

Company Registration No. 1576093

The British Olympic Association

(Limited by Guarantee)

Report and Financial Statements

31 December 2010



The British Olympic Association
Report and financial statements 2010

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	5
Independent auditors' report	6
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the accounts	11

The British Olympic Association

Report and financial statements 2010

Officers and professional advisers

Patron

Her Majesty The Queen

President

Her Royal Highness The Princess Royal

Chairman

Lord Moynihan

Vice Chairmen

A J Woods
D Hemery CBE

Other Directors

D Cranston CBE (Resigned 3 November 2010)
Sir Phil L Craven MBE
D M Ellis CBE
R Leman
K D Pickering MBE (Resigned 21 July 2010)
Sir Craig Reedie CBE
N de Vos
D Sparkes
M Dawe
S Winckless (Appointed 21 July 2010)
A Pengilly (Appointed 28 February 2010)
H Chalmers (Appointed 3 November 2010)
A Anson (Appointed 16 May 2011)
D Jagger (Appointed 16 May 2011)
D Ross (Appointed 2 June 2011)

Chief Executive and Company Secretary

A J Hunt

Headquarters and registered office

60 Charlotte Street
London W1T 2NU

Main bankers

Lloyds TSB plc
25 Gresham Street
London EC2V 7HN

Auditors

Deloitte LLP
2 New Street Square
London EC4A 3BZ

Solicitors

Farrer & Co
66 Lincoln's Inn Fields
London WC2 3LH

Lawrence Graham LLP
4 More London Riverside
London SE1 2AU

The British Olympic Association

Report and financial statements 2010

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2010

Principal activities

The British Olympic Association (BOA) is the National Olympic Committee (NOC) for Great Britain, Northern Ireland & UK dependent territories that do not have their own NOC. Its primary role is to select, lead and manage Team GB at both Summer and Winter Olympic Games and all International Olympic Committee (IOC) accredited events such as Youth Games and Youth Festivals. It is also responsible for the development of the Olympic Movement and ideals throughout its territories. The BOA provides services to the 33 Olympic Sports National Governing Bodies who are its members, to help support the development of sports and the ultimate success of their athletes at the Olympic Games.

The BOA does not receive any Exchequer or Lottery funding, rather it relies on commercial sponsorship of its unique brand assets and association with the Olympic Movement, fundraising events and some financial support from the IOC. During the period to the end of December 2012, the BOA has pre-sold the Team GB and the UK Olympic marks brand rights to the London Organising Committee for the Olympic Games (LOCOG), which is a pre-condition by the IOC of a NOC hosting the Olympic Games. In addition to a contracted revenue stream which is made up of both cash and Value in Kind (VIK), the BOA can operate a retained programme of fundraising, events and sponsor activation programmes.

Review of results and activities in 2010 and future prospects

2010 was a year of continued growth and development for the BOA and Team GB athletes. British athletes achieved medal-winning performances at two major events sanctioned by the IOC – the Vancouver 2010 Olympic Winter Games and the inaugural Youth Olympic Games in Singapore – with the BOA providing the resources and support necessary to underpin those successful performances.

Away from the competitive arena, the BOA began fully implementing the operational plan that will underpin the largest British Olympic Delegation in more than a century, when approximately 550 athletes will represent Team GB at the London 2012 Olympic Games. This included the appointment of the Chef de Mission, Deputy Chefs de Mission, and the full Delegation Leadership for Team GB, along with the Team Leaders for all 26 Olympic sports.

A critical advancement in the preparation for London 2012, and all future Games, has been the establishment of a much stronger and more cohesive working relationship between the BOA and its membership, the National Governing Bodies of Olympic Sports. Within the BOA, this interface is managed on a day-to-day basis by a new team of Sport Engagement Managers who are responsible for working directly with and in support of, their performance colleagues at the National Governing Bodies for sport.

Additionally, the BOA continued working closely with the National Governing Bodies and other partners across sport and government to ensure there is a meaningful legacy resulting from the London 2012 Olympic Games that significantly expands opportunities for a meaningful sports legacy, throughout the United Kingdom.

Vancouver 2010 Olympic Winter Games

In February, 52 of the Best of British winter athletes competed in 11 disciplines at the Vancouver 2010 Olympic Winter Games. The headline performance for Team GB was the gold medal won by skeleton athlete Amy Williams, who became Great Britain's first individual-sport winter Olympic champion for 30 years.

The British Olympic Association

Report and financial statements 2010

Over two-thirds of the athletes who competed for Team GB were making their Olympic debut, and the experience they gained competing at the highest level of sport will be critical as they prepare for future international events. Canada's athletes set a great example by galvanising their nation with Olympic excitement, a feat we aim to repeat with Team GB in the summer of 2012.

Youth Olympic Games

In August, the BOA participated in the first Youth Olympic Games in Singapore. The ambitious event was an outstanding triumph, successfully combining youth Olympic sport with culture and education elements and giving the young athletes invaluable experience of competing in a multi-sport, international environment. Team GB were represented by 39 athletes in 18 sports and brought home 13 medals - 5 gold, 2 silver and 6 bronze.

Other highlights

The BOA continued to implement changes to its governance structure that were identified as part of a major Strategic Review which concluded in 2010, most notably, the establishment of a BOA Athletes' Commission chaired by Sarah Winckless and the creation of two new oversight committees: Audit and Remuneration.

The organisation completed the transition to its new headquarters on Charlotte Street in Central London, and fulfilled the aspiration of having the headquarters serve as the home for British Olympic and Paralympic sport by routinely welcoming athletes, National Governing Bodies, stakeholders from sport and government and corporate partners to conduct their business meetings.

The BOA's Intensive Rehabilitation Unit became fully operational at Bisham Abbey National Sports Centre and delivered rehabilitative medical services to athletes during 2010. A strong fundraising performance culminated in September with the BOA's flagship fundraising event - the British Olympic Ball, presented by BT - delivered on a greater scale than ever before and being labelled 'Ball of the Year' by Hello! Magazine.

Financially, the BOA delivered a year-end profit in 2010 of £236k and increased its operational reserves to £2.2m.

The complete financial results for the year are shown in the profit and loss account on page 7.

Principal risk factors

The principal risk facing the BOA relates to its ability to raise sufficient funding to fully meet its objectives as described under 'Principal activities' over and above the contracted revenues due under the Joint Marketing Programme Agreement with LOCOG.

The BOA continues to plan to fund its programme of activities in support of Team GB through a number of revenue initiatives. These initiatives are detailed in their planning with external partners and the Board have confidence in their potential for providing significant revenue over the next two years.

The BOA manages the expenditure element of this cash flow risk through a rigorous internal cost commitment governance framework. This risk is further mitigated through the listed investments owned by the BOA which could be disposed of if required together with an agreed overdraft facility.

Donations

During the year the company made the following donations:

	2010	2009
	£	£
British Olympic Foundation	76,999	238,532

The British Olympic Association

Report and financial statements 2010

Directors

The directors of the company who served throughout the year, except as noted, are shown in the list of officers and professional advisers on page 1. The directors who served on the sub-committees of the board are as follows:

Audit committee N de Vos (Chair), R Leman, D Sparkes

Remuneration committee D Ellis (Chair), M Dawe, D Cranston

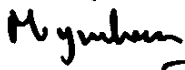
Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- 1 so far as the director is aware, there is no relevant audit information of which the company's auditors are not aware, and
- 2 the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006. Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Lord Moynihan
Chairman

Date 16/6/11

The British Olympic Association

Statement of 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). 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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and
- 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 website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report to the members of The British Olympic Association

We have audited the financial statements of The British Olympic Association for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet, the cash flow statement and related notes A to D and 1 to 18. 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 (APB'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 December 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 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.

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.



Emma Cox (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

Date 17 June 2011

The British Olympic Association

Profit and loss account Year ended 31 December 2010

	Note	2010 £	2009 £
Revenue	1	11,569,411	8,305,039
Cost of sales		(4,574,648)	(3,993,274)
Gross profit		6,994,763	4,311,765
Administrative expenses		(6,795,337)	(5,399,357)
Operating profit/(loss)		199,426	(1,087,592)
Profit/(loss) on sale of investments		(1,292)	4,128
Exceptional income	3	-	1,608,063
Income from other fixed asset investments		62,649	62,416
Interest receivable		10,023	10,898
Interest payable and similar charges	6	(34,933)	(73,339)
Profit on ordinary activities before taxation	4	235,873	524,574
Taxation	7	-	25,444
Profit on ordinary activities after taxation	13	235,873	550,018

All activities derive from continuing operations

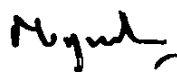
A statement of the movement on reserves is shown in note 13. There are no recognised gains or losses for the financial year or the preceding financial year other than as shown in the profit and loss account, therefore a separate statement of total recognised gains and losses is not presented.

The British Olympic Association

Balance sheet 31 December 2010

	Note	2010 £	2009 £
Fixed assets			
Tangible assets	8	693,682	760,772
Investments	9	1,455,092	1,329,081
		<u>2,148,774</u>	<u>2,089,853</u>
Current assets			
Debtors	10	1,419,963	1,999,907
Cash at bank and in hand		<u>2,174,115</u>	<u>1,267,827</u>
		3,594,078	3,267,734
Creditors: amounts falling due within one year	11	<u>(3,301,386)</u>	<u>(2,905,849)</u>
Net current assets		<u>292,692</u>	<u>361,885</u>
Total assets less current liabilities		2,441,466	2,451,738
Creditors: amounts falling due after one year	12	<u>(259,527)</u>	<u>(505,672)</u>
Net assets		<u>2,181,939</u>	<u>1,946,066</u>
Reserves	13	<u>2,181,939</u>	<u>1,946,066</u>

The financial statements of the British Olympic Association (registered number 1576093) were approved by the Board of Directors on 16 Feb 2011 and signed on their behalf by Lord Moynihan



Lord Moynihan
Chairman

The British Olympic Association

Cash flow statement Year ended 31 December 2010

	2010 £	2009 £
Net cash inflow from operating activities (note A)	1,165,526	1,671,108
Net cash outflow from exceptional items	-	(540,264)
Returns on investment and servicing of finance (note C)	37,739	(25)
Taxation	-	(9,859)
Capital expenditure and financial investments (note D)	(296,977)	1,716,597
Repayment of loan from related party	-	(1,957,931)
	<u>906,288</u>	<u>879,626</u>
Increase in cash	<u>906,288</u>	<u>879,626</u>
Reconciliation of net cash flow to movement in net funds (note B)		
Increase in cash for the year	906,288	879,626
Cash inflow from decrease in loans and hire purchase financing	233,417	1,218,842
	<u>1,139,705</u>	<u>2,098,468</u>
Movement in net funds in the year	1,139,705	2,098,468
Net funds/(debt) at 1 January	528,738	(1,569,730)
	<u>1,668,443</u>	<u>528,738</u>
Net funds at 31 December	<u>1,668,443</u>	<u>528,738</u>

The British Olympic Association

Notes to the cash flow statement Year ended 31 December 2010

A. Reconciliation of operating profit/(loss) to net cash flow

	2010 £	2009 £
Operating profit/(loss)	199,426	(1,087,592)
Depreciation charges	233,558	220,570
Impairment of fixed asset investments	2,809	-
Loss/(profit) on disposal of fixed assets	397	(4,016)
Decrease in debtors	579,944	1,501,509
Increase in creditors	149,392	1,040,637
Net cash inflow from operating activities	1,165,526	1,671,108

B Analysis of changes in net funds

	31 December 2009 £	Cash flows movement £	31 December 2010 £
Cash at bank and in hand	1,267,827	906,288	2,174,115
Hire purchase loan	(739,089)	233,417	(505,672)
Total net funds	528,738	1,139,705	1,668,443

C. Returns on investment and servicing of finance

	2010 £	2009 £
Investment income	62,649	62,416
Interest received	10,023	10,898
Interest paid	(34,933)	(73,339)
	37,739	(25)

D. Capital expenditure and financial investment

	2010 £	2009 £
Purchase of tangible fixed assets	(166,865)	(927,675)
Proceeds of disposal of freehold property	-	2,816,740
Proceeds of disposal of other tangible fixed assets	-	4,359
Purchase of investments	(434,385)	(180,955)
Proceeds of disposal of investments	304,273	4,128
	(296,977)	1,716,597

The British Olympic Association

Notes to the accounts Year ended 31 December 2010

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted, which have been applied consistently in both the current and prior year, are described below.

Accounting convention

These accounts are prepared under the historical cost convention.

Going concern

The BOA's business activities, together with the facts likely to affect its future development, performance and position are set out in the business review on page 2. The BOA has available to meet its day to day working capital requirements an overdraft facility which is due for renewal on 30 June 2012. As disclosed in notes 9 and 11, the overdraft facility is secured on the BOA's investment portfolio up to a value of £2m.

The BOA's forecasts and projections, taking account of reasonably possible changes in performance and also taking account of the uncertainty created by the current economic conditions, show that the BOA will be able to operate within the level of its current facility.

Accordingly, the BOA continues to adopt the going concern basis in preparing the annual financial statements.

Revenue

Revenue is recognised in the period it falls due, according to contracted dates. Typically over a four year cycle, more commercial revenue is contracted in an Olympic Games year.

Income from appeals and donations, members' annual subscriptions, affiliation fees and investments is taken to revenue when received.

License fee income arising from the JMPA with LOCOG and from Team 2012 Limited is recognised on a receivables basis (see note 16).

Revenue in respect of ticketing rights for the period 2013-2020 which has been presold to LOCOG is recognised in the period in which the related cash or VIK is received on the basis that, at that point, there are no further obligations that the BOA is required to meet (see note 16).

Value in Kind (VIK) arising from the JMPA with LOCOG is recognised on the basis of usage and is shown as both revenue and equal and opposite expenditure in the accounts.

Depreciation

Depreciation of fixed assets is calculated to write off their cost over their estimated useful lives, which are considered to be:

Leasehold improvements	- 3-10 years
Office furniture	- 10 years
Equipment	- 3 years
Motor vehicles	- 3 years

Foreign currency

Monetary assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange profits and losses arising during the year are dealt with through the profit and loss account.

Pension fund costs

Employees of the BOA participate in a defined contribution pension scheme. The pension costs represent the contributions payable to the pension scheme in respect of the accounting period. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Investments

Investments held as fixed assets are stated at cost less provision for impairment.

The British Olympic Association

Notes to the accounts Year ended 31 December 2010

1. Accounting policies (continued)

Leases

Where the BOA 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 over its estimated useful life. Future instalments under such leases, net of finance charges, are included in creditors. Rentals payable are apportioned between the finance element representing a constant proportion of the capital balance outstanding, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments. All other leases are accounted for as operating leases.

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease to the first rent review. As part of the operating lease entered into for the office premises at Charlotte Street, the BOA has received a lease incentive in the form of a capital contribution towards fit out costs. This has been credited against the cost of leasehold improvements within tangible fixed assets.

2. Employees and directors

	2010 No.	2009 No.
The average number employed by the BOA was	52	57
The costs incurred in respect of these employees (including directors) were	£	£
Wages and salaries	3,921,469	3,536,091
Social security costs	361,668	342,045
Pension fund costs	260,325	248,966
Other staff costs	221,477	216,235
	<u>4,764,939</u>	<u>4,343,337</u>

Included within the above employment costs are restructuring payments to employees amounting to £42,117 (2009 £93,658) and value in kind secondees amounting to £249,585 (2009 £146,555).

Directors' emoluments during the year amounted to £32,420 (2009 £36,291) which related to C Moynihan, D Hemery and A Woods. No pension contributions were paid in respect of directors in 2010 (2009 £Nil).

3. Exceptional items reported after operating loss

	2010 £	2009 £
Restructuring costs	-	233,103
Relocation and fit out costs	-	243,262
Gain on disposal of properties	-	(2,113,965)
Others	-	29,537
Total exceptional items	<u>-</u>	<u>(1,608,063)</u>

The restructuring costs in 2009 relate mostly to the closure of the Olympic Medical Institute at Northwick Park Hospital.

As a result of moving its head offices from Wandsworth to Charlotte Street in October 2009, the BOA generated a profit of £2.1m on the disposal of its freehold properties at Wandsworth Plain and investment in Church Row LLP, and incurred £243,262 on relocation to the new leasehold premises.

The British Olympic Association

Notes to the accounts Year ended 31 December 2010

4. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	2010 £	2009 £
Auditors' remuneration - audit fees	22,200	21,900
- non-audit services	9,680	12,075
tax services	12,000	-
other services	147,462	134,058
Depreciation on owned assets	86,096	86,512
Depreciation on leased assets	339,167	337,679
Operating leases - land and buildings	-	27,750
- other	-	-

5. Olympic solidarity grants

During the year, the following Olympic solidarity grants were receivable

	2010 £	2009 £
Scholarship grants for athletes - Vancouver Games	19,618	158,111
Scholarship grants for athletes - London Games	10,253	-
Team Support Grants	42,682	30,141
Scholarship grants for coaching	5,081	-
NOC administration and development	61,467	18,310
NOC legacy	-	53,136
Olympic Games subsidies - Vancouver Games	67,024	-
Olympic Games subsidies - Beijing Games	-	10,665
	206,125	270,363

6. Interest payable and similar charges

	2010 £	2009 £
Interest payable on overdrafts	92	31,270
Interest on hire purchase contracts	34,841	-
Interest payable on loan from related party	-	42,069
	34,933	73,339

7. Taxation

(i) Analysis of tax charge on ordinary activities

	2010 £	2009 £
UK corporation tax at 28% (2009 28%)	-	-
Adjustment in respect of prior years	-	25,444
	-	25,444

The British Olympic Association

Notes to the accounts Year ended 31 December 2010

(ii) Factors affecting tax charge for the current year

The tax assessed for the year is different than that resulting from applying the standard rate of corporation tax in the year of 28% (2009 28%)

The differences are explained below

	2010 £	2009 £
Profit/(loss) on ordinary activities before tax	235,873	524,574
Tax at 28% (2009 28%) thereon	(66,044)	(146,881)
Effects of		
Expenses not deductible for tax purposes	(295,528)	(295,031)
UK dividend income	17,542	17,477
Chargeable gains	-	591,911
Timing differences not provided for	-	(285,546)
Utilisation of tax losses	11,068	-
Non taxable income	333,324	116,914
(Loss)/profit on sale of investments	(362)	1,156
Adjustment in respect of prior years	-	25,444
Current tax for year	-	25,444

8. Tangible fixed assets

	Leasehold improvements £	Office furniture £	Equipment £	Motor vehicles £	Total £
Cost.					
At 1 January 2010	382,575	177,862	849,783	7,800	1,418,020
Additions	45,166	9,509	112,190	-	166,865
Disposals	-	-	(596)	-	(596)
At 31 December 2010	427,741	187,371	961,377	7,800	1,584,289
Depreciation:					
At 1 January 2010	38,257	17,786	593,405	7,800	657,248
Charge for the year	42,775	18,735	172,048	-	233,558
Disposals	-	-	(199)	-	(199)
At 31 December 2010	81,032	36,521	765,254	7,800	890,607
Net book value.					
At 31 December 2010	346,709	150,850	196,123	-	693,682
At 31 December 2009	344,318	160,076	256,378	-	760,772

Included within tangible fixed assets are items acquired under a hire purchase agreement with a net book value of £417,514 (2009 £504,814) Depreciation during the year on these assets was £86,096 (2009 £86,512)

As described in note 1, the BOA received a lease incentive in the form of a capital contribution for fit out costs from the landlord This contribution amounted to £450,000 and was credited against the cost of the leasehold improvements in 2009

The British Olympic Association

Notes to the accounts Year ended 31 December 2010

9. Fixed asset investments

	Listed investments £	Subsidiary undertaking £	Total investments £
Cost:			
At 1 January 2010	1,329,079	2	1,329,081
Additions	434,432	-	434,432
Disposals	(305,612)	-	(305,612)
At 31 December 2010	<u>1,457,899</u>	<u>2</u>	<u>1,457,901</u>
Impairments:			
At 1 January 2010	-	-	-
Charged in year	2,809	-	2,809
At 31 December 2010	<u>2,809</u>	<u>-</u>	<u>2,809</u>
Balance sheet value:			
At 31 December 2010	<u>1,455,090</u>	<u>2</u>	<u>1,455,092</u>
At 31 December 2009	<u>1,329,079</u>	<u>2</u>	<u>1,329,081</u>
Market value:			
At 31 December 2010	<u>2,711,637</u>		
At 31 December 2009	<u>2,401,359</u>		

The BOA's overdraft facility is secured on the listed investments portfolio up to a value of £2m

The subsidiary undertaking relates to Team GB Limited, which is wholly owned by the BOA. Team GB Limited is a dormant company.

The BOA has interests in Team 2012 Limited and LOCOG for which there is no associated cost. Neither entity is regarded as an associate under FRS 9 "Associates and joint ventures". Further disclosure in relation to both entities is provided in note 16.

An impairment is provided against those investments whose market value is lower than cost.

10. Debtors: amounts falling due within one year

	2010 £	2009 £
Trade debtors	201,886	171,723
Other debtors	56,581	26,700
British Olympic Foundation	13,754	23,132
Prepayments and accrued income	1,142,896	1,773,506
Corporation tax	4,846	4,846
	<u>1,419,963</u>	<u>1,999,907</u>

11. Creditors: amounts falling due within one year

	2010 £	2009 £
Obligations under hire purchase contracts	246,145	233,417
Trade creditors	90,485	279,223
Other taxation and social security	138,134	118,176
Other creditors	36,332	139,724
Accruals and deferred income	2,790,290	2,135,309
	<u>3,301,386</u>	<u>2,905,849</u>

The British Olympic Association

Notes to the accounts Year ended 31 December 2010

11. Creditors: amounts falling due after one year (continued)

The BOA had an undrawn overdraft facility of £4m (2009 £4m undrawn facility) at the balance sheet date, of which £2m is secured on the investment portfolio (see note 9)

12. Creditors: amounts falling due after one year

	2010 £	2009 £
Obligations under a hire purchase contract	259,527	505,672
The maturity of obligations under a hire purchase contract is as follows		
	2010 £	2009 £
Within one year	268,258	268,258
Within two to five years	268,258	536,516
	536,516	804,774
Less future finance charges	(30,844)	(65,685)
	505,672	739,089

The hire purchase loan financed the cost of certain assets purchased as part of the fit out of the head offices in Charlotte Street in 2009. The loans are secured by a fixed charge over the assets to which they relate.

13. Reserves

	General reserve £	Development and contingency reserve £	Total £
At 1 January 2009	(53,934)	2,000,000	1,946,066
Profit for the year	235,873	-	235,873
At 31 December 2010	181,939	2,000,000	2,181,939

The liability of the members on winding up is limited to £10 per voting member. The number of members at the year-end was 42 (2009 42).

The British Olympic Association

Notes to the accounts Year ended 31 December 2010

14. Operating lease commitments

At 31 December 2010, the company was committed to making the following annual payments in respect of operating leases

	2010 £	2009 £
Land and buildings		
Leases which expire		
Within one year	22,501	22,501
After five years	415,625	415,625
Total	438,126	438,126

15. Pension costs

The BOA contributes 10% of pensionable salary in respect of eligible employees to a defined contribution pension scheme. The BOA's contributions in the year were £260,325 (2009 £248,966) and outstanding contributions as at 31 December 2010 were £24,175 (2009 £21,703).

16. Related parties

British Olympic Foundation (BOF)

BOF is a registered charity and company limited by guarantee whose main objectives include the promotion and advancement of public education and increase of knowledge in all aspects of the Olympic Movement, sport, sporting activity and other forms of physical education and recreation.

Lord Moynihan is a Trustee and Vice-Chairman of BOF and a director of the BOA. Two employees of the BOA are seconded on a part time basis to BOF. The accountant to BOF is also employed by the BOA. All appointments to the board of Trustees of BOF must be approved by the BOA.

Rent of £27,750 was paid in 2009 (2010: £nil) on a property at Wandsworth owned by BOF and was payable by the BOA as tenants of the property.

Following the relocation of both the BOA and BOF from Wandsworth to Charlotte Street in October 2009, BOF pays the BOA a license fee to occupy the premises of £13,000 per annum and service charges of £2,123 per annum. During the year, £15,123 (2009: £3,356) was receivable from BOF to the BOA under this arrangement.

As at 31 December 2010 there was a balance due from BOF to the BOA of £13,754 (2009: £23,133).

At 31 December 2010, a donation of £76,999 (2009: £238,532) was made to BOF in settlement of the amount due from BOF. This included the balance due as at 31 December 2009 of £13,754.

London Organising Committee for the Olympic and Paralympic Games (LOCOG)

The BOA, by virtue of being one of the three key stakeholders in the London 2012 Organising Committee, is a member of LOCOG, a company limited by guarantee. Lord Moynihan and Sir Craig Reedie are directors of both the BOA and LOCOG. Andrew Hunt is the Chief Executive of the BOA and a director of LOCOG.

During the year the BOA received or was due, in respect of 2010, £1,566,766 (2009: £3,041,679) from sponsors and LOCOG in connection with the Joint Marketing Programme Agreement (JMPA).

The British Olympic Association

Notes to the accounts Year ended 31 December 2010

16. Related parties (continued)

In 2009, the BOA sold to LOCOG its rights to sell tickets to future Olympic Games in the period 2013-2020 for US\$4.5m, of which US\$2.5m was received during that year and US\$2m was received in February 2010. As there were no obligations attached to the BOA, this income was recognised in the period in which the cash was received.

At the year-end there was an amount owed to the BOA by LOCOG of £nil (2009: £nil).

Team 2012 Limited

The BOA, LOCOG, UK Sport and the British Paralympic Association created a joint venture arrangement in 2009 called Team 2012 Limited. This is a company limited by guarantee whose main purpose is to raise funds in support of the UK's high performance ambitions for London 2012. Team 2012 Limited is owned in equal parts by the joint venture parties and each party has appointed two directors to its board. The BOA has appointed Andrew Hunt (Chief Executive of the BOA) and Hugh Chambers (Chief Commercial Officer of the BOA) as its directors of Team 2012 Limited.

During the year, license fee income of £2,512,763 (2009: £944,271) and management fee income of £120,000 (2009: £50,000) was receivable from Team 2012 Limited. A further £403,299 (2009: £720,468) received from Team 2012 Limited in 2009 for development of the British Olympic Coaching Programme has been deferred to be recognised in future periods.

At the year-end, there was an amount owed to the BOA by Team 2012 Limited of £198,053 (2009: £96,313).

Team 2012 Limited's accounting period runs to 31 March.

Other related parties

During the year the following transactions have taken place with directors or businesses in which directors had an interest:

As at 31 December 2010, two directors were owed a total of £16,228 representing reimbursement for expenses incurred in 2010 (2009: one director owed £691).

17. Deferred tax

A deferred tax asset has not been recognised in respect of timing differences relating to losses as there is insufficient evidence that the asset will be recovered. The amount of the Schedule D VI losses not recognised is £7.3m (2009: £7.3m).

18. Subsequent events

There were no subsequent events requiring disclosure in the accounts.