at 31 March	<u>580</u>	<u>5,414</u>

**15. CAPITAL COMMITMENTS**

	At 31 March 2020 £'000	At 31 March 2019 £'000
Contracted but not paid	7	-

**16. CONTINGENT LIABILITIES**

	At 31 March 2020 £'000	At 31 March 2019 £'000
Contingent Grant Liabilities - Capital	366	784

Sport Wales is undertaking a re-design of its staffing structure, which will result in some redundancies during

2020/21, the value of which is not known as at 31st March 2020, but may be up to £410k.

**17. FORWARD COMMITMENTS**

	At 31 March 2020 £'000	At 31 March 2019 £'000
<b>Grants:</b>		
Forward funding - Capital grants formally offered	-	5
Forward funding - Revenue grants formally offered	-	11,743
	-	11,748

Forward funding as at 31 March 2019 represents allocations to organisations and individuals in respect of activities due to commence in 2019/2020 and where payments are expected to be made within 12 months.

during the transition year. The extension offer was based on the 2018/19 offer letter amounts, with the revised offer letters being issued during the 2018/19 financial year. Due to this, the 2019/20 offers were reflected in the accounts as a forward commitment.

As part of the new Sport Wales strategy, a new investment model was being developed in readiness for funding decisions from 2020/21. Therefore, 2019/20 was a transition year for funding decisions, so Sport Wales opted to extend the 2018/19 funding offers by 12 months to allow time to work with partners

However, the investment model is still being developed and ongoing discussions with selected partners are continuing. The new funding model is due to take effect for the 2021/22 financial year. Therefore, new 12 month offer letters for the financial year 2020/21 will be issued from April 2020.

**18. EMPLOYEE BENEFITS**

The following pension disclosures have been prepared in accordance with IAS19 'Employee benefits'.

Council for Wales Consolidated financial statements and the Lottery financial statements, and hence the data below is disclosed as gross.

Sport Wales's employees belong to the Cardiff and Vale of Glamorgan Pension Fund which is part of the Local Government Pension Scheme. The fund provides defined benefits, based on the members' final pensionable salary.

The pension fund deficit along with the associated entries which impact the Statement of Comprehensive Net Expenditure, Statement of Financial Position and Statement of Changes in Taxpayers Equity have been apportioned between the Sports Council of Wales Consolidated financial statements and the Lottery financial statements in a ratio based on the historic apportionment of staff costs to the Lottery account. For 2019/20 this is Sports Council for Wales 75% and Lottery Accounts 25%.

Pension data contained within this disclosure have been provided by the Sport Wales's independent actuary, AON Hewitt. The IAS19 valuation provided by the actuary is for Sport Wales as a whole; no separate valuations have been obtained for the Sport

Sport Wales made a total pension contribution in 2019/20 of £2,000,000 (2018/19 £1,920,000) which is analysed as follows:

- Employers Pension contributions £1,059,000 representing 24.2% of pensionable pay (2018/19 £1,006,000 24.2%)
- There were no advanced contributions in respect of early retirement cost during 2019/20 (2018/19 nil)
- Lump Sum Contribution of £941,000 (25% of which was met by Lottery), (2018/19 £914,000 of which 24% was met by Lottery)

to this "strain on fund" contributions may be required as well.

The full pension cost to Sports Council of Wales is £290,000 of which £218,000 (2018/19 £258,000) is allocated to the consolidated accounts, with the remainder of £73,000 (2018/19 £82,000) allocated to Lottery.

The full actuarial loss on pension to Sports Council of Wales is £1,030,000 of which £773,000 (2018/19 gain of £441,000) is allocated to the consolidated accounts, with the remainder of £258,000 (2018/19 gain of £139,000) allocated to Lottery.

The rate of employer's pension contributions from 2020/21 will be 32.8%. This has been set as a result of the last triennial valuation of the scheme which was carried out as at 31 March 2019. The actuary's report has been prepared in accordance with Guidance Note GN9 issued by the Institute and Faculty of Actuaries, current at the valuation date, to the extent that it applies to the Local Government Pension Scheme. Sport Wales expects to contribute £2,110,000 to the fund in 2020/21, which includes a contribution towards the pension deficit of £636,000. In addition

The full pension liability to Sports Council of Wales is £14,030,000, of which £10,754,000 (2018/19 £9,891,000) is allocated to the consolidated accounts, with the remainder of £3,277,000 (2018/19 £2,989,000) allocated to Lottery. The Lottery pension liability is adjusted by £231,000 to accommodate the net impact of historic changes in apportionment of staff costs to the Lottery account with the offset £231,000 allocated to the pension liability in the Sports Council for Wales consolidated accounts.

The Coronavirus (COVID-19) pandemic has impacted global financial and property markets. As a result of the volatility in market conditions, the year-end valuation reports provided to Cardiff and Vale of Glamorgan Pension Fund include a statement that there is a material valuation uncertainty in respect of pooled property investments managed on behalf of the pension fund as at 31 March 2020.

The total value of these affected investments as at 31st March 2020 is £106.746m of which, £2.348m (2.2%) is attributable to the Sports Council for Wales. Of the £2.348m, £1.761m is attributable to the consolidated accounts, with the remainder of £0.587m attributable to Lottery.

**MAIN FINANCIAL ASSUMPTIONS**

	31 March 2020 %	31 March 2019 %	31 March 2018 %
Discount Rate	2.3	2.4	2.6
Inflation - CPI	1.9	2.2	2.1
Rate of increase to pensions in payment	1.9	2.2	2.1
Rate of increase to deferred pensions	1.9	2.2	2.1
Rate of general increase in salaries	2.9	3.2	3.1
Mortality Assumptions:	Years	Years	Years
Future lifetime from age 65 (aged 65 at accounting date)			
- Male	22.2	22.4	23.1
- Female	24.6	24.8	25.8
Future lifetime from age 65 (aged 45 at accounting date)			
- Male	23.2	23	24.2
- Female	26	25.9	27.2

Sport Wales employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market

principles. The overall expected rate of return on assets is derived by aggregating the expected rate of return for each asset class over the actual allocation for the Fund at 31 March 2020.

#### ANALYSIS OF MOVEMENTS IN SURPLUS (DEFICIT) DURING THE YEAR

	31 March 2020 £m	31 March 2019 £m
Fair value of fund assets	44.37	47.09
Present value of liabilities	(58.40)	(59.97)
(Deficit) in scheme at end of year	(14.03)	(12.88)

#### ANALYSIS OF AMOUNT CHARGED TO OPERATING COSTS

	31 March 2020 £m	31 March 2019 £m
Current service cost	1.57	1.39
Past service cost	0.26	0.00
Interest cost	0.29	0.34
Expense recognised	2.12	1.73

#### REMEASUREMENT OF AMOUNTS RECOGNISED IN OTHER COMPREHENSIVE EXPENDITURE

	31 March 2020 £m	31 March 2019 £m
Return on plan assets in excess of that recognised in net interest	5.10	(1.88)
Actuarial losses due to change in financial assumptions	(2.52)	3.63
Actuarial losses due to change in demographic assumptions	(0.79)	(2.42)
Actuarial losses due to liability experience	(0.76)	0.09
Total amount recognised in Other Comprehensive Expenditure	1.03	(0.58)
Total amount recognised	3.15	1.15

#### CHANGES TO THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION DURING THE ACCOUNTING PERIOD

	31 March 2020 £m	31 March 2019 £m
Opening defined benefit obligation	59.97	56.52
Current service cost	1.57	1.39
Interest expense on defined pension obligation	1.43	1.46
Contributions by participants	0.31	0.3
Actuarial losses on liabilities- financial assumptions	(2.52)	3.63
Actuarial losses/(gains) on liabilities - demographic assumptions	(0.79)	(2.42)
Actuarial losses on liabilities - experience	(0.76)	0.09
Net benefits paid out	(1.07)	(1.00)
Past service cost (including curtailments)	0.26	0.00
Closing defined benefit obligation	58.4	59.97

#### CHANGES TO THE FAIR VALUE OF ASSETS DURING THE YEAR

	31 March 2020 £m	31 March 2019 £m
Opening fair value of assets	47.09	42.87
Interest income on assets	1.14	1.12
Remeasurement gain on assets	(5.10)	1.88
Contributions by the employer	2.00	1.92
Contributions by participants	0.31	0.3
Net benefits paid out	(1.07)	(1.00)
Closing fair value of assets	44.37	47.09

#### ACTUAL RETURN ON ASSETS

	31 March 2020 £m	31 March 2019 £m
Expected return on assets	1.14	1.12
Actuarial gain on assets	(5.10)	1.88
Actual return on assets	(3.96)	3.00

#### HISTORY OF ASSET VALUES, PRESENT VALUE OF DEFINED BENEFIT OBLIGATION AND DEFICIT

	31 March 2020 £m	31 March 2019 £m	31 March 2018 £m	31 March 2017 £m	31 March 2016 £m	31 March 2015 £m
Fair value of assets	44.37	47.09	42.87	40.34	31.35	30.40
Present value of defined benefit obligation	(58.40)	(59.97)	(56.52)	(53.03)	(41.36)	(42.57)
(Deficit)	(14.03)	(12.88)	(13.65)	(12.69)	(10.01)	(12.17)

#### 19. PROVISIONS

	Employee redundancies & strain on pension £'000	Total £'000
At 1 April 2019	-	-
Provision made in year	300	300
Provisions utilised in year	-	-
At 31 March 2020	300	300

	Employee redundancies & strain on pension £'000	Total £'000
No later than one year	300	300
Later than one year and not later than five years	-	-
Later than five years	-	-
At 31 March 2020	300	300

**EMPLOYEES REDUNDANCIES AND PENSION STRAIN**

The majority of the provision relates to four employees who following the re-design that took place during 2019/20, have taken redundancy. The remainder is for the estimated pension strain for an employee who left through the Voluntary Exit Scheme (VES) that was offered as part of the pay & grading package and are awaiting the invoice from Cardiff & Vale Glamorgan Pension Fund.

**20. RELATED PARTY TRANSACTIONS****PUBLIC BODIES**

Sport Wales is a Public Body, sponsored by the Welsh Government. Welsh Government is regarded as a related party. During the year, Sport Wales received

funding from the Welsh Government, the National Lottery, the Lottery distributing function of Sport Wales, is also considered to be a related party.

**INDIVIDUALS**

During the year, Sport Wales entered into transactions of a material nature with organisations in which the following board members and senior management employees have declared an interest. The payments column includes all payments made during the year for current commitments, prepaid commitments and non-grant expenditure. The final column is committed grant payments not yet made (does not include any non-grant amounts).

Any declaration of interest for items discussed in meetings must be declared by the individual, who will withdraw for that section of the meeting.

Member's Panel	Body	Payments in Year £000	Nature of link	Committed Grant Payment £000
<b>S Morgan</b> Manager, Plas Menai	URDD	110	Daughter member	-
<b>S Powell</b> CEO	Welsh Hockey Union Swansea University	368 75	Member Honorary Fellow	- -
<b>J Sheppard</b> Council Member	Welsh Netball Welsh Badminton Union Golf Union of Wales Welsh Rugby Union	238 94 225 944	Mother is employee Sister is chair Sister is board member Father is WRU Match Official	- - - -
<b>R Parks</b> Council Member	SnowSport Wales	20	Ambassador	-
<b>B Davies</b> Corporate Director/ Acting CEO	Welsh Gymnastics Commonwealth Games Wales	393 47	Spouse Coach Sport Wales Representative on CGW Board	- -
<b>G Williams</b> Corporate Director	Welsh Netball	238	Children members	-
<b>M Veale</b> Council Member	Pembrokeshire County Council Merthyr Tydfil CBC Welsh Government	321 183 251	Lay member of Audit Committee Lay member of Standards Committee Independent member of Audit Committee, Health and Social Services Directorate	- - -

Member's Panel	Body	Payments in Year £000	Nature of link	Committed Grant Payment £000
<b>P Tilley</b> Council Member	Welsh Triathlon Monmouthshire County Council Royal Yachting Association	60 305 15	Member Member of Community Chest Panel Committee Member	- - -
<b>I Bancroft</b> Council Member	Flintshire County Council Wrexham CBC Aura Leisure & Libraries	389 408 142	Former Employee CEO Commissioner & Funder	- - -
<b>P Britton</b> Council Member	Disability Sport Wales Welsh Government	159 251	Former Chair Healthy Weight Healthy Wales Ambassador	- -
<b>R Begum</b> Council Member	Women Connect First	150	Chair	-
<b>L Robinson</b> Council Member	Cardiff Metropolitan University	40	Pro Vice Chancellor	-

**REMUNERATION OF SENIOR MANAGERS AND COUNCIL MEMBERS**

Senior Managers and Council Members are considered to be the Directors and their remuneration is disclosed within the Remuneration and Staff Report on pages 74 to 80.

**21. EVENTS AFTER THE REPORTING PERIOD**

The global Covid-19 pandemic and subsequent movement restrictions introduced at the end of reporting period, have since been extended and continue to present Sport Wales and the wider sector with significant financial challenges. Whilst Sport Wales is extremely grateful to Welsh Government for an increased budget for 2020/21, the increased financial cost of meeting pension deficit payments, coupled with the loss of income from the closure of our two National Centres during these restrictions continues to present a huge challenge in delivering Sport Wales' objectives.

In response to the risk to the wider sporting sector during 2020/21, through a combination of Welsh

Government & National Lottery funding, Sport Wales has developed an £8.5m Sport Resilience Fund to help protect the sport sector in Wales from the consequences of the restrictions put in place. A further £550,000 has been set aside for the Emergency Relief Fund targeted at clubs facing significant challenges and in need of immediate financial support.

This has not impacted Sport Wales' ability to operate as a going concern and no adjustments to the statement of accounts have been made.

The accounts were authorised for issue by the Accounting Officer on the date they were certified by the Auditor General for Wales.

