

Company Registration No: 2676168

Charity No. 1015550

M A Z A R S

Report and Financial Statements

**The National Hockey
Foundation**

For the year ended 31 March 2010

Sovereign Court Witan Gate Milton Keynes
MK9 2HP

The National Hockey Foundation

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The National Hockey Foundation
(a company having no share capital and limited by guarantee)

Company information
For the year ended 31 March 2010

Council members and Trustees:	D A Billson - (Chairman) J M Baker J Cove D H C Darling A P Dransfield M Fulwood D E Laing J R Waters B R Rea (appointed 29/07/2009) M M Bryant (resigned 28/10/2009)
Secretary:	D A Billson
Charity number:	1015550
Registered office and principal address:	9 Hamlet Green Northampton Northants NN5 7AR
Auditor:	Mazars LLP Chartered Accountants Sovereign Court Witan Gate Central Milton Keynes MK9 2HP
Solicitor:	Farrer & Co. 66 Lincoln's Inn Fields London WC2 3LH
Banker:	National Westminster Bank plc 501 Silbury Boulevard Saxon Gate East Central Milton Keynes MK9 3ER
Investment Advisor:	Cheviot Asset Management 90 Long Acre London WC2E 9RA

The National Hockey Foundation

Trustees' report For the year ended 31 March 2010

The council members (who are also directors and trustees) present their report and financial statements for the year ended 31 March 2010.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE NATIONAL HOCKEY FOUNDATION, ITS TRUSTEES AND ADVISORS

The principal address, registered office, banker, solicitor and auditor detail can be found in the company information.

Trustees

The members of the council and trustees who have held office at some point during the year were as follows:

D A Billson (Chairman)
J M Baker
M M Bryant (resigned 28/10/2009)
J Cove
D H C Darling
A P Dransfield
M Fulwood
D E Laing
B Rea (appointed 29/07/2009)
J R Waters

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The National Hockey Foundation is a charitable company limited by guarantee (Company No: 2676168) and registered with the charities commission (Charity No: 1015550) and is governed by the provisions contained within the Memorandum and Articles of Association

All trustees are members of the charitable company and stand as guarantors of the charitable company in the sum of £1 each.

Appointment of Trustees

The number of trustees is unlimited, and all trustees are required to sign a written consent to become a member. At all times at least six of the trustees must be persons nominated by the governing body of hockey in England, and two must be nominated by Milton Keynes Borough Council.

Induction and training of Trustees

New trustees undergo an induction process to brief them of their legal obligations under charity and company law, the content of the Memorandum & Articles of Association, internal processes and recent financial performance. Trustees are also given the opportunity to attend appropriate external training events or undertake self study where these will facilitate the understanding of their role.

Affiliated and related parties

The charity's wholly owned subsidiary, National Hockey Centre Limited ceased trading on 30 June 2007 and has since remained dormant.

As a result of the right to approve and nominate trustees, the English Hockey Governing Body and Milton Keynes Borough Council are related parties.

The National Hockey Foundation

Trustees' report For the year ended 31 March 2010

Statement of trustees' responsibilities

The directors (who are also the Trustees for the charitable company) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

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

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

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

Disclosure to auditors

In accordance with company law, as the charitable company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the charitable company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Risk management policy

Throughout the year the Trustees have continued to develop and review their risk management policy. An action plan covering the areas of risks identified and the steps necessary to mitigate those risks has been agreed by the Trustees and is reviewed at regular intervals.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objectives for which the charity was established are:

- (a) The organisation, provision or assistance in the organisation or provision of facilities which will enable pupils of schools, universities and other educational establishments in the UK to play hockey or other games or sports and thereby to assist in ensuring that due attention is given to the physical education and development of such pupils as well as to the development and occupation of their minds.
- (b) The provision or assistance in the provision, in the interests of social welfare, of facilities for recreation or other leisure-time occupations in the UK either for the benefit of the general public or for the benefit of those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances have a need of such facilities.

The National Hockey Foundation

Trustees' report For the year ended 31 March 2010

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (CONTINUED)

The Trustees confirm they have referred to the guidance provided by the Charity Commission in respect of public benefit when setting the grant making policy for the year.

The charity has carried out these objectives by providing grants to projects that support the development of sport particularly at youth level and in Milton Keynes. The trustees seek to encourage the development of hockey by providing capital and operational funding to the sport through clubs and educational establishments and by support to England hockey's youth development activities.

Grants are not awarded as general donations, to individuals or solely to support elite athletes.

Any benefit received by the organisations receiving the grant is purely incidental to the objects of our work.

During the year the Trustees updated guidelines, procedures and application forms to help the grant application process become clearer.

The Trustees continue to encourage potential applicants to access the web site www.thenationalhockeyfoundation.com which contains details about the work of the Foundation, guidelines for potential applicants and links to all the details required to enable applicants to apply for an award.

HOW OUR GRANT PROGRAMME DELIVERED PUBLIC BENEFIT: ACHIEVEMENTS AND PERFORMANCE

The Trustees have considered a large number of grant applications and have made awards as they considered appropriate.

During the year 7 grants were made totalling £231,000 to various organisations.

The England Hockey Board was awarded £20,000 towards the costs of the 2010 National Hockey Youth Festival. The support of this successful event encourages the development of youth hockey.

Haversham Sailing Club was awarded £14,000 towards the cost of acquiring six laser sailing dinghies and launching trolleys. These boats are being used for the RYA certificated youth sailing courses, the clubs Buccaneers training sessions and the RYA Volvo Champions Club race training sessions.

Wolverton Town Cricket Club was awarded £10,000 towards the costs of enclosing and improving the club's artificial nets and to reactivate an old square suitable for use for junior matches.

Hampstead & Westminster Hockey Club was awarded £55,000 towards the cost of replacing an existing water based pitch so as to ensure growth of youth hockey in their area.

Fareham Hockey Club was awarded £50,000 towards the development of their facilities for a similar purpose.

MK City Korfbal Club was awarded £15,000 to help develop the exciting sport of Korfbal in Milton Keynes. The Trustees have indicated their willingness to continue funding into a second year of the project subject to certain conditions being met. Accordingly £10,000 is shown as a contingent liability in note 14 to the accounts.

The National Hockey Foundation

Trustees' report For the year ended 31 March 2010

HOW OUR GRANT PROGRAMME DELIVERED PUBLIC BENEFIT: ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Milton Keynes Dons Sport and Education Trust were awarded £67,000 for the second year of a three year project to use football and multi sports to address childhood obesity in Milton Keynes. The Trustees have indicated their willingness to continue funding into the third year of the project subject to certain conditions being met. Accordingly £75,000 is shown as a contingent liability in note 14 to the accounts.

England Hockey was made a conditional award towards the costs of the second year of the Quicksticks programme. Accordingly £75,000 is shown as a contingent liability in note 14 to the accounts.

Alnwick Hockey Club has been offered a conditional award of £70,000 towards the cost of developing their proposed new facilities. As the award is conditional £70,000 is shown as a contingent liability in note 14 to the accounts.

Shenley Leisure Centre Club has been offered a conditional award of £70,000 towards the cost of converting existing garage spaces into new facilities. As the award is conditional £70,000 is shown as a contingent liability in note 14 to the accounts.

The Trustees will continue to award grants for appropriate applications during 2010/2011.

FINANCIAL REVIEW

Reserves policy

The Trustees reconfirmed that there is no intention to merely disburse only interest earned on funds held. Also there is currently no specific policy of seeking to disburse the balance of the funds within a specific period of time. Grant applications will be reviewed at each board meeting and awarded based on their individual merits.

The Trustees will review their policy in respect of reserves periodically.

Investment policy

During the year the Trustees undertook a review of their policy to leave their investments in cash. Various options were considered and it was ultimately decided to appoint an investment advisor to manage the Trust's funds. Cheviot Asset Management was appointed and during the year a total of £3,000,000 in two tranches was transferred to Cheviot Asset Management.

Cheviot Asset Management has since invested the majority of those funds in acquiring a portfolio which they consider suitable to the aims and needs of the Foundation.

The Trustees regularly review the performance of the fund manager.

Results for the year

Income for the year was much reduced at £76,735 arising mainly from interest received on the Foundation's cash investments. Grants of £231,000 were awarded during the year and governance and support costs of £17,472 contributed to the deficit in the year of £79,137.

Equities, Gilts and cash invested with the investment manager at the end of the year were valued at £3,094,130 with a further £167,741 on deposit at the bank.

The National Hockey Foundation

Trustees' report For the year ended 31 March 2010

FOR FUTURE PERIODS

With lower interest rates likely to remain for most of the next financial year, and investment returns potentially volatile it is anticipated that with the level of grant awards remaining high the Trust will continue to show a deficit.

The Trustees meet quarterly to discuss and consider disbursements in respect of grant applications.

It is the Trustees current policy not to make individual grants below £10,000 or in excess of £75,000 per annum. This policy is continually being reviewed by the Trustees.

AUDITORS

A resolution to reappoint Mazars LLP as auditors to the Charity and to authorise the Trustees to fix their remuneration will be proposed at the Annual General Meeting.

By order of the council on ...10:08:2010
signed on its behalf by



D A Billson

The National Hockey Foundation

Independent auditors' report to the members of The National Hockey Foundation

We have audited the financial statements of The National Hockey Foundation for the year ended 31 March 2010 which comprise of the Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including our opinion, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

The National Hockey Foundation

Independent auditors' report to the members of The National Hockey Foundation (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Stephen Brown

Stephen Brown (Senior statutory auditor)

for and on behalf of Mazars LLP, Chartered Accountants (Statutory auditor)

Sovereign Court
Witan Gate
Milton Keynes
MK9 2HP

Date 11 August 2010

The National Hockey Foundation

Statement of financial activities (Including income and expenditure account) For the year ended 31 March 2010

		Unrestricted funds 2010 £	Total funds 2009 £
Incoming resources	Notes		
Incoming resources from generated funds			
- Voluntary income		100	100
Continued activities			
- Investment income	2	<u>76,635</u>	<u>175,509</u>
Total incoming resources		<u>76,735</u>	<u>175,609</u>
Resources expended			
Charitable activities	3	244,367	350,921
Governance costs	5	4,105	(1,716)
Other costs – impairment of investments		<u>29,163</u>	<u>-</u>
Total resources expended		<u>277,635</u>	<u>349,205</u>
Net outgoing resources for the year		(200,900)	(173,596)
Other recognised gains and losses			
Realised gain on investment assets		<u>2,215</u>	<u>-</u>
Net expenditure		(198,685)	(173,596)
Unrealised gain on investment assets		119,548	-
Net expenditure for the year		<u>(79,137)</u>	<u>(173,596)</u>
Fund balances brought forward			
At 1 April 2009		<u>3,183,680</u>	<u>3,357,276</u>
Fund balances carried forward			
At 31 March 2010	13	<u>3,104,543</u>	<u>3,183,680</u>

The charitable company had no recognised gains or losses other than the net movement of funds for the year. The net outgoing resources and resulting net movements in funds arrive from continuing activities.

The notes on pages 10 to 14 form part of these financial statements.

The National Hockey Foundation

Charity Balance sheet As at 31 March 2010 Company number: 2676168

	Notes	2010 £	2009 £
Current assets			
Debtors	10	8,561	77,856
Cash at bank and in hand		167,741	287,974
Current asset investments	11	3,094,130	3,000,000
		<u>3,270,432</u>	<u>3,365,830</u>
Creditors – amounts falling due within one year	12	<u>(165,889)</u>	<u>(182,150)</u>
Net current assets		3,104,543	3,183,680
Net assets		<u>3,104,543</u>	<u>3,183,680</u>
Funds and reserves			
Unrestricted funds	13	3,104,543	3,183,680
		<u>3,104,543</u>	<u>3,183,680</u>

Approved by the board on and authorised for issue10.08.....2010
And signed on its behalf by

D A Billson
Chairman



The National Hockey Foundation

Notes to the financial statements As at 31 March 2010

1. Accounting policies

a Accounting convention

The financial statements have been prepared under the historical cost convention. The charitable company has adopted the Charities Statement of Recommended Practice 2005, and the accounts have been prepared in accordance with the Companies Act 2006.

Following the cessation of trade in the subsidiary, National Hockey Centre, on 30 June 2007, the subsidiary has now become dormant.

b Exemption from group accounts

The charitable company is exempt from the requirement to prepare consolidated accounts by virtue of the subsidiary company, National Hockey Centre Limited being dormant. These financial statements therefore present information about the Company as an individual undertaking rather than as a group.

c Incoming resources

All income is included in the SOFA in the year in which it becomes receivable.

Activities for generating funds represents income, excluding value added tax, derived from trading activities carried out in the subsidiary National Hockey Centre Limited up to the date of cessation of trade.

Investment income represents income receivable on bank deposits and investments held. Investment income comprises dividends declared during the accounting period. Income from quoted investments is recognised when receivable.

d Fund accounting

The charitable company's unrestricted funds consist of funds which the charitable company may use for its purposes at its discretion.

e Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to do so.

Governance costs include those incurred in the governance of the charity and its assets and primarily associated with constitutional and statutory requirements.

All other expenditure is directly attributed to one of the functional categories of resources expended in the SOFA, on a basis consistent with the use of the resources.

f Investments

Assets held for investment purposes are included at market value at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the Statement of Financial Activities.

g Liquid resources

Cash deposits held on greater than twenty-four hours notice are defined as a liquid resource.

The National Hockey Foundation

Notes to the financial statements For the year ended 31 March 2010

2. Investment income

	2010 £	2009 £
Bank interest	66,722	175,509
Income from investments held (note 11)	9,913	-
	<u>76,635</u>	<u>175,509</u>

3. Charitable activities

	2010 £	2009 £
Grants payable (see note 4)	231,000	344,000
Support costs (see note 6)	13,367	6,921
	<u>244,367</u>	<u>350,921</u>

4. Grants payable

	2010 £	2009 £
Amounts payable to:		
Sport Milton Keynes	-	15,000
England Hockey	20,000	145,000
Wolverton Town CC	10,000	-
MK Dons Sport & Education Trust	67,000	75,000
West Bridgford Monarchs Hockey Club	-	39,000
Old Silhillians Hockey Club	-	70,000
Haversham Sailing Club	14,000	-
Hampstead & Westminster HC	55,000	-
MK City Korfbal	15,000	-
Fareham HC	50,000	-
	<u>231,000</u>	<u>344,000</u>

During the year the Charity made the above payments which were provided on the basis that they were used on specific identifiable projects which meet the charitable objectives of the National Hockey Foundation.

5. Governance costs

	2010 £	2009 £
Legal & professional	-	(5,000)
Auditors' remuneration - audit fee	3,000	3000
Audit fee prior year	-	(1350)
Trustees' travel expenses	187	352
Other meeting expenses	918	1,282
Total unrestricted governance costs	<u>4,105</u>	<u>(1,716)</u>

The National Hockey Foundation

Notes to the financial statements For the year ended 31 March 2010

6. Support costs

Included within the charitable activity expenditure (note 3) is 100% of the following support costs.

	2010 £	2009 £
Accountancy & administration	12,339	9,390
Repairs and maintenance	-	(3,110)
Insurance	536	-
Bank interest and charges	174	62
Sundry	318	579
	<u>13,367</u>	<u>6,921</u>

7. Staff costs

There are no paid employees within the Foundation.

The board of trustees received no emoluments for their services. The Board of Trustees received reimbursement for travel expenses totalling £187 (2009: £352).

8. Taxation

As the charitable company is a registered charity, its income under Schedule D is exempt from taxation, subject to the provisions of Section 505 of the Income and Corporation Taxes Act 1998.

9. Fixed asset investments

Subsidiary holding	Historical cost £	Revaluation £	Impairment £	Market value £
Value as at 31 March 2009 and 2010	2	-	(2)	-

The investment in the subsidiary, National Hockey Centre Limited represents a 100% holding. The subsidiary is incorporated in the England and Wales and is now dormant. As at 31 March 2010, the share capital and reserves of the subsidiary was £nil (2009: £nil) and the profit for the year of £nil (2009: £nil).

10. Debtors

	2010 £	2009 £
Prepayments and accrued income	<u>8,561</u>	<u>77,856</u>

The National Hockey Foundation

Notes to the financial statements For the year ended 31 March 2010

11. Current asset investments

	Historical cost £	Revaluation £	Impairment charge £	Market value £
Balance brought forward as at 1 April 2009	3,000,000	-	-	3,000,000
Realised gain on disposal	2,215	-	-	2,215
Payment for outstanding interest on gilts and bonds	(8,383)	-	-	(8,383)
Investment income not yet drawn down	9,913			9,913
Unrealised gain in the year	-	119,548	-	119,548
Impairment charge in the year	-	-	(29,163)	(29,163)
Total carried forward as at 31 March 2010	<u>3,003,745</u>	<u>119,548</u>	<u>(29,163)</u>	<u>3,094,130</u>

During the year, the brought forward balance of £3,000,000 held in bonds at the bank was transferred to investment managers for investment in gilts, bonds, equity and cash. The investments are held with the ability to draw down funds as required.

12. Creditors – amounts falling due within one year

	2010 £	2009 £
Grants awaiting settlement	162,681	179,000
Accruals	3,208	3,150
	<u>165,889</u>	<u>182,150</u>

13. Funds and reserves

	Unrestricted fund £
Balance at 1 April 2009	3,183,680
Net outgoing resources	(79,137)
Balance at 31 March 2010	<u>3,104,543</u>

The National Hockey Foundation

Notes to the financial statements For the year ended 31 March 2010

14. Contingencies

The trustees have approved grant payments of £300,000 to the following subject to specific conditions being met.

England Hockey – Quicksticks	£75,000
MK Dons Sport & Education Trust – year 3 programme	£75,000
Shenley Leisure Centre	£70,000
MK City Korfbal	£10,000
Alnwick Hockey Club	£70,000

At the year end, these conditions had not been met and so no accrual has been recognised.

15. Related party transactions

Under the Articles of Association of The National Hockey Foundation, the English Hockey Governing Body has a right to nominate a minimum six trustees to the Board.

During the year, The National Hockey Foundation made charitable donations to the English Hockey Governing Body of £20,000 (2009: £145,000). £70,000 was owed to English Hockey Governing Body at the year end (2009: £70,000). Two National Hockey Foundation Trustees are also non executive directors of England Hockey Limited (the England Hockey Governing Body).

During the year, The National Hockey Foundation has granted £67,000 (2009: £75,000) to Milton Keynes Dons Football Club Education and Sport Trust. A National Hockey Foundation Trustee was appointed the Chief Executive officer for this charity after the initial grant was awarded. The Foundation has also committed to donating £75,000 in the following year subject to certain conditions being made.

A trustee Mr A P Dransfield is also a trustee of the charitable company Shenley Leisure Centre Trust Limited. At the year end, the charity has a commitment to pay Shenley Leisure Centre Trust Limited a grant of £70,000.

The company has taken advantage of the exemption conferred by FRS 8 to subsidiary undertakings, 100 percent of whose voting rights are controlled within the group, not to disclose all transactions with other group companies.

16. Charitable company status

The National Hockey Foundation is a charitable company not having a share capital and is limited by guarantee. The charitable company is a charity registered with the Charity Commission, charity number 1015550.