

Company Registration No. 1576093

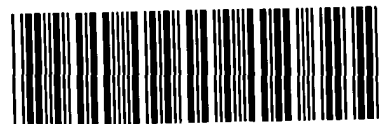
The British Olympic Association

(Limited by Guarantee)

Report and Financial Statements

31 December 2016

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The British Olympic Association
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Officers and professional advisers

Patron

Her Majesty The Queen

President

Her Royal Highness The Princess Royal

Chairman

Lord Coe CH KBE (resigned 24 November 2016)

Rt Hon Sir Hugh Robertson KCMG (appointed 24 November 2016)

Vice Chairman

Rt Hon Sir Hugh Robertson KCMG (resigned 24 November 2016)

A Phelps CBE (appointed 23 February 2017)

Chief Executive Officer

W Sweeney

Other Directors

A Anson

H Chalmers

S Clegg CBE (resigned 25 April 2016)

Sir Philip L Craven MBE

B Hawes

I Howard TD

R Lemman

T Miller OBE

A Pengilly

A Phelps CBE

Sir Craig Reddie CBE

D Ross

D Sparkes OBE (appointed 24 November 2016)

S Treseder

Company Secretary

S Uddin

Main bankers

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

Auditor

Moore Stephens LLP
150 Aldersgate Street
London EC1A 4AB

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Officers and professional advisers continued

Solicitors

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

Headquarters and registered office

60 Charlotte Street
London W1T 2NU

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Strategic report

The directors, in compiling this strategic report, have complied with s414C of Companies Act 2006.

Principal activities

The British Olympic Association ('BOA' and/or the 'Company') is the National Olympic Committee (NOC) for Great Britain, Northern Ireland and UK dependent territories that do not have their own NOC.

Our vision is to unite and inspire the nation through the power of Olympic sport.

The BOA provides services to the National Governing Bodies of Olympic Sports who are its members, to help support the development of their sports and the ultimate success of their athletes at the Olympic Games.

The Company's primary role is to:

- select, lead and manage Team GB at both Olympic and Olympic Winter Games and all International Olympic Committee (IOC) and European Olympic Committees (EOC) accredited events such as Youth Games, Youth Festivals, and the European Games
- develop the Olympic Movement and promote the principles and values of Olympism in its territory; and
- remain financially autonomous and independent

The BOA relies principally on commercial sponsorship of its unique brand assets, association with the Olympic Movement, fundraising events and some financial support from the IOC to finance these activities.

Games review

The BOA supported Team GB at one major Games in 2016, that being the Rio 2016 Olympic Games. Furthermore Team GB was represented at the Lillehammer 2016 Winter Youth Olympic Games. Operational planning for both PyeongChang 2018 Olympic Winter Games and Tokyo 2020 Olympic Games is now advancing as we enter the 2017-2020 quadrennium.

Rio 2016 Olympic Games

A total of 366 athletes contributed to what is arguably the greatest result in the modern history of Team GB in August 2016 in the city of Rio de Janeiro, recording a return of 67 medals – 27 gold, 23 silver and 17 bronze – to better the 65 secured at London 2012 and marking a fifth successive Games where Team GB increased its medal count. Team GB finished 2nd in the medal table. The delegation secured medals in 18 of the 23 sports that British athletes entered, whilst 14 of those sports produced at least one gold medal for Team GB – more than any other nation. The result included first ever gold medals in diving, golf, gymnastics, women's hockey, canoe slalom K1 and individual show-jumping. The Games were the most successful ever for aquatics (nine medals), gymnastics (seven), taekwondo (three) and triathlon (three).

Sir Andy Murray was named flag bearer for Team GB at the Opening Ceremony in the Maracana Stadium, signalling the official start of competition.

Women's hockey captain Kate Richardson-Walsh OBE, at her fourth Olympic Games, carried the flag for Team GB at the Closing Ceremony, before the delegation departed for a heroes' reception at London Heathrow.

Team GB's ability to perform and succeed at the highest level was founded on trusted relationships with partners across the sporting landscape. The ambition of making history required

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the expertise, collaboration and desire of over 50 organisations working effectively as one team behind a common purpose.

UK Sport made a record investment in supporting Team GB at Rio 2016, and stood shoulder to shoulder with the BOA in the run up to and during the Games. National Governing Bodies and their Team Leaders provided a critical link between the BOA and athletes from each sport to understand the shape of services across all areas of operations.

The BOA created the largest ever Preparation Camp for the team in the Brazilian City of Belo Horizonte. The camp hosted 14 sports and 164 athletes prior to their competition and featured the only Olympic standard indoor swimming pool in Brazil outside of the Olympic city itself.

In Rio, The British School and Flamengo Club became vital non-accredited sites for the team, where training, recovery and further preparatory sessions were undertaken by sports and their athletes.

The insight, context, network and experience of the Foreign and Commonwealth Office in Brazil provided local knowledge and connections to support Team GB throughout the Games, whilst the BOA's commercial partners provided support and services across a range of areas of operations, providing an invaluable contribution given our reliance on the private sector.

The Rio HQ team coordinated 2,631 flight bookings to get the team to and from the Games, with 72,224kg of baggage and a further 7,273kg of clothing freighted to Rio as well as 30 sea containers shipped to Brazil to support BOA and sport-specific operations. During the team's period in Rio a total of 19,362 bed nights were managed by the BOA. The HQ in Rio was underpinned by a London team that supported the BOA's financial, legal, digital, commercial, marketing and PR activities.

In the run up to the Games a key focus of the BOA was to unite the hundreds of athletes from 23 sports as 'One Team GB'. With a performance first approach, the strategy highlights the common values of pride, unity, responsibility and respect to the delegation as a core principle of representing the nation. These themes were delivered through ongoing engagement with athletes, and not least through the bespoke Rio Ready workshops, which prepared athletes for entering the Olympic environment and Olympic Village life. This was particularly important to the 303 athletes that had not competed in an away Olympic Games prior to Rio 2016.

Thirty-nine Olympic hopefuls were also taken onto the Rio 2016 Ambition Programme whilst the Rio Ready programme was supplemented with tailored Nearest and Dearest events to maximise the positive impact of friends and family on athletes' preparations and performance.

The British House, located at the foot of Corcovado, became a focal point and home away from home for the athletes, BOA's partners and wider stakeholders throughout the Games. The House was delivered in partnership with Her Majesty's Government (HMG) and the Greater London Authority (GLA) and its various activities generated £800m of investment into the UK economy.

For the team's UK-based supporters, 11 FanZones were hosted across the home nations as well as a London Clubhouse. The FanZones hosted a 4.8m footfall over the Games period, bringing fans the very best of the Rio action as well as taster sessions of a variety of Olympic and non-Olympic sports.

Bring On The Great became the team's strapline for the Games and was supported by celebrity and athlete ambassadors both in the run up to and during the Games. A supporters' merchandise item was created in the shape of the Bahia Band – a traditional Brazilian-style fabric bracelet, which brings the wearer good luck – with over 200,000 units sold.

From a media point of view, over 9,000 newspaper articles on Team GB were read by 15m people and the BBC reached 102.3m unique global browsers worldwide with 68.3m in the UK alone. BBC Online saw all-time high figures of 39m unique browsers while Jason Kenny's keirin final was the most watched event of the Games with 11.1m tuning into BBC One.

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Team GB's social media channels reached over 500m people on Facebook with 163m on Twitter, and Team GB's combined social following tipped over the 3m mark. There were over 26m views of our video content across all channels and 347,000 downloads of the Team GB app. Moving forward there will be an increased focus on the development of digital and social channels at the BOA.

The athletes' success was ultimately recognised by an official invitation from HMG to join a homecoming parade in Manchester, attended by some 200,000 people, and a homecoming celebration in London's Trafalgar Square the following day. All of the Team GB medal winners were then invited by Her Majesty the Queen to attend an official reception at Buckingham Palace.

Lillehammer 2016 Winter Youth Olympic Games

The first Games of the year came in the Norwegian town of Lillehammer as a 16-strong athlete delegation led by Chef de Mission Adam Pengilly and a BOA HQ support team won five medals across the seven Olympic disciplines competed in.

The team were joined in Norway by two British Olympic medal winners; curler Claire Hamilton and skeleton's Shelley Rudman, who supported the team in their respective roles as Young Ambassador and Athlete Role Model for the duration of the Games.

The team's participation in Lillehammer was funded by the British Olympic Foundation.

PyeongChang 2018 Olympic Winter Games

The BOA was pleased to announce the appointment of Mike Hay MBE as Chef de Mission for the PyeongChang Games, to be held in South Korea during February 2018.

Hay will lead the delegation for a second time after overseeing Team GB's joint most successful Winter Games at Sochi 2014 with the team returning home with four medals, including skeleton gold for Lizzy Yarnold MBE.

Awarded an MBE in 2004, Hay joined the BOA in October 2006 and headed up Team GB's Preparation Camp at Vancouver 2010 and London 2012 before acting as Deputy Chef de Mission at Rio 2016 this summer. He is currently the BOA's Head of Sport Engagement and was unanimously approved by the BOA's Board of Directors as Chef de Mission for PyeongChang 2018.

Tokyo 2020 Olympic Games

Having previously signed a Memorandum of Understanding with the Japanese Olympic Committee, Yokohama City Government, Kawasaki City Government and Keio University as part of its preparation and planning for the Tokyo 2020 Games, the BOA has made significant strides in further increasing its knowledge and relationships in the region. The BOA hopes to conclude its arrangements for a Preparation Camp in 2017.

The BOA has also engaged with the five new sports to be introduced to the 2020 programme, comprised of baseball / softball, karate, skateboarding, sports climbing and surfing.

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Business review

The BOA enjoyed a strong 2016 culminating in it being awarded the NOC of the Year award at the 2016 Association of National Olympic Committee's (ANOC) General Assembly. This came through a combination of sporting success at the Rio 2016 Games and strong commercial and brand performance. The organisation completed the quadrennium in a positive position financially, yielding a £0.7m profit for the year. A continual focus on cost controls and increased commercial activity ensured another successful financial result for the BOA with a turnover of £23.0m (2015: £10.1m), a profit of £0.7m (2015: profit of £1.2m) and a cash balance of £2.3m (2015: £1.6m) recorded in 2016.

In closing the 2013-2016 quadrennium the BOA is pleased to be able to report a profit for the four year period of £1.3m, this despite a record investment in the Rio Games.

This provides the BOA with a solid financial base as it enters the 2017-2020 quadrennium and the ability to continually invest in its core activities, with a particular focus on the preparation and delivery of an environment that will sustain current levels of performance for Team GB at Tokyo 2020.

Commercially, the BOA secured a number of new partnerships in 2016, as well as extending key sponsorship and licensing relationships. Having previously extended its partnerships with adidas through to 2024, prior to the Rio Games the BOA also reached agreement with existing partner Aldi to extend the relationship as official supermarket partner through to 2021 and from 2017 Ocean Outdoor has become the official outdoor media partner of the BOA through to 2020.

During 2016 the BOA were also joined by Strongbow as official cider partner, whilst The National Lottery became an official partner of the Team GB FanZones – along with Aldi and Muller – as well as supporting the team's Preparation Camp in Belo Horizonte and the successful 'I Am Team GB' mass participation event.

Official sportswear partner adidas created and launched a new kit for Team GB, in conjunction with fashion designer Stella McCartney. Further, official formal wear partner Simon Jersey kitted out the Rio 2016 delegation with official suits and closing ceremony wear – we are delighted they will continue as a partner with the BOA until 2020.

All of the BOA's partners contributed significantly to activations and marketing promotion and activity ahead of, during and after Rio 2016. During the year the BOA were supported by the following partners and suppliers:

Worldwide Partners:

Coca-Cola	ATOS	Dow	GE
McDonald's	Omega	Panasonic	P&G
Samsung	Visa		

2016 Official Partners:

adidas	Aldi	BP	Deloitte
DFS	Fitness First	Kellogg's	Muller
The National Lottery	Nissan	Strongbow	

2016 Official Suppliers:

British Airways	Jet Set Sports	Krow	Ocean Outdoor
Simon Jersey			

Since the turn of the year the BOA has announced a number of significant new partnerships including with Bridgestone – IOC TOP partner – who have signed agreements through to 2020.

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The BOA has also concluded its agreement with Jet Set Sports and has announced a new partnership with Sports Travel and Hospitality Group to become an official supplier.

Being the first away Games for the Team GB Licensing and Retail Programme, Rio 2016 presented different challenges to London 2012. However, despite the Games taking place in a different hemisphere the BOA secured a further 10 licensees in 2016 bringing the total number of licensees to 28. The 28 included adidas, Aldi, World Duty Free, Gilbert, Nissan, The Royal Mint, Thomas Pink and Universal Music. With such a strong stable of licensees and support from the UK retailers, the Team GB Licensing and Retail Programme enjoyed a strong performance in 2016. As a result, and through the support of the fans, licensed products have become an important part of the long-term strategy for the Team GB brand and a sustainable new revenue stream for the BOA.

Other highlights

The BOA appointed Sir Hugh Robertson to the position of Chairman after Lord Sebastian Coe ended his four-year term in November 2016. Sir Hugh presided over the London 2012 Olympic Games as Minister for Sport and the Olympics from 2010-2013, having previously occupied the same post as Shadow Minister from 2004. The BOA also appointed David Sparkes OBE to its Board, replacing Simon Clegg CBE.

In November six athletes were appointed onto the BOA's Athletes' Commission. Adam Gemili (Athletics), James Rodwell (Rugby Sevens), Joanna Rowsell-Shand MBE (Cycling), Lizzie Simmonds (Swimming), Lizzy Yarnold MBE (Skeleton) all joined the Commission while Dame Katherine Grainger (Rowing) was re-elected. In total, over 800 eligible Olympians and potential Olympians voted in the election with 18 athletes standing for the six positions. Of the existing Commission Heather Fell, Christian Malcolm, James Cracknell OBE, Kate Richardson-Walsh OBE and Leon Taylor all stood down from their positions at the end of the year.

I Am Team GB saw almost one million people take part in physical activity across the country as the BOA, along with partners The National Lottery, ITV and UK Sport, put on the nation's biggest ever sports participation event in the days after the Olympic Games finished. Over 2,600 events took place across the country featuring some of our Rio Olympic heroes.

Get Set, the BOA's youth engagement programme, delivered by the British Olympic Foundation working in partnership with sponsors and other stakeholders, has reached over one million young people since September 2015 through the participation of over 23,000 schools and over 44,000 teachers.

The core of the programme saw Get Set's Road to Rio encourage young people to virtually travel 47m kilometres in their quest to reach the Rio Olympic Stadium.

The BOA continues to administer the Athlete Medical Scheme, on behalf of UK Sport, for 1,350 current and future Olympians and Paralympians. The scheme gives nominated athletes access to private health care.

The year was capped with the 2016 Team GB Ball, hosted at Battersea Evolution by Claudia Winkleman and Olympic medallist Tom Daley. The fundraising Ball featured, for the first time ever, the Team GB Awards which saw the women's hockey team dominate the honours in the presence of over 140 Olympians, whilst Dame Katherine Grainger won the coveted Olympians' Olympian award.

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Future developments

During the year the Company completed a review of its strategy through to 2024, concluding the strategic plan for the next two quadrenniums ahead of the Rio 2016 Olympic Games.

The review developed the key strategic objectives which have previously been established for the BOA and considered the impact of the IOC's *Agenda 2020* and DCMS' *Sporting Futures: A New Strategy for an Active Nation* on the direction of the BOA.

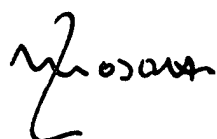
As a result of the review, the medium to long-term strategic priorities of the BOA have been established as:

- Performance success for Team GB
- Financial independence and sustainability
- Engagement with the Team GB Brand
- Respected thought leader and effective independent voice in sport
- Promotion of the Olympic Values

In the wider sporting domain, the year played out against the backdrop of a number of important but challenging issues for sport. The ongoing question of the fight against doping in sport was perhaps the most prominent from a global perspective, and was highlighted yet further with the release of data relating to athletes' use of Therapeutic Use Exemptions to combat medical conditions.

Matters of good Governance in sport also came into focus with athlete welfare issues at the fore, challenging the wider industry to reflect upon current systems and practices and the need to positively react to the agenda.

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



Rt Hon Sir Hugh Robertson KCMG
Chairman

Date 17 May 2017

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2016.

Results

The result for the year was a profit after taxation of £738,401 (2015: profit of £1,193,254).

The financial results for the year are shown in the statement of comprehensive income on page 17.

A review of the business is provided in the strategic report.

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 members who served on the sub-committees of the Board during the year are as follows:

Audit committee	Directors: D Ross (Chair), A Anson, S Treseder, I Howard TD (appointed 27 January 2016) Independent member: D Cox
Remuneration committee	Directors: T Miller OBE (Chair), R Leman Independent members: Dame D Ellis, R Parnell (resigned 21 February 2017)
Athletes' Commission	Directors: B Hawes (Chair), A Pengilly Athletes' representatives: E Boateng, J Cracknell OBE (resigned 31 December 2016), J Eley, H Fell (resigned 31 December 2016), S Gosling OBE, Dame K Grainger, C Hamilton, C Malcolm (resigned 31 December 2016), K Richardson-Walsh OBE (resigned 31 December 2016), N Robertson, G Sayers, L Taylor (resigned 31 December 2016)

Directors' indemnity provision

The Company has taken out insurance in respect of claims against directors arising from the undertaking of their duties as directors of this company.

Donations

During the year the Company made the following charitable donations:

	2016 £	2015 £
British Olympic Foundation	269,025	53,033

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Financial risk management objectives and policies

The Company uses financial instruments including a bank credit facility, cash and various other financial assets and financial liabilities, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Company's operations. The existence of these financial instruments exposes the Company to a number of financial risks which are described in more detail below.

The main risks arising from the Company's financial instruments are currency risk, interest rate risk, price risk, liquidity risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised as follows.

1. Currency risk

The Company receives a portion of its revenues and incurs a portion of its costs in foreign currencies. The Company has established a policy of hedging to protect against exchange rate fluctuations and to provide the Company with increased certainty over its likely Sterling revenue and expense. The Company has entered into foreign currency derivative financial instruments to execute this policy.

2. Interest rate risk

The Company finances its operations through a combination of retained profits and bank borrowings. The Company's exposure to interest rate fluctuations on its borrowings is small compared to its overall operations. The directors do not consider it necessary to manage the risk through the use of financial instruments, but keep the position under review.

3. Price risk

The Company maintains a portfolio of listed investments, which is subject to risk from changes in market valuation. This risk is mitigated by utilising a regulated and expert portfolio management company to manage the risk on the BOA's behalf. The Company has established an Investment Committee comprised of members of the Board and management to provide oversight over the investment portfolio. The investment principles were reviewed by the Investment Committee with the portfolio management company, resulting in an amended Investment Policy which was approved by the Board in January 2016.

4. Liquidity risk

The principal liquidity risk facing the Company relates to its ability to raise sufficient funding to fully meet its objectives as described under 'Principal activities'.

The BOA continues to fund its programme of activities in support of Team GB and the Olympic Movement through a number of revenue initiatives and is expecting to secure circa £53m of net revenue funding to meet the requirements of the 2017-2020 quadrennium. The BOA manages the expenditure element of this cash flow risk through rigorous internal cost controls and pro-active cash flow management.

The Company manages this financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved through a bank credit facility. At the end of the financial year, the Company had access to undrawn facilities totalling £4.3m comprised of cash at bank and in hand of £2.3m and a credit facility of £2.0m, which was renewed in April 2017, through until April 2018. In addition, the Company has put in place contingency plans to deal with a shortfall in funding should the situation arise.

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5. Credit risk

The Company's principal financial assets are cash and trade debtors. The credit risk associated with cash is limited, as cash is held with the Company's bank which has a high credit rating. The principal credit risk arises, therefore, from its trade debtors.

In order to manage credit risk, the Company assesses customers based on a due diligence process including third party credit references. Outstanding balances are reviewed on a regular basis in conjunction with debt ageing and collection history. The directors recognise that there is an elevated risk of bad debts to the business in the current economic climate. The Company provided £34,472 (2015: £16,997) in relation to bad and doubtful debts in the financial year being reported.

Strategic and operational risk management

The BOA maintains a risk register which captures strategic risks and operational risks for both business-as-usual and Games-related activities. The strategic risks and mitigating actions are reviewed quarterly by the senior leadership team. The business-as-usual and Games-related operational risks are reviewed monthly by the management team and the project area leaders respectively. The key operational risks are escalated internally as appropriate, to ensure that appropriate actions have been taken to manage those risks. Risks identified as being likely to cause a material impact on BOA operations are escalated immediately to the Audit Committee. Management report quarterly to the Audit Committee commenting on the key risks identified and provide the full risk register for review, at least annually.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Auditor

The auditor, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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Corporate governance

The Board of directors, so far as is practicable and to the extent appropriate, continues to apply the principles of good corporate governance.

The Board holds regular meetings and is responsible for formulating, reviewing and approving the Company's strategy, budgets, major items of expenditure and key performance indicators. The Company's financial key performance indicators include revenue, costs, operating profit, cash flow, borrowings and total contracted and pipeline revenues.

The Board has established three committees to deal with specific aspects of the Company's affairs.

1. Audit Committee has the responsibility to support and add value in the areas of, amongst other things, Governance, Strategy, Finance and Risk Mitigation. The Committee monitors the integrity of the financial statements of the Company, including its annual reports and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgements which they contain. The Committee monitors the adequacy and effectiveness of the Company's approach to risk management, keeping under review the Company's overall risk assessment systems and processes and its risk register. The Committee monitors and keeps under review the Company's internal financial controls and internal control systems. The Committee also oversees the relationship with the external auditor.
2. Remuneration Committee will determine and agree, in conjunction with the Board, the framework and policy behind the remuneration of the Company's management and staff to include an ongoing review of the appropriateness of the remuneration policy, review of staffing structure and headcount, approval of any performance-related pay schemes, and total annual payments made pursuant to such schemes.
3. Athletes' Commission has the responsibility to:
 - ensure that every decision taken by the Company is informed by the Olympic athletes' perspective and that the interests of the athletes are part of the DNA of the Company.
 - advise the Board and executive management on all matters relating to Olympic operations, performance and policy from the perspective of Olympic athletes.
 - represent agreed policy concerning athletes' interests within the Olympic Family and other forums, as approved by the Board.
 - help the Company ensure that a suitable and effective range of services exists to support athletes' lives during and beyond competitive sport.
 - as requested by the Board, choose individual members of the Commission to represent the views of the British Olympic athlete in Olympic Family forums as required.

The committee chairmen report regularly to the Board on matters pertaining to those committees.

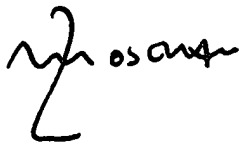
The directors acknowledge that they are responsible for the Company's system of internal control and consider that the maintenance of effective internal controls is of fundamental importance to achieving the Company's objectives. The Company's system of internal control is designed to manage rather than eliminate the risk of failure to achieve the Company's strategic objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Company ensures that all transactions and commitments to pay or receive value are subject to appropriate review and approval, including scrutiny of all significant transactions by a sub-group of the Audit Committee.

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The Company has formed two main management bodies to carry out the Company's activities: the senior leadership team, which has responsibility for recommending strategies to be approved by the Board and overseeing their implementation; and the management team, which is responsible for the operational execution of the agreed strategies.

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

A handwritten signature in black ink, appearing to read 'Rt Hon Sir Hugh Robertson', written in a cursive style.

Rt Hon Sir Hugh Robertson KCMG
Chairman

Date 17 May 2017.

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Statement of directors' responsibilities in respect of the financial statements

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

The UK Companies Act 2006 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 that 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

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Independent auditor's 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 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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Independent auditor's report to the members of The British Olympic Association (continued)

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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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.



Paul Clark (Senior Statutory Auditor)
for and on behalf of Moore Stephens LLP – Statutory Auditor,
Chartered Accountants, London, United Kingdom

Date 22 May 2017

The British Olympic Association

Report and financial statements 2016

Statement of Comprehensive Income For the year ended 31 December 2016

	Notes	2016 £	2015 £
Turnover	3,5	23,042,663	10,074,872
Cost of sales		(15,653,815)	(2,472,185)
Gross profit		7,388,848	7,602,687
Administrative expenses		(7,201,026)	(6,496,212)
Income from fixed asset investments	12	521,825	27,045
Dividend income from equity instruments		75,433	70,571
Foreign exchange gain		11,921	-
Profit before interest		797,001	1,204,091
Interest receivable and similar income		6,493	311
Interest payable and similar charges	7	(1,451)	(9,881)
Profit before taxation	8	802,043	1,194,521
Taxation	10	(63,642)	(1,267)
Profit after taxation	16	738,401	1,193,254

All activities derive from continuing operations.

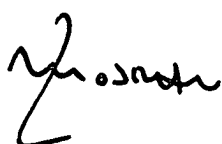
The British Olympic Association

Report and financial statements 2016

Statement of Financial Position As at 31 December 2016

	Notes	2016 £	2015 £
Fixed assets			
Property, plant & equipment	11	497,545	412,656
Investments: Financial assets measured at fair value through profit or loss	12	4,113,786	3,597,292
Other Financial Assets	13	22,964	23,164
Total fixed assets		4,634,295	4,033,112
Current assets			
Debtors	14	1,322,318	3,487,228
Other financial assets	13	556,578	29,185
Cash at bank and in hand		2,336,661	1,563,758
Total current assets		4,215,557	5,080,171
Creditors: amounts falling due within one year	15	(3,636,805)	(4,700,775)
Net current assets		578,752	379,396
Total assets less current liabilities		5,213,047	4,412,508
Creditors: amounts falling due after more than one year	15	(22,964)	(23,164)
Provisions for liabilities	18	(364,941)	(302,603)
Net Assets		4,825,142	4,086,741
Reserves	16	4,825,142	4,086,741

The financial statements of the British Olympic Association (registered number 1576093) were approved and authorised for issue by the Board of Directors on 17 May 2017 and signed on their behalf by Rt Hon Sir Hugh Robertson KCMG.



Rt Hon Sir Hugh Robertson KCMG
Chairman

The British Olympic Association

Report and financial statements 2016

Statement of Changes in Equity For the year ended 31 December 2016

	General Reserve £	Total Equity £
At 1 January 2015	2,893,487	2,893,487
Profit for the year	1,193,254	1,193,254
As at 31 December 2015	4,086,741	4,086,741
Profit for the year	738,401	738,401
As at 31 December 2016	4,825,142	4,825,142

The British Olympic Association

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Statement of Cash Flows

Year ended 31 December 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit / (loss) before interest	797,001	1,204,091
Depreciation charges	280,520	173,104
Loss on disposal of property, plant & equipment	3,448	-
Income from fixed asset investments	(521,825)	(27,045)
Dividend income from equity instruments	(75,433)	(70,571)
Interest paid	(911)	(9,881)
Changes in working capital:		
Decrease / (increase) in trade and other receivables	1,637,718	(1,796,249)
(Decrease) / increase in trade and other payables	(1,055,604)	1,953,241
Net cash generated from operating activities	1,064,914	1,426,690
Cash flows from investing activities		
Purchases of property, plant and equipment	(369,810)	(294,407)
Purchases of financial assets	(596,296)	(281,601)
Proceeds from sale of property, plant & equipment	954	-
Proceeds from sale of financial assets	601,626	132,634
Interest received	6,493	311
Dividends received	75,433	70,571
Tax paid	(10,411)	(17,888)
Net cash from investing activities	(292,011)	(390,380)
Net increase in cash, cash equivalents and bank overdrafts	772,903	1,036,309
Cash, cash equivalents and bank overdrafts at beginning of the year	1,563,758	527,449
Cash, cash equivalents and bank overdrafts at the end of the year	2,336,661	1,563,758

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Year ended 31 December 2016

1. General information

The Company is a United Kingdom company with no share capital but limited by a guarantee from each member up to a maximum of £10 per member. It is incorporated and domiciled in England and Wales. Its registered office is at 60 Charlotte Street, London W1T 2NU.

The Company is the NOC for Great Britain, Northern Ireland and UK dependent territories that do not have their own NOC. The BOA provides services to the National Governing Bodies of Olympic Sports who are its members, to help support the development of their sports and the ultimate success of their athletes at the Olympic Games.

The financial statements are presented in Pounds Sterling (£), the Company's functional currency.

2. Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 as issued by the Financial Reporting Council.

The particular accounting policies adopted are described below.

The Company is exempt from the obligation to prepare and deliver group accounts on the grounds that its sole subsidiary, Team GB Limited, is immaterial under Schedule 4 to the Accounting Regulations.

These accounts are prepared under the historical cost convention, except for the revaluation of certain financial assets and liabilities.

3. Principal accounting policies

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 Strategic Report on page 3. The BOA has available a £2m bank credit facility, to meet its day to day working capital requirements, which was renewed in April 2017 through until April 2018. As disclosed in notes 12 and 15, this credit facility is secured on the BOA's investment portfolio.

Prior to the end of 2016 the BOA was able to negotiate extensions to a number of its existing sponsorship agreements and since 1 January 2017 has successfully concluded a new sponsorship deal and is in negotiations with several others. As a result, the Company's forecasts and projections, after making reasonable provision for possible changes in performance and also taking account of uncertainty, show that it is expected 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.

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Year ended 31 December 2016

3. Principal Accounting policies (continued)

Revenue

Revenue received from sponsorship income in the form of cash is recognised on a straight-line basis over the life of the relevant contractual term. The specified period of time over which the related services are performed is the sponsorship term, as set out in each individual contract. Whilst the supply of certain rights and performance obligations of the Company are weighted towards the Olympic and Olympic Winter Games, the benefit that the sponsor receives from its association with the Company is spread evenly over the contract term.

Revenue received from sponsorship in the form of Value in Kind (VIK) is recognised on a straight-line basis over the life of the relevant contractual term. Where the VIK is directly related to the supply of goods or services linked to an event, income is recognised at the date of supply of those goods or services.

Grants are recognised over the period necessary to match the costs to which they relate. Grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be receivable.

Royalty revenue agreements include minimum guaranteed amounts receivable from licensed merchandise and retail sales. Minimum guaranteed amounts are recognised when receivable. Royalty revenue over and above the minimum guaranteed amount is recognised on an accrual basis in accordance with the substance of the relevant agreement provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably.

Interest income is recognised as it accrues using the effective interest rate method.

Income from fundraising, donations, members' annual subscriptions, affiliation fees and investments is taken to revenue when entitlement exists and amounts receivable can be estimated with reasonable accuracy.

Depreciation

Fixed assets are recorded at cost less accumulated depreciation. Depreciation of fixed assets is calculated to write off their cost over their estimated useful lives, which are considered to be:

Leasehold improvements	- over the remaining lifetime of the lease
Office furniture	- 10 years
Equipment	- 3 years

Foreign currency

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. 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.

The British Olympic Association

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Notes to the accounts

Year ended 31 December 2016

3. Principal Accounting policies (continued)

Pension fund costs

Employees of the BOA are able to 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 statement of financial position.

Investments

Investments in listed securities are classified as basic financial instruments, and are measured at fair value at the end of the reporting period, with the resulting changes recognised in profit or loss. Where their fair value cannot be reliably measured, they are recognised at cost less impairment.

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 income statement, 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 income statement on a straight line basis over the period of the lease.

Financial assets and liabilities

General

Financial instruments are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below.

Classification

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

The British Olympic Association

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Notes to the accounts

Year ended 31 December 2016

3. Principal Accounting policies (continued)

Derivative financial instruments and hedging activities

The Company uses derivative financial instruments to manage exposures to foreign currency risks, including exposures arising from unrecognised committed future transactions.

Derivative financial instruments are classified as other financial instruments.

Hedging

The Company uses derivative financial instruments to provide a fair value hedge.

This instrument hedges the exposure to changes in fair value of a recognised or unrecognised asset or liability.

The gain or loss on the hedging instrument is recognised in profit or loss. The change in the fair value of the hedged item related to the hedged risk is recognised in profit or loss as an adjustment to the carrying amount. This treatment is discontinued if the hedging instrument expires or is sold, terminated or exercised, once the company has elected to discontinue and has documented that decision or the hedge no longer meets the criteria for hedge accounting. Any gains or losses recognised as adjustments to the carrying amount of the asset or liability are amortised into profit or loss using the effective interest method if the asset or liability is a financial instrument carried at amortised cost.

4. Significant judgements and estimates

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Critical judgements in applying the Company's policies:

In applying the Company's revenue recognition policy for sponsorship income, management has made the judgement that sponsors will fulfil their obligations to the BOA in terms of both cash and value-in-kind consideration which may be receivable at a future date. This is believed to be reasonable given the Company's good relationships with, and the sound financial standing of those sponsors.

Critical accounting estimates and assumptions:

There are no accounting estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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Year ended 31 December 2016

5. Revenue

Revenue recognised in the statement of comprehensive income is analysed as follows:

	2016 £	2015 £
Sponsorship income	14,213,554	7,390,484
Royalty income	561,897	107,927
Olympic solidarity grant income (note 9)	1,508,663	165,706
Other grant income	1,504,741	218,337
Other income	5,253,808	2,192,418
	<u>23,042,663</u>	<u>10,074,872</u>

6. Employees and directors

	2016 No.	2015 No.
The average number employed by the BOA was:	<u>51</u>	<u>45</u>
The costs incurred in respect of these employees (including directors) were:		
	£	£
Wages and salaries	3,694,727	3,017,889
Social security costs	382,723	365,478
Pension fund costs	274,121	245,100
Other staff costs	147,606	174,781
	<u>4,499,177</u>	<u>3,803,248</u>

Directors' emoluments during the year amounted to £382,368 (2015: £284,593). Directors' pension contributions were £16,402 (2015: £17,763). The highest paid director received £374,924 by way of remuneration during the year (2015: £279,418) and pension contributions of £16,402 (2015: £17,763).

The aggregate emoluments of key management staff amounted to £374,924 (2015: £279,418).

7. Interest payable and similar charges

	2016 £	2015 £
Interest payable on overdrafts	<u>1,451</u>	<u>9,881</u>
	<u>1,451</u>	<u>9,881</u>

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Year ended 31 December 2016

8. Profit before taxation

Profit before taxation is stated after charging / (crediting):

	2016 £	2015 £
Foreign exchange (gain) / loss	(11,921)	66,390
Depreciation on owned assets	280,520	173,104
Operating leases	698,921	691,918
	<u> </u>	<u> </u>
The analysis of auditor's remuneration is as follows:		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	17,500	17,500
	<u> </u>	<u> </u>
Total audit fees	17,500	17,500
	<u> </u>	<u> </u>
Fees payable to the Company's auditor for other services to the company		
Tax services	3,500	5,000
Other services	-	3,000
	<u> </u>	<u> </u>
Total non-audit fees	3,500	8,000
	<u> </u>	<u> </u>

9. Olympic solidarity grants

The aim of Olympic Solidarity is to organise financial assistance to all the National Olympic Committees (NOCs), through multi-faceted programmes to help develop Olympic sport and the Olympic Movement worldwide. The funds which are distributed are those funds raised from broadcasting rights at the Olympic and Olympic Winter Games. It enjoys financial, technical and administrative autonomy, and reports to the International Olympic Committee Executive Board and President. During the year, the following grants were receivable from Olympic Solidarity:

	2016 £	2015 £
Scholarship grants for athletes	47,752	75,724
Team Support Grants-EOC NOC activities	74,339	60,098
NOC administration and development	27,997	26,628
Olympic Games subsidies	1,305,623	3,256
Marketing Partner Recognition Programme	52,952	-
	<u> </u>	<u> </u>
	1,508,663	165,706
	<u> </u>	<u> </u>

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Notes to the accounts

Year ended 31 December 2016

10. Taxation

	2016 £	2015 £
(i) <i>Current tax:</i>		
UK corporation tax at 20% (2015: 20%)	1,304	10,411
Adjustment in respect of prior years	-	(947)
Total current tax charge / credit	1,304	9,464
(ii) <i>Deferred tax (Note 18):</i>		
Current year relating to the origination and reversal of timing differences	62,338	(8,197)
Total deferred tax (credit) / charge	62,338	(8,197)
Total tax charge / (credit)	63,642	1,267

(iii) *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 20% (2015: 20%).

The differences are explained below:

	2016 £	2015 £
Profit / (loss) on ordinary activities before tax	802,043	1,194,521
Tax at 20% (2015: 20%) thereon:	160,409	238,904
Effects of:		
Expenses not deductible for tax purposes	219,291	165,737
Non-taxable UK dividend income	(15,087)	(14,114)
Chargeable gains	41,571	10,348
Utilisation of tax losses	(112,783)	(133,974)
Non-taxable income	(193,612)	(255,158)
Short term timing differences	5,881	4,077
Profit on sale of investments and similar income	(42,028)	(13,606)
Adjustments to tax charge in respect of prior period	-	(947)
Tax expense	63,642	1,267

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Notes to the accounts

Year ended 31 December 2016

11. Property, plant & equipment

Cost:	Leasehold Improvements £	Office furniture £	Equipment £	Total £
At 1 January 2016	420,051	241,779	1,076,758	1,738,588
Additions	-	7,225	362,586	369,811
Disposals	(20,223)	-	(134,699)	(154,922)
At 31 December 2016	399,828	249,004	1,304,645	1,953,477
Depreciation:				
At 1 January 2016	289,014	139,388	897,530	1,325,932
Charge for the year	42,005	24,901	213,614	280,520
Disposals	(16,179)	-	(134,341)	(150,520)
At 31 December 2016	314,840	164,289	976,803	1,455,932
Net book value:				
At 31 December 2016	84,988	84,715	327,842	497,545
At 31 December 2015	131,037	102,391	179,228	412,656

12. Fixed asset investments

Cost / Valuation:	Listed Investments £	Subsidiary undertaking £	Total Investment £
At 1 January 2016	3,597,290	2	3,597,292
Additions	596,295	-	596,295
Disposals	(601,626)	-	(601,626)
Revaluation	521,825	-	521,825
At 31 December 2016	4,113,784	2	4,113,786

The BOA's credit facility is secured on the listed investments portfolio. The portfolio is valued at fair value, with movements in fair value recognised in the income statement. The fair value has been determined using the quoted market price in an active market. Disposals are recognised using sales proceeds received.

The subsidiary undertaking relates to Team GB Limited, which is wholly owned by the BOA. Team GB Limited is a dormant company and the registered office is 60 Charlotte Street, London W1T 2NU

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Year ended 31 December 2016

13. Derivative financial instruments at fair value through profit or loss

The Company utilises forward exchange rate contracts to hedge the risk of variability in the Sterling value of foreign currency to be received due to variances in future GBP / USD foreign exchange rates. The financial instruments designated as hedging instruments and their fair values are shown below:

Counterparty	Value Date	Nominal Value	Fair value Asset / (Liability) 2016 £	Fair value Asset / (Liability) 2015 £
Global Reach Partners	29/09/2017	\$1,000,000	(146,915)	-
Global Reach Partners	29/09/2017	\$1,000,000	(142,411)	-
Lloyds Banking Group	29/09/2017	\$1,000,000	(98,215)	-
Lloyds Banking Group	29/12/2017	\$2,200,000	(127,156)	-
Lloyds Banking Group	28/12/2017	\$1,100,000	(41,881)	-
Lloyds Banking Group	30/12/2016	\$1,200,000	-	(22,653)
Global Reach Partners	30/12/2016	\$600,000	-	(6,532)
Current Financial Liability			<u>(556,578)</u>	<u>(29,185)</u>
Lloyds Banking Group	31/12/2018	\$3,400,000	(22,964)	-
Global Reach Partners	29/09/2017	\$1,000,000	-	(13,790)
Global Reach Partners	29/09/2017	\$1,000,000	-	(9,374)
Non-Current Financial Liability			<u>(22,964)</u>	<u>(23,164)</u>

The hedged items represent unrecognised committed future foreign currency receivables as shown below:

Counterparty	Value Date	Nominal Value	Fair value Asset / (Liability) 2016 £	Fair value Asset / (Liability) 2015 £
International Olympic Committee	30/09/2017	\$3,000,000	387,542	-
International Olympic Committee	31/12/2017	\$3,300,000	169,036	-
International Olympic Committee	31/12/2016	\$1,800,000	-	29,185
Current Financial Asset			<u>556,578</u>	<u>29,185</u>
International Olympic Committee	31/12/2018	\$3,400,000	22,964	-
International Olympic Committee	30/09/2017	\$2,000,000	-	23,164
Non-Current Financial Asset			<u>22,964</u>	<u>23,164</u>

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Year ended 31 December 2016

14. Debtors: amounts falling due within one year

	2016 £	2015 £
Trade receivables	549,007	1,376,991
Allowance for estimated irrecoverable amounts of trade receivables	(40,550)	(24,245)
Other debtors	11,493	25,469
British Olympic Foundation	-	21,185
Prepayments and accrued income	802,368	2,087,828
	<u>1,322,318</u>	<u>3,487,228</u>

15. Creditors

	2016 £	2015 £
Amounts falling due within one year		
Trade payables	125,905	481,092
Other taxation and social security	689,960	455,909
Corporation tax	1,304	10,411
Other creditors	116,602	89,090
British Olympic Foundation	37,470	-
Current derivative financial liability (note 13)	556,578	29,185
Accruals and deferred income	2,108,986	3,635,088
	<u>3,636,805</u>	<u>4,700,775</u>
Amounts falling due after more than one year		
Non-current derivative financial liability (note 13)	22,964	23,164
	<u>22,964</u>	<u>23,164</u>

The BOA had a £2m credit facility (2015: £2m) with its bankers at the balance sheet date. No value had been drawn against the facility at the year end (2015: Nil)

16. Reserves

	General reserve £	Total £
At 1 January 2016	4,086,741	4,086,741
Profit for the year	738,401	738,401
At 31 December 2016	<u>4,825,142</u>	<u>4,825,142</u>

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 (2015: 42)

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Year ended 31 December 2016

17. Financial Instruments

	2016 £	2015 £
Financial Assets:		
Financial Assets measured at amortised cost	655,554	1,352,746
Financial Assets measured at fair value through profit or loss account	4,113,786	3,597,292
Cumulative hedging gain	579,542	52,349
	<u>5,348,882</u>	<u>5,002,387</u>
Financial Liabilities:		
Financial liabilities measured at amortised cost	125,905	481,092
Other financial liabilities	579,542	52,349
	<u>705,447</u>	<u>533,441</u>

18. Deferred tax

The deferred tax assets and liabilities at the end of the reporting period arise on the following timing differences, tax losses or tax credits:

	Fair value gains	Total
<i>Deferred tax liabilities:</i>		
At 1 January 2015	310,800	310,800
Charged / (credited) to the income statement	(8,197)	(8,197)
At 31 December 2015	302,603	302,603
Charged / (credited) to the income statement	62,338	62,338
At 31 December 2016	364,941	364,941

Deferred taxation is provided on the liability method to take account of timing differences between certain items for accounts purposes and their treatment for tax purposes. 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 miscellaneous losses not recognised is £5.0m (2015: £5.6m). This in turn results in a deferred tax asset not recognised of £1.0m (2015: £1.1m) measured at the rate enacted for the following year.

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Year ended 31 December 2016

19. Operating lease arrangements

Non-cancellable operating lease rentals are payable as follows:

	2016 £	2015 £
Within one year	596,584	597,749
Within two to five years	899,379	1,484,375
Total	<u>1,495,963</u>	<u>2,082,124</u>

20. 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 £274,121 (2015: £245,100) and outstanding contributions as at 31 December 2016 were £57,087 (2015: £28,906).

21. Related parties

British Olympic Foundation (BOF)

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

A number of employees of the BOA support BOF on a part time basis. All appointments to the board of Trustees of BOF must be approved by the BOA.

The BOA is entitled to charge the BOF a license fee to occupy its office premises of £14,000 per annum and service charges of £2,124 per annum. This entitlement was waived in 2016; during the year £Nil (2015: £16,124) was charged by the BOA to the BOF under this arrangement.

During 2016, a donation of £52,901 (2015: £53,033) was made to BOF in relation to staffing costs covering the employees of the BOA who provide a service to the BOF. The BOA also donated £16,124 in relation to waived licence fee and £200,000 non-restricted cash.

As at 31 December 2016 there was a balance due from the BOA to the BOF of £37,470 (2015: balance due from the BOF to the BOA of £21,185).

2016 Crest Holdings Limited

During the year, in collaboration with the British Paralympic Association, the BOA formed a new joint venture company, 2016 Crest Holdings Limited, a company limited by guarantee which has remained dormant since incorporation. The BOA's liability on winding up is limited to £10.

The British Olympic Association

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Notes to the accounts

Year ended 31 December 2016

21. Related parties (continued)

Other related parties

During 2015 Lord Coe was a director of the BOA and Chime Group Holdings Limited. CSM Sport and Entertainment LLP T/A iLuka is a subsidiary of Chime Group Holdings Limited and during 2015 the Company entered into an agreement with iLuka (after a tender process) to carry out a feasibility assessment in relation to the provision of a hospitality facility in Rio. Payments under this agreement were £Nil (2015: £32,000) and there were no amounts outstanding at 31 December 2016 (2015: £Nil).

David Ross is a director of the BOA and the David Ross Foundation. The Company and the David Ross Foundation have entered into a Charitable Gift Agreement and during the year £100,000 was paid to the BOA under this agreement (2015: £200,000). There were no amounts outstanding at 31 December 2016 (2015: £Nil).

David Ross is also the ultimate controlling party of Simon Jersey Limited. Simon Jersey Limited has been appointed as an official supplier to the BOA. During the year, under a value-in-kind arrangement, Simon Jersey Limited and the Company exchanged value-in-kind goods and services valued at £681,309 and cash goods and services valued at £16,720 (2015: £Nil), of which, £4,225 was outstanding at 31 December 2016 (2015: £Nil).

During the year Andrew Anson was a director of the BOA and Fanatics (International) Limited (previously Kitbag Limited). The BOA has appointed Kitbag Limited as licensee to operate its online store and related operations and during 2016 the BOA was entitled to £125,897 under this agreement (2015: £Nil), of which, £110,886 was outstanding at 31 December 2016 (2015: £Nil).

Ben Hawes is a director of the Company and Chair of the Athletes' Commission. The Company has entered into a consultancy agreement with Ben Hawes for the provision of services in relation to his role as Chair of the Athletes' Commission. During the year £20,000 was charged to the BOA under this agreement (2015: £20,000) and £3,333 was outstanding at the year end (2015: £3,333).

As at 31 December 2016, there was £167 outstanding to directors who had served during the year (2015: £556).

22. Subsequent events

There are no subsequent events to report.