

UK ATHLETICS LIMITED
(A Company Limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2014

Company Registration Number: 03686940

UK ATHLETICS LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

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UK ATHLETICS LIMITED

COMPANY INFORMATION

YEAR ENDED 31 MARCH 2014

MEMBERS COUNCIL

W Adcocks (Resigned 29 November 2013)
C Anthony
Lord S Coe
R Corry
L Davies
M Harris (Resigned 29 November 2013)
W Haxell

P King
K May
K Reed (Appointed 29 November 2013)
N Rowe
L Roy
R Simons

DIRECTORS

T J Colton
J Gardener
S L Rowell
S Smart
J R Taylor (resigned 30 September 2013)

K Taylor
N E de Vos
E W Warner
W R Worth (appointed 1 July 2013)

COMPANY SECRETARY

K Taylor

COMPANY REGISTRATION NUMBER

03686940

REGISTERED OFFICE

Athletics House
Alexander Stadium
Walsall Road
Perry Barr
Birmingham, B42 2BE

BANKERS

National Westminster Bank plc
30a Harborne Road
Edgbaston
Birmingham, B15 3AA

SOLICITORS

Farrer & Co LLP
66 Lincoln's Inn Fields
London, WC2A 3LH

AUDITORS

haysmacintyre
26 Red Lion Square,
London,
WC1R 4AG

UK ATHLETICS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2014

The Directors present their annual report and the audited financial statements for the year ended 31 March 2014.

Principal activities

The principal activities of the company during the year were to carry out the functions of the Governing Body of athletics in the UK as required by the International Association of Athletics Federations. In particular these responsibilities include the preparation and selection of GB teams to compete in European and World Championships. The company continues to provide strategic leadership in the development of the sport of athletics across the UK, working in partnership with Central and Local Government, Home Country Athletics Federations, Clubs and Schools.

Results

The surplus after taxation for the year is £841,325 (2013: £685,879). Reserves increased in line with our Reserves Policy.

Directors

The Directors who served during the year and to the present date are listed on page 1.

Directors' and Officers' liability insurance

Directors' and Officers' liability insurance has been purchased by the company during the year.

Employee involvement

The company has continued its practice of keeping employees informed of the factors affecting the performance of the company and other matters affecting them as employees. This is achieved through regular management and employee meetings and the active operation of an employee consultative forum.

Volunteers

The Directors would like to offer their appreciation for all those individuals who have given their time and expertise freely for the benefit of athletics and without whom our wonderful sport could not take place. The invaluable efforts of volunteers involved in clubs, coaching, officiating, advisory groups, UK Members Council and other administrative roles are of inestimable worth. We give our thanks to each of our volunteers for their valued contribution.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' Report, Strategic Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 that the company will continue in business.

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

UK ATHLETICS LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2014

Audit information

The Directors at the time when this Directors' Report is approved have confirmed that:

- So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Approved by the Board of Directors and signed by order of the Board.



Kevan Taylor
Company Secretary
28 July 2014

UK ATHLETICS LIMITED

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2014

Business review

During the year we were successful at both the IPC and IAAF Athletics World Championships winning 29 medals in the IPC event (11 gold, 9 silver and 9 bronze) and 6 medals in the IAAF event (3 gold and 3 bronze). These medals represent the pinnacle of success for our athletes and congratulations are due to each athlete for their performances at the Championships.

Our most significant commercial achievement during the year was the creation and staging of the Sainsbury's Anniversary Games at the Olympic Stadium in London. This event is by far the largest UK Athletics has staged to date with tickets selling out in record time. The success of the event was recognised at the International Sports Events Management Awards in November 2013 when we were awarded the Outstanding Team Contribution award.

During the year a number of long term commercial agreements were signed which have funded activities in the year and will contribute towards funding future years' activities. Of particular note is the completion of a broadcast contract with the BBC which will ensure athletics is on terrestrial TV through to 2020.

In accordance with the company's Articles of Association, no dividend can be paid. This position is unchanged since the company's incorporation.

Financial Key Performance Indicators

Key performance indicators are measured and reviewed on a regular basis to enable the business to set its performance targets and monitor its performance against these targets:

Total income has increased in this financial year (£26.4m, up 5%), primarily due to the additional income generated from the Sainsbury's Anniversary Games event. Total expenditure has also increased during the year (£25.4m, up 5%).

Income from grants and sponsorship dedicated to the World Class Performance Programme was £7.4m, a decrease of 10% at the start of a new four year funding cycle. Expenditure on this area of activity matched its income. A significant part of this income is provided by UK Sport whose contribution is strictly ring-fenced to support the World Class Performance Programme.

Costs for development, governance and operations were reduced by 28% to £6.6m for the year. There were many contributors to this including the benefits of pre-planned operational changes made in the latter part of the prior year, no equivalent costs relating to the Olympic Games as incurred in the prior year and a range of savings in administrative support activities.

The overall decrease in employee costs of £1.3m, down 18%, compared to the prior year, is a reflection of pre-planned restructuring in significant areas of the organisation post London 2012, the effects of which were fully realised during the financial year. At the end of the financial year, the company held Reserves of £3.3m (2013: £2.5m) with net current assets of £3.2m (2013: £2.3m) and Fixed Assets of £0.1m (2013: £0.1m). These assets include bank balances of £12.3m which are £5.2m higher than in 2013, largely due to the operating surplus achieved and income received relating to future periods from three of our major commercial partners (Nike, BBC and Camelot).

During the year the company spent £0.03m on capital expenditure (2013: £0.02m) and disposed of £0.09m of assets (2013: £0.16m).

UK ATHLETICS LIMITED

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2014

Other Key Performance Indicators

The following additional key performance indicators are measured and reviewed on a regular basis by the Directors to provide visibility of the organisation's performance from a non-financial information perspective.

UK Sport

Medal targets set by UK Sport are key indicators for our Elite Performance Programme. Our Olympic athletes won 6 medals, 3 of which were gold, at the IAAF World Championships in Moscow in August 2013, achieving our target. At the IPC World Championships in Lyon during July 2013 our Paralympic athletes won 29 medals, of which 11 were gold, to also achieve the target set by UK Sport.

Sport England

We have Strategic Talent Objectives set by Sport England as part of the Whole Sport Plan funding for 2013-2017, based on the number of English athletes progressing from the Futures Programme onto both the Olympic and Paralympic World Class Performance Programmes. These targets were exceeded during 2013-2014.

TV Events

Spectator approval ratings for our events programme are monitored for all our events. Our highest profile event during the year, the Sainsbury's Anniversary Games, secured a spectator approval rating of over 98%.

PRINCIPAL RISKS AND UNCERTAINTIES

The senior management group maintains a risk register which is reviewed by the Audit Committee (a sub-committee of the Board), which in turn reports to the Board of Directors. Risks are managed actively and mitigation strategies implemented to restrict our levels of risk.

Market risk

The company's main exposure to market risk is considered to be the ability to continue to secure event ticket sales and sponsorship income at the levels needed to support our rolling four year plans. A Commercial team is dedicated to securing and servicing ticket sales and sponsorship deals. The Board is regularly updated with progress on mitigation of these risks.

Organisational risk

One of the company's main operational risks that is monitored is our ability to attract, retain and develop key staff within the organisation. A succession planning policy has been devised, along with a review of the job grading structure used within the organisation and evaluation of all roles to ensure that key staff are identified and recognised appropriately.

Environmental/Political risk

One of the main risks faced by the organisation in this area is the risk to our UK Sport and Sport England funding should there be any governance concerns raised by either organisation. We pay careful attention to our governance and control processes, as recorded in our annual self-assurance returns to UK Sport and Sport England, and have commenced a rolling programme of Internal Audit work to help further underpin strong processes and good corporate governance.

Approved by the Board of Directors and signed by order of the Board.



Kevan Taylor
Company Secretary
28 July 2014

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

UK ATHLETICS LIMITED

We have audited the financial statements of UK Athletics Limited for the year ended 31 March 2014 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and the Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st March 2014 and of its surplus 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



David Cox (Senior Statutory Auditor)
for and on behalf of haysmacintyre
Statutory Auditors
28 July 2014

26 Red Lion Square
London
WC1R 4AG

UK ATHLETICS LIMITED**INCOME AND EXPENDITURE ACCOUNT****YEAR ENDED 31 MARCH 2014**

	Note	2014 £	2013 £
INCOME			
World Class Performance grants and related sponsorship		7,356,819	8,154,225
TV Events and related sponsorship		15,464,284	8,598,834
Other sponsorship, grants and income		3,544,702	8,311,965
		<u>26,365,805</u>	<u>25,065,024</u>
EXPENDITURE			
World Class Performance, GB & NI team		7,356,819	8,154,225
TV Events		11,378,964	6,830,563
Development, governance and operations		6,621,715	9,247,885
		<u>25,357,498</u>	<u>24,232,673</u>
SURPLUS FROM OPERATING ACTIVITIES	3	1,008,307	832,351
Interest receivable		86,676	91,036
		<u>1,094,983</u>	<u>923,387</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		1,094,983	923,387
Tax charge on ordinary activities	4	(253,658)	(237,508)
		<u>841,325</u>	<u>685,879</u>
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	10	<u>841,325</u>	<u>685,879</u>

All income and expenditure derives from continuing activities.

There are no recognised gains or losses other than the results for the current financial year and the preceding financial year.

The notes on pages 10 to 18 form part of the financial statements.

UK ATHLETICS LIMITED

BALANCE SHEET

AT 31 MARCH 2014

	Note	2014		2013	
		£	£	£	£
FIXED ASSETS					
Tangible assets	5	132,194		151,792	
Investments	6	7,499		7,499	
			139,693		159,291
CURRENT ASSETS					
Debtors	7	3,785,812		4,213,761	
Cash at bank and in hand		12,277,565		7,056,208	
			16,063,377		11,269,969
CREDITORS: amounts falling due within one year	8	(12,849,156)		(8,930,185)	
NET CURRENT ASSETS			3,214,221		2,339,784
TOTAL ASSETS LESS CURRENT LIABILITIES			3,353,914		2,499,075
CREDITORS: amounts falling due after one year	9		(13,514)		-
NET ASSETS			3,340,400		2,499,075
RESERVES					
Accumulated fund	10		3,340,400		2,499,075

The financial statements were approved and authorised for issue by the Board of Directors on 28 July 2014 and were signed below on its behalf by:



Niels de Vos
Chief Executive



Edmond Warner
Chairman

The notes on pages 10 to 18 form part of the financial statements.

UK ATHLETICS LIMITED
CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2014

	Note	2014 £	2013 £
Cash inflow from operating activities	11	5,446,559	795,034
Returns on investments			
Interest receivable		86,676	91,036
Taxation paid in the year		(279,081)	(74,333)
Capital expenditure			
Purchase of tangible fixed assets		(32,797)	(24,523)
Increase in cash in the year	12	<u>5,221,357</u>	<u>787,214</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

		2014 £	2013 £
Increase in cash in the year		5,221,357	787,214
Net funds at 1 April 2013		7,056,208	6,268,994
Net funds at 31 March 2014	12	<u>12,277,565</u>	<u>7,056,208</u>

The notes on pages 10 to 18 form part of the financial statements

UK ATHLETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below.

Accounting convention and basis of preparation

The financial statements are prepared under the historical cost convention.

During the year two companies limited by guarantee, London 2017 Limited and London Championships Limited, were incorporated for the purpose of staging the 2017 World Athletics IAAF and IPC Championships respectively, in London. UK Athletics Limited is the sole member of both companies. However, consolidated financial statements have not been prepared as UK Athletics Limited does not control these companies and hence the financial statements present the results of the company only.

Income

Income represents amounts derived from grants receivable and the sale of services to sponsors, broadcasters and participants in athletics which fall within the company's ordinary activities and arise primarily within the United Kingdom. Income is stated exclusive of value added tax.

Income from grants, sponsorship and TV Events is recognised over the period, or in the same period as the activities, to which they relate, whichever is appropriate. Other income is recognised on the date it becomes contractually receivable.

Income from grants includes Sport England Whole Sport Plan Award funding of £1,170,000 (2013 - £330,000) for activities undertaken by UK Athletics. This award is an agreement between UK Athletics and Sport England, within which UK Athletics also commissions England Athletics to undertake the majority of the activities and hence passes most of the grant funding directly to England Athletics following receipt from Sport England. UK Athletics acts as agent for this Sport England Award and hence the grant funding passed to England Athletics of £4,868,857 (2013 - £4,299,612) is not recognised in the financial statements of the company.

There has been a change in the estimation technique used to recognise the income of a contract with the BBC over the indoor and outdoor seasons. Previously this income was spread over the number of events during a financial year. However, the company considers it is more appropriate to recognise the income based on the number of days broadcast per event. As a result of this change, income has been reduced by £491,000 in the 2013-2014 financial statements as a higher proportion is deferred as at 31 March 2014.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	3 years
Equipment, Fixtures and Fittings	5 years
Leasehold improvements	10 years

Deferred tax

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

UK ATHLETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amount payable by the company for the financial year.

In addition, one employee is a member of The Teachers' Pension Scheme which is an unfunded defined benefit scheme operated by the UK Government on behalf of teachers in England. The company has no claim over the assets of the scheme and has no liability to make good future shortfalls in the scheme except in so far as future service contribution rates may be revised by the Government Actuary.

Investments

Investments are stated at cost less provisions for impairment.

Operating leases

Rentals applicable to operating leases are charged to the income and expenditure account in equal amounts over the period of the lease.

Foreign currency policy

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Income and Expenditure Account.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES	2014	2013
Directors' remuneration		
Emoluments	443,429	498,187
	<u> </u>	<u> </u>
Contributions to a money purchase pension scheme	25,973	21,600
	<u> </u>	<u> </u>

In addition to the Directors' remuneration stated above the company has charged £11,875 in the Income and Expenditure Account for the current year (2013 - £nil) in respect of a long term incentive plan for the highest paid Director, the total amount of which will be determined by performance criteria over the four years ending 31 March 2017. As at 31 March 2014 the above amount was included in creditors due after more than one year (2013 - £nil).

	No.	No.
Directors who receive remuneration (average)	8	8
Number of Directors who are members of a money purchase scheme	1	1
	<u> </u>	<u> </u>
Remuneration of the highest paid Director		
Emoluments	213,271	254,994
Company contributions to a money purchase scheme	25,973	21,600
	<u> </u>	<u> </u>
Employee costs during the year (including Directors)	£	£
Wages and salaries	4,671,442	5,761,075
Social security costs	540,529	650,091
Pension costs	466,524	519,142
	<u> </u>	<u> </u>
	5,678,495	6,930,308
	<u> </u>	<u> </u>
	No.	No.
Employees including Directors (average)	99	116
	<u> </u>	<u> </u>

UK ATHLETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

3. SURPLUS FROM OPERATING ACTIVITIES	2014 £	2013 £
Surplus from operating activities is stated after charging:		
Auditors' remuneration – audit	20,655	20,250
Auditors' remuneration – other services	6,045	16,235
Operating lease expenditure – land and buildings	299,457	390,751
Operating lease expenditure – other	12,387	12,993
Depreciation of tangible fixed assets	52,395	88,077
	<u>226,209</u>	<u>246,970</u>
4. TAX CHARGE ON ORDINARY ACTIVITIES	2014 £	2013 £
Analysis of the tax charge in the year		
Current tax		
Corporation tax based on the surplus for the year	266,363	299,560
Over provision from prior years	(40,154)	(52,590)
	<u>226,209</u>	<u>246,970</u>
Deferred tax		
Origination and reversal of timing differences	27,449	(9,462)
	<u>£253,658</u>	<u>£237,508</u>

The current tax charge arising in respect of the year is different from the standard rate of UK corporation tax of 23% (2013: 24%). The differences are explained below.

	2014 £	2013 £
Surplus on ordinary activities before tax	<u>1,094,984</u>	<u>923,387</u>
Surplus multiplied by standard rate of 23% (2013: 24%)	251,846	221,614
Effects of:		
Expenses not deductible for tax purposes	3,940	42,470
Movement in provisions	35,882	(3,592)
Depreciation in excess of capital allowances	(25,305)	41,486
Marginal relief	-	(2,418)
Adjustments in respect of prior years	(40,154)	(52,590)
Current tax charge for the year	<u>226,209</u>	<u>246,970</u>

UK ATHLETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

5. TANGIBLE FIXED ASSETS	Leasehold Improvements £	Computer Equipment £	Equipment, Fixtures and Fittings £	Total £
Cost				
At 1 April 2013	68,814	822,777	323,276	1,214,867
Additions	-	3,487	29,310	32,797
Disposals	-	(91,454)	-	(91,454)
At 31 March 2014	<u>68,814</u>	<u>734,810</u>	<u>352,586</u>	<u>1,156,210</u>
Depreciation				
At 1 April 2013	9,175	808,699	245,201	1,063,075
Charge for the year	6,170	5,922	40,303	52,395
Depreciation eliminated on disposals	-	(91,454)	-	(91,454)
At 31 March 2014	<u>15,345</u>	<u>723,167</u>	<u>285,504</u>	<u>1,024,016</u>
Net book value				
At 31 March 2014	<u>53,469</u>	<u>11,643</u>	<u>67,082</u>	<u>132,194</u>
At 31 March 2013	<u>59,639</u>	<u>14,078</u>	<u>78,075</u>	<u>151,792</u>
6. INVESTMENTS				2014
				£
Cost				
At 31 March 2013 and 31 March 2014				<u>7,499</u>
Net book value				
At 31 March 2013 and 31 March 2014				<u>7,499</u>
Investments represent 2 shares in Diamond League AG				
7. DEBTORS			2014	2013
			£	£
Trade debtors			2,904,494	2,700,443
Other debtors			257,874	612,535
Prepayments and accrued income			483,076	732,966
Deferred tax			140,368	167,817
			<u>3,785,812</u>	<u>4,213,761</u>
Movement on deferred tax balance in the year				
Opening balance			167,817	158,355
(Charge) / credit to income and expenditure account			(27,449)	9,462
			<u>140,368</u>	<u>167,817</u>
Analysis of deferred tax balance				
Depreciation in excess of capital allowances			100,856	158,239
Short term timing differences			39,512	9,578
			<u>140,368</u>	<u>167,817</u>

UK ATHLETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

8. CREDITORS: amounts falling due within one year		2014	2013	
		£	£	
Deferred income		7,574,815	3,102,074	
Trade creditors		721,310	865,360	
Other creditors		1,437,711	1,375,998	
Accruals		2,326,094	2,691,533	
Corporation tax		246,688	299,560	
Other taxation and social security		542,538	595,660	
		<u>12,849,156</u>	<u>8,930,185</u>	
9. CREDITORS: amounts falling due after one year		2014	2013	
		£	£	
Accruals		13,514	-	
		<u>13,514</u>	<u>-</u>	
10. ACCUMULATED FUND			£	
Balance at 1 April 2013			2,499,075	
Surplus for the year			841,325	
Balance at 31 March 2014			<u>3,340,400</u>	
11. RECONCILIATION OF SURPLUS FROM OPERATING ACTIVITIES TO OPERATING CASH FLOWS		2014	2013	
		£	£	
Operating surplus		1,008,307	832,351	
Loss on disposals		-	94,913	
Depreciation		52,395	88,077	
Decrease in debtors		400,500	708,559	
Increase/(decrease) in creditors		3,985,357	(928,866)	
Net cash inflow from operating activities		<u>5,446,559</u>	<u>795,034</u>	
12. ANALYSIS OF CHANGES IN NET FUNDS		At 1 April	Cash	At 31 March
		2013	Flow	2014
		£	£	£
Cash at bank and in hand		<u>7,056,208</u>	<u>5,221,357</u>	<u>12,277,565</u>

UK ATHLETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

13. OPERATING LEASE COMMITMENTS

At 31 March 2014, the company had annual commitments under non-cancellable operating leases as set out below:

	2014		2013	
	Buildings £	Other £	Buildings £	Other £
Operating leases which expire				
Within one year	-	-	53,555	432
Between the second and fifth years	172,117	11,798	117,489	11,798
In more than five years	118,688	-	118,688	-
	<u>118,688</u>	<u>-</u>	<u>118,688</u>	<u>-</u>

14. GUARANTEE

The members of the company have agreed to contribute £1 each to the assets of the company, if necessary, in the event of it being wound up. The members of the company are the UKMC Members, as defined in the Company's Articles of Association.

UK ATHLETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

15. RELATED PARTIES

E Warner, Chairman of UK Athletics is Chairman of the IPC Athletics Sports Technical Committee (“the IPC”). During the year UK Athletics paid the IPC the amounts summarised below primarily for license and course fees.

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Licenses and Course Fees	45,230	-	20,255	-

During the year UK Athletics also received grant funding from the IPC and refunds for travelling expenses.

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Grant funding	25,000	-	-	-
Travel costs	698	298	-	-

E Warner, Chairman of UK Athletics, and N de Vos, Chief Executive of UK Athletics are Chairman and Chief Executive respectively of London 2017 Limited. UKA has provided funding in the form of services to London 2017 Limited for the amount stated below. Costs have also been incurred by UKA on behalf of London 2017 Limited as below and these will be reimbursed by London 2017 Limited in full. UK Athletics Limited is the sole member of London 2017 Limited.

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Consultants	55,548	-	-	-
Services provided by UK Athletics staff and related activities	168,303	-	-	-
Legal and professional fees	81,253	-	-	-
Recruitment fees	9,102	-	-	-
Other operating costs including travel	24,060	-	-	-
IT Developments	4,700	-	-	-

E Warner, Chairman of UK Athletics, and N de Vos, Chief Executive of UK Athletics are Chairman and Chief Executive respectively of London Championships Limited. Services and expenses have been incurred by UKA on behalf of London Championships Limited as below and will be recovered. UK Athletics Limited is the sole member of London Championships Limited.

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Legal and Professional fees	306	-	-	-
Other operating costs including travel	10,154	-	-	-

UK ATHLETICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

15. RELATED PARTIES (continued)

N de Vos, Chief Executive of UK Athletics, and K Taylor, an executive Director of UK Athletics, were Directors of England Athletics Limited during the year. The transactions that took place between the two companies have been summarised below. The transactions include grants received by UK Athletics and then transferred to England Athletics in accordance with arrangements between the companies, and also services and expenses incurred by UK Athletics which have then subsequently been recovered from England Athletics Limited.

Amounts transferred to England Athletics Limited during the year / amounts due to England Athletics Limited at end of year:

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Sport England Whole Sport Plan Award	4,868,857	-	4,299,612	-
Grant and Sponsorship funding of England Athletics activities	250,000	-	201,635	-
Contributions for other activities	206,442	145,795	43,583	71,183
Road Race licensing fees payable to England Athletics	-	205,480	-	264,754

The Sport England Whole Sport Plan Award is an agreement between UK Athletics and Sport England, for which UK Athletics commissions England Athletics to undertake the majority of the activities and hence passes most of the grant funding directly to England Athletics following receipt from Sport England. UK Athletics acts as agent for this element of the Sport England Award and hence the grant funding passed to England Athletics, which is not recognised in the financial statements of UK Athletics, is as stated in the above table.

Amounts recharged to England Athletics Limited from UK Athletics during the year / amounts due from England Athletics Limited at end of year:

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Employee Costs	2,747,788	68,583	2,775,774	76,239
Services Provided by UK Athletics staff and related activities	332,589	-	279,031	-
Insurance premia	117,089	-	126,370	-
Coaching courses	133,677	-	125,526	-
IT developments	22,950	-	88,705	-
Other operating costs	171,116	-	142,781	-
Balance due excluding employee costs		124,562		19,016

During the year UK Athletics provided the payroll services for England Athletics Limited, including payments of employees' salaries and payments to HMRC, for which it recovers the costs in full on a monthly basis. Other expenditure is recovered on an ad hoc basis depending on when the expenditure has been incurred.

UK ATHLETICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 MARCH 2014****15. RELATED PARTIES (continued)**

N de Vos, Chief Executive of UK Athletics is an executive Director of the British Olympic Association (BOA). During the year, UK Athletics paid the BOA for room hire and accommodation.

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Kit and carriage	-	-	27,483	-
Room Hire and accommodation	913	90	20,691	-
London 2012 tickets	-	-	3,171	-

S Rowell, a non-executive Director of UK Athletics is a member of the board of London Marathon Limited, as the UK Athletics designated board Director. During the financial year, UK Athletics received grant funding from London Marathon Limited, rights fees and a refund for printing charges.

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Grant funding	150,000	-	150,000	-
Rights fees	23,000	-	18,000	-
Printing refund	535	-	-	-
Courier charges refund	-	-	35	-

S Warner, Commercial Director of UK Athletics is also an Ambassador for Technogym Ltd. During the year UK Athletics bought gym equipment from Technogym Ltd.

	2014		2013	
	Transactions £	Balance £	Transactions £	Balance £
Gym equipment	1,971	-	-	-