

English Institute of Sport Limited

**Annual Report and Financial Statements
For the year ended 31st March 2009**

English Institute of Sport Limited

**Annual Report and Financial Statements
For the year ended 31st March 2009**

Presented to Parliament pursuant to Article 6(2)(b) of the Government Resources and
Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009
(SI2009/476)

Ordered by the House of Commons to be printed 14th July 2011

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English Institute of Sport Limited

Financial Statements

Year Ended 31 March 2009

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English Institute of Sport Limited

Officers and Professional Advisers

The Board of Directors	S Cram MBE I C Watmore A Hodson MA, MCSP, DIPTR, MSRE/RT A V S Friend K D Pickering H Martin BSc, ACA C O'Shea
Company Secretary	H Martin
Registered Office	4 th Floor Byrom House 21 Quay Street Manchester M3 3JD
Auditor	Comptroller and Auditor General National Audit Office 157 – 197 Buckingham Palace Road Victoria London SW1W 9SP

English Institute of Sport Limited

The Directors' Report

Year Ended 31 March 2009

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2009.

Principal Activities and Business Review

The principal activity of the company during the year was providing sports science and medicine services to English elite athletes.

This has been a busy and challenging year for EIS in terms of both service provision and planning for the next cycle.

The Beijing Olympics were a great success and EIS had a key role to play in this. Approximately 60 EIS staff worked either at the pre-Games holding camps or the Olympic/Paralympic Games. In terms of impact on medal success, 100% of Gold, 100% of Silver and 80% of Bronze medallists accessed services to varying degrees from EIS in the run up to the Games. 100% of Olympic sports and 94% of Paralympic sports were engaged with EIS during the year, utilising a variety of sport science and medicine services.

EIS also continued to provide services to non-Olympic sports during the year, including increasing support to the England Cricket Board, Women's Rugby and Women's Football.

In relation to planning for the future, EIS has worked with UK Sport on a strategic review of the provision of sport science and medicine services. This review has resulted in a significant change in the operating and funding model for the new Olympic cycle, commencing 1st April 2009. Under the new model, EIS has been placed as the 'strategic deliverer and developer of sport science and medicine services'. The new model places greater accountability for athlete performance within the National Governing Bodies for sports (NGBs) which is achieved by UK Sport providing funding direct to the NGBs to purchase sport science and medicine services either from EIS or elsewhere. EIS will continue to receive core funding from UK Sport to support its infrastructure, however all direct costs of service provision will be funded by charging the NGBs for agreed services.

The last few months of the financial year have been hugely challenging in terms of negotiating future service provision requirements with NGBs and managing the subsequent impact on EIS staff. As at 31 March most of the NGBs have now signed off on future requirements and the overall result is a small contraction in staff numbers, with some resultant redundancies. Investment in core services, eg physiotherapy, has increased, however investment in most of the science disciplines has decreased. The long term service provision requirements of EIS's key customer, UK Athletics, are currently being re-negotiated as the organisation is going through an internal re-structure.

English Institute of Sport Limited

The Directors' Report *(continued)*

Year Ended 31 March 2009

Much work has also been carried out during the latter half of the year on establishing a new system of career development and progression for EIS staff. This work has included development of a competency based progression framework and, linked to this, a new set of salary scales based on a detailed external benchmarking process.

Future Developments

The new financial year will bring further challenges in relation to implementation of the new operating model, however much of the hard work in relation to agreeing future NGB service provision requirements is complete. It will be important to quickly establish a system of monitoring and evaluation in relation to services provided, both in terms of providing feedback to our customers and also fulfilling the requirements of our Key Performance Indicators.

One of the key priorities in the first six months of the year is to develop and implement a strategy to underpin the target of becoming the 'strategic developer of sport science and medicine services' and the 'employer of choice'. This has partially been achieved by the work on the competency based framework, however further work is planned to develop a structured CPD strategy and detailed process for progression for all staff.

Disabled Persons

EIS will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. All reasonable adjustments are made to meet the needs of disabled employees and an occupational health service is provided to assess the needs of employees, where required, during the course of their employment. EIS is committed to providing training and development opportunities to all of its employees, both able bodied and disabled.

Results

The surplus for the year, after taxation, amounted to £901,796

Financial Risk Management Objectives and Policies

As a grant funded organisation the key risk faced by EIS is the risk of its core funding being reduced. To some extent this is beyond EIS's control, however the Board mitigates this risk by seeking to ensure that the result of the EIS, in terms of impact on athlete performance, are optimised. To date EIS has met or exceeded the targets set out in its Key Performance Indicators (KPIs) and will continue to strive to do so in the new Olympic cycle.

English Institute of Sport Limited

The Directors' Report *(continued)*

Year Ended 31 March 2009

Directors

The directors who served the company during the year were as follows:

S Cram MBE
I C Watmore
A Hodson MA, MCSP, DIPTR, MSRE/RT
A V S Friend
K D Pickering
H Martin BSc ACA
C O'Shea

C O'Shea was appointed as a director on 30 September 2008.

The directors have indemnity insurance.

Directors' Responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgements and 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 proper accounting records that 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 1985. 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.

English Institute of Sport Limited

The Directors' Report (*continued*)

Year Ended 31 March 2009

In so far as the directors are aware:

- . there is no relevant audit information of which the company's auditor is unaware; and
- . the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Registered office;
4th Floor
Byrom House
21 Quay Street
Manchester
M3 3JD

Signed by order of the directors

H Martin
Company Secretary

Approved by the directors on 1st July 2009.....

English Institute of Sport Limited

The Certificate and Report of the Comptroller and Auditor General to the Members of the English Institute of Sport Limited

Year Ended 31 March 2009

I certify that I have audited the financial statements of the English Institute of Sport Limited for the year ended 31 March 2009 under the Government Resources and Accounts Act 2000. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them.

Respective responsibilities of the directors and auditor

The Directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Directors' Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I report to you whether, in my opinion, the information given in the Directors' Report is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if, in my opinion, the English Institute of Sport Limited has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

I read the Directors' Report and consider the implications for my report if I become aware of any apparent misstatements within it.

Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other

English Institute of Sport Limited

The Certificate and Report of the Comptroller and Auditor General to the Members of the English Institute of Sport Limited *(continued)*

Year Ended 31 March 2009

Basis of audit opinions (continued)

irregularity or error, and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its surplus for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

*Amyas C E Morse
Comptroller and Auditor General
National Audit Office
151 Buckingham Palace Road
Victoria
London
SW1W 9SS*

Date: 6th July 2009

English Institute of Sport Limited

Income and Expenditure Account

Year ended 31 March 2009

	Notes	2009 £	2008 £
Income	2	15,681,059	14,223,639
Administrative expenses		<u>(15,010,592)</u>	<u>(14,123,310)</u>
Operating surplus	3	670,467	100,329
Interest receivable		30,796	32,744
Interest payable and similar charges	6	207,000	166,000
Surplus on ordinary activities before taxation		<u>908,263</u>	<u>299,073</u>
Tax on surplus on ordinary activities	7	(6,467)	(6,549)
Surplus for the financial year		<u>901,796</u>	<u>292,524</u>

All of the activities of the company are classed as continuing

The notes on pages 12 to 25 form part of these financial statements

English Institute of Sport Limited

Statement of Total Recognised Gains and Losses

Year ended 31 March 2009

	2009	2008
	£	£
Surplus for the financial year attributable to the members	901,796	292,524
Actuarial (loss)/gain in respect of defined benefit pension scheme (see note 15)	(1,789,000)	1,163,000
	<hr/>	<hr/>
Total losses recognised since the last annual report	(887,204)	1,455,524
	<hr/>	<hr/>

The notes on pages 12 to 25 form part of these financial statements

English Institute of Sport Limited

Balance Sheet

31 March 2009

		2009		2008	
	Note	£	£	£	£
Fixed assets	8		2,395,203		1,579,965
Tangible assets					
Current assets					
Debtors	9	241,145		227,097	
Cash at bank		<u>1,408,617</u>		<u>1,148,036</u>	
		1,649,762		1,375,133	
Creditors: Amounts Falling due Within One Year	10		<u>1,303,677</u>		<u>1,304,020</u>
Net current assets			<u>346,085</u>		<u>71,113</u>
Total assets less current liabilities			2,741,288		1,651,078
Creditors: Amounts Falling Due After More Than One Year	11		41,243		60,278
Deferred income	12		2,691,179		1,637,841
Provisions for liabilities	13		50,111		-
Net (liabilities)/assets excluding pension asset			<u>(41,245)</u>		<u>(47,041)</u>
Defined benefit pension scheme asset	15		<u>1,660,000</u>		<u>2,553,000</u>
Net assets including pension asset			<u><u>1,618,755</u></u>		<u><u>2,505,959</u></u>
Reserves					
Income and expenditure account	20		<u>1,618,755</u>		<u>2,505,959</u>
Members' funds			<u>1,618,755</u>		<u>2,505,959</u>

These accounts have been audited under the Government Resource and Accounts Act 2000, and are therefore exempt from the requirements of section 475 of the Companies Act 2006

These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by:

Director

English Institute of Sport Limited

Cash Flow Statement Year Ended 31 March 2009

	Note	2009 £	2008 £
Net cash inflow from operating activities	21	2,016,135	1,011,763
Returns on investments and servicing of finance	21	30,796	32,744
Taxation	21	(6,549)	(4,763)
Capital expenditure and financial investment	21	(1,760,765)	(1,222,344)
Cash inflow/(outflow) before financing		<u>279,617</u>	<u>(182,600)</u>
Financing	21	(19,036)	79,313
Increase/(decrease) in cash	21	<u><u>260,581</u></u>	<u><u>(103,287)</u></u>

The notes on pages 12 to 25 form part of these financial statements

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

1 Accounting policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention.

Grant Income

The income shown in the income and expenditure account represents amounts received from UK Sport during the year less amounts credited to a deferred income account. Grant funding used to acquire fixed assets is credited to this account and then released over the life of the assets. Funding received in the current year is also credited and released to the income and expenditure account as required to fund the company's activities.

Fixed Assets

Fixed assets are capitalised at cost where cost exceeds £500. When an item costs less than this but forms part of a group of assets whose total is greater than £500 then the items are capitalised.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	- Over 5 years
Fixtures & Fittings	- Over 2 – 5 years
Computer Equipment	- Over 2 – 5 years

Finance Lease Agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the income and expenditure account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating Lease Agreements

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownerships remain with the lessor, are charged against income on a straight line basis over the period of the lease.

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

1 Accounting Policies *(continued)*

Pension Costs and Other Post-Retirement Benefits

The pension scheme is a defined benefit scheme. The amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variation from the cost. The interest cost and expected return on assets are included within other finance costs.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the Statement of Total Recognised Gains and Losses.

The defined benefit scheme is funded, with assets held separately from the company in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return of high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

Taxation

The company is in the process of agreeing with HMRC that the Company operates on a not for profit basis for taxation purposes and accordingly taxation is only payable on interest receivable

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

2 Income

The income and profit before tax are attributable to the one principal activity of the company.

An analysis of income is given below:

	2009	2008
	£	£
UK Sport grant	11,647,693	11,324,405
Sport City grant received	21,296	104,986
Income from sale of services	3,328,613	2,628,936
Internship income	136,009	144,734
Sport England equipment grant	155,242	-
Other income	80,842	56,856
Grant released to the income & expenditure account in respect of depreciation	(34,832)	(514,626)
Transfer of fixed asset additions to deferred income	509,972	63,948
Transfer / release of IT infrastructure grant to deferred income	-	253,000
Sponsorship income received	59,031	161,400
Unused grant to be carried forward	(222,807)	-
	<u>15,681,059</u>	<u>14,223,639</u>

3 Operating surplus

Operating surplus is stated after charging:

	2009	2008
	£	£
Depreciation of owned fixed assets	914,075	850,939
Depreciation of assets held under finance lease agreements	19,035	19,035
Loss on disposal of fixed assets	12,418	19,714
Auditor's remuneration		
- as auditor	8,000	7,480
- for other services	-	870
Operating lease costs:		
- plant and equipment	8,425	544,605
- other	1,142,183	1,118,103
	<u>1,142,183</u>	<u>1,118,103</u>

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

Auditor's fees

The fees charged by the auditor can be further analysed under the following headings for services rendered:

	2009	2008
	£	£
Audit	8,000	7,480
Accountancy	-	350
Taxation	-	520
	<u>8,000</u>	<u>8,350</u>

4 Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2009	2008
	No	No
Management	5	4
Administration	18	15
Operations	230	190
	<u>253</u>	<u>209</u>

The aggregate payroll costs of the above were:

	2009	2008
	£	£
Wages and salaries	8,818,993	7,611,161
Social security costs	695,930	635,077
Other pension costs	275,781	642,277
	<u>9,790,704</u>	<u>8,888,515</u>

Other pension costs are amounts charged to operating profit and do not include amounts charged to finance costs (see note 6) and amounts recognised in the statement of recognised gains and losses.

Directors' Emoluments

The directors' aggregate emoluments, including pension contributions, in respect of qualifying services were:

	2009	2008
	£	£
Emoluments receivable	115,646	22,829
Value of company pension contributions to defined benefit schemes	13,265	2,854
	<u>128,911</u>	<u>25,683</u>

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

5 Directors' Emoluments *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows:

	2009	2008
	No	No
Defined benefit schemes	<u>2</u>	<u>1</u>

6 Interest Payable and Similar Charges

	2009	2008
	£	£
Other similar charges payable	<u>(207,000)</u>	<u>(166,000)</u>

7 Taxation on Ordinary Activities

(a) Analysis of charge in the year

	2009	2008
	£	£
Current tax:		
UK Corporation tax based on the results for the Year at 21% (2008: 20%)	<u>6,467</u>	<u>6,549</u>
Total current tax	<u>6,467</u>	<u>6,549</u>

(b) Factors affecting current tax charge

The tax assessed on the surplus on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2008: 20%). The differences are explained below:

	2009	2008
	£	£
Surplus on ordinary activities before taxation	<u>908,263</u>	<u>299,073</u>
Surplus on ordinary activities by the rate of tax	190,735	59,815
Income and expenditure not attributable for tax purposes	<u>(184,268)</u>	<u>(53,266)</u>
Total current tax (note 7(a))	<u>6,467</u>	<u>6,549</u>

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

8 Tangible Fixed Assets

	Leasehold Improve- ments £	Fixtures & Fittings £	Computer Equipment £	Total £
Cost				
At 1 April 2008	232,392	2,630,610	2,276,529	5,139,531
Additions	10,378	1,540,724	209,750	1,760,852
Disposals	-	(248,469)	(740,906)	(989,375)
At 31 March 2009	<u>242,770</u>	<u>3,922,865</u>	<u>1,745,373</u>	<u>5,911,008</u>
Depreciation				
At 1 April 2008	115,673	2,003,694	1,440,199	3,559,566
Charge for the year	42,463	460,374	430,273	933,110
On disposals	-	(245,082)	(731,789)	(976,871)
At 31 March 2009	<u>158,136</u>	<u>2,218,986</u>	<u>1,138,683</u>	<u>3,515,805</u>
Net book value				
At 31 March 2009	<u>84,634</u>	<u>1,703,879</u>	<u>606,690</u>	<u>2,395,203</u>
At 31 March 2008	<u>116,719</u>	<u>626,916</u>	<u>836,330</u>	<u>1,579,965</u>

Finance lease agreements

Included within the net book value of £2,395,203 is £57,105 (2008: £76,140) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounts to £19,035 (2008: £19,035)

9 Debtors

	2009 £	2008 £
Trade Debtors	119,587	49,548
Amounts owed by group undertakings	5,143	972
Other debtors	1,251	-
Prepayments and accrued income	115,164	176,577
	<u>241,145</u>	<u>227,097</u>

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

10 Creditors: Amounts Falling due Within One Year

	2009	2008
	£	£
Trade creditors	221,861	417,110
Amounts owed to group undertakings	-	3400
Other creditors including taxation and social security:		
Corporation tax	6,467	6,549
Other taxation and social security	407,440	299,640
Finance lease agreements	19,035	19,035
Other creditors	12,206	96,945
	<u>667,009</u>	<u>842,679</u>
Accruals	636,668	461,341
	<u>1,303,677</u>	<u>1,304,020</u>

11 Creditors: Amounts Falling due after More than One Year

	2009	2008
	£	£
Finance lease agreements	<u>41,243</u>	<u>60,278</u>

12 Deferred income

Funding used to acquire fixed assets is credited to the deferred income account and then released over the life of the asset.

	2009	2008
	£	£
Deferred income	<u>2,691,179</u>	<u>1,637,841</u>

13 Provisions

	2009	2008
	£	£
Redundancy provision	<u>50,111</u>	<u>-</u>

A provision of £50,111 has been recognised for redundancy costs where official notice of redundancy was issued prior to 31st March 2009. These costs will be incurred during the next financial year, mainly the first quarter.

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

14 Commitments under Finance Lease Agreements

Future commitments under finance lease agreements are as follows:

	2009	2008
	£	£
Amounts payable within 1 year	19,035	19,035
Amounts payable between 2 to 5 years	41,243	60,278
	<u>60,278</u>	<u>79,313</u>

15 Pension Commitments

The company participates in the London Pension Fund Authority Superannuation Scheme (LPFA). It is one of a large number of employers whose staff participate in the scheme, but the data given in this note relates just to the company. The majority of the company's staff are members of the scheme.

The pension scheme is of the defined benefit type and it is funded by employees and employers at actuarially determined rates. Employer contributions charged for members of the scheme amounted to £964,781 (2008: £642,277).

Following advice of the consulting actuaries to the LPFA, the English Institute of Sport Limited's initial employer contributions (as a percentage of pensionable salary) were set at 12.5% from the date of admittance to the scheme.

A valuation for FRS17 purposes as at March 2009 was carried out by a qualified independent actuary. The assumptions used by the actuary for FRS17 valuation purposes were:

Financial assumptions:	2009	2008
	%	%
Rate of increase in salaries	3.3	3.3
Rate of increase in pensions in payment	3.1	3.6
Discount rate	6.9	6.9
Inflation assumption	3.1	3.6

Average future life expectancies at age 65:	Males	Females
Current pensioners	19.6 years	22.5 years
Future pensioners	20.7 years	23.6 years

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

15 Pension Commitments *(continued)*

The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting surplus is:

	2009	2008
	Long term rate of return expected %	Long term rate of return expected %
	Value £	Value £
Equities	7.0	7.5
	3,810,000	4,063,000
Bonds	5.5	6.3
	668,000	1,313,000
Property	6.0	6.7
	1,671,000	1,222,000
Cash	4.0	4.8
	535,000	204,000
<hr/>		
Total market value of assets	6,684,000	6,802,000
Present value of scheme liabilities	(5,024,000)	(4,249,000)
<hr/>		
Net pension asset	1,660,000	2,553,000

The overall expected rate of return on scheme assets is projected by the scheme actuaries using modelling techniques, with reference to key assumptions and the relative weighting of scheme assets.

The amounts recognised in the income and expenditure account are as follows:

	31 March 2009		31 March 2008	
	% of pay	£	% of pay	£
Current service cost	2.7	209,000	9.3	646,000
Interest cost	4.1	321,000	3.8	261,000
Expected return on Employers Assets	(6.8)	(528,000)	(6.1)	(427,000)
Past service cost	0.9	72,000	-	-
Total	1.0	74,000	6.9	480,000
Actual Return on Plan Assets		(1,587,000)		(132,000)

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

15 Pension Commitments (continued)

Amount recognised in Statement of Total Recognised Gains and Losses (STRGL)

	31 March 2009	31 March 2008
	£	£
Actuarial (losses)/gains	<u>(1,789,000)</u>	<u>1,163,000</u>
Actuarial (losses)/gains recognised in STRGL	<u>(1,789,000)</u>	<u>1,163,000</u>
Cumulative Actuarial (losses)/gains	<u>(234,000)</u>	<u>1,555,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	31 March 2009	31 March 2008
	£	£
Opening defined benefit obligation	<u>4,249,000</u>	<u>4,309,000</u>
Current Service cost	209,000	646,000
Interest cost	321,000	261,000
Contributions by Members	540,000	417,000
Actuarial gains	(358,000)	(1,365,000)
Past Service costs	72,000	-
Estimate benefits paid	(9,000)	(19,000)
Closing defined benefit obligation	<u>5,024,000</u>	<u>4,249,000</u>

Changes in the fair value of plan assets are as follows:

	31 March 2009	31 March 2008
	£	£
Opening fair value of employers assets	<u>6,802,000</u>	<u>5,313,000</u>
Expected return on assets	528,000	427,000
Contributions by Members	540,000	417,000
Contributions by the Employer	970,000	866,000
Actuarial losses	(2,147,000)	(202,000)
Benefits paid	(9,000)	(19,000)
Closing fair value of Employers assets	<u>6,684,000</u>	<u>6,802,000</u>

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

15 Pension Commitments *(continued)*

A history of experience gains and losses is shown below:

	31 March 2009	31 March 2008	31 March 2007	31 March 2006	31 March 2005
	£	£	£	£	£
Fair value of employer assets	6,684,000	6,802,000	5,313,000	3,984,000	2,468,000
Present value of defined benefit obligation	(5,024,000)	(4,249,000)	(4,309,000)	(3,432,000)	(2,118,000)
Surplus	1,660,000	2,553,000	1,004,000	552,000	350,000
Experience gains/(losses) on assets	(2,147,000)	(202,000)	43,000	462,000	60,000
Experience gains/(losses) on liabilities	-	(408,000)	-	3,000	(480,000)

The major categories of plan assets as a percentage of total plan assets are as follows:

	31 March 2009	31 March 2008
	%	%
Equities	57	60
Target return funds	10	19
Alternative assets	25	18
Cash	8	3

The Actuaries estimate the employers contributions for the year ended 31 March 2010 will be approximately £937,000.

16 Commitments under Operating Leases

At 31 March 2009 the company had annual commitments under non-cancellable operating leases as set out below:

	2009		2008	
	Land & Buildings	Other Items	Land and Buildings	Other Items
	£	£	£	£
Operating leases which expire				
Within 1 year	154,999	1,560	746,703	3,102
Within 2 to 5 years	1,150	5,526	147,642	9,228
After more than 5 years	-	9,200	-	466,456
	156,149	16,286	894,345	478,786

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

17 Contingent Liabilities

The English Institute of Sport has an ongoing employment matter in which an employee has indicated they may take legal action against the company.

18 Related Party Transactions

English Institute of Sport Limited ultimate controlling party is UK Sport Council, a company registered in England and Wales.

During the year the company has been in receipt of lottery grant income totalling £10,598,700 (2008: £10,500,001), internship funding of £136,009 (2008: £144,735), and a professional development grant of £Nil (2008: £1,750) from UK Sport. There were also other grants as follows: salary increase grant of £480,000 (2008: £230,665), Talent identification grant £88,956 (2008: £76,020), blood profiling grant £Nil (2008: £48,000), Paralympic grant £55,037 (2008: £27,152), and research post grant of £Nil (2008: £27,554).

During the year, UK Sport paid on behalf of English Institute of Sport Limited items totalling £418 (2008: £8,982). Also, English Institute of Sport Limited recharged UK Sport £123,404 (2008: £103,183) of shared expenditure.

The balance due to UK Sport at the year end is £Nil (2008: £3,400), this is disclosed within short term creditors. The balance due to the English Institute of Sport is £5,143 (2008: £972), this is included within debtors.

19 Company Limited by Guarantee

Every member has guaranteed the sum of £1 on winding up for payment of debts and liabilities.

20 Income and Expenditure Account

	2009	2008
	£	£
Balance brought forward	2,505,959	1,050,435
Surplus for the financial year	901,796	292,524
Defined pension benefit scheme	<u>(1,789,000)</u>	<u>1,163,000</u>
Balance carried forward	<u>1,618,755</u>	<u>2,505,959</u>

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

21 Notes to the Statement of Cash Flows

Reconciliation of Operating surplus to Net Cash Inflow from Operating Activities

	2009	2008
	£	£
Operating surplus	670,467	100,329
Depreciation	933,110	869,974
Loss on disposal of fixed assets	12,418	19,714
(Increase)/decrease in debtors	(14,048)	52,603
Increase/(decrease) in creditors	1,103,188	189,143
Provision for service cost of defined benefit pension scheme	281,000	646,000
Defined benefit pension scheme contributions paid	<u>(970,000)</u>	<u>(866,000)</u>
Net cash inflow from operating activities	<u>2,016,135</u>	<u>1,011,763</u>

Returns on Investments and Servicing of Finance

	2009	2008
	£	£
Interest received	<u>30,796</u>	<u>32,744</u>
Net cash inflow from returns on investments and servicing of finance	<u>30,796</u>	<u>32,744</u>

Taxation

	2009	2008
	£	£
Taxation	<u>(6,549)</u>	<u>(4,763)</u>

Capital Expenditure

	2009	2008
	£	£
Payments to acquire tangible fixed assets	<u>(1,760,852)</u>	<u>(1,225,539)</u>
Receipts from sale of fixed assets	<u>87</u>	<u>3,195</u>
Net cash outflow from capital expenditure	<u>(1,760,765)</u>	<u>(1,222,344)</u>

English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2009

21 Notes to the Statement of Cash Flows *(continued)*

Financing

	2009	2008
	£	£
Capital element of finance leases	<u>(19,036)</u>	<u>79,313</u>
Net cash (outflow)/inflow from financing	<u>(19,036)</u>	<u>79,313</u>

Reconciliation of Net Cash Flow to Movement in Net Funds

	2009		2008	
	£	£	£	£
Increase/(decrease) in cash in the period	260,582		(103,287)	
Cash outflow in respect of finance Leases	<u>19,036</u>		<u>(79,313)</u>	
		<u>279,618</u>		<u>(182,600)</u>
Change in net funds		279,618		(182,600)
Net funds at 1 April 2008		<u>1,068,723</u>		<u>1,251,323</u>
Net funds at 31 March 2009		<u><u>1,348,341</u></u>		<u><u>1,068,723</u></u>

Analysis of Changes in Net Funds

	At	Cash	At
	1 Apr 2008	flows	31 Mar 2009
	£	£	£
Net cash:			
Cash in hand and at bank	<u>1,148,036</u>	<u>260,582</u>	<u>1,408,618</u>
Debt:			
Finance lease agreements	<u>(79,313)</u>	<u>19,036</u>	<u>(60,278)</u>
Net funds	<u><u>1,068,723</u></u>	<u><u>279,618</u></u>	<u><u>1,348,341</u></u>

English Institute of Sport Limited

Management Information

Year Ended 31 March 2009

The following pages do not form part of the statutory financial statements which are the subject of the Comptroller and Auditor General's report on pages 6 to 7.

English Institute of Sport Limited

Detailed Income and Expenditure Account

Year Ended 31 March 2009

	2009 £	2008 £
Income	15,681,059	14,223,639
Overheads		
Administrative expenses	<u>(15,010,592)</u>	<u>(14,123,310)</u>
Operating surplus	670,467	100,329
Bank interest receivable	<u>30,796</u>	<u>32,744</u>
	701,263	133,073
Net finance costs in respect of defined benefit pension schemes	<u>207,000</u>	<u>166,000</u>
Surplus on ordinary activities	<u>908,263</u>	<u>299,073</u>

English Institute of Sport Limited

Notes to the Detailed Income and Expenditure Account

Year Ended 31 March 2009

	2009		2008	
	£	£	£	£
Administrative expenses				
Personnel Costs				
Directors salaries	115,646		22,829	
Directors national insurance contributions	11,796		2,027	
Directors pension contributions	13,265		2,854	
Wages and salaries	8,703,347		7,588,332	
Staff national insurance contributions	684,134		633,050	
Staff pension contributions	262,517		639,423	
		9,790,705		8,888,515
Establishment Expenses				
Utilities	5,768		9,187	
Insurance	73,320		63,565	
Repairs and maintenance	25,720		51,727	
		104,808		124,479
General expenses				
Travel and motor expenses	706,577		717,480	
Telephone	150,755		76,363	
Information systems costs	488,920		10,995	
Meeting and workshops	87,808		72,101	
Athletes equipment and consumables	289,898		334,219	
Relocation expenses	10,663		91,129	
Stationery and postage	75,681		82,508	
Staff training	136,986		197,377	
Other staff costs	49,595		35,750	
Recruitment expenses	61,429		100,254	
Contracted service providers	756,146		697,609	
General expenses	38,420		4,395	
Marketing	45,144		28,788	
Legal and professional fees	31,447		26,364	
Technical consultancy fees	50,000		50,402	
Payroll administration costs	19,793		22,799	
Accountancy fees	-		105	
Auditors remunerations	10,173		7,480	
Depreciation of leasehold improvements	42,463		43,667	
Depreciation of fixtures and fittings	460,374		429,229	
Depreciation of office equipment	430,273		397,078	
Loss on disposal of fixed assets	12,418		19,714	
		3,954,963		3,445,806
Carried forward		13,850,476		12,458,800

English Institute of Sport Limited

Notes to the Detailed Income and Expenditure Account

Year Ended 31 March 2009

		2009		2008	
	£	£	£	£	£
Administrative expenses (continued)					
Brought forward		13,850,476		12,458,800	
Financial Costs					
Financial costs		6,114		1,802	
Operating lease: Property		1,142,183		1,118,103	
Operating lease: Plant and Equipment		8,425		544,605	
Bank charges		3,394		-	
		<u>1,160,116</u>		<u>1,664,510</u>	
		<u>15,010,592</u>		<u>14,123,310</u>	
Interest receivable					
Bank interest receivable		<u>30,796</u>		<u>32,744</u>	



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