

Contents

- 04_ Breakdown of Spend
per Local Authority
- 08_ Governing Body
Development Support
- 09_ Making the Connections
- 10_ Sports Council For Wales and
the Sports Council for Wales Trust
1 April 2009 – 31 March 2010
- 16_ Sports Council For Wales
Lottery Distribution Account
- 22_ Appendices



Breakdown of Spend per Local Authority

Community Chest 2009 - 2010

| Local Authority | Spend |
|--------------------|------------------|
| Anglesey | 40,000 |
| Blaenau Gwent | 67,000 |
| Bridgend | 45,000 |
| Caerphilly | 62,000 |
| Cardiff | 61,000 |
| Carmarthenshire | 48,000 |
| Ceredigion | 40,000 |
| Conwy | 51,000 |
| Denbighshire | 41,000 |
| Flintshire | 58,000 |
| Gwynedd | 57,000 |
| Merthyr Tydfil | 30,000 |
| Monmouthshire | 35,000 |
| Neath Port Talbot | 64,000 |
| Newport | 56,000 |
| Pembrokeshire | 53,000 |
| Powys | 49,000 |
| Rhondda Cynon Taff | 73,000 |
| Swansea | 66,000 |
| Torfaen | 39,000 |
| Vale of Glamorgan | 44,000 |
| Wrexham | 49,000 |
| Grand Total | 1,128,000 |

Dragon Sport 2009 - 2010

| Local Authority | Spend |
|--------------------|------------------|
| Anglesey | 41,000 |
| Blaenau Gwent | 47,000 |
| Bridgend | 44,000 |
| Caerphilly | 36,000 |
| Cardiff | 74,000 |
| Carmarthenshire | 71,000 |
| Ceredigion | 50,000 |
| Conwy | 58,000 |
| Denbighshire | 57,000 |
| Flintshire | 57,000 |
| Gwynedd | 63,000 |
| Merthyr Tydfil | 31,000 |
| Monmouthshire | 56,000 |
| Neath Port Talbot | 56,000 |
| Newport | 55,000 |
| Pembrokeshire | 56,000 |
| Powys | 62,000 |
| Rhondda Cynon Taff | 63,000 |
| Swansea | 81,000 |
| Torfaen | 43,000 |
| Vale of Glamorgan | 39,000 |
| Wrexham | 55,000 |
| Grand Total | 1,195,000 |

Capital 2009 - 2010

| Local Authority | Spend |
|--------------------|------------------|
| Caerphilly | 32,000 |
| Cardiff | 30,000 |
| Carmarthenshire | 326,000 |
| Ceredigion | 10,000 |
| Merthyr Tydfil | 48,000 |
| Monmouthshire | 3,000 |
| Neath Port Talbot | 43,000 |
| Swansea | 59,000 |
| Vale of Glamorgan | 1,257,000 |
| Wrexham | 11,000 |
| Rhondda Cynon Taff | 20,000 |
| Grand Total | 1,839,000 |

Disability 2009-2010

| Local Authority | Spend |
|--------------------|----------------|
| FSAD | 580,000 |
| Grand Total | 580,000 |

Minor Grants 2009 - 2010

| Local Authority | Spend |
|--------------------|----------------|
| Anglesey | 64,000 |
| Caerphilly | 2,000 |
| Cardiff | 38,000 |
| Carmarthenshire | 9,000 |
| Ceredigion | 13,000 |
| Conwy | 22,000 |
| Denbighshire | 39,000 |
| Flintshire | 70,000 |
| Gwynedd | 25,000 |
| Merthyr Tydfil | 7,000 |
| Monmouthshire | 9,000 |
| Neath Port Talbot | 31,000 |
| Newport | 2,000 |
| Pembrokeshire | 43,000 |
| Powys | 13,000 |
| Rhondda Cynon Taff | 2,000 |
| Swansea | 30,000 |
| Torfaen | 30,000 |
| Wrexham | 2,000 |
| National | 7,000 |
| Grand Total | 458,000 |

Governing Body Development Support

| Governing Body | 2009-10 £ | Governing Body | 2009-10 £ |
|---------------------------------|--------------|--------------------------------|------------------|
| Basketball Association of Wales | 10,000 | Welsh Bowls Federation | 121,000 |
| Cambrian Caving Council | 1,000 | Welsh Canoeing Association | 125,000 |
| Commonwealth Games Council | 82,000 | Welsh Cricket Association | 1,000 |
| Cricket Board of Wales | 246,000 | Welsh Crown Green Bowling | 70,000 |
| FDSW | 279,000 | Welsh Curling Association | 3,000 |
| Federation of Welsh Anglers | 59,000 | Welsh Cycling Union | 202,000 |
| Football in the Community | 736,000 | Welsh Fencing | 10,000 |
| Golf Union of Wales | 269,000 | Welsh Football Trust | 4,000 |
| National | 10,000 | Welsh Gymnastics | 219,000 |
| Snowsport Cymru Wales | 21,000 | Welsh Hockey Union | 230,000 |
| Squash Wales | 146,000 | Welsh Ice Skating Association | 5,000 |
| Surf Life Saving Association | 3,000 | Welsh Judo Association | 72,000 |
| Swim Wales | 302,000 | Welsh Karate | 37,000 |
| Table Tennis Association Wales | 87,000 | Welsh Lacrosse Association | 18,000 |
| Tennis Wales | 181,000 | Welsh Motor Cycle Federation | 5,000 |
| Wales Weightlifting Federation | 10,000 | Welsh Netball Association | 69,000 |
| Welsh Amateur Boxing Assoc | 88,000 | Welsh Orienteering Association | 3,000 |
| Welsh Amateur Dance Sport Assoc | 1,000 | Welsh Pool Association | 2,000 |
| Welsh Amateur Rowing Assoc | 36,000 | Welsh Rugby League | 8,000 |
| Welsh Amateur Swimming Assoc | 18,000 | Welsh Rugby Union | 35,000 |
| Welsh Archery Association | 5,000 | Welsh Sports Association | 78,000 |
| Welsh Athletics | 295,000 | Welsh Target Shooting Fed | 74,000 |
| Welsh Badminton Union | 164,000 | Welsh Triathlon Association | 42,000 |
| Welsh Billiards & Snooker Assoc | 15,000 | Welsh Tug of War Association | 2,000 |
| | | Welsh Yachting Association | 128,000 |
| | | | 4,627,000 |

Making the Connections

Sports Wales is fully committed to deliver its target of £600,000 of efficiency savings by 31st March 2010, in line with the Welsh Assembly Government "Making the Connections" Strategy.

To ensure Sport Wales will deliver the above savings by 2010 it was required to generate savings of £123,000 during the 2009/10 financial year. The actual savings produced during the year amounted to £183,263 as shown here.

Summary - Efficiency Measurement Report 2009/10

| Project Title | Savings |
|---------------------|---------|
| Procurement cards | £78,736 |
| Recruitment savings | £10,350 |
| Salary Savings | £94,177 |

Finally, Sport Wales has attained the savings target of £600,000 by 31st March 2010, with savings for the current financial year and previous two financial years amounting to £615,929.

Summary Financial Statement

This Financial Statement provides a summary of the consolidated accounts of the Sports Council for Wales and the Sports Council for Wales Trust for the financial year ending 31 March 2010. It does not contain sufficient information to allow for a full understanding of the results and state of affairs of the Sports Council for Wales and the Sports Council for Wales Trust. For further information the full annual accounts and the auditor's report on those accounts should be consulted. A copy of the audited accounts, which contain the detailed information required by law and under best practice guidelines, can be obtained, free of charge, from the Director of Corporate Services at Sophia Gardens, Cardiff, CF11 9SW.

Statutory background

The Sports Council for Wales was established by Royal Charter dated 4 February 1972, with the objectives of "fostering the knowledge and practice of sport and physical recreation among the public at large in Wales and the provision of facilities thereto". It is financed by annual funding from the Welsh Assembly Government and from income generated from its activities.

Review of the year and future developments

The accounts record a net expenditure cost for the year ending 31 March 2010 of £28,712,000 (2008/09 re-stated £26,813,000). The net movement on the general fund for the year, after the funding received from the Welsh Assembly Government, was an under spend of £1,611,000 (2008/09 re-stated £804,000).

The Council's principal aims are to pursue and undertake policies and schemes aimed at increasing participation and improving performance in sport and physical recreation and, generally, to disseminate information and to promote knowledge of sport and physical recreation in Wales. As well as work carried out directly by its own staff during the year in meeting these aims, the Council also provided facilities through the Welsh Institute of Sport and Plas Menai National Watersports Centre, and made grants to national and local sports organisations.

The National Lottery Act 1993 (as amended) nominates the Sports Council for Wales as the body responsible for distributing funds generated by the lottery to sport in Wales. In November 1994, the Council launched the Lottery Fund for Sport in Wales. Further information regarding the activities of the Council and significant new developments can be found elsewhere within the Annual Report. Lottery distribution results are included in the separately prepared accounts for that body.

Board

The Sports Council for Wales currently comprises of a Board of 10 members. The name of the Council Chief Executive and the names of the Council Members who served throughout the year are listed below.

Prof L McAllister */**
(Chair appointed 01.02.2010)

Mr Phil Carling **
(Chair retired 31.01.2010)

Mr Robert Harris

Mr H Meredydd *

Mrs A Baumgardt

Mr R Palmer *

Mr D L Roberts

Dr W M Leyshon

Mr M Warren */**

Mrs S M Thomas

Mr D R Turner

(Co-opted member resigned 30.06.2009)*

Dr H Jones (Chief Executive)

* Member of the Audit committee

** Member of the Remuneration committee

The Sports Council for Wales is the Trustee of the Sports Council for Wales Trust.

Auditors

The report of the Auditor General for Wales on the annual financial statements of the Sports Council for Wales for the year ended 31 March 2010 was unqualified.

Report of the Auditor General for Wales to the Sports Council for Wales on the Summary Financial Statements

I have examined the summary financial statements contained in the Accounts Document of the Sports Council for Wales as set out on pages 13 to 15.

Respective responsibilities of the Council, Chief Executive and Auditor

The Council and Chief Executive are responsible for preparing the Accounts Document. My responsibility is to report my opinion on the consistency of the summary financial statements with the statutory financial statements and certain information in the Annual Report, including the audited part of the remuneration report. I also read the other information contained in the Accounts Document and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

I conducted my work in accordance with Bulletin 2008/3 'The auditor's statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In my opinion the summary financial statements are consistent with the statutory financial statements, certain information in the Annual Report and the remuneration report of the Sports Council for Wales and Sports Council for Wales Trust for the year ended 31 March 2010 on which an unqualified opinion has been issued.

I have not considered the effects of any events between the date of the report on the full financial statements (13 August 2010) and the date of this statement.

Huw Vaughan Thomas

Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

Date: 27th October 2010

Summary net expenditure account for the year ended 31 March 2010

| | 2009/2010 (£000) | Re-stated 2008/2009 (£000) |
|--|---------------------|-------------------------------|
| Expenditure | | |
| Grant Expenditure | 19,814 | 18,388 |
| Staff Costs | 5,695 | 5,698 |
| Other Expenditure | 4,751 | 4,552 |
| Depreciation: owned assets | 541 | 650 |
| Total Expenditure | 30,801 | 29,288 |
| Income | | |
| Income from Activities | 3,189 | 3,041 |
| Other Income | 32 | 298 |
| Total Income | 3,221 | 3,339 |
| Net Expenditure | (27,580) | (25,949) |
| Cost of Capital Charge | (389) | (518) |
| Pension Finance Cost | (750) | (370) |
| Surplus on Disposal of Property, Plant and Equipment | 5 | - |
| Interest Receivable | 2 | 30 |
| | (1,132) | (858) |
| Net Expenditure before Taxation | (28,712) | (26,807) |
| Taxation Payable | - | (6) |
| Net Expenditure after Taxation | (28,712) | (26,813) |
| Note | | |
| Senior Staff and Council Members Remuneration (£000) | 595 | 597 |

Note

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

Summary consolidated statement of financial position

| | 31 March 2010 | Restated 31 March 2009 | Restated 1 April 2008 |
|---|---------------------|---------------------------|--------------------------|
| | (£000) | (£000) | (£000) |
| Non-Current Assets | 18,683 | 19,591 | 17,576 |
| Current Assets | <u>5,919</u> | <u>6,162</u> | <u>6,005</u> |
| Total Assets | 24,602 | 25,753 | 23,581 |
| Current Liabilities | <u>(527)</u> | <u>(1,395)</u> | <u>(1,210)</u> |
| Non-current assets plus net current assets/liabilities | 24,075 | 24,358 | 22,371 |
| Defined Benefit Pension Liability | <u>(15,170)</u> | <u>(10,950)</u> | <u>6,390</u> |
| Assets less liabilities | <u>8,905</u> | <u>13,408</u> | <u>15,981</u> |
| Financed | | | |
| Reserves | <u>8,905</u> | <u>13,408</u> | <u>15,981</u> |

Summary consolidated statement of cashflows
for the year ended 31 March 2010

| | 2009/2010 | Restated 2008/2009 |
|--|-----------------|-----------------------|
| | (£000) | (£000) |
| Net Cash (Outflow) from Operating Activities | (28,194) | (25,644) |
| Returns on Investment and Servicing of Finance | 2 | 30 |
| Corporation Tax Paid | - | (6) |
| Capital Expenditure and Financial Investment | <u>(1,114)</u> | <u>(1,051)</u> |
| Net Cash Outflow before Financing | <u>(29,306)</u> | <u>(26,671)</u> |
| Financing | <u>29,126</u> | <u>26,978</u> |
| (Decrease)/Increase in Cash | <u>(180)</u> | <u>307</u> |

Accounting Officer: Dr H G Jones
Date: 25th October 2010

Notes

1. This summary financial statement has been prepared in accordance with the Companies Act 2006, having regard to the Companies (Summary Financial Statement) Regulations 2008 (SI 2008 / 374) as far as is relevant.

2. Full declaration of Related Party Transactions has been made in accordance with IAS24 and is detailed in the full financial statements which are available on request.

Summary Financial Statement

This Financial Statement provides a summary of the accounts prepared for the financial year ending 31 March 2010 in accordance with s26(1) of the National Lottery etc Act 1993 (as amended) and the Statement of Financial Requirements issued under section 26(3) of that Act. The Act nominated the Sports Council for Wales as the body responsible for distributing funds generated by the Lottery to sport in Wales.

These summary financial statements do not contain sufficient information to allow for a full understanding of the results and state of affairs of the Lottery fund for sport in Wales. For further information the full annual accounts and the auditor's report on those accounts should be consulted. A copy of the audited accounts, which have been laid before Parliament and which contain the detailed information required by law and under best practice guidelines, can be obtained, free of charge, from the Director of Corporate Services, Sophia Gardens, Cardiff, CF11 9SW.

Council Members

Board

The Sports Council for Wales currently comprises of a Board of 10 members. The name of the Council Chief Executive and the names of the Council Members who served throughout the year are listed below.

Prof L McAllister */**
[Chair appointed 01.02.2010]

Mr Phil Carling **
[Chair retired 31.01.2010]

Mr Robert Harris

Mr H Meredydd *

Mrs A Baumgardt

Mr R Palmer *

Mr D L Roberts

Dr W M Leyshon

Mr M Warren */**

Mrs S M Thomas

Mr D R Turner
[Co-opted member resigned 30.06.2009]*

Dr H Jones (Chief Executive)

* Member of the Audit committee

** Member of the Remuneration committee

The Sports Council for Wales is the Trustee of the Sports Council for Wales Trust.

Review of the Year and Future

Developments

Financial Results

The increase in funds after taking account of costs incurred for the financial year amounted to £2,494,000 (2008/09 decrease of £2,128,000). This has been transferred to reserves.

Capital Grants

The fund's principal activities are aimed at increasing participation and improving performance in sport and physical recreation. The Sports Council for Wales introduced its plans for the distribution of lottery funds to capital projects in September 1994. A two stage process is used for all capital applications. The first stage of the application enables the initial focus to be more on the added benefits to sport and the aims, objectives and proposed management of the project. Applicants seek provisional approval of a scheme prior to undertaking the investment necessary to present the full application.

Capital grants totalling £2,297,000 (2008/09 £2,168,000) were met during the year. The amount provided in the accounts for hard commitments (signed contracts) relating to capital grants fell by £1,672,000 in 2009/10 (2008/09 increase of £615,000).

Revenue Grants

In April 1996 the National Lottery directions were amended to allow revenue funding. The revised directions specifically required the Sports Council for Wales to take account of:

- 1) the desirability of developing talents and skills, particularly of young people
- 2) funding major international sporting events.

Revenue grant payments totalling £4,966,000 (2008/09 £5,036,000) were met during the year. This amount comprised of payments on the following schemes:

| Programme | 2009/2010 (£000) | 2008/2009 (£000) |
|------------------|---------------------|---------------------|
| Elite Cymru | 374 | 289 |
| Coach Cymru | 1,411 | 1,132 |
| Dragon Sport | 1,195 | 1,116 |
| Disability Sport | 580 | 1,072 |
| Community Chest | 1,128 | 1,184 |
| Talent Cymru | 278 | 243 |
| Total | 4,966 | 5,036 |

Community Chest includes an amount of £58,434 (2008/09 £58,430) paid in respect of administration costs of local authorities who administer the grant scheme at local level.

18 Members of The Lottery Panels

The Council's Royal Charter allows it to appoint committees or panels to exercise any of its functions. For the purposes of Lottery administration, the Sports Council for Wales have appointed a Members Panel. The Members Panel has been delegated authority to authorise projects on behalf of the Sports Council within financial limits of authority awarded.

The Members Panel members are listed below:

*Mr R Palmer - Chair

*Prof L McAllister - Vice Chair

*Mr D L Roberts

*Dr W M Leyshon

Miss Anne Ellis OBE

*Member of The Sports Council for Wales

Statement of the Comptroller and Auditor General to the Houses of Parliament and Members of the National Assembly for Wales

I have examined the summary financial statements of the Sports Council for Wales Lottery Distribution Account for the year ended 31 March 2010 set out on pages 19 to 21.

Respective responsibilities of the Council, Chief Executive and Auditor

The Council and Chief Executive are responsible for preparing the Accounts Document.

My responsibility is to report my opinion on the consistency of the summary financial statements within the Accounts Document with the full annual Lottery Distribution Accounts, Remuneration Report and Annual Report and their compliance with the relevant requirements of the Financial Reporting Manual issued by HM Treasury.

I also read the other information contained in the Accounts Document and consider the implications for my report if I become

aware of any apparent misstatements or material inconsistencies with the summary financial statements.

I conducted my work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board. My certificate on the full 2009-10 Lottery Distribution Accounts, Remuneration Report and Annual Report describes the basis of my opinions on those financial statements, the Remuneration Report and the Annual Report.

Opinion

In my opinion the summary financial statements are consistent with the full Lottery Distribution Accounts, Remuneration Report and Annual Report of the Sports Council for Wales for the year ended 31 March 2010 and comply with the applicable requirements of the Financial Reporting Manual issued by HM Treasury.

I have not considered the effects of any events between the date on which I signed my certificate on the full annual Lottery Distribution Accounts and the date of this statement.

Amyas C E Morse

National Audit Office
Comptroller and Auditor General
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Date: 29 October 2010

Chief Executive's Statement

The auditor has issued unqualified opinions on the full annual Lottery Distribution Accounts, the auditable part of the Remuneration Report and on the consistency of the Annual Report with those annual financial statements.

Summary net expenditure account for the year ended 31 March 2010

| | 2009/2010 | 2008/2009 |
|--|---------------------|---------------------|
| Gross Income | (£000) | (£000) |
| Proceeds from National Lottery Distribution Fund | 11,133 | 9,402 |
| Other Income | 275 | 484 |
| | <u>11,408</u> | <u>9,886</u> |
| Expenditure | | |
| Grant commitments made in year | 5,161 | 9,814 |
| Less lapsed and revoked commitments | (222) | (341) |
| Staff Costs | 1,631 | 1,682 |
| Olympic lottery distribution fund | 1,952 | 488 |
| Other Operating Costs | 393 | 403 |
| | <u>8,915</u> | <u>12,046</u> |
| Net income/(expenditure)before interest and taxation | 2,493 | (2,160) |
| Investment Income | | |
| Interest Receivable | 1 | 40 |
| Increase(decrease) in funds before taxation | 2,494 | (2,120) |
| Taxation Payable | - | (8) |
| Increase/(decrease) in funds after taxation | <u>2,494</u> | <u>(2,128)</u> |
| Balance at 1 April | 2,173 | 4,301 |
| | <u>4,667</u> | <u>2,173</u> |
| Balance at 31 March | <u>4,667</u> | <u>2,173</u> |
| Note 1 | | |
| Senior Staff and Council Members Remuneration | <u>595</u> | <u>597</u> |
| Note 2 | | |

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

Summary statement of financial position

| | 31 March 2010 | 31 March 2009 | 1 April 2008 |
|--|---------------|---------------|---------------|
| | (£000) | (£000) | (£000) |
| Non Current Assets | 113 | 39 | 44 |
| Current Assets | | | |
| Trade receivables and other current assets | 193 | 138 | 12 |
| Investments – balance held in NLDF | 10,421 | 9,858 | 9,435 |
| Cash and cash equivalents | 297 | 911 | 1417 |
| Total Current Assets | 10,911 | 10,907 | 10,864 |
| Total Assets | 11,024 | 10,946 | 10,908 |
| Current Liabilities | | | |
| Provision for Hard Grant Commitments | (4,508) | (8,400) | (6165) |
| Other current liabilities | (228) | (281) | (379) |
| | (4,736) | (8,681) | (6544) |
| Non Current assets plus Net Current Liabilities | 6,288 | 2,265 | 4364 |
| Non Current Liabilities | | | |
| Provision for Hard Grant Commitments | (1,621) | (53) | (19) |
| Assets Less Liabilities | 4,667 | 2,212 | 4345 |
| Reserves: | | | |
| Income and Expenditure Account | 4,667 | 2,173 | 4301 |
| Government Grant Reserve | | 39 | 44 |
| | <u>4,667</u> | <u>2212</u> | <u>4345</u> |

Summary cashflow statement for the year ended 31 March 2010

| | 2009/2010 | 2008/2009 |
|---|--------------|--------------|
| | (£000) | (£000) |
| Net cash (outflow) from operating activities | (529) | (474) |
| Investing activities, financing activities and taxation | (85) | (32) |
| (Decrease) in cash | <u>(614)</u> | <u>(506)</u> |

Accounting Officer: Dr H G Jones
Date: 25th October 2010

Notes

1. This summary financial statement has been prepared in accordance with the Companies Act 2006, having regard to the Companies (Summary Financial Statement) Regulations 2008 (SI 2008/374) as far as is relevant.

2. Panel members and staff are required to declare all potential conflicts of interest. Details of all related party transactions are contained in the full annual accounts, copies of which are available on request.

3. The balance held at 31 March 2010 at the National Lottery Distribution Fund is un-audited, as the audit of the Fund is incomplete. Any adjustment arising from that audit will be reflected in the 2010/2011 accounts and is not expected to be material. The balance is based on the distribution of National Lottery funds set out in the National Lottery etc Act 1993 (as amended).

Appendix 1– Financial Directions

Issued under section 26(3) of the National Lottery Act 1998:

1. The Sports Council for Wales shall comply with the requirements contained within the Statement of Financial Requirements (SFR) attached as an Annex to the Directions when carrying out its function under Section 26 of the National Lottery Act 1998. Wherever specified in that document, the Sports Council for Wales must obtain the consent of the First Secretary before carrying out certain activities.

2. The Sports Council for Wales shall devise and abide by a procedure for handling potential conflicts of interest which may arise in the evaluation of applications by the body or individual members of that body. A copy of the procedure should be provided to the First Secretary. At the beginning of each financial year, the Sports Council shall provide the First Secretary with a statement confirming that the procedure has been applied in the immediately preceding financial year.

3. These directions shall take effect on 28 February 1997. The directions issued to the Sports Council for Wales on 6 February 1995 under Section 26(3) of the 1993 Act are revoked with effect from 28 February 1997, but shall continue to apply for grants in respect of which awards have been made prior to 28 February 1997.

Appendix 2 – Policy Directions

Issued to the Sports Council for Wales under Section 26(1) of the National Lottery Act 1998:

The First Minister, in exercise of the powers conferred on him by Section 26(1) of the National Lottery Etc Act 1998, hereby gives the following directions to the Sport Council for Wales:

1. In these directions, any reference to a section is a reference to a section of the National Lottery Act 1993 as amended by the National Lottery Act 1998.

2. The Sports Council for Wales shall take into account the following matters in determining the persons to whom the purposes for which and the conditions subject to which it distributes money under Section 26(1):

A the need to ensure that money is distributed under Section 26(1) for projects which promote the public good or charitable purposes and which are not intended primarily for public gain;

B the need to ensure that it considers applications which relate to the complete range of activities falling within Section 22(3)(b) and in respect of which it has the power to distribute money into account;

i its assessment of the needs of sport and its priorities for the time being for addressing them;

ii the need to ensure that all regions of Wales have access to funding;

iii the scope for reducing economic and social deprivation at the same time as creating benefits for sport;

C the need to promote access to sport for people from all sections of society;

D the need to promote knowledge of, and interest in, sport by children and young people;

E the need to further the objectives of sustainable development;

F the need for money distributed under Section 26(1) to be distributed only to projects only where they are for a specific, time-limited purpose;

G the need:

i in all cases, for applicants to demonstrate the financial viability of the project for the period of the grant;

ii where capital funding or setting-up costs are sought, for a clear business plan beyond the period of the grant, incorporating provision for associated running and maintenance costs;

iii in other cases, for consideration to be given to likely availability of other funding to meet any continued costs for a reasonable period after completion of the period of the Lottery award, taking into account the size and nature of the project, and for Lottery funding to be used to assist progress towards viability beyond the period of the grant wherever possible;

H the need to require an element of partnership funding and/or contributions in kind, from other sources, commensurate with the reasonable ability of different kinds of applications, or applicants in particular areas to obtain such support;

I the desirability with other organisations, including other distributors, where this is an effective means of delivering elements of its strategy;

J the need to ensure that it does not solicit particular applications;

K such information as it considers necessary to make decisions on each application, including independent advice when required.

Note on Policy Directions

Policy Directions A; B; C; D; E; F; G; H; K are all addressed and integral in the application guidelines application forms and assessment process.

In particular, D is a fundamental priority running throughout all Lottery funded programmes.

3. joint work with other distributing bodies – has continued throughout the year through regular meetings with the Welsh distributing bodies, other Sports Councils and various partners.

4. has not solicited applications and has many breaks in the decision-making process that prevent the possibility of a favoured application form being progressed. It has, however, developed its strategy in order to identify priorities for Lottery investment so as to make the most difference to sport with Lottery money.

Appendix 3 – Compliance

The action taken by the Council to ensure compliance with the directions outlined in Appendices 1 and 2 includes:

- publishing an annual report and accounts which clearly show the administrative costs incurred by the Council in distributing lottery money
- producing regularly updated guidance for potential applicants
- distributing a broad range of literature to those interested in applying for grants, including guidance notes, technical briefing booklets and application forms
- producing general information about the distribution of Lottery funds through press releases and regular meetings with partners in sports development in Wales, including local authorities
- recording information on every application received
- training and briefing staff to ensure an effective, fair and consistent approach
- developing clear policies and procedures for appraising applications, including the assessment of risk
- imposing appropriate terms and conditions of grants offered
- consulting widely with local authorities, governing bodies and local sports councils
- implementing policies and system for effective monitoring and evaluation of projects/individuals/events supported
- implementing an appeals procedure for dissatisfied unsuccessful applicants
- arranging internal and external audits of systems

Appendix 4 – Appeals

If applicants for capital or revenue grants are dissatisfied with the way in which their application has been considered, they can lodge a formal appeal with the Chief Executive of the Sports Council for Wales within three months of the date of the original letter of rejection.

There were no appeals in 2009/10.