

Company Registration No. 3686940

**UK ATHLETICS LIMITED**  
**(A Company Limited by Guarantee)**

**Report and Financial Statements**

**For the year ended 31 March 2010**

**UK ATHLETICS LIMITED**  
**(A Company Limited by Guarantee)**

**REPORT AND FINANCIAL STATEMENTS 2010**

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**UK ATHLETICS LIMITED**  
**(A Company Limited by Guarantee)**

**REPORT AND FINANCIAL STATEMENTS 2010**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

C G Bartholomew  
T J Colton  
I R Fox  
J Gardener  
Baroness T C D Grey-Thompson  
J R Taylor  
N E de Vos  
E W Warner

**REGISTERED OFFICE**

Athletics House  
Central Boulevard  
Blythe Valley Park  
Solihull  
B90 8AJ

**BANKERS**

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

**SOLICITORS**

Farrer & Company  
66 Lincoln's Inn Fields  
London  
WC2A 3LH

**AUDITORS**

haysmacintyre  
Chartered Accountants  
Fairfax House  
15 Fulwood Place  
London WC1V 6AY

**UK ATHLETICS LIMITED**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT**  
**Year to 31 March 2010**

The directors present their annual report and the audited financial statements for the year to 31 March 2010.

**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 included the preparation and selection of GB teams to compete in European and World championships, Olympics and Paralympics. The company also directed and facilitated the development of the sport of athletics across the UK, working in partnership with Central and Local Government, Home Country Athletics Associations, Schools and Clubs.

**RESULTS**

The results for the year after taxation show a surplus of £111,240 (2009: £70,897). The cash balance at the end of March 2010 is significantly lower than the balance at the end of March 2009, which was unusually high due to the receipt of grant and sponsorship cash relating to the coming year just before the balance sheet date.

The company has continued to invest from its successful commercial programmes to continue the modernisation of the sport across the UK, as well as continuing to make significant monetary commitments to the nationwide development of athletics.

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

**REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The mix of sponsorship and grant funding which has now been established provided a sound financial basis for the sport in 2009/10 and remains in place in the run up to London 2012 and beyond.

The established pattern of elite performance work and development activity carried out by the company in conjunction with the Home Country Athletic Federations was maintained in 2009/10, with increased activity on Coaching and Development. This pattern is planned to continue for 2010/11.

**DIRECTORS**

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

**DIRECTORS' AND OFFICERS' LIABILITY**

Directors' and officers' liability insurance has been purchased by the company during the period.

**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 forum.

**FINANCIAL INSTRUMENTS**

The company finances its operations using bank balances and overdraft, if necessary, plus debtors and creditors. The cash flow is also regularly monitored.

**UK ATHLETICS LIMITED**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT**  
**Year to 31 March 2010**

**RISKS AND UNCERTAINTIES**

The Company is classed as a 'medium-sized' company and, as such, the directors strive to apply the principles and procedures of good corporate governance as set out in the various codes of practice.

The major financial risks currently facing the Company are considered to be:

- A reduction in the willingness or ability of public sector grant making bodies to support athletics
- A reduction in sponsorship for commercial reasons, non-achievement of desired outcomes or reduced perceived attractiveness of televised events

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

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's Web Site. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

**AUDITORS**

haysmacintyre have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

**UK ATHLETICS LIMITED**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT**  
**Year to 31 March 2010**

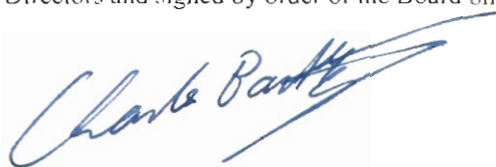
**AUDIT INFORMATION**

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information 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 on 14 August 2010.

Charles Bartholomew  
Company Secretary

A handwritten signature in blue ink, appearing to read "Charles Bartholomew", is written over a light grey rectangular background.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
UK ATHLETICS LIMITED  
(A Company Limited by Guarantee)**

We have audited the financial statements of UK Athletics Limited for the year ended 31 March 2010 which comprise the Profit and Loss 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 Directors' Responsibilities Statement set out on page 3, 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.

**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 31 March 2010 and of its profit 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 matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' 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.



Jeremy Beard (Senior statutory auditor)  
for and on behalf of haysmacintyre, Statutory Auditor

14 August 2010

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

**UK ATHLETICS LIMITED**  
**(A Company Limited by Guarantee)**

**INCOME AND EXPENDITURE ACCOUNT**  
**Year to 31 March 2010**

	Note	2010 £	2009 £
<b>INCOME</b>			
TV Events		7,899,773	8,101,807
World Class Performance grants and sponsorship		8,544,524	8,532,762
Sponsorship, grants and other income		8,367,597	8,198,728
		<u>24,811,894</u>	<u>24,833,297</u>
<b>EXPENDITURE</b>			
TV Events		6,825,967	7,137,357
World Class Performance, GB & NI team		8,570,475	8,567,262
Development, governance and operations		9,328,247	9,351,817
		<u>24,724,689</u>	<u>25,056,436</u>
<b>SURPLUS/(DEFICIT) FROM OPERATING ACTIVITIES</b>	3	87,205	(223,139)
Interest received		<u>52,133</u>	<u>298,658</u>
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		139,338	75,519
Tax charge on ordinary activities	4	<u>(28,098)</u>	<u>(4,622)</u>
<b>SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION</b>	10	<u>111,240</u>	<u>70,897</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.

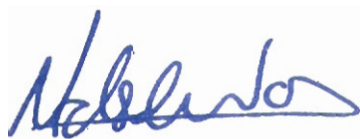
The notes on pages 8 to 15 form part of the financial statements.



**BALANCE SHEET**  
**31 March 2010**

	Note	2010		2009	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5	415,671		654,778	
Investments	6	<u>7,499</u>		<u>7,499</u>	
			423,170		662,277
<b>CURRENT ASSETS</b>					
Debtors	7	4,495,040		1,798,752	
Cash at bank and in hand	8	<u>5,968,445</u>		<u>9,314,972</u>	
		10,463,485		11,113,724	
<b>CREDITORS: amounts falling due within one year</b>	9	<u>(9,347,258)</u>		<u>(10,347,844)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,116,227</u>		<u>765,880</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,539,397</u>		<u>1,428,157</u>
<b>RESERVES</b>					
Accumulated fund	10		<u>1,539,397</u>		<u>1,428,157</u>

The financial statements were approved and authorised for issue by the Board of Directors on 14 August 2010 and were signed below on its behalf by:



Niels de Vos  
Chief Executive



Edmond Warner  
Chairman

The notes on pages 8 to 15 form part of the financial statements.

**UK ATHLETICS LIMITED**  
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**CASH FLOW STATEMENT**  
**Year to 31 March 2010**

	Note	2010 £	2009 £
Cash (outflow)/inflow from operating activities	11	(3,314,400)	4,747,416
<b>Returns on investments and servicing of finance</b>			
Interest received		52,133	298,658
Taxation (paid)/recovered in the year		(31,599)	(71,606)
<b>Capital expenditure</b>			
Purchase of tangible fixed assets		(52,661)	(483,212)
Purchase of investments		-	(7,499)
<b>(Decrease)/increase in cash in the period</b>		<u>(3,346,527)</u>	<u>4,483,757</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

		2010 £
Decrease in cash in the period		(3,346,527)
Net funds at 1 April 2009		<u>9,314,972</u>
Net funds at 31 March 2010	12	<u>5,968,445</u>

The notes on pages 8 to 15 form part of the financial statements.

**UK ATHLETICS LIMITED**  
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**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2010**

**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**

The financial statements are prepared under the historical cost convention.

**Income**

Income represents amounts derived from the provision of goods and services and grants received which fall within the company's ordinary activities within the United Kingdom after deduction of value added tax. Sponsorship and income from significant television contracts is recognised by allocating cash received against the number of attributed events each year. Other income is recognised on the day it becomes contractually payable.

Grants are recognised over the period, or in the same period as the activities, to which they relate, whichever is appropriate.

Interest is recognised on the basis of amounts receivable in the period.

**Tangible fixed assets**

Significant tangible fixed assets are stated at cost and are depreciated on a straight line basis from the month of purchase at the following annual rates:

Computer equipment	3 years
Office equipment	5 years
Leasehold improvements	7 years

**Deferred Tax**

Deferred taxation 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.

**Pensions**

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

**Investments**

Investments in joint ventures 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.

**UK ATHLETICS LIMITED**  
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**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2010**

**2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Directors' remuneration</b>		
Emoluments	379,560	295,856
Contribution to a money purchase pension scheme	28,384	15,090
	<b>No.</b>	<b>No.</b>
Number of directors who are members of a money purchase scheme	2	2
<b>Remuneration of the highest paid director</b>		
Emoluments	175,906	157,690
Company contributions to a money purchase scheme	17,075	11,611
	<b>£</b>	<b>£</b>
<b>Employee costs during the year (including directors)</b>		
Wages and salaries	4,868,949	4,329,558
Social security costs	562,147	512,573
Pension costs	435,289	348,030
	5,866,385	5,190,161
<b>Total whole time equivalents</b>	102	113

**3. SURPLUS FROM OPERATING ACTIVITIES**

**Surplus from operating activities is stated after charging:**

Auditors' remuneration	19,000	18,450
Operating lease expenditure – land and buildings	186,034	186,034
Operating lease expenditure – other	21,615	22,047
Depreciation of tangible fixed assets	291,767	331,339

**UK ATHLETICS LIMITED**  
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**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2010**

**4. TAX CHARGE ON ORDINARY ACTIVITIES**

**Analysis of the tax charge in the year**

	2010 £	2009 £
<b>Current tax</b>		
Corporation tax based on the surplus for the year	61,431	34,770
Adjustment in respect of prior periods	-	5,570
	<u>61,431</u>	<u>40,340</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(33,333)	(35,718)
	<u>28,098</u>	<u>4,622</u>

**Factors affecting the tax charge for the year**

The current tax charge arising in respect of the year is different from the standard rate of UK corporation tax of 21% (2009: 28%). The differences are explained below.

	£	£
Surplus on ordinary activities before tax	<u>139,338</u>	<u>75,519</u>
Surplus multiplied by standard rate of 21% (2009: 28%)	29,261	21,145
Effects of:		
Expenses not deductible for tax purposes	4,108	3,826
Movement in provisions	5,933	(24,786)
Interest received net of tax in previous periods not taxable	-	(10,546)
Depreciation in excess of capital allowances	23,687	61,229
Marginal relief	-	(10,308)
Prior year adjustment	-	5,570
Use of losses brought forward	(1,558)	(5,790)
Current tax charge for the year	<u>61,431</u>	<u>40,340</u>

**UK ATHLETICS LIMITED**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2010**

**5. TANGIBLE FIXED ASSETS**

	Leasehold improvements £	Computer equipment £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2009	255,981	941,788	232,269	1,430,038
Additions	4,820	47,841	-	52,661
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2010	260,801	989,629	232,269	1,482,699
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 April 2009	135,532	578,124	61,604	775,260
Charge for the year	36,801	206,665	48,302	291,768
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2010	172,333	784,799	109,906	1,067,028
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 March 2010	88,468	204,840	122,363	415,671
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2009	120,449	363,664	170,665	654,778
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**6. INVESTMENTS**

	Investments in joint ventures £
<b>Cost</b>	
At 1 April 2009 and at 31 March 2010	7,499
	<hr/> <hr/>
<b>Net book value</b>	
At 31 March 2009 and 31 March 2010	7,499
	<hr/> <hr/>

**UK ATHLETICS LIMITED**  
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**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2010**

**7. DEBTORS**

	2010	2009
	£	£
Trade debtors	2,669,272	518,372
Other debtors	619,453	84,330
Deferred tax	166,551	133,218
Prepayments and accrued income	1,039,764	1,062,832
	<u>4,495,040</u>	<u>1,798,752</u>

<b>Movement on deferred taxation balance in the period</b>	<b>2010</b>	<b>2009</b>
	£	£
Opening balance	133,218	97,500
Credit to income and expenditure account	33,333	35,718
Closing balance	<u>166,551</u>	<u>133,218</u>

**Analysis of deferred tax balance**

Capital allowances in excess of depreciation	152,798	125,297
Short term timing differences	33,333	7,921
	<u>166,551</u>	<u>133,218</u>

**8. CASH**

Cash balances include amounts received from Sports Councils which can only be used for the purpose for which the grant was awarded, and have not yet been spent.

**UK ATHLETICS LIMITED**  
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**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2010**

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade creditors	754,811	1,034,127
Other taxation and social security	277,874	240,592
Other creditors	2,365,950	1,268,382
Deferred income	3,890,880	4,946,661
Corporation tax	61,431	31,599
Accruals	1,996,312	2,826,483
	<u>9,347,258</u>	<u>10,347,844</u>

**10. ACCUMULATED FUND**

	<b>£</b>
Balance at 1 April 2009	1,428,157
Surplus for the period	<u>111,240</u>
Balance at 31 March 2010	<u><u>1,539,397</u></u>

**11. RECONCILIATION OF SURPLUS FROM OPERATING ACTIVITIES TO OPERATING CASH FLOWS**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Operating (deficit)/surplus	87,205	(223,139)
Disposal of investments	-	32,518
Depreciation	291,768	331,339
Decrease in debtors	(2,662,955)	280,483
Increase/(decrease) in creditors	(1,030,418)	4,326,215
Net cash inflow from operating activities	<u>(3,314,400)</u>	<u>4,747,416</u>

**12. ANALYSIS OF NET FUNDS**

	<b>At 1 April 2009</b>	<b>Cash Flow</b>	<b>At 31 March 2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>9,314,972</u>	<u>(3,346,527)</u>	<u>5,968,445</u>



**UK ATHLETICS LIMITED**  
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**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2010**

**13. OPERATING LEASE COMMITMENTS**

At 31 March 2010, the group had annual commitments under non-cancellable operating leases as set out below:-

	At 31 March 2010		At 31 March 2009	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire				
Within one year		1,668	-	4,004
In second to fifth year		17,577	-	17,577
In more than five years	208,500	-	208,500	-
	<u>208,500</u>	<u>19,245</u>	<u>208,500</u>	<u>21,581</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 sixteen members of the Council.