



REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Charity number: 283813

Company number: 01550741

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Report and financial statements for the financial year ended 31 December 2020

DEFINITIONS

The following terms are used in the Trustees' Annual Report

'THE TRUST'	The London Marathon Charitable Trust Ltd
'LME'	London Marathon Events Limited, the wholly owned subsidiary of The London Marathon Charitable Trust Ltd
'LSCP'	London & Surrey Cycling Partnership Limited Liability Partnership, 75 per cent owned by London Marathon Events Ltd and 25 per cent owned by SweetSpot Group Limited (a sports events and marketing company specialising in cycling events)

A simplified organogram is shown below.



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Introduction:

The London Marathon Charitable Trust Ltd (The Trust)

The Trust is one of the United Kingdom's major charitable funders of initiatives to encourage people to take part in physical activity. The work of The Trust was made possible by the extraordinary foresight of the late Chris Brasher and John Disley, the founders of the London Marathon.

When Chris and John created the London Marathon in 1981, their vision was that the event's success would inspire the public to take up sport and generate funds to provide grants for sport and recreational facilities in London. They created The Trust as the parent charitable company for what is now LME to

enable the surplus from the London Marathon, and all future events, to go to The Trust.

Inspiring activity

The Trust and LME have a shared vision of 'Inspiring activity'. Through its grantmaking The Trust has enabled millions of people to become and remain physically active – regardless of age, gender, ability, race or background. Through the success of its events, LME is an extraordinary force for good that has inspired millions to get active and to raise huge sums of much-needed funds for charitable activity across the UK.

In turn, The Trust distributes the funds it receives from LME, along with donations and interest, to activity projects across the UK.

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Chair's Statement



Sir Rodney Walker, Chair of The London Marathon Charitable Trust

Since March 2020, all our lives have been impacted by Covid-19 in ways that were unimaginable when we began the year. The impacts of the pandemic meant that in April The Trust took the difficult decision to pause accepting new applications to focus on supporting current grantees, providing critical services to communities, and a small number of priority projects in the application pipeline.

In a world where people could not mass, all mass participation events organised by LME after The Vitality Big Half on 1 March 2020 had to be cancelled, but, thanks to the agile and creative thinking of LME and meticulous scenario planning, and with the support of sponsors, partners and stakeholders, events were reimagined and a significant potential loss was turned into an £865,431 operating surplus by the close of the year.

The decision has been made by the LME Directors, supported by the Trustees, that this sum should remain held as reserves in

the operating company due to the continued uncertain situation for the delivery of mass participation events.

Our shared commitment to continue to deliver our charitable objects and inspire activity means we end the year feeling we have been able to accomplish a great deal and to play a positive role in this very challenging year. We also know that many more challenges lie ahead in 2021, but we are determined to continue our work to inspire activity – society has never needed it more.

Inspiring activity

The Trust and LME work together in complementary ways to inspire activity: The Trust through its grantmaking and LME through its events.

Inspiring activity through grants

As Covid-19 hit the UK, the Trustees took stock of the impact of the pandemic on The Trust's ability to deliver its charitable objects and on the ability of grantee organisations to deliver physical activity. Central to decision making was the Trustees' assessment of when

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The Trust was likely to receive Gift Aid payments from LME and how much these were likely to be. As a result, the Trustees decided that, to be prudent, plans should be made on the basis that future income from LME was uncertain and, as a consequence, Gift Aid income to The Trust might be curtailed.

The Trustees recognised this would impact The Trust's ability to award grants in 2021 and 2022. The Trustees therefore determined that to make best use of existing, uncommitted resources, its funds, as well as staff skills and expertise, must be managed to guarantee that The Trust could fulfil its fiduciary responsibilities for oversight of grants in progress and for the delivery of agreed objectives.

Prudent financial planning meant that during the financial year The Trust awarded 51 grants totalling **£4,860,355** that will deliver The Trust's objective of inspiring people of all ages, backgrounds and abilities to take part in physical activity. (This compares to 106 grants totalling **£11,669,171** during the 15-month financial period that ended on 31 December 2019.) This brings the total The Trust has awarded since its founding in 1981 to in excess of **£93 million**, to more than **1,470 projects across the UK**, enabling millions of people to get active (see page 10 on grantmaking).

The Trust temporarily stopped accepting applications from new applicants from April 2020 as the Trustees decided that, in the short term, the best way for The Trust to achieve its objectives was to support current grantees to deliver the projects for which they had been awarded grants, and, if necessary, to enable these grantees to modify their projects in order to ensure that they delivered the greatest possible impact. To that end, the Trustees were pleased to sign the #WeStandTogether statement organised by London Funders to reassure civil society groups that The Trust stands with the sector during this time and is

committed to adapting activities, discussing dates, offering financial flexibility and listening to civil society.

The Trustees and staff will continue to work closely with grantees and others to assess needs and pledge to remain flexible as to how to use The Trust's resources to respond.

Inspiring activity through events

As The Trust's trading subsidiary, LME has the dual purpose of generating income for its parent charity and of encouraging participation in physical activity. As such, LME is constantly working to grow and improve the mass participation sporting events it organises, the positive impacts generated by inspiring people to take up sport and the amounts raised by participants for charities.

During the financial year, LME was only able to deliver one mass participation event as planned: The Vitality Big Half, featuring The Vitality Big Half, The Little Half and The Big Mile. As the pandemic put the country into lockdown and prohibited mass participation events, LME planned virtual versions of its events, starting with the Standard Chartered Great City Race, Vitality London 10,000 and Vitality Westminster Mile, and culminating in the delivery of the postponed Virgin Money London Marathon. The reimaged event took place on a new October date with elite-only races in a biosecure environment in St James's Park, 37,966 people running The 40th Race – My Way across the globe, and 111,000 schoolchildren participating in the first virtual Virgin Money Giving Mini London Marathon.

LME owns 75 per cent of the London & Surrey Cycling Partnership LLP (LSCP), the delivery agency for Prudential RideLondon, the Mayor of London's cycling festival. This was the final year of the LSCP contract and the pandemic meant it was not possible to hold the eighth edition of the event. LSCP instead created the virtual

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event, My Prudential RideLondon, to encourage cyclists to fundraise for the charity of their choice. All entry fees bequeathed by applicants who were unsuccessful in the Prudential RideLondon ballot for the sportives in the event went directly from LSCP to The Trust for grantmaking.

LME also worked with other members of the Mass Participation Sports Organisers (MSO) group to create and deliver The 2.6 Challenge from Sunday 26 April (the original date of the 40th London Marathon) to help save the UK's charities in a campaign that is believed to be the biggest collaborative charity fundraising campaign ever staged.

LME's work generated the overall surplus of **£865,431** for the financial year as a result of delivering these events. As outlined above, the LME Directors, supported by the Trustees, decided this sum should remain held as reserves in the operating company due to the continued uncertain situation for the delivery of mass participation events.

LME itself also delivers significant social benefit. The virtual events organised by LME during the financial year – including The 2.6 Challenge, My Prudential RideLondon and The 40th Race – My Way – raised many millions for charities.

LME continues to fund a range of corporate social responsibility initiatives that inspire people of all ages and backgrounds to get active. During the financial year, LME continued to work with The Daily Mile Foundation to introduce The Daily Mile initiative into London primary schools. Since the partnership was launched by the Mayor of London with Sir Mo Farah in October 2018, the number of primary schools in London signing up for The Daily Mile has risen from 326 to 847, a 160 per cent increase. Growth in 2020 was slowed by the prolonged closure of schools during the pandemic. LME therefore developed and delivered The Daily Mile – at Home, which

was rolled out worldwide by The Daily Mile Foundation, to encourage children to keep active while schools were closed. For more information about LME, see page 25.

Governance Review

Behind-the-scenes governance work that was already planned went ahead as scheduled. As reported, in 2019 the Trustees employed Compass Partnership to conduct a review of Board performance against the Charity Governance Code. This highlighted several areas for improvement. During 2020, the Trustees worked with the LME Board and senior staff of LME and The Trust to implement the recommendations of the Governance Review.

This resulted in the creation of a new unitary Board for LME (see LME on page 25), the approval of revisions to LME's Memorandum and Articles, the signing of an Operating Agreement between the two organisations and work on the development of a shared strategic framework for LME and The Trust.

The Trustees believe these changes will improve overall governance and the oversight of LME's work by The Trust and create more clarity about the oversight of LME's work by the Trustees. The process of developing a governance structure and procedures that are effective and efficient has been very collegial and has strengthened the formal and informal connections between the various parts of the group.

We are particularly grateful to the members of the LME Board who are retiring as a result of the re-organisation. We extend our thanks to Daniel Astaire, Nikki Emerson, Louisa Fyans, Iain Hook, Gillian McKay, Peter Phillips and Will Tuckley, who have played an important role in the continuing success of LME.

The Trust welcomes to the restructured LME Board Terry Duddy (Chair); Robin Geller, Arun Kang OBE, Damien Lane and Alan Pascoe MBE,

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who continue as Non-Executive Directors; Chi Evi-Parker and Susan Goldsmith, who join as new Non-Executive Directors; and Executive Directors Nick Bitel (CEO), Hugh Brasher (Event Director), Penny Dain (Marketing & Communications Director) and Stephen Dell (Finance Director). Susan Goldsmith joined the LME Board at the end of December 2020 and Chi Evi-Parker was appointed in February 2021. Terry Duddy and Alan Pascoe will serve as Trustees of The Trust and as Directors of LME.

Thanks

None of The Trust's impact would be possible without the wonderful work of our grantees, who are changing lives in big and small ways every day. Their determination and dedication, particularly during this very complicated and stressful year, inspires and motivates Trustees and staff alike.

The Trustees extend special thanks to Sir John Spurling KCVO OBE, who has stepped down as Chair of LME and a Trustee of The Trust after 20 years of dedicated service to the work of the group. Sir John was named President of The Trust in December 2020.

We are indebted to all Trustees past and present for their commitment to delivering our objectives. We were saddened by the loss in April of John Bryant, Vice President of The Trust, who died after a long illness. John played an important part in developing the London Marathon into the global event it is today and, in recent years, in leading The Trust as its Chair.

We were delighted that in December 2020 independent Trustee Dawn Austwick agreed to serve as Vice Chair of The Trust. We are also grateful to Rosie Chapman, from whose expertise the Board benefited enormously during her tenure on the Board.

The Trustees have been ably supported by the Finance and Audit Committee (FAC), chaired by

Gillian McKay, and the Grants Committee (GC), chaired by Charles Johnston.

It goes without saying that the Board has been helped greatly in its work by The Trust's staff team. During the year, the team has been enhanced by the temporary support of Helen Ashley Taylor, who joined The Trust to serve as interim Head of Governance. We are very grateful to Sarah Ridley, who stepped down as Chief Grants Officer after nearly seven years, and welcome Catherine Anderson to the new position of Executive Director of The Trust, who takes up her position in April 2021.

The Trustees extend their sincere thanks to LME Chair Sir John Spurling, Chief Executive Nick Bitel and Event Director Hugh Brasher, along with the entire Board and Management of LME, and to all employees and volunteers who, together, make a real difference to national participation in physical activity. This has been an extraordinarily testing year for organisers of mass participation events, but the creativity, drive and determination of all members of LME has delivered life-affirming activity in innovative ways (see LME page 25).

Despite uncertainty about what lies ahead, The Trustees are determined to continue to make effective use of The Trust's resources in the coming year, by supporting initiatives that inspire people to take part in physical activity and encouraging them to remain involved for the benefits activity brings to their physical and mental health.



Sir Rodney Walker
Chair

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Trustees' Annual Report

The London Marathon Charitable Trust Ltd (a company limited by guarantee and not having a share capital; number 01550741) was established in 1981 and is a registered charity, number 283813.

These accounts are the consolidated accounts for The Trust, and its subsidiary entities (LME and the LSCP) for the financial year ended 31 December 2020.

Governance of The Trust objects

The Trust's objects, as set out in its Articles of Association, are to: "Promote participation in amateur sport and healthy physical recreation for the benefit of the inhabitants of those cities or counties where LME (or such other subsidiaries of the charity from time to time) holds events, and in such other areas of the United Kingdom as the Trustees may from time to time decide, and in particular to provide, promote, improve or assist in providing, improving or promoting:

- a) Public facilities, amenities, equipment and services for healthy physical recreation and play.
- b) Facilities and services for recreational, sporting or other leisure-time occupation in the interests of social welfare for the public at large, or those who by reason of their youth, age, infirmity, disablement, financial hardship or social or economic circumstances have need of such facilities and services.
- c) The improvement and preservation of good health and wellbeing through participation in sport, play and healthy physical recreation.
- d) Volunteering in sport and healthy recreation for the benefit of the community.

- e) Education and training of sports coaches and sports volunteers."

The Trust delivers against these objects through its grantmaking activity (for more information on The Trust's grantmaking, see below).

Delivering public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general advice on public benefit when reviewing The Trust's aims and objectives and in planning future activities and setting the grantmaking policy for the financial year.

Through its mission to support initiatives that inspire activity, enabling people to become and remain physically active regardless of age, gender, ability, race or background, and that challenge inequality of access to physical activity, and through its grantmaking activity The Trust provides clear, identifiable benefits to the general public. The Trust ensures that, as a condition of its grant agreements for example, all funded projects are to be accessible to the public.

The Trust's income during the financial period

In 2020, The Trust received donations from Virgin Money (£600,000) and New Balance (£300,000). The Trust also received bequests from participants in Prudential RideLondon totalling £323,110 (during the previous 15-month period ending 31 December 2019 this was £356,730).

In previous years, The Trust's primary source of income has been the surplus generated by LME through staging mass-participation sporting events. However, the restrictions introduced as a result of the Covid-19 pandemic meant it was only possible for LME to fully deliver The Vitality Big Half in March, with all further events cancelled or repurposed,

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which had a very significant negative impact on LME's projected surplus for the financial period. A significant potential loss was turned into a £865,431 operating surplus by the close of the year, however the decision has been made by the LME Directors, supported by the Trustees, that this sum should remain held as reserves in the operating company due to the continued uncertain situation for the delivery of mass participation events (during the previous 15-month period ending 31 December 2019 The Trust received £8,429,618 in corporate Gift Aid from LME).

The Trust's total income this financial year was £1,290,739 (2019: £9,277,294) all of which will be used to support The Trust's charitable purposes in the coming years. For more on The Trust's income, see page 9.

The Trust's grantmaking during the financial period

Each financial year, The Trust sets its grant-making budget based on funds received and brought forward from the preceding period. The Trust began the financial year with a brought-forward balance of approximately £8.8 million for grantmaking and administration as set out in The Trust's strategies and actions for 2020.

As described in the Chair's Statement, in light of uncertain future income projections for 2020 and 2021, the Trustees determined that to make best use of existing, uncommitted resources, its funds, as well as staff skills and expertise, must be managed to guarantee that The Trust could fulfil its fiduciary responsibilities for oversight of grants in progress and for the delivery of agreed objectives. Despite this, the Trust made significant grants in support of the strategies and actions that had been agreed for 2020 (see page 11).

As previously noted, during the financial year, The Trust approved 51 grants totalling

£4,860,355. Net grantmaking was £4,428,358 as grant amounts totalling £431,997 were withdrawn during the financial year (this compares to 106 grants totalling £11,669,171 during the previous 15-month period ending 31 December 2019. During that period net grantmaking was £11,592,742 as grant amounts totalling £76,429 were withdrawn – for further details, see note 8 to the accounts.)

Grants made in the latter half of the year included awards to grantees to enable them to respond directly to the negative impact Covid-19 has had on some of the most vulnerable people in London.

Facilities Grants

During the early part of 2020, before the grants programme was closed to new applicants, The Trust made Facilities Grants available to applicants in its core areas. The Trust's core areas are defined as those areas in which LME organised mass participation sporting events in the previous chronological year. The Trust's core areas for 2020 were London and Surrey. As 2019 was the last year in which LME organised a mass participation sporting event in Surrey, 2020 was the last year in which Surrey was defined as a core area and therefore the last year in which organisations from Surrey were eligible to apply for Facilities Grants.

The Facilities Grants guidelines in place for 2020 enabled The Trust primarily to provide capital funding for facilities that support projects that encourage and help people to become and remain physically active.

During the financial year the Trustees selected projects that clearly demonstrated how the new or improved facilities would engage and support those who are the least active to become more active, improving their health and wellbeing.

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The Trust had two types of Facilities Grants that eligible organisations could apply for:

1. Small Grants (£5,000-£50,000)
2. Major Grants (£50,001-£250,000)

The Trustees have the discretion to award Major Grants of more than £250,000 where they believe additional support is merited, and significant impact will be achieved. The Trustees can also award top-up grants to supplement existing grants where there is a strong case for doing so.

While the programme was open to new applications, applicants were able to submit proposals for facilities projects based in the core areas. The Trust had a simple online Expression of Interest (EOI) form for applicants for a Small Grant. Applicants who were assessed to be eligible were then invited to complete a simple, one-stage online application form. Applications could be made at any time and were considered on a quarterly basis. The staff informed applicants of the Trustees' decision within 16 weeks of applying.

The Trust had a two-stage online application process for Major Grants. Those applicants invited to progress to stage two had 12 months in which to submit a detailed application for consideration at one of the quarterly Trustees' Meetings. The Grants Committee (GC) met quarterly to review grant applications and progress reports, and to make recommendations to the full Board of Trustees. The Trustees met quarterly to make final funding decisions. Decisions on Small Grants and stage-one Major Grants were delegated to the GC. This allowed The Trust to be more responsive to applicants. The Trustees also provided an option for Facilities Grants to include a revenue funding element of up to 10 per cent of the total grant award. This funding could be used to enhance the impact

of the facility, for example, through community outreach and activation. The Trust also provided a digital toolkit for grantees to use to publicise their work and their grant from The Trust.

Facilities Grants during the financial year

During the financial year, The Trust awarded 46 Facilities Grants totalling £2,193,855 (net grantmaking was £1,761,858 as grants totalling £431,997 were withdrawn). Facilities Grants included both Small and Major Grants.

Small Grants: 30 awarded, £577,480

(During the previous 15-month period ending 31 December 2019, 56 grants were awarded totalling £915,053).

Small Grants of between £5,000 and £50,000 were provided for the renovation, modernisation or creation of local facilities for organisations with a strong commitment to encouraging and supporting people to become and remain physically active.

Please see below for examples of Small Grants awarded in the financial year:



London Borough of Hackney awarded a grant of up to £20,000

As part of a community-led neighbourhood greening project, the London Borough of Hackney (in partnership with Morland Estate and Blanchard Way Tenants and Residents Association) received funding to install a new

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natural play area in an under-used green space on the Morland Estate. This has created a valuable new play area for families and nearby nurseries so hundreds of children can now enjoy the benefits of play in a natural setting.



London Borough of Tower Hamlets awarded a grant of £20,000

The London Borough of Tower Hamlets received funding to install an outdoor gym and fitness area at St Paul's Shadwell Church, along a popular running and walking route. With more people having a renewed appreciation of being active outdoors, this new gym will provide opportunities for the community to participate in all-year-round outdoor activity free of charge. There is also a social value attached to the gym, as St Paul's Shadwell Church will be delivering activity sessions aimed at young people involved in anti-social behaviour. Michael Traynor, the Young Life and Community Manager at St Paul's Shadwell Church, said: "Creating this new exercise area, thanks to the support of The London Marathon Charitable Trust, has enabled us to completely transform the area providing an incredible resource for hundreds of regular exercisers, as well as to run free fitness classes for our community."

Coin Street Centre Trust awarded a grant of £5,000

Coin Street Centre Trust, a registered charity working in Waterloo and North Southwark to create a vibrant and diverse neighbourhood, deliver a range of affordable activity sessions

at the Colombo Street Sports and Community Centre. A Small Grant from The Trust enabled the community studio to be redecorated so activities, including youth gym sessions, over 50s Feel Good Saturday sessions and Family Fitness and Fun sessions, can be held in a modern space with a greater capacity so more people can participate in activities.

Major Grants: 16 awarded, £1,616,375

(During the previous 15-month period ending 31 December 2019, 40 grants were awarded totalling £5,511,633)

Major Grants of between £50,001 and £250,000 were provided for the renovation, modernisation or creation of significant facilities for organisations with a strong commitment to encouraging and supporting people to become and remain physically active. Successful applicants had robust business plans in place for their facilities, as well as effective strategies for increasing participation in physical activity, sport and/or play. In order to understand the impact of The Trust's grants, successful applicants were expected to have clear plans in place for monitoring and evaluating the effect of the projects that The Trust funded.

Please see below for examples of Major Grants awarded in the financial year:



Haven House awarded a grant of up to £104,000

Haven House Children's Hospice in Waltham Forest care for seriously ill babies and children

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both in the hospice and the wider community. Funding from The Trust will be used to create a new outdoor space with a 'Woodland Walk' sensory garden and 'Pirate Playground'. The Pirate Playground has already been completed, providing a fully accessible and specialist play area for children with life-limiting and life-threatening illnesses. Director of Care, Eileen White, said: "The improved playground and woodland area will make a huge difference to the lives of our families. Many of the seriously ill children we look after have siblings, and there are not many places their parents can take them to play together. Our vision for an inclusive, safe, accessible and fun space for our families and the wider community to enjoy can now become a reality."



Children enjoying the facilities at London Thunder Basketball Club

London Thunder Basketball Club awarded two grants totalling up to £100,000

Based in Lewisham, London Thunder Basketball Club engages with 1,000-plus young people every year, using basketball to offer inclusive activities to enable all participants to be active and to have fun in a safe and supportive environment. An initial grant of £85,000 and a top-up grant of £15,000 will be used for essential facility improvements, including new lighting, modernised changing facilities and accessibility improvements, so the club can support under-represented groups to be active, such as people with disabilities. The

founder and Head Coach at London Thunder Basketball Club, Steve Bucknall, said: "We are extremely grateful to The London Marathon Charitable Trust for this funding and can't wait to get started on the project. The opportunity to carry out much-needed repairs to our facility will enable us to focus on developing our work in the local community and the improved venue will attract more people to become involved in our activities."

Strategic Partnership Grants

The Trust provides support for UK-wide Strategic Partnership Grants that address the barriers to participation in physical activity and inspire people from all communities to take part. These partnerships target support for children and young people, as well as those less likely to participate in physical activity – such as people from low-income communities, older individuals, and people with disabilities.

The Trust supports ambitious, high-impact, strategic partnerships that take place anywhere in the UK and are not restricted to its core areas. The Trustees are pleased the programme has enabled The Trust to partner with key organisations across the UK. These organisations are skilled at providing supportive and accessible environments that inspire individuals to be physically active, and to reap the physical and mental health benefits that this activity provides.

These partnerships are solicited by The Trust and are identified through its extensive networks and expressions of interest received directly by The Trust. The Trust seeks to support and work with the partnerships in various ways, including convening regular meetings for the various partners to share information and explore opportunities for collaboration. Among other support, The Trust provided a digital toolkit for grantees to use to publicise their work and their grant from The Trust.

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Strategic Partnership Grants awarded during the financial year

During the financial year, The Trust awarded five Strategic Partnership Grants totalling £2,666,500 to projects in London and across the UK. (During the previous 15-month period ending 31 December 2019, 10 grants were awarded totalling £5,239,950).

Monitoring and evaluation are important parts of each of these grants as they will enable The Trust and grantees to assess the effectiveness of The Trust's funding and to learn lessons for future partnerships.

The grants awarded this year included awards to organisations already funded by The Trust to enable them to respond directly to the negative impact Covid-19 has had on some of the most vulnerable people in London.

Strategic Partnership Grants awarded in the financial year to projects across the UK include:



Transport for Greater Manchester (TfGM) awarded a grant of up to £1,000,000

In March 2020, The Trust awarded Transport for Greater Manchester (TfGM) £1 million to develop a sustainable Active Travel Community Toolkit for a range of communities in the Greater Manchester area.

TfGM will be working with strategic partners in the health, voluntary, community and social enterprise sectors to support around 10,000 people across 20 communities with high inactivity levels to walk and cycle more.

The Active Travel Community Toolkit is informed

by research to address the main identified barriers to walking and cycling (such as access to equipment/facilities and safety concerns) and will particularly focus on the needs of women, children and ethnically diverse communities identified in specific geographical areas and around a community 'hub'.

Community hubs will be centred around schools or other suitable groups, including religious or community centres, that are more likely to have lower access to physical activity opportunities and a good level of local engagement.

The toolkit approach is a collection of interventions that will allow communities to select the tools most appropriate to their needs over the next three years. The Active Travel Community Toolkit is designed to enable a strong co-production approach with communities and will include online active travel resources for schools, community active travel enabling grants, community cycle rides and led walks and cycle training.

With the grant announced last year to Transport for Greater London, this grant means that The Trust has now made substantial financial commitments to the two largest metropolitan areas of the UK (London and Greater Manchester) to support activity that not only promotes healthy lives, but also encourages sustainable active travel.

Active Partnerships awarded a grant of up to £600,000

Active Partnerships was awarded a £600,000 grant to deliver a project that aims to improve the health and wellbeing of young homeless people in the North of England and Scotland through the power of sport and physical activity. The grant to Active Partnerships' Young People Forward project was made possible by a generous donation of £600,000 from Virgin Money, the title sponsor of the London Marathon.

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The key objectives of this project are to:

- Provide the young people with opportunities to be active in a safe and supportive environment.
- Support more than 40 local community organisations working with the target group to embed sport and physical activity into their programmes.
- Improve health, wellbeing and resilience of the young people.
- Provide bespoke support to help the young people address the challenges they face.
- Help the young people reduce their risk of homelessness and embark on a journey out of homelessness.

Active Partnerships will work directly with just under 600 young people who are either homeless or at risk of homelessness while also developing a programme model that can be rolled out to inspire activity in many more.

The funding will be distributed by Active Partnerships to seven delivery partners in the North of England and Scotland that will provide physical activity sessions in 11 areas: Merseyside, Lancashire, Greater Manchester, Humber, South Yorkshire, West Yorkshire, Tyne & Wear, Northumberland, Edinburgh, West Lothian and Glasgow.



Our Parks awarded a grant of up to £50,000

Our Parks was awarded up to £50,000 to focus on communities with high levels of inactivity in areas disproportionately affected by Covid-19 and health inequalities, particularly in ethnically diverse communities.

The grant contributed towards two physical activity programmes, building on Our Parks' existing offer and platforms, to deliver a series of Family Fit sessions for 30 weeks in parks in six boroughs, and a four-week Couch to Fitness programme that consisted of three x 30-minute sessions over four weeks.

This online activity targeted families with limited space who are inactive or who cannot access the physical sessions.

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The London Marathon Charitable Trust's strategy for financial periods 2018 to 2022

The strategic objectives approved by the Trustees in April 2018 for the period from 1 October 2018 to September 2022 are shaped by The Trust's objects, vision and mission.

The Trust's vision is a society in which everyone is physically active, contributing to their health and wellbeing. The Trust's mission is to provide funding to initiatives that inspire activity, enabling people to become and remain physically active regardless of age, gender, ability, race or background and to challenge inequality of access to physical activity.

The Trust's overall grantmaking objectives for financial periods 2018 to 22 are to maintain and increase participation in physical activity by providing funding that:

1. Identifies and supports ambitious partnership projects that will challenge inequality of access to physical activity and deliver the greatest possible impact for The Trust's target audiences: children and young people and those who are less likely to be physically active, such as girls and women, those from ethnically diverse communities and those with disabilities.
- 2) Reflects the spirit of the London Marathon in The Trust's grantmaking.

The Trust delivers these objectives through two grantmaking approaches:

1. Facilities Grants for the renovation or creation of facilities for sport and recreation in The Trust's core areas.
2. Strategic Partnership Grants support for high-impact initiatives across the UK that will challenge inequality of access to physical activity.

The Trust's performance against its objectives for financial year to 31 December 2020:

The Trustees set specific objectives for 2020 to support the achievement of the strategic objectives agreed for the period through to 2022. These objectives relate to grants delivery, impact and organisational development.

The specific objectives for the financial year from 1 January 2020 to 31 December 2020 are listed below, along with The Trust's achievements against each objective.

1. **To inspire activity through grantmaking by awarding Facilities and Strategic Partnership Grants that encourage the development and sustained undertaking of physical activity by all members of the local community, especially by The Trust's target audiences.**

Achievements

- The Trust awarded 46 Facilities Grants totalling £2,193,855 (during the previous 15-month period ending 31 December 2019, 96 grants were awarded totalling £6,429,221). All The Trust's grants were targeted to encourage and support members of the local community to become and remain physically active.
- The Trust awarded five Strategic Partnership Grants totalling £2,666,500 (2019: 10 grants totalling £5,239,950). All these grants were targeted at projects that seek to remove barriers to participation in physical activity.
- The grants awarded this year include awards to organisations already funded by The Trust, in order to enable them to respond directly to the impact Covid-19 has had on some of the most vulnerable people in London.

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- The Trust tracks its grantmaking in relation to data on physical inactivity, obesity, deprivation rankings and facilities available. Through the Strategic Partnership Grants, The Trust is able to target funding to its priority audiences in a way not possible under The Trust's reactive Facilities Grants programme.
- The Trust convened three meetings during the year for strategic partners, facilities grantees and play providers. These meetings provided opportunities for grantees to talk about the challenges they faced, the solutions they had found and support they required. These meetings have helped Trustees and staff to modify The Trust's grantmaking to better respond to grantee needs.
- The Trust's staff updated The Trust's monitoring and evaluation framework in order to better identify the impact of The Trust's funding, lessons and trends and, where appropriate, to disseminate this information .
- The Trust staff have updated the application and assessment forms to encourage projects to address their environmental sustainability.
- The Trust has updated its recruitment policy to include a greater focus on diversity.

2. Impact: to demonstrate and maximise the impact of our grants.

Achievements

- The Trust carefully monitors all grants and assesses their impact against the objectives for inspiring activity that were agreed when the grant was awarded. During the year, The Trust commissioned Wavehill, a social and economic research

company that provides independent monitoring and evaluation services to the public, private and voluntary sectors, to undertake a multi-year evaluation of its grants programmes, which will be completed in 2021. The outcome of the evaluation will feed into the development of The Trust's new Strategies and Actions for 2022 and beyond.

3. Organisational development: to make The Trust more fit for purpose and ensure it operates in the most effective, efficient, impactful manner, in accordance with all statutory obligations and the highest possible governance standards.

Achievements

During the year, The Trust has:

- Developed and overseen the implementation of a Governance Review.
- Embedded and enhanced its relationship with The Trust's investment managers.
- Enhanced feedback for unsuccessful applicants.
- Further simplified and streamlined the application process, particularly for Small Grants.
- Introduced more proportional monitoring and reporting requirements depending on grant size and project type.
- Improved guidance and flexibility in relation to the grant drawdown process.
- Updated its recruitment policy to further increase staff diversity when recruitment is undertaken.

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The Trust's objectives for financial year ending 31 December 2021

The Trustees have set objectives for 2021 to support the achievement of the strategic objectives agreed for the period through to 2022. These relate to grants portfolio management, impact and organisational development.

1. Grants portfolio management: To inspire activity through grants that tackle inequality of access to physical activity and encourage the development and sustained undertaking of physical activity by all members of the local community, especially under-represented groups.

- To focus staff resources and funds currently available for grantmaking on supporting the existing portfolio of current and past grantee organisations.
- To assess needs and opportunities so that, if appropriate and possible, we can begin development and delivery of new support for inspiring activities for under-represented groups.

2. Impact: to demonstrate and maximise the impact of our grants

- To deliver and improve The Trust's monitoring processes and systems.
- To explore ways to encourage projects to address their environmental sustainability and their diversity.

2. Organisational development: to make The Trust more fit for purpose and operating in the most effective, efficient and impactful manner, in accordance with all statutory obligations and highest possible governance standards.

- To begin planning for The Trust's next strategic cycle 2022 to 26.

- To undertake continuous improvement of our internal governance processes.
- To maximise The Trust's income while balancing the need to retain the money required to fulfil the grant commitments already made by The Trust and to enable the commitment of further funds.
- To maximise the impact of The Trust's people resources.

Monitoring The Trust's impact

The Trustees ask those applying for funding to show clearly how their projects will benefit the community and align with The Trust's objective of inspiring activity. The Trust requires regular reports so the Trustees and staff can exercise appropriate oversight. All proposals must include an assessment of how the success or otherwise of the project is measured. The Trust asks applicants to identify up to five key outcomes they think they can achieve as a result of the work The Trust funds. This helps:

- organisations plan and explain their work
- The Trust understand what it is funding
- The Trust and grantees to monitor progress of the work

The Trust uses these outcomes as a baseline record of what the grantee plans to achieve, against which progress and change can be reported each year. At the end of the grant The Trust assesses how much of what was planned was achieved. Crucially, when making a judgement about whether initial outcomes have been achieved, The Trust considers evidence of the total impact of the grant to date. The initial outcomes may not have been met, but the work could have generated impact similar to that initially planned. The Trustees note that there are several challenges that arise from focusing on outcomes:

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- As many of The Trust's grants are for capital costs, and The Trust is likely to be one of many funders, the outcomes of the work can never be directly attributable to The Trust's grant.
- If an organisation is learning from its work, it is likely that its outcomes will change over the course of a grant.
- Setting outcomes is a delicate balance that is hard to get right. Sometimes a grantee sets outcomes that are too simple, sometimes too ambitious.

The Trust is committed to continual improvement and seeks to learn lessons from the information it receives from applicants, grantees and other stakeholders and to review and, where necessary, revise its systems and processes (see Monitoring The Trust's systems and processes, below).

The staff have benchmarked The Trust against other grantmakers, and the Trustees believe that the organisation offers high-quality grantmaking (see Transparency and accessibility on page 20). The Trustees and staff recognise the importance of demonstrating and maximising the impact of grants. In order to achieve this objective the staff have established a multi-year evaluation of The Trust's grants programmes, which will be completed in 2021. The Trustees have agreed to implement recommendations from the evaluation.

Monitoring The Trust's systems and processes

As part of The Trust's ongoing assessment of the charity's impact, The Trust appointed evaluation consultants Wavehill to gather feedback on The Trust's funding programmes, application processes and the support the staff provide to applicants and grantees. Wavehill conducted a survey of a representative sample of 108 recent applicants. This evaluation involved

detailed telephone interviews and included both applicants who had been funded and others whose applications were declined. The survey included questions related to the impact of Covid-19 on the organisations and The Trust's support to grantees during the pandemic.

In summary, Wavehill reported that:

- The Trust's mission and focus of its grants are clear to applicants and encourage them to apply.
- The Trust's Facilities Grants have enabled grantees to address issues of equality of access by improving the physical attributes of their facilities.
- The Trust's funding has made delivery possible for projects that would not have otherwise happened and is plugging a gap in funding that would otherwise persist and mean that many facilities would remain in need of investment.
- Support from The Trust has resulted in indirect outcomes, including improved health and wellbeing, increased confidence/self-esteem of participants and reduced social isolation.
- Grantees are seeing impacts extend beyond the immediate outcomes intended for direct participants in grant-funded activities to the wider communities in which projects are located.
- Grantees have used The Trust's funding to strengthen their organisations, by, for example, improving the links and profile with the local community and attracting new members.
- Grantees stated that The Trust's funding has enabled them to access other funding opportunities.

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- Grantees were grateful to The Trust's flexibility and for allowing them to respond to the changed circumstances brought by the pandemic.
- Funded projects have enabled people in under-represented groups to become more physically active.

The Trustees believe these findings are helpful and encouraging, demonstrating The Trust continues to make real improvements to the application process and to provide a very high level of customer service to applicants and grantees. Wavehill will be completing this work in 2021 and The Trustees anticipate the findings in this report will be influential in developing its future grants activity. The Trust will be developing an action plan for addressing the key issues identified through this and other monitoring and evaluation work being undertaken by The Trust staff.

Transparency and accessibility

The Trust seeks continually to improve its transparency and accessibility. Its website (lmct.org.uk) includes a simple application process and user-friendly online forms to gather information from grantees about the impact being delivered against its charitable objects. In addition to The Trust's online presence, the staff promoted applications through communications with relevant networks, media coverage and links with other organisations and. When Covid-19 restrictions allowed, staff attended events to promote funding opportunities.

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Governance and management of The London Marathon Charitable Trust

The Trust has a membership separate from its Trustee body. The Trust has a maximum of seven Members, whose liability is limited to the sum of £1 in the event of The Trust being wound up.

Members

The Trust's Members currently comprise:

- Activity Alliance
- Active Partnerships (formerly County Sports Partnership Network)
- Local Government Association
- London Councils
- Sport England
- UK Athletics

Members have various constitutional powers under the Articles of Association and under Company Law. The key powers are to:

- approve amendments to the Articles of The Trust by Special Resolution
- appoint Trustees (individually as Members and collectively up to six nominated by The Trust in General Meeting)
- remove a Trustee or Trustees whether or not appointed by them

Board of Trustees

The Board of Trustees is responsible for the conduct of The Trust, its governance and operation, from setting strategic direction to monitoring The Trust's performance against objectives, as well as its finances. The Trustees meet as a Board at least four times a year to set and oversee the delivery of The Trust's strategy. In order to respond to events that emerged as

a result of the impact of Covid-19, the Trustees met 12 times during the year, the vast majority of these meetings taking place as video calls.

The Trustees are the directors of The Trust under Company Law and charity trustees under Charity Law. They may delegate functions to committees or employees but remain responsible for the performance of those delegated functions, so must monitor the delegation. This structure allows the Trustees to enlist all relevant skills when filling the independent appointments made collectively, ranging from skills necessary for the grantmaking activity of The Trust (with Trustees who have knowledge and experience relevant to The Trust's objects) and also addressing the required commercial skills (those who have legal, financial, accounting and business experience).

All Trustees are subject to fiduciary duties, requiring them to act in the best interests of The Trust, giving it precedence in all matters. Trustees do not therefore act as a representative of the person or organisation by whom they are nominated. The Trust has a Board that is independent of LME, aside from Trustees of The Trust who sit as Directors of LME. Where a Trustee also acts as a Director of LME, or as a trustee of another organisation, the interests of The Trust take precedence in all Trustees' Meetings and conflict management procedures are followed.

With the restructuring of the LME Board, new Articles of Association of LME were approved by The Trust, as LME's sole shareholder, in December 2020 (see LME page 25). From January 2021, members of the new LME Board will receive a payment for their service to LME. The Trust sought and received permission from the Charity Commission for those Directors who are also Trustees to receive this payment from LME for their service as LME Directors.

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Governance of The Trust

Prince Henry of Wales, Duke of Sussex
Patron (concluded January 2021)

Sir John Spurling KCVO OBE
President (appointed December 2020)

John Bryant
Vice President, London Marathon Charitable Trust (deceased April 2020)

Trustees as of the date of approval of the Trustees' Annual Report, and the committees on which they sit, are listed below.

John Austin (FAC, GC)
Nominated Trustee of London Councils

Dawn Austwick OBE (GC)
Vice Chair (from December 2020)
Independent Trustee

Rosie Chapman
Independent Trustee
(resigned June 2020)

Terry Duddy
Chair of LME (appointed December 2020)

Councillor Richard Henry
Nominated Trustee of
Local Government Association

Charles Johnston (GC)
Nominated Trustee of Sport England

Lee Mason
Nominated Trustee of Active Partnerships
(resigned in November 2020 and re-appointed in December 2020)

Gillian McKay (FAC)
Independent Trustee

Sam Orde OBE (FAC)
Nominated Trustee of Activity Alliance

Alan Pascoe MBE (GC)
Independent Trustee

Councillor Robert Rigby (GC)
Nominated Trustee of London Councils

Clare Shepherd (FAC, GC)
Independent Trustee

Sir John Spurling KCVO OBE (FAC)
Chair of LME (resigned December 2020)

Sir Rodney Walker (NC)
Chair of The Trust

Committees

The Trustees are currently supported by three committees that make recommendations to the full Board. Trustees and other non-executives are able to sit on the committees. In the above list, membership of a committee is indicated by the committee's acronym, as shown below.

The Finance and Audit Committee (FAC) supports the Board in its responsibilities for financial and business planning. The FAC meets four times a year at three-monthly intervals. (Charles Congdon was co-opted as a member of the FAC in November 2019 and his term was renewed in December 2020.)

Grant applications are reviewed, appraised and recommended for approval by the Grants Committee (GC). In line with the grants policy, the GC meets four times a year at three-monthly intervals. (Charles Reed stepped down as a co-opted member of the GC in July 2020.)

The Nominations Committee (NC) is convened as necessary to make recommendations to the Board of Trustees for appointments to the Board of Trustees. At the end of the year, Sir John Spurling KCVO,

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OBE stepped down as Chair of LME after more than 20 years at its helm. In recognition of his exceptional work on behalf of The Trust and LME Sir John has been named President of The Trust.

Trustees' induction and training

The Trustees' induction process includes an initial meeting with the Chair and Chief Grants Officer, which includes education on the powers and responsibilities of the Trustees. Trustees are provided with a briefing pack that includes a summary of The Trust's history, a copy of the governing Articles of Association, minutes of the Trustees' meetings and copies of the previous three years' annual reports and accounts.

The Board keeps its skill requirements under review and ensures that Trustees partake in ongoing training on issues of governance and matters related to The Trust's areas of grantmaking. Priority is given to enhancing capabilities in good governance, investment and financial management and providing background information on subjects related to The Trust's grantmaking priorities.

Management of The Trust

The Trustees have resolved that, other than those matters which the Board reserves for itself as set out in 'The Schedule of Matters Reserved for the Board' and 'Delegated Authority of the Grants Committee', the Board delegates the day-to-day running of The Trust to the Chief Grants Officer. The Trust is committed to providing timely advice and support to applicants and grantees.

The Trust now has a small team of nine staff members to manage The Trust, as well as one part-time Grants Officer. During the year, an interim Head of Governance was appointed on a 12-month fixed term contract to establish high-quality systems and processes for reporting and oversight as identified as part

of the Governance Review. Management of The Trust includes handling enquiries and applications and assisting active grantees. Under a Service Level Agreement with LME, a limited number of support services are provided to The Trust by LME and by The Trust to LME.

Implementing best practice

During the financial year, the Trustees considered ways of maximising delivery of The Trust's charitable objects. This caused Trustees to act both on governance and practical delivery matters.

In November 2018, at the request of The Trust, the Trustees, Trust staff and members of the LME Management Board met with representatives of the Charity Commission to learn more about the guidance that the commission was developing for charities with a connection to a non-charity. Subsequently, The Trust commissioned a Governance Review and, in 2020, the Trustees, LME Directors and senior staff of LME and The Trust worked to begin to implement the recommendations of the Governance Review (see page 7).

These recommendations included the restructuring of the LME Board as a unitary Board, the creation of a formal Operating Agreement between The Trust and LME and the development of a strategic framework to guide and support the work of both organisations. In addition, The Trustees appointed an interim Head of Governance to implement best practice following the Governance Review.

On the grantmaking front, the Trustees signed the #WeStandTogether Statement organised by London Funders to provide flexible support to grantees during the Covid-19 pandemic (see Chair's Statement on page 5).

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The Trust staff

Sarah Ridley

**Chief Grants Officer (until January 2021)/
Company Secretary (until December
2020)**

Olu Alake

Strategic Partnership Grants Lead

Helen Ashley Taylor

**Interim Head of Governance (part-time)/
Company Secretary (joined November
2020, Company Secretary from
December 2020)**

Deirdre Cole

**Grants Officer part-time (returned from
maternity leave July 2020)**

Amy Cruse

Grants Administrator

Anmol Dhillon

**Company Secretariat and Operations
Administrator/Governance Manager**

Eleanor Grant

Grants Officer

Megan Rix

Grants Administrator

Marianna Sikorowska

Grants Officer

Joe Thompson

Facilities Grants Lead

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The work of London Marathon Events Ltd in 2019-2020

The Trust is the sole shareholder of its trading company, LME. Historically LME has passed its surplus to The Trust each financial year through corporate Gift Aid.

In the financial year, the impacts of the Covid-19 pandemic meant that LME was only able to deliver The Vitality Big Half, The Little Half and The Vitality Big Mile on 1 March. It was not possible to deliver mass participation events for the remainder of 2020, which had a very significant negative impact on LME's projected surplus for the financial period.

A significant potential loss was turned into a £865,431 operating surplus by the close of the year and the decision has been made by the LME Directors, supported by the Trustees, that this sum should remain held as reserves in the operating company due to the continued

uncertain situation for the delivery of mass participation events.

Instead of the usual physical events and in response to the pandemic, LME devised and delivered a series of successful virtual events and gained permission to deliver the elite races of the 2020 Virgin Money London Marathon in a biosecure environment in St James's Park. The amended 2020 event calendar featured:

- The Vitality Big Half, The Little Half and The Vitality Big Mile
- Virtual Standard Chartered Great City Race
- Virtual My Prudential RideLondon (LME owns 75 per cent of LSCP, which organised the event on behalf of the Mayor of London and his agencies)
- Virgin Money London Marathon elite races

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- Virtual Virgin Money London Marathon (The 40th Race – My Way)
- Virtual Virgin Money Giving Mini London Marathon for schoolchildren
- Virtual Vitality London 10,000
- Virtual Vitality Westminster Mile

Children with Cancer UK Swim Serpentine was cancelled.

The 2.6 Challenge

LME worked with other members of the Mass Participation Sports Organisers (MSO) group to create and deliver The 2.6 Challenge from Sunday 26 April (which should have been the date of the 40th London Marathon) to help support UK charities adversely impacted by Covid-19 in a campaign that raised more than £11 million for nearly 4,000 charities, in what is believed to be the biggest collaborative charity fundraising campaign ever staged.

LME is the acknowledged world leader in maximising revenue for charities through iconic mass participation sports events. Since the London Marathon was founded in 1981, the events organised by LME have raised more than £1 billion for a huge variety of charities. In the last financial period, more than £78 million was raised for charities working across the UK and internationally by 180,000-plus participants through the 13 events held during that time. The total raised for charities by participants in The Vitality Big Half and LME's virtual events delivered in 2020, including The 2.6 Challenge, is estimated to be more than £50 million.

The Vitality Big Half

The third edition of The Vitality Big Half was held in London on 1 March 2020. This event aims to be the first to truly reflect the diversity of London's population with an extensive community outreach programme offering

discounted places planned to inspire new runners from under-represented groups to enter.

A record total of more than 16,000 runners took on the 13.1-mile challenge through the four host London boroughs of Greenwich, Lewisham, Southwark and Tower Hamlets and then enjoyed The Vitality Big Festival.

More than 1,200 participants completed the last 2.3 miles of the route in The Little Half and children and families enjoyed The Vitality Big Mile. LME's community engagement initiatives resulted in a 55 per cent overall increase in entries from ethnically diverse communities, with 19 per cent of the community entries from ethnically diverse communities.

Postponement of Virgin Money London Marathon

On Friday 13 March, due to Covid-19, LME announced the postponement of the 40th edition of the London Marathon from Sunday 26 April to Sunday 4 October.

Virtual events

Over the following months, as it became apparent it would not be possible to stage its other mass participation events, LME worked to create and deliver virtual versions of its events, offering participants and charities with entries to the original events the option to participate in the virtual version or to receive a full refund.

The first of these was a virtual version of the Standard Chartered Great City Race, where the corporate teams ran 5K from work, home or wherever they were. More than 3,300 people entered the event.

This was followed by My Prudential RideLondon, where more than 10,000 riders of all ages and abilities rode 19, 46 or 100 miles or a distance of their choice, raising more than £3 million for charity in the process.

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The 40th Race

After many months of work on different scenarios through the uncertainty of the pandemic, the 2020 Virgin Money London Marathon took place on Sunday 4 October.

The 40th Race was the most challenging in the event's long history. Due to Covid-19, it was not possible to stage the mass event, and every individual and charity that had a place in the original 2020 Virgin Money London Marathon was offered a place in a future London Marathon. Thanks to the support of central government and the London authorities, the elite races (men, women and wheelchairs) were held in a biosecure environment on a looped course within St James's Park, with more than eight hours live television coverage (a record).

A new virtual marathon was created and 37,966 runners from around the world took on The 40th Race – My Way, completing the marathon distance between 00:00 and 23:59:59 BST on the same day as the elite races and setting a new world record for a virtual marathon. In addition, more than 111,000 schoolchildren across the UK completed 2.6 miles in the first virtual Virgin Money Giving Mini London Marathon.

A total of 219,893 people applied in the ballot for a place in the 2021 event, which is scheduled to take place on 3 October 2021.

Vitality London 10,000 and Vitality Westminster Mile

The virtual editions of the Vitality London 10,000 and the Vitality Westminster Mile took place over the October half-term week, offering participants the chance to complete the event at the time/date of their choosing between Saturday 24 October and Sunday 1 November.

More than 12,000 people entered the Vitality London 10,000 and more than 8,000 of these were new entries, responding to the

Celebrate You marketing campaign, which focused on the mental health benefits of exercise. The virtual Vitality Westminster Mile was free of charge and targeted solely at families that had already entered the event. More than 1,300 completed the challenge to claim their medal.

Governance

Following the Governance Review, changes were made to the Articles of Association of LME and the membership of the Board to create a smaller, skills-based Board, which, for the first time, includes four senior executives (Chief Executive, Event Director, Finance Director, Marketing and Communications Director) as members of the Board. As a result, other than The Trust, external organisations are no longer able to directly nominate members of the LME Board.

In addition to recruiting a new Chair (Terry Duddy) and two new Non-Executive Directors (Chi Evi-Parker and Susan Goldsmith), existing Non-Executive Directors Robin Geller, Arun Kang OBE and Damien Lane remain on the Board and Alan Pascoe MBE remains on the Board as a nominee of The Trust.

An Operating Agreement was agreed and put in place between LME and The Trust upon adoption of the new Articles of Association for LME. Work also commenced on developing a shared strategic framework for the Group.

In creating this unitary board, LME and The Trust were keen to ensure that the Board had the right mix of skills and experience to help guide LME and that it also reflected the diversity of those whom it seeks to inspire to become physically active. For the first time, LME used the services of an executive search company to ensure as wide a pool of potential candidates as possible was approached.

From January 2021, Non-Executive members

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of the new LME Board will receive a payment for their service to LME including, following permission from the Charity Commission, those Directors who are also Trustees.

Corporate Social Responsibility

LME continued to fund a range of Corporate Social Responsibility initiatives, including supporting a reduced British Athletics' endurance running training programme and introducing The Daily Mile into London's state primary schools.

In addition to these initiatives, three floors of LME's office building continue to be let at a reduced rate to London Sport to create a House of Sport, intended to enhance networking and collaboration in the voluntary sport sector.

Sustainability

LME is committed to inspiring and delivering innovation in mass participation event sustainability.

In 2020, LME sought to build on the work undertaken in 2019 and continue to understand, monitor and take action to address its impacts across all aspects of sustainability.

While the global Covid-19 pandemic affected several planned initiatives, LME's commitment to address its impacts and inspire innovation remains central to its planning and a number of actions have been undertaken.

Work undertaken includes but is not limited to:

- Balancing the emissions from event vehicles, generators and elite athlete travel by investing in verified tree-planting projects, while transitioning to greener alternatives where applicable
 - Introducing electric vehicles to events
 - Sharing ideas and good practice through collaboration with fellow major event organisers
 - Working with an environmental consultancy to further understanding of the sustainability impacts of Covid-19 on LME's 2020 events and operations
-
- ### Directors of London Marathon Events Ltd
- LME has a Board of Directors that is independent from The Trust, aside from Trustees who sit as Directors of LME.
-
- Publication of LME's first environmental report 'Leaving the Right Impression', quantifying the organisation's 2019 environmental impacts alongside outlining future ambitions
 - Joining the UN Sports for Climate Action Framework, working alongside fellow sports organisations to take climate action

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Financial Review and policies of The London Marathon Charitable Trust Ltd

Income

In previous years, The Trust's primary source of income has been corporate Gift Aid from its wholly owned subsidiary, LME. However, as has been explained, Covid-19 meant that events had to be cancelled, postponed or reimagined. This affected the income received by The Trust in 2020 as the Directors, supported by the Trustees, decided that the £865,431 operating surplus should remain held as reserves in the operating company due to the continued uncertain situation for the delivery of mass participation events.

The Trust received the following income:

- £323,110 in bequests made by applicants who were unsuccessful in the ballot for Prudential RideLondon
- £600,000 donation from Virgin Money
- £300,000 donation from New Balance
- £66,554 from interest on cash balances
- £1,075 other direct donations

This brings the total income received during the year to **£1,290,739** (2019: £9,277,924).

Cash management and reserves policy

In total, The Trust holds cash balances of £13,028,367 (2019: £25,276,648). Of this, The Trust holds £5,827,070 in cash, which has been designated for future grantmaking.

Since it is not known when LME will return to donating significant corporate Gift Aid to The Trust, The Trustees have agreed to manage the funds prudently so that they can be used over several years if circumstances mean that this is necessary.

In addition, The Trust has £13,696,507 committed for grants that have already been awarded, but for which the grantees have not yet submitted claims for payment. Given there is a time-lag between the awarding of grants and the payment of grants upon completion of the funded project, this amount is drawn down over a number of years. It has, therefore, not been deemed necessary to hold this all in cash at the year end, with £6,430,813 held in investments.

To maximise the return to The Trust of its reserves, in 2019 the Trustees decided to make a long-term investment of £10 million. The Trustees made this decision in order to seek to protect the value of The Trust's cash holdings against the impact of inflation.

The Trustees appointed Cazenove Capital as The Trust's investment manager and began investing funds in Cazenove's Charity Responsible Multi-Asset Fund. This is a long-term investment fund with a diversified strategy investing in equities, bonds and alternative assets. Following the onset of the Covid-19 pandemic, the Trustees reviewed this strategy and decided to pause investment at £5.5 million to ensure The Trust had immediate access to £4.5 million, should it be required.

Cazenove's Charity Responsible Multi-Asset Fund adopts a responsible investment approach, seeking sustainable long-term returns, using exclusions, and the integration of social, environmental and governance considerations. The Fund will not invest in companies that do not meet the responsible investment criteria set by the Manager. The Fund aims to provide income and capital growth in excess of the Consumer Price Index plus four per cent per annum (net of fees) over rolling 10-year periods.

As of 31 December 2020, £5.5 million had been invested into the Responsible Multi-Asset Fund. Gains on this investment in the financial year

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were £936,834 (2019: nil). The remainder of The Trust's cash balances are held in a mixture of current accounts and short-term cash deposits with interest of £66,554 generated in the financial year.

Loans

Coronavirus Business Interruption Loan

Due to the continued uncertainty surrounding Covid-19 and the ability of LME to hold mass participation events in the future, it was agreed by the Board of Directors of LME and The Trust for LME to raise £5 million through a Coronavirus Business interruption Loan in order to mitigate any possible short-to-medium-term cash flow risk. The loan has a 60-month term with an initial 12-month interest free period (two per cent p.a. over base rate thereafter) and no early repayment charges. The first repayment is due 13 months after the date on which the loan was drawn (August 2020).

In 2015, The Trust made a grant of up to £250,000 and an interest-free loan of £200,000 to London Diocesan Board of Schools. These sums went towards a new gymnastics facility in The Bishop Wand Church of England School for Spelthorne Gymnastics, Sunbury-on-Thames, in order to offer a diverse range of participation opportunities for children and young people.

The loan repayment conditions were that it should be repaid in 114 equal monthly instalments, and repayments were being made in accordance with the loan terms. The Trustees made the loan as it aligned with The Trust's objectives to encourage and support participation in sport, physical activity and play, particularly among those who are currently inactive. At the end of the financial year £21,053 had been repaid and £122,807 of the loan remained outstanding.

The Trust's risk management

The Trustees are responsible for ensuring

that effective and adequate risk management and internal control systems are in place to manage the major risks to which The Trust is exposed. The FAC reviews both the risks and their management at its quarterly meetings and provides a report to the Board of Trustees. The Board reviews risks and risk management in detail twice a financial period.

The Covid-19 pandemic again highlighted The Trust's reliance on the performance of its trading subsidiary, LME. To mitigate this risk, the Board of Directors of LME includes Directors who are also Trustees of The Trust, and The Trust actively oversees the strategic business decisions of LME, receiving regular reports.

During the financial year, the Trustees reviewed the major risks facing The Trust and the systems and procedures to manage them. The key risks the Trustees identified are:

- inability to achieve The Trust's objectives and respond to requests for grants due to the projected significant drop in income from LME
- not applying The Trust's assets for charitable purposes
- not maximising The Trust's assets
- not demonstrating The Trust's impact
- not adhering to legislation, regulations or best practice
- loss of key staff

The Trust's primary risk is the potential inability to achieve The Trust's objectives and respond to requests for grants due to a significant drop in income from LME. Despite the impact of Covid-19 on mass participation events, the immediate direct implications of the Covid-19 pandemic on The Trust in 2020 were limited.

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The Trust has sufficient cash reserves to fulfil grants already awarded and any future grants will be awarded in line with ongoing cash flow projections. Further, The Trust has adequate additional reserves to ensure it can oversee both the monitoring of grants and distribution of grant payments, as well as to fulfil its oversight responsibilities for LME.

The Trustees have reviewed The Trust's risk mitigation, as well as the LME Directors' assessment of risks, and are satisfied risks have been properly identified and are being appropriately managed (for LME's risk management, see opposite).

The Trust's policies and procedures for setting pay of key management personnel

Trustees are committed to ensuring The Trust pays its staff fairly and in a way that ensures it attracts and retains people with the right skills to have the greatest impact on delivering its charitable objectives.

When recruiting, Trustees seek to attract high-calibre individuals with experience and skills in grantmaking and the sports and recreation arenas. The Trust therefore benchmarked salaries against those of other grantmaking organisations operating at its scale. Having compared The Trust to other major funders, the Trustees believe staff are paid at an appropriate level to attract and retain a skilled and experienced team, delivering high-quality grantmaking.

The Trustees review the pay and remuneration of The Trust's staff annually. The Chief Grants Officer (CGO) attends the meeting (leaving for the discussion regarding the CGO's remuneration).

For LME's policies and procedures for setting pay of key management personnel, see page 32.

Fundraising activities

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The Trust does not undertake fundraising activities as The Trust's income is generated primarily from the trading surplus LME pays through corporate Gift Aid and from bequests by event entrants. The Trust does not employ commercial participators or third-party professional fundraisers and has received no complaints in relation to fundraising activities during the year.

Policies of London Marathon Events Ltd

LME's risk management

The Covid-19 crisis highlighted that the staging of major sports events is always associated with uncertainties and risks. Due to the nature of business in this industry, LME is constantly exposed to risks and opportunities that must be identified and managed. This necessitates effective and systematic management and monitoring of risks and opportunities.

A risk is one or more future events with unplanned, negative consequences for the planning of events, up to the risk of a threat to the continued existence of LME. Risk is unavoidable and the resources available for managing risk are finite. The aim of risk management within LME is therefore to achieve an optimum response to risk, prioritised in accordance with an evaluation of the risks.

The situation regarding Covid-19 is changing rapidly and LME will continue to monitor the situation closely. Alongside the obvious risks to human health, LME is also seeing serious disruption-related impacts on its activities and on organisations on which it relies, including issues that are arising from travel and opening restrictions, event cancellations, workforce issues, supply chain disruptions, financial and market volatility. The adverse consequences of

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Trustees' Annual Report

Covid-19 across such a wide range of partners and suppliers makes mitigation more difficult, especially as it is unlikely that there will be availability of insurance to cover these risks.

The key risks identified within LME have been recorded in the Corporate Risk Register (CRR), which is reviewed regularly by the FAC and the Board. The CRR details the scope of each risk, the potential impact, action taken to mitigate the risk and any outstanding actions.

The key risks that the Board has identified are the cancellation due to Covid-19 or other reasons or loss of permission to stage particular events; economic risks, including the loss of key sponsors; and reputational risk. LME has an established system of internal controls in place that governs all areas of its operations. The Directors have reviewed the risk mitigation in place within LME and are satisfied that risks have been properly identified and mitigated to the extent that this is possible.

If disruptions to physical mass participation events continue into 2021, contingencies are in place to deliver income through alternative models such as virtual events, smaller Covid-19 secure events and elite-only events.

LME's policies and procedures for setting pay of key management personnel

As an employer, LME is committed to ensuring staff are fairly remunerated, have good working conditions and achieve a good work-life balance. LME has to ensure its remuneration packages attract and retain the right staff for the delivery of world-class events in a competitive international marketplace.

LME has used a third party to conduct a benchmarking exercise to compare its salaries with those across a group of around 60 mixed companies from not-for-profit, charity, retail, service, events, manufacturing and educational sectors in largely London-based companies.

Having conducted this exercise, LME believes pay is at an appropriate level to attract and retain a skilled and experienced team to deliver world-leading, quality events. The Board's Remuneration Committee reviews the pay and remuneration of LME's staff annually.

Furlough

During the financial year LME received furlough grants totalling £376,975. The furlough scheme was utilised to protect jobs and mitigate the impact on cash flow and profits of event cancellations during the financial year.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Trustees' Annual Report

Trustees' responsibilities for financial statements

The Trustees (who are also directors of The Trust for the purposes of Company Law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Statements (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of The Trust, the group and its incoming resources and application of resources, including income and expenditure, for the year. In preparing financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the charity will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of The Trust. These records also enable them to ensure that the financial statements comply with the Companies Act 2006.

In addition, Trustees are responsible for safeguarding the assets of The Trust and the group and therefore for taking reasonable steps to prevent and detect fraud and other irregularities. The Trustees have incorporated the requirements of the Strategic Report within their Trustees' Annual Report and in approving this Trustees' report are also approving the company's Strategic Report.

In so far as each of the Trustees are aware at the time the report is approved:

- There is no relevant audit information of which The Trust's auditors are unaware.
- The Trustees have taken all steps that they should have to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Trustees' Annual Report

The London Marathon Charitable Trust Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association.

Charity Number: 283813

Company Number: 01550741

Registered and Principal Office: Marathon House, 190 Great Dover Street, London SE1 4YB

Bankers

NatWest, 156 Fleet Street, London EC4A 2DX

UBS AG, 1 Finsbury Avenue, London EC2M 2AN (account closed in August 2020)

Investment managers

Cazenove Capital, 1 London Wall Place, London EC2Y 5AU

Auditor

Haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG

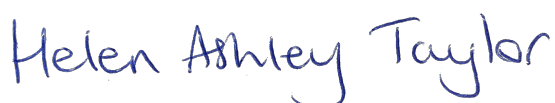
Financial statements and Trustees' Annual Report

As the Board of Trustees, we present the Trustees' Annual Report along with the financial statements of The Trust and The Group for the period ended 31 December 2020.

The consolidated financial statements have been prepared in accordance with the accounting policies set out on page 43 and comply with The Trust's Articles of Association, the Companies Act 2006, the Charities Act 2011 and the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102 effective 1 January 2015, Charities SORP (FRS 102)).

In approving this Trustees' Annual Report, the Board members are also approving the Strategic Report in their capacity as company directors.

By order of the Board



HELEN ASHLEY TAYLOR

Company Secretary

24 March 2021

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Independent Auditor's Report to the Members and Trustees of The London Marathon Charitable Trust Limited

Opinion

We have audited the financial statements of The London Marathon Charitable Trust Limited for the year ended 31 December 2020, which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in

accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Independent Auditor's Report to the Members and Trustees of The London Marathon Charitable Trust Limited

is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporates the Strategic Report and the Directors' Report) for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report (included within the Trustees' Annual Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the Strategic Report and the Directors' Report). We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the

accounting records and returns; or

- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 33, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Independent Auditor's Report to the Members and Trustees of The London Marathon Charitable Trust Limited

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.

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to employer and medium charitable company regulatory requirements, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws

and regulation and fraud;

- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

Use of our audit report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP,
Statutory Auditor
10 Queen Street Place
London
EC4R 1AG
Date: 31 March 2021

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Consolidated Statement of Financial Activities (including income and expenditure account) for the year ended 31 December 2020

INCOME FROM:	Notes	Unrestricted funds General fund £	Designated fund £	Total 12m ended 31 Dec 2020 £	As restated total 15m ended 31 Dec 2019 £
Voluntary income					
Donations		901,075	-	901,075	300,000
Bequests		323,110	-	323,110	356,730
Government grants		376,975		376,975	-
Other trading activities	3				
LME		20,138,163	-	20,138,163	38,224,744
LSCP		1,435,064	-	1,435,064	9,034,844
Investments		194,086	-	194,086	249,467
Total income		23,368,473	-	23,368,473	48,165,785
EXPENDITURE ON:					
Raising funds					
Organising events					
LME	7	20,155,555	-	20,155,555	30,802,451
LSCP	7	1,066,748	-	1,066,748	8,096,040
		21,222,303	-	21,222,303	38,898,491
Charitable activities	7,8				
Facilities Grants		302,797	1,761,858	2,064,655	6,720,800
Strategic Partnership Grants		458,271	2,666,500	3,124,771	5,543,493
		761,068	4,428,358	5,189,426	12,264,293
Total expenditure		21,983,371	4,428,358	26,411,729	51,162,784
Gains/(losses) on investments		936,834	-	936,834	-
NET INCOME/(EXPENDITURE)		2,321,936	(4,428,358)	(2,106,422)	(2,996,999)
Transfers between funds	16	(1,456,505)	1,456,505	-	-
NET MOVEMENT IN FUNDS		865,431	(2,971,853)	(2,106,422)	(2,996,999)
Fund balances at 1 January 2020		1,828,830	8,798,923	10,627,753	13,624,752
FUND BALANCES AT 31 DECEMBER 2020		2,694,261	5,827,070	8,521,331	10,627,753

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior period are included in the statement of financial activities.

Details of comparative figures by fund can be found in note 19.

The notes on pages 43 to 61 form part of these financial statements.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Charity Statement of Financial Activities (including income and expenditure account) for the year ended 31 December 2020

	Notes	Unrestricted funds General Fund £	Designated Fund £	Total 12m ended 31 Dec 2020 £	Total 15m ended 31 Dec 2019 £
INCOME FROM:					
Donations and legacies					
Donations		901,075	-	901,075	300,000
Bequests from Prudential RideLondon		323,110	-	323,110	356,730
Other trading activities					
LME	3	-	-	-	8,429,618
Investments		66,554	-	66,554	190,946
Total income		1,290,739	-	1,290,739	9,277,294
EXPENDITURE ON:					
Charitable activities	7,8				
Facilities Grants		306,776	1,761,858	2,068,634	6,726,280
Strategic Partnerships Grants		464,292	2,666,500	3,130,792	5,548,013
Total expenditure		771,068	4,428,358	5,199,426	12,274,293
Gains/(losses) on investments		936,834	-	936,834	-
NET INCOME/(EXPENDITURE)		1,456,505	(4,428,358)	(2,971,853)	(2,996,999)
Transfers between funds	16	(1,456,505)	1,456,505	-	-
NET MOVEMENT IN FUNDS		-	(2,971,853)	(2,971,853)	(2,996,999)
Fund balances at 1 January 2020		-	8,798,923	8,798,923	11,795,922
FUND BALANCES AT 31 DECEMBER 2020		-	5,827,070	5,827,070	8,798,923

All amounts relate to continuing activities.

All recognised gains and losses in the current and prior period are included in the statement of financial activities.

Details of grants can be found in note 8.

Details of comparative figures by fund can be found in note 19.

The notes on pages 43 to 61 form part of these financial statements.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Consolidated Balance Sheet as at 31 December 2020

Company No. 01550741

	Notes	31 Dec 2020 Unrestricted funds £	£	As restated 31 Dec 2019 Unrestricted funds £	£
FIXED ASSETS					
Tangible fixed assets	10	21,941,060		21,423,567	
Investments	11	6,430,809		1,532,054	
			28,371,869		22,955,621
CURRENT ASSETS					
Stock – running tops		700,891		-	
Debtors	12	8,649,808		16,490,708	
Cash at bank and in hand		28,723,087		35,849,424	
			38,073,786		52,340,132
CREDITORS: amounts falling due within one year	13	(50,058,689)		(45,600,813)	
NET CURRENT (LIABILITIES)/ASSETS			(11,984,903)		6,739,319
TOTAL ASSETS			16,386,966		29,694,940
CREDITORS: amounts falling due after more one year	14		(7,082,374)		(18,283,926)
PROVISIONS FOR LIABILITIES					
Deferred tax	15		(783,261)		(783,261)
TOTAL NET ASSETS			8,521,331		10,627,753
UNRESTRICTED FUNDS					
General fund	16		2,694,261		1,828,830
Designated fund for grantmaking	16		5,827,070		8,798,923
			8,521,331		10,627,753

The financial statements were approved and authorised for issue by the Board on 24 March 2021 and were signed below on its behalf by:

Sir Rodney Walker

Sir Rodney Walker
Chairman

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Charity Balance Sheet as at 31 December 2020

Company No. 01550741

	Notes	31 Dec 2020 Unrestricted funds £	31 Dec 2019 Unrestricted funds £
FIXED ASSETS			
Investments	11	6,430,813	1,532,058
CURRENT ASSETS			
Debtors	12	123,225	144,506
Cash at bank and in hand		13,028,367	25,276,648
		13,151,592	25,421,154
CREDITORS: amounts falling due within one year	13	(13,755,335)	(18,154,289)
NET CURRENT (LIABILITIES)/ASSETS		(603,743)	7,266,865
TOTAL ASSETS		5,827,070	8,798,923
UNRESTRICTED FUNDS			
General fund	16	-	-
Designated fund for grantmaking	16	5,827,070	8,798,923
		5,827,070	8,798,923

The financial statements were approved and authorised for issue by the Board on 24 March 2021 and were signed below on its behalf by:

Sir Rodney Walker

Sir Rodney Walker
Chairman

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Consolidated Cash Flow Statement for the year ended 31 December 2020

	12m ended 31 Dec 2020	15m ended 31 Dec 2019		
	£	£		
Net cash provided by operating activities	(7,039,952)	9,975,479		
Cash flows from investing activities				
Bank interest received	48,998	249,467		
Purchase of fixed asset investments	(4,002,494)	(1,532,054)		
Purchase of tangible fixed assets	(827,632)	(73,423)		
Net cash provided by (used in) investing activities	(4,781,128)	(1,356,010)		
Cash flows from financing activities				
Loans drawn down	5,000,000	-		
Repayment of loans	(125,707)	(628,532)		
Interest paid	(179,550)	(261,844)		
Net cash provided by (used in) financing activities	4,694,743	(890,376)		
Change in cash and cash equivalents in the reporting period	(7,126,337)	7,729,093		
Cash and cash equivalents at the beginning of the reporting period	35,849,424	28,120,331		
Cash and cash equivalents at the end of the reporting period	28,723,087	35,849,424		
Cash balances at the period end were held by The Trust (£13.0m), LME (£15.2m) and LSCP (£0.5m)				
Reconciliation of net income to net cash flow from operating activities	2020	2019		
	£	£		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(2,106,422)	(2,996,999)		
Adjustments for:				
Gains on investments	(936,834)	-		
Depreciation	301,560	369,918		
Loss on disposal of fixed assets	8,579	-		
Interest paid	222,543	261,844		
Investment charges	81,844	-		
Interest received	(194,085)	(249,467)		
Decrease/(increase) in stock	(700,891)	-		
Decrease/(increase) in debtors	7,840,899	(3,058,889)		
(Decrease)/increase in creditors excluding loans	(11,557,145)	15,649,072		
Net cash provided by operating activities	(7,039,952)	9,975,479		
Analysis of net debt	At 1 Jan 2020	Cash flows	Non-cash changes	At 31 Dec 2020
	£	£	£	£
Cash at bank and in hand	18,282,455	916,463	-	19,198,918
Notice deposits	17,566,969	(8,042,800)	-	9,524,169
Debt due after 1 year	(9,643,189)	(5,000,000)	7,560,815	(7,082,374)
Debt due within 1 year	(502,826)	186,530	(7,560,815)	(7,877,111)
	25,703,409	(11,939,807)	-	13,763,602

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:-

a) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (second edition effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Trust meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements consolidate the results on a line-by-line basis of The Trust, LME and LSCP.

b) Going concern

The Trustees consider The Trust to be a going concern. In light of the ongoing Covid-19 pandemic, the Trustees have reviewed revised financial information and are satisfied that The Trust has sufficient reserves to continue as a going concern for the next financial year.

Despite the postponement of certain events in 2020, the amended 2021 events are expected to be delivered by LME. However, even with continued restrictions from the pandemic, LME is able to deliver a profitable elite-only event in a biosecure environment and alternative formats, including virtual events, can also be delivered if required. The company also has access to sufficient cash reserves and loan term loans

with NatWest to cope with this unprecedented situation. The Trustees consider that there are no material uncertainties about the charity's and group's ability to continue as a going concern.

c) Income

All income is included in the statement of financial activities when the group is entitled to the income, it is probable that income will be received and the amount can be quantified with reasonable accuracy. Income represents amounts received from sponsorships, marketing, entrance fees, bequests from London Marathon applicants and investments.

Sponsorships are usually multi-year agreements and the income is recognised in the accounts when the sponsored event occurs. An accrual or deferral is made where the agreed amount is not invoiced in the year or invoiced for next year's event in advance.

Marketing income is recognised when the event to which the advertising relates takes place. Any marketing income received in advance is deferred to future years and is included within 'accruals and deferred income' on the face of the balance sheet.

Entrance fees relate to the income received from runners for the current year's event.

Bequests represent the entry fees, net of costs of the bequests, donated by participants unsuccessful in the ballot by which entrants in the events are accepted. Donations are recognised as income when the results of the ballot are known and bequests are therefore made by unsuccessful applicants.

Government grant income in the form of the Coronavirus Job Retention Scheme (CJRS) are accounted under the accruals model as permitted by FRS 102 are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

1. ACCOUNTING POLICIES (continued)

d) Expenditure

Expenditure on operations and events is recognised in the Statement of Financial Activities in the period to which it relates.

Grants awarded are included in the statement of financial activities when approved and when the intended recipient has been informed of the decision to make the grant and has satisfied all related conditions. Grants approved but not paid are accrued for.

Governance costs are the costs of governance arrangements that relate to the general running of The Trust and include audit fees, any legal advice and costs associated with constitutional statutory requirements.

e) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Gains or losses arising on the translation of foreign currencies and other exchange differences are taken to the profit and loss account.

f) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset over its estimated useful life as follows:

Freehold buildings	Nil
Motor vehicles	25 per cent on cost
Office equipment	25 per cent on cost
Software	25 per cent on cost

It is policy only to capitalise items with a value of £5,000 or greater.

The Directors have not yet recognised

depreciation on the freehold properties on the basis of materiality. The total estimated value of the land element of both freeholdings is £16.2 million, meaning the book value attributed to freehold buildings is £4.7 million. We would adopt an estimated useful life of 50 years, therefore depreciation for the financial year would be £94,000, which is immaterial. The buildings are well maintained and situated in a prime London location. Therefore the Directors are of the view that the book value gives a true and fair view of the asset value, and any aggregate depreciation charge to date since purchase is still not material on the company's financial statements.

g) Fixed asset investments

Fixed assets investments are stated at cost less provision for diminution in value.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments.

j) Creditors and provisions

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Taxation

The Trust has charitable status and is not subject to corporation tax on its charitable activities. The subsidiary company is liable to corporation tax on its taxable profits, including its share of profits and losses of LSCP.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

1. ACCOUNTING POLICIES (continued)

l) Funds

General funds comprise funds that are available to be used for the general purposes of the group.

The Trustees have designated all funds received from the trading subsidiary in the period, but not yet awarded as grants, to fund future grantmaking activity.

m) Employee benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits are accounted for on an accrual basis and in line with FRS 102.

The company operates a *defined contribution pension scheme*. Pension costs are charged to the profit and loss account when payable. The assets of the scheme are held separately from those of the company in independently administered funds.

n) Areas of significant judgement and estimation

In the application of the accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

The Trustees have considered the significant judgements and estimates applicable to the financial statements, and have concluded that these are limited to;

- Three floors of LME's office building, 190 Great Dover Street, continue to be let at a reduced rate to London Sport to create a House of Sport. Using the exemption available under FRS102, the office is treated wholly as a tangible fixed asset rather than a partial investment property given the space is let under market rate for social benefit, intended to enhance networking and collaboration in the voluntary sport sector.
- The policy to not recognise depreciation on the freehold buildings, as detailed in note 1.f, on the basis of materiality.
- After completing external professional valuations of both freehold buildings in late 2020, this supports the Directors' judgement that the recoverable amount of the properties is not materially below the carrying book value and that no impairment has been deemed necessary.
- The recoverable amount of the stock held is not less than the carry book value at historic cost, and this judgement is made in the context that the stock items are unique to the London Marathon with no direct retail price available, however the judgement lies with price comparison to similar and on the assumption that these items will be fully utilised by future ballots and events.

In the view of the Trustees, no other assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

1. ACCOUNTING POLICIES (continued)

o) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the group operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. GIFT AID

The Trust has received from LME, under Gift Aid, an amount of £nil (2019: £8,429,618 paid in full during the year).

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

3. INCOME FROM TRADING ACTIVITIES

The Trust owns the whole of the share capital of LME, which is responsible for generating income from the staging of the London Marathon and other events.

LME is a designated member of LSCP and has control over 75 per cent of LSCP under the agreement between the members.

LSCP is therefore consolidated into these accounts as a subsidiary of LME. LSCP is responsible for generating income from the staging of Prudential RideLondon.

The results of LME and LSCP for the period, extracted from the audited accounts and before group consolidation adjustments, are summarised below:

	London Marathon Events Limited		London & Surrey Cycling Partnership LLP	
	2020	As restated 2019	2020	2019
	£	£	£	£
Turnover	22,043,204	38,705,546	3,309,497	9,391,574
Operating costs	(21,483,713)	(30,540,750)	(3,285,522)	(8,923,573)
Other operating income	376,975	-	-	-
Operating profit	936,466	8,164,796	23,975	468,001
Investment income	28,586	479,259	-	-
Interest receivable	122,921	47,263	4,610	11,258
Interest payable	(222,542)	(261,700)	-	-
Profit before tax	865,431	8,429,618	28,586	479,259
Taxation	-	-	-	-
Profit after taxation	865,431	8,429,618	28,586	479,259
Gift Aid donation	-	(8,429,618)	-	-
Profits allocated to members	-	-	(28,586)	(479,259)
Other comprehensive income for the period	865,431	-	-	-
The assets and liabilities of the subsidiaries were:				
Fixed assets	21,941,060	21,423,568	-	-
Current assets	24,455,544	22,587,711	649,608	5,406,516
Current liabilities	(35,836,704)	(23,115,257)	(601,377)	(5,460,190)
Non-current liabilities	(7,865,635)	(19,067,188)	-	-
Total net assets	2,694,265	1,828,834	48,231	(53,674)
Aggregate share capital and reserves	2,694,265	1,828,834	-	-
Total members' interests	-	-	48,231	(53,674)

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

4. NET INCOME	Group 2020 £	2019 £	Charity 2020 £	2019 £
Net income is stated after charging:				
Group				
Depreciation	301,560	369,918	-	-
Auditor's remuneration (including subsidiaries)				
- Audit and related services	28,250	26,850	6,900	6,600
- Other services	1,658	2,985	-	-
Pension costs	275,004	365,726	30,385	25,540
5. STAFF COSTS	Group 2020 £	2019 £	Charity 2020 £	2019 £
Total staff costs comprise:				
Wages and salaries	4,721,252	6,287,666	394,291	446,042
Social security costs	546,174	683,364	45,723	46,961
Pension contributions	275,004	365,726	30,385	25,540
	5,542,430	7,336,756	470,399	518,543

Included within Wages and salaries above are ex-gratia termination payments of £12,133 (2019: £92,599).

The average monthly number of employees for the group (The Trust, LME and LSCP) during the period was 134 (2019: 144). Of these nine (2019: eight) staff members were employed by The Trust to deliver The Trust's grantmaking activities, and all other staff were employed by LME and LSCP to deliver mass participation sporting events.

The total remuneration of the group's key management personnel, defined as the eight (2019: seven) members of the Management Board (MB) of LME plus the Chief Grants Officer (CGO) of The Trust, was £1,440,248 (2019: £1,727,273).

The number of group employees whose annual emoluments were £60,000 or more is listed below.

	Group 2020 Number	2019 Number	Charity 2020 Number	2019 Number
£60,001-£70,000	6	6	2	-
£70,001-£80,000	5	3	-	-
£80,001-£90,000	4	3	-	-
£90,001-£100,000	3	2	1	1
£100,001-£110,000	1	1	-	-
£110,001-£120,000	-	1	-	-
£120,001-£130,000	1	-	-	-
£130,001-£140,000	-	1	-	-
£180,001-£190,000	1	-	-	-
£210,001-£220,000	1	2	-	-
£240,001-£250,000	1	-	-	-
£260,001-£270,000	-	1	-	-

Contributions were made to defined contribution pension schemes for the above group employees of £101,200 (2019: £159,015).

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020 (continued)

6a. TRUSTEES

None of the Trustees (or any person connected with them) received any remuneration during the year (2019: none). Expenses of £2,814 (2019: £8,433) were reimbursed to Trustees during the year in relation to travel and subsistence.

6b. RELATED PARTY TRANSACTIONS

LME has paid during the year the sum under Corporate Gift Aid of £nil (2019: £8,429,618) to its parent company, The Trust. During the period, the subsidiary company charged the parent £10,000 (2019: £10,000) for administration services pursuant to a Service Level Agreement.

LME is a designated member of LSCP, a limited liability partnership registered in England and Wales. During the period the company made payments on behalf of LSCP totalling £424,498 (2019: £798,485) including a recharge of salary costs of £327,258 (2019: £626,661). Repayments were made by the LLP to the company of £1,149,664 (2019: £528,212). In addition, management fees were paid in the period totalling £344,341 (2019: £470,803). Its share of the profit for the period was £28,586 (2019: profit £479,259). At the year end the company was owed a net amount of £166,093 by LSCP (2019: LME owed £744,811 to LSCP).

LSCP paid management fees to its designated members in the period, of which SweetSpot Group Limited charged £nil (2019: £199,000) and LME charged £344,341 (2019: £470,803).

The CEO of LME also acts as a consultant to Kerman & Co LLP Solicitors. LME paid £126,178 (2019: £67,920) and LSCP paid £5,225 (2019: £24,183) to Kerman & Co during the period for legal services. There were no transactions between Kerman & Co and LMCT. All transactions were on an arms-length basis.

LMCT Trustee Lee Mason is also the CEO of Active Partnerships, an organisation that was awarded a Strategic Partnership Grant of £600,000 during the year (2019: £nil), of which £441,538 (2019: £nil) remains outstanding within grant commitments as at the yearend. Former co-opted member of the LMCT Grants Committee Charles Reed was also Chair of Activity Alliance at the time the organisation was awarded a Strategic Partnership Grant of £1,000,000 (2019: £nil), of which £678,967 (2019: £nil) remains outstanding within grant commitments as at the yearend. Both grants were awarded in accordance with The Trust's Conflict of Interest Policy, which requires Trustees to withdraw from decision-making processes if a potential conflict exists.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

7. ANALYSIS OF EXPENDITURE

Group	Staff costs £	Other costs £	Depreciation £	Total 2020 £	Total 2019 £
Raising funds					
Organising events					
Trading costs of subsidiary	5,072,031	15,626,169	301,560	20,999,760	38,636,791
Bank interest and charges	-	222,543	-	222,543	261,700
Charitable activities					
Direct costs of grantmaking	470,399	290,669	-	761,068	671,551
Grants awarded (note 8)	-	4,428,358	-	4,428,358	11,592,742
Total group expenditure	5,542,430	20,567,739	301,560	26,411,729	51,162,784
Charity					
Charitable activities					
Direct costs of grantmaking	470,399	300,669	-	771,068	681,551
Grants awarded (note 8)	-	4,428,358	-	4,428,358	11,592,742
Total charity expenditure	470,399	4,729,027	-	5,199,426	12,274,293

Included within the above are group governance costs of £31,064 (2019: £35,283) relating to audit fees and Trustees' expenses. Included in The Trust costs are costs of £10,000 (2019: £10,000) for the service level agreement with LME. This intercompany cost is not included in the group figures.

7. ANALYSIS OF EXPENDITURE (continued)

PRIOR YEAR

Group	Staff costs £	Other costs £	Depreciation £	Total 2019 £
Raising funds				
Organising events				
Trading costs of subsidiary	6,818,213	31,459,660	358,918	38,636,791
Bank interest and charges	-	261,700	-	261,700
Charitable activities				
Direct costs of grantmaking	518,543	153,008	-	671,551
Grants awarded (note 8)	-	11,592,742	-	11,592,742
Total group expenditure	7,336,756	43,467,110	358,918	51,162,784
Charity				
Charitable activities				
Direct costs of grantmaking	518,543	163,008	-	681,551
Grants awarded (note 8)	-	11,592,742	-	11,592,742
Total charity expenditure	518,543	11,755,750	-	12,274,293

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

8.	GRANTS AWARDED	2020 £	2019 £
	Facilities Grants		
	Major Grants		
	Phoenix Canoe Club Limited	250,000	
	The Boiler House Community Space	150,000	
	National Youth Theatre of Great Britain	150,000	
	Blisworth Football Club	150,000	
	Folio Education Trust	150,000	
	Mary Ward Settlement	147,000	
	Haven House Foundation	104,000	
	Addlestone Canoe Club	100,000	
	Livability	100,000	
	London Thunder Basketball Club	85,000	
	London Borough of Bromley	75,000	
	Dorking Rugby Football Club	53,000	
	Royal Borough of Kingston upon Thames	52,000	
	Claremont Project (top-up grant)	20,000	
	Chestnut Grove Academy (top-up grant)	15,375	
	London Thunder Basketball Club (top-up grant)	15,000	
	Total Major Grants	1,616,375	5,514,168
	Small Grants		
	Claygate Primary School	50,000	
	Elmbridge Borough Council	50,000	
	Girls' Learning Trust T/A Nonsuch High School for Girls	50,000	
	IMPACT Outreach Network	33,000	
	4th Farnham (Tongham) Scout Group	30,000	
	Silvermere Gymnastics Academy	30,000	
	London Borough of Hackney	20,000	
	Black Prince Trust	20,000	
	London Borough of Westminster	20,000	
	Wheels for Wellbeing	20,000	
	London Borough of Tower Hamlets	20,000	
	Socco Cheta Community Hub	18,500	
	Poplar HARCA	18,000	
	East London Boxing Academy	17,000	
	National Centre for Young People with Epilepsy	16,500	
	London Borough of Lambeth	15,848	
	ELHAP Adventure Playground	15,300	
	Bexley Cricket Club	15,000	
	Petts Wood Football Club	15,000	
	Islington Boat Club	15,000	
	Barking Muslims Association CIO	14,000	
	Elmbridge Canoe Club	13,000	
	Camberley Cricket Club Ltd	10,000	
	Cranleigh Cricket Club	10,000	
	Featherstone High School	10,000	

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

8.	GRANTS AWARDED (continued)	2020 £	2019 £
	Facilities Grants (continued)		
	Small Grants (continued)		
	Welsh Harp Sailing Club (WHSC)	8,000	
	Roxeth Community Church	7,332	
	Banstead District Scouts	6,000	
	Coin Street Centre Trust	5,000	
	Metrogas Amateur Sports Association Ltd	5,000	
	Total Small Grants	577,480	915,053
	Total Facilities Grants	2,193,855	6,429,221
	Strategic Partnership Grants		
	Activity Alliance	1,000,000	
	Transport for Greater Manchester	1,000,000	
	Active Partnerships	600,000	
	Our Parks	50,000	
	The GoodGym	16,500	
	Total Strategic Partnership Grants	2,666,500	5,239,950
	Total	4,860,355	11,669,171
	Less: grants withdrawn in the period (from Facilities Grants)	(431,997)	(76,429)
		4,428,358	11,592,742

9. TAXATION

The Trust is a registered charity and therefore has no liability to taxation as its income is not from trading activities and is applied only for charitable purposes. LME and LSCH are liable to Corporation Tax on their taxable profits.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

10. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Motor Vehicles £	Office Equipment £	Software £	Total £
Cost					
At 1 October 2019	20,890,057	47,750	1,409,650	-	22,347,457
Additions	-	-	52,873	774,759	827,632
Disposal	(8,579)	-	-	-	(8,579)
At 31 December 2020	20,881,478	47,750	1,462,523	774,759	23,166,510
Depreciation					
At 1 October 2019	-	35,800	888,090	-	923,890
Charge for the period	-	3,188	285,849	12,523	301,560
Disposal	-	-	-	-	-
At 31 December 2020	-	38,988	1,173,939	12,523	1,225,450
Net Book Value					
At 31 December 2020	20,881,478	8,762	288,584	762,236	21,941,060
At 30 September 2019	20,890,057	11,950	521,560	-	21,423,567

Included within Freehold land and buildings is land valued at £16.2 million.

The Trust did not hold any tangible fixed assets at 31 December 2020 (2019: none).

11. FIXED ASSETS INVESTMENTS

	Group 2020 £	2019 £	Charity 2020 £	2019 £
As at 1 January 2020	1,532,054	-	1,532,054	-
Additions	4,002,494	1,500,000	4,002,494	1,532,054
Disposals (at proceed value)	-	-	-	-
Gain/(loss) on revaluation	936,834	32,054	936,834	-
Management fee charges	(40,573)		(40,573)	
As at 31 December 2020	6,430,809	1,532,054	6,430,809	1,532,054
Investment in subsidiary LME	-	-	4	4
	6,430,809	1,532,054	6,430,813	1,532,058

The charitable company holds four ordinary shares of £1 each in its wholly owned trading subsidiary LME, which is incorporated in England and Wales. The activities and results of this company are summarised in note 3.

Cazenove Charity Responsible Multi-asset Fund

	Group 2020 £	2019 £	Charity 2020 £	2019 £
Equities	4,575,278	1,090,388	4,575,278	1,090,388
Bonds	630,982	121,570	630,982	121,570
Multi-asset funds	123,325	36,500	123,325	36,500
Alternatives	943,614	229,678	943,614	229,678
Cash	157,610	53,918	157,610	53,918
Total	6,430,809	1,532,054	6,430,809	1,532,054

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

12. DEBTORS	Group 2020 £	2019 £	Charity 2020 £	2019 £
Trade debtors	4,242,020	8,807,762	-	-
Other debtors	716,815	234,142	123,225	144,506
Prepayments and accrued income	3,690,973	7,448,804	-	-
	8,649,808	16,490,708	123,225	144,506

Amounts falling due after more than one year and included in the debtors above:

	Group 2020 £	2019 £	Charity 2020 £	2019 £
Prepayments	-	3,185,831	-	-
Other debtors	101,754	122,806	101,754	122,806

13. CREDITORS: amounts falling due within one year

	Group 2020 £	As restated 2019 £	Charity 2020 £	2019 £
Bank loan	7,877,111	502,826	-	-
Trade creditors	794,474	350,534	-	-
Amounts owed to group undertakings	-	-	10,000	337,438
Grant commitments (see below)	13,696,507	17,799,739	13,696,507	17,799,739
Accruals and deferred income	27,046,421	24,335,625	30,891	7,197
Other tax and social security	172,194	2,605,089	15,702	9,915
Other creditors	471,982	7,000	2,235	-
	50,058,689	45,600,813	13,755,335	18,154,289

As at 31 December 2020, an outstanding loan of £7.1 million was repayable in full within 12 months. A new agreement was signed in January 2021 to refinance this existing loan, which is now repayable over 20 years. This has been treated as a non-adjusting post-balance sheet event.

Grant commitments

Grant commitments b/fwd at 1 January 2020	17,799,739
Grants awarded in the period (note 8)	4,860,355
Grants paid in the period	(8,531,590)
Grants withdrawn in the period (note 8)	(431,997)
Grant commitments c/fwd at 31 December 2020	13,696,507

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

14. CREDITORS: amounts falling due after more than one year

	Group 2020 £	2019 £	Charity 2020 £	2019 £
Bank loans	7,082,374	9,643,188	-	-
Deferred income	-	8,640,738	-	-
	7,082,374	18,283,926	-	-
Analysis of bank loan				
Within one year	7,877,111	502,826	-	-
In one to two years	3,939,328	502,826	-	-
In two to five years	3,143,046	9,140,363	-	-
	14,959,485	10,146,015	-	-

The group has three loans in place during the year.

The first loan, originally of £8 million and with a year-end balance of £7,217,391, is secured by way of legal mortgage over 190 Great Dover Street. The loan accrues interest at a rate of 1.5 per cent above LIBOR and is repayable over 60 months from the date of drawdown in January 2016. A new agreement was signed in January 2021 to refinance this existing loan, which is now repayable over 20 years.

The second loan, originally of £3.1 million and with a year-end balance of £2,802,917, is secured by way of legal mortgage over Units 3-5 Blackhorse Business Park, Blackhorse Road. The loan accrues interest at a rate of 1.5 per cent above base rate and is repayable over 60 months in March 2018.

The third loan, a Coronavirus Business Interruption Loan Scheme (CBILS) for £5 million and with a year-end balance of £4,939,177, secured by way of legal charge over 190 Great Dover Street and Units 3-5 Blackhorse Business Park, Blackhorse Road. The loan accrues interest at a rate of two per cent above base rate and is repayable over 60 months from the date of drawdown in April 2020.

15. DEFERRED TAXATION

	2020 £	2019 £
At the beginning and end of the period:		
Timing differences on capital disposals	783,261	783,261

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

16. UNRESTRICTED FUNDS MOVEMENTS

	Restated balance at 1 January 2020 £	Income and gains £	Expenditure £	Transfers £	Balance at 31 December 2020 £
General reserve	-	2,227,573	(771,068)	(1,456,503)	-
Designated funds					
Facilities Grants	5,400,000	-	(1,761,858)	1,761,858	5,400,000
Strategic Partnership Grants	3,398,923	-	(2,666,500)	(305,353)	427,070
Charity	8,798,923	2,227,573	(5,199,426)	(0)	5,827,070
Subsidiary undertakings	1,828,830	22,077,734	(21,212,304)	0	2,694,261
Group	10,627,753	24,305,307	(26,411,730)	(0)	8,521,331

The Trustees have designated all funds received from the trading subsidiary, but not yet awarded as grants, to fund future grantmaking activity.

16b. COMPARATIVE UNRESTRICTED FUNDS MOVEMENTS

	Restated balance at 1 October 2018 £	Income £	Expenditure £	Transfers £	Restated balance at 31 December 2019 £
General reserve	-	9,277,294	(681,551)	(8,595,743)	-
Designated funds					
Facilities Grants	5,400,000	-	(6,352,792)	6,352,792	5,400,000
Strategic Partnership Grants	6,395,922	-	(5,239,950)	2,242,951	3,398,923
Charity	11,795,922	9,277,294	(12,274,293)	-	8,798,923
Subsidiary undertakings	1,828,830	38,888,491	(38,888,491)	-	1,828,830
Group	13,624,752	48,165,785	(51,162,784)	-	10,627,753

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

16b. COMPARATIVE UNRESTRICTED FUNDS MOVEMENTS (continued)

In response to uncertainties caused by Covid-19, The Trust paused its grantmaking to new organisations in April 2020. The Trustees have continued to make small grants to existing grantees to enable them to respond directly to the impact Covid-19 has had on some of the most vulnerable people in London.

Facilities Grants

Before the pause in grantmaking, applications to The Trust's Facilities Grant programmes could be submitted at any time during the period and the Trustees met quarterly to make funding decisions. Facilities Grants could be either Small Grants or Major Grants; the difference is explained below:

- *Small Grants*
The Small Grants programme provided awards of between £5,000 and £50,000 to small projects within The Trust's core areas. These projects aim to help improve existing amenities or to build new facilities that will enable organisations to encourage and support more people to become involved in physical activity, sport and/or play, particularly those who are currently physically inactive.
- *Major Grants*
The Major Grants programme provided funds of more than £50,001 for the renovation, modernisation or creation of significant facilities for organisations in The Trust's core areas. These organisations needed to demonstrate a clear commitment to encouraging and supporting people who are not physically active to participate in physical activity, sport and/or play. Applicants were able to apply for funding of up to £250,000. The Trustees have the discretion to award grants of more than £250,000 towards major projects where a particularly strong case is made to demonstrate the impact on The Trust's priority outcomes. .

Strategic Partnership Grants

In 2017-18, The Trust established a Strategic Partnership Grants programme that provided funding to projects across the UK that address barriers to participation in physical activity and inspire people from all communities to take part. Following changes to The Trust's objects, introduced in January 2018, The Trust was able to provide capital and revenue support across the UK. The Trustees decided to introduce a proactive grantmaking programme delivered in partnership with others.

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

17. CAPITAL COMMITMENTS

At 31 December 2020 the group had capital commitments of £nil (2019: £nil).

18. PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made to the fund balances for the period ended 31 December 2019 due to an error in applying the revenue recognition policy for charity entries in LME.

Unused charity entries should have been recognised as deferred income rather than recognised as revenue in the year of the event in which they were first sold. This error in applying the revenue recognition policy in accordance with FRS 102 first crystallised before the period ended 31 December 2019 therefore the adjustment has been reflected at the beginning of the earliest prior period presented.

A summary of the prior accounting impact	£
Reduction in opening fund balances at 1 January 2020	(1,171,170)
Increase in accruals and deferred income	1,171,170

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

19. ACTIVITIES BY FUND IN THE PREVIOUS YEAR

GROUP

INCOME FROM:	Notes	Unrestricted funds General fund £	Designated fund £	As restated total 15m ended 31 Dec 2019 £
Donations		300,000	-	300,000
Bequests		356,730	-	356,730
Other trading activities	3			
LME		38,224,744	-	38,224,744
LSCP		9,034,844	-	9,034,844
Investments		249,467	-	249,467
Total income		48,165,785	-	48,165,785
EXPENDITURE ON:				
Raising funds				
Organising events				
LME	7	30,802,451	-	30,802,451
LSCP	7	8,096,040	-	8,096,040
		38,898,491	-	38,898,491
Charitable activities	7,8			
Facilities Grants		368,008	6,352,792	6,720,800
Strategic Partnership Grants		303,543	5,239,950	5,543,493
		671,551	11,592,742	12,264,293
Total expenditure		39,570,042	11,592,742	51,162,784
NET INCOME/(EXPENDITURE)		8,595,743	(11,592,742)	(2,996,999)
Transfers between funds	16	(8,595,743)	8,595,743	-
NET MOVEMENT IN FUNDS		-	(2,996,999)	(2,996,999)
Fund balances at 1 October 2018		1,828,830	11,795,922	13,624,752
FUND BALANCES AT 31 DECEMBER 2019		1,828,830	8,798,923	10,627,753

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

19. ACTIVITIES BY FUND IN THE PREVIOUS YEAR (continued)

CHARITY	Notes	Unrestricted funds General Fund £	Designated Fund £	Total 15m ended 31 Dec 2019 £
INCOME FROM:				
Donations and legacies:				
Donations		300,000	-	300,000
Bequests from Prudential RideLondon		356,730	-	356,730
Other trading activities:				
LME	3	8,429,618	-	8,429,618
Investments		190,946	-	190,946
Total income		9,277,294	-	9,277,294
EXPENDITURE ON:				
Charitable activities:	7,8			
Facilities Grants		373,488	6,352,792	6,726,280
Strategic Partnership Grants		308,063	5,239,950	5,548,013
Total expenditure		681,551	11,592,742	12,274,293
NET INCOME/(EXPENDITURE)		8,595,743	(11,592,742)	(2,996,999)
Transfers between funds	16	(8,595,743)	8,595,743	-
NET MOVEMENT IN FUNDS		-	(2,996,999)	(2,996,999)
Fund balances at 1 October 2018		-	11,795,922	11,795,922
FUND BALANCES AT 31 DECEMBER 2019		-	8,798,923	8,798,923

THE LONDON MARATHON CHARITABLE TRUST LIMITED

Notes to the financial statements for the year ended 31 December 2020
(continued)

20. Subsequent events

At the time of writing, social distancing restrictions are still in place throughout the United Kingdom.

However, the UK Government has released a 'roadmap' with all legal limits on social contact potentially being removed from 21 June 2021.

In response to this latest guidance, the 2021 Vitality Big Half has been postponed until August 2021 and alternative event formats are being considered for the Vitality London 10,000 and Vitality Westminster Mile.

The Trust and LME anticipate the rest of the event calendar to go ahead as planned, including the Virgin Money London Marathon in virtual and physical formats.

The situation continues to evolve, so alternative event formats are being considered in case of further disruptions. The Directors and Trustees are actively monitoring the situation and engaging key suppliers.