

Registered number: 05583713

ENGLAND ATHLETICS LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

ENGLAND ATHLETICS LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	N de Vos J Graves (resigned 27 October 2012) M Harris (appointed 30 April 2013) M Heath G Jessop (resigned 13 February 2013) C Jones (appointed 12 March 2013) P King (appointed 8 May 2012) M Moss (resigned 27 October 2012) K Neale (appointed 27 October 2012) N Rowe W Sly (appointed 27 October 2012) A Shiret (appointed 18 June 2013) K Taylor
Company secretary	K Taylor
Registered number	05583713
Registered office	Athletics House Alexander Stadium Walsall Road Perry Barr Birmingham B42 2BE

ENGLAND ATHLETICS LIMITED
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ENGLAND ATHLETICS LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013

The directors present their report and the financial statements for the year ended 31 March 2013.

Principal activities

The principal activities of the company during the year were to carry out the functions of the governing body for athletics in England and to facilitate the development of athletics from schools to the highest level, and the provision of competition from local to national events.

Business review

The financial year has seen England Athletics further consolidate their activities and create a strong foundation on which to launch into the new 2013-17 funding cycle. Sport England funding for the next four years has been successfully secured by England Athletics working in partnership with UK Athletics generating a £22m investment into athletics over the four year term. Targets are challenging and the organisation has responded by restructuring in a way to focus its resources on the achievement of these targets.

In comparison to the previous year income has reduced by 7% (£0.6m) which is predominantly due to the planned reduction in funding from Sport England of 14% (£0.8m) mitigated by income growth in Education Courses of 19% (£0.1m) plus additional project specific income (£0.2m).

In line with the anticipated decrease in income, costs in the year have reduced by 7% (£0.6m) meaning our reserves are maintained going forward into the new 2013-17 funding cycle. The aggregate decrease in expenditure is primarily attributable to Club Development 21% (£0.4m), Competitions 16% (£0.1m) and Coaching 4% (£0.1m).

The financial year to 31 March 2014 will be a challenging one to execute fully the smooth transition into the new structure without compromising delivery of our Sport England targets and wider strategic objectives. Further costs efficiencies will be sought at every opportunity improving value for money across the organisation's activities.

Results

The surplus for the year, after taxation, amounted to £39,118 (2012 - £29,766).

Directors

The directors who served during the year were:

N de Vos
J Graves (resigned 27 October 2012)
M Heath
G Jessop (resigned 13 February 2013)
C Jones (appointed 12 March 2013)
P King (appointed 8 May 2012)
M Moss (resigned 27 October 2012)
K Neale (appointed 27 October 2012)
N Rowe
W Sly (appointed 27 October 2012)
K Taylor

M Harris was appointed on 30 April 2013 and A Shiret was appointed on 18 June 2013.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013

Reserves policy

Amounts are held to meet the financial risks associated with potential contingencies and uncertainties relating to the company's operating activities. These include:

- to provide for an orderly scaling down of operations in the event of a significant adverse event that is outside the control of the company; and
- to provide contingency funding for unforeseen occurrences that have not been provided for in the normal planning process.

The policy is reviewed annually by the Directors.

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 across England and without whom our wonderful sport could not take place. The huge efforts of volunteers involved in our member clubs as coaches, leaders, officials, other administrators and volunteers are of inestimable worth.

In addition to clubs we would also like to thank the many council members and volunteers involved in providing athletes with competition at national, area and county level through the various associations and leagues with whom we work. We give our thanks to each and every volunteer for their valued contribution without whom there would be no sport as we know it.

Directors' responsibilities statement

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 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;
- 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.

ENGLAND ATHLETICS LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be 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.

Auditors

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 11 September 2013 and signed on its behalf.



K Taylor
Director

ENGLAND ATHLETICS LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ENGLAND ATHLETICS LIMITED

We have audited the financial statements of England Athletics Limited for the year ended 31 March 2013, set out on pages 6 to 16. 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 Auditors' 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, 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 and express an opinion on 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 to identify material inconsistencies with the audited financial statements. 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 31 March 2013 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.

ENGLAND ATHLETICS LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ENGLAND ATHLETICS LIMITED

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 Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

11 September 2013

ENGLAND ATHLETICS LIMITED
(A Company Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2013

	Note	2013 £	2012 £
INCOME	1,2	8,109,534	8,724,389
Expenditure		(8,104,550)	(8,740,146)
OPERATING SURPLUS/(DEFICIT)	3	4,984	(15,757)
Interest receivable		42,837	56,857
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		47,821	41,100
Tax on surplus on ordinary activities	6	(8,703)	(11,334)
SURPLUS FOR THE FINANCIAL YEAR		<u>39,118</u>	<u>29,766</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Income and Expenditure Account.

The notes on pages 9 to 16 form part of these financial statements.

ENGLAND ATHLETICS LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05583713

BALANCE SHEET
AS AT 31 MARCH 2013

	Note	2013		2012	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		8,977		115,924
CURRENT ASSETS					
Stock	8	70,542		67,039	
Debtors	9	607,417		924,322	
Cash at bank		1,950,357		2,956,986	
		<u>2,628,316</u>		<u>3,948,347</u>	
CREDITORS: amounts falling due within one year	10	<u>(1,433,775)</u>		<u>(2,899,871)</u>	
NET CURRENT ASSETS			<u>1,194,541</u>		<u>1,048,476</u>
NET ASSETS			<u>1,203,518</u>		<u>1,164,400</u>
RESERVES					
Accumulated Funds			<u>1,203,518</u>		<u>1,164,400</u>
	11		<u>1,203,518</u>		<u>1,164,400</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 11 September 2013.


C Jones
 Chief Executive


P King
 Chair

The notes on pages 9 to 16 form part of these financial statements.

ENGLAND ATHLETICS LIMITED
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2013

	Note	2013 £	2012 £
Net cash flow from operating activities	12	(1,031,829)	(432,301)
Interest received	13	42,837	56,857
Taxation		(11,372)	(14,264)
Purchase of tangible fixed assets	13	(6,265)	(100,006)
DECREASE IN CASH IN THE YEAR		(1,006,629)	(489,714)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 MARCH 2013

	2013 £	2012 £
Decrease in cash in the year	(1,006,629)	(489,714)
MOVEMENT IN NET FUNDS IN THE YEAR	(1,006,629)	(489,714)
Net funds at 1 April 2012	2,956,986	3,446,700
NET FUNDS AT 31 MARCH 2013	1,950,357	2,956,986

The notes on pages 9 to 16 form part of these financial statements.

ENGLAND ATHLETICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Grants

Grants relating specifically to expenditure on tangible fixed assets are netted off against the cost of the fixed assets and depreciation is charged on this reduced balance.

Grants of a revenue nature are credited to the Income and Expenditure account in the year to which they relate. Any income not credited in the year will be included as deferred income and will be matched with future expenditure.

1.3 Tangible fixed assets and depreciation

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:

Office equipment	-	4 years
Computer equipment	-	2 years

1.4 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs.

1.5 Pensions

Contributions to pension schemes are charged to the income and expenditure account in the year in which they become payable.

1.6 Software and website development

Software and website development is written off in full in the year in which the expenditure is incurred.

2. INCOME

The income is wholly attributable to the company's principal activities.

Principally income arose within the United Kingdom.

ENGLAND ATHLETICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

3. OPERATING SURPLUS

The operating surplus is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets	113,212	77,936
Auditors' remuneration	8,450	8,200
Auditors' remuneration - non-audit	850	850
	<u>122,512</u>	<u>86,986</u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2013 £	2012 £
Wages and salaries	2,597,738	2,402,662
Social security costs	248,036	260,051
Other pension costs	144,494	127,158
	<u>2,990,268</u>	<u>2,789,871</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2013 No.	2012 No.
Employees	80	72
	<u>80</u>	<u>72</u>

5. DIRECTORS' REMUNERATION

	2013 £	2012 £
Emoluments	64,489	85,033
	<u>64,489</u>	<u>85,033</u>
Company pension contributions to defined contribution pension schemes	283	-
	<u>283</u>	<u>-</u>

During the year retirement benefits were accruing to 1 director (2012 - nil) in respect of defined contribution pension schemes.

In addition, £50,467 (2012: £49,057) was paid to UK Athletics Limited for services of a director which are included in the figures disclosed as staff costs in note 4.

ENGLAND ATHLETICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

6. TAXATION

	2013 £	2012 £
UK corporation tax charge on interest receivable for the year	<u>8,703</u>	<u>11,334</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - higher than) the standard rate of corporation tax in the UK of 20% (2012 - 20%). The differences are explained below:

	2013 £	2012 £
Surplus on ordinary activities before tax	<u>47,821</u>	<u>41,100</u>
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%)	9,564	8,220
Effects of:		
Non-taxable (expenditure) / income	(861)	3,114
Current tax charge for the year (see note above)	<u>8,703</u>	<u>11,334</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

ENGLAND ATHLETICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

7. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 April 2012	16,594	315,881	332,475
Additions	-	6,265	6,265
Disposals	(16,594)	(122,616)	(139,210)
	<u>-</u>	<u>199,530</u>	<u>199,530</u>
At 31 March 2013	-	199,530	199,530
Depreciation			
At 1 April 2012	16,486	200,065	216,551
Charge for the year	108	113,104	113,212
On disposals	(16,594)	(122,616)	(139,210)
	<u>-</u>	<u>190,553</u>	<u>190,553</u>
At 31 March 2013	-	190,553	190,553
Net book value			
At 31 March 2013	<u>-</u>	<u>8,977</u>	<u>8,977</u>
At 31 March 2012	<u>108</u>	<u>115,816</u>	<u>115,924</u>

8. STOCKS

	2013 £	2012 £
Finished goods and goods for resale	70,542	67,039
	<u>70,542</u>	<u>67,039</u>

9. DEBTORS

	2013 £	2012 £
Trade debtors	142,962	493,177
Prepayments	142,149	222,391
Accrued income	270,463	146,992
Other debtors	51,843	61,762
	<u>607,417</u>	<u>924,322</u>

ENGLAND ATHLETICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

10. CREDITORS:
Amounts falling due within one year

	2013 £	2012 £
Accruals	646,999	529,018
Trade creditors	148,687	264,911
Corporation tax	8,665	11,334
Social security and other taxes	76,239	152,172
Other creditors	27,400	208,602
Deferred income	525,785	1,733,834
	<u>1,433,775</u>	<u>2,899,871</u>

11. RECONCILIATION OF MOVEMENT IN ACCUMULATED FUNDS

	2013 £	2012 £
Accumulated funds at start	1,164,400	1,134,634
Surplus for the year	39,118	29,766
	<u>1,203,518</u>	<u>1,164,400</u>

12. NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating surplus/(deficit)	4,984	(15,757)
Depreciation of tangible fixed assets	113,212	77,936
(Increase)/decrease in stocks	(3,503)	16,893
Decrease/(increase) in debtors	316,906	(97,869)
Decrease in creditors	(1,463,428)	(413,504)
	<u>(1,031,829)</u>	<u>(432,301)</u>

13. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	42,837	56,857
	<u>42,837</u>	<u>56,857</u>

ENGLAND ATHLETICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

13. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(6,265)	(100,006)

14. ANALYSIS OF CHANGES IN NET FUNDS

	1 April 2012 £	Cash flow £	Other non-cash changes £	31 March 2013 £
Cash at bank and in hand	2,956,986	(1,006,629)	-	1,950,357
Net funds	2,956,986	(1,006,629)	-	1,950,357

15. OPERATING LEASE COMMITMENTS

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2013 £	2012 £	2013 £	2012 £
Expiry date:				
Within 1 year	12,500	12,500	21,925	75,841
Between the second and fifth year	-	-	103,057	64,073

16. COMPANY STATUS

England Athletics Limited is a company limited by guarantee. Members of the Company comprise those clubs or associations admitted into membership in accordance with the Articles of Association. The liability of its members is limited. Each member pays a subscription fee and undertakes to contribute £1 to the assets of the company in the event of the company being wound up.

There is no limit on the number of members that can be admitted. As at 31 March 2013 1,461 (2012: 1,544) clubs and associations were affiliated to England Athletics.

ENGLAND ATHLETICS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

17. RELATED PARTY TRANSACTIONS

The following related party transactions have taken place in the year.

During the year three of the non-Executive Directors of England Athletics Limited received remuneration for their position on the England Council. The transactions have been summarised below:

	2013 Transaction £	2013 Balance £	2012 Transaction £	2012 Balance £
M Moss	3,000	-	3,000	-
N Rowe	3,000	-	3,000	-
G Jessop	2,592	-	3,000	-

G Jessop also charged the company for consultancy fees during the year as follows:

	2013 Transaction £	2013 Balance £	2012 Transaction £	2012 Balance £
G Jessop	10,200	-	3,800	-

N de Vos and K Taylor are also directors of UK Athletics Limited. 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.

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

	2013 Transaction £	2013 Balance £	2012 Transaction £	2012 Balance £
Sport England Whole Sport Plan Award	4,299,612	-	5,093,435	-
Grant and sponsorship funding of England Athletics Activities	201,635	-	207,300	-
Contributions for other activities	43,583	71,183	124,087	3,894
Road Race licensing fees payable to England Athletics	-	264,754	-	110,000

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

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

	2013 Transaction £	2013 Balance £	2012 Transaction £	2012 Balance £
Employee costs	2,775,774	76,239	2,662,713	228,889
Services provided by UK Athletics staff and related activities	230,663	-	49,057	-
Insurance premia	126,370	-	151,966	-
Coaching courses	125,526	-	110,165	-
IT developments	88,705	-	51,245	-
Grants to Athletics Networks	-	-	37,047	-
Other operating costs	191,149	-	224,103	-
Balance due excluding employee costs	-	19,016	-	94,588

During the year UK Athletics provided the payroll services for England Athletics, 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.

