

Company Registration No. 01576093

The British Olympic Association

(Limited by Guarantee)

Report and Financial Statements

31 December 2020



The British Olympic Association
Report and financial statements 2020

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Officers and professional advisers

Patron

Her Majesty The Queen

President

Her Royal Highness The Princess Royal (also an IOC Member)

Chair

Rt Hon Sir Hugh Robertson KCMG DL

Vice Chair

A Phelps CBE

Chief Executive Officer

A Anson

Olympic National Governing Bodies' & Athletes' Representatives

V Gosling OBE

B Hawes

D Joy

A Scoular

S Treseder OBE

G Usher

Independent Non-Executive Directors

Baroness Margaret Ford OBE

D Ross

J Slot

V Venkatesham

IOC Members

Lord Sebastian Coe CH, KBE (Appointed 17 July 2020)

Sir Craig Reedie GBE

Company Secretary

S Uddin MBE

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Officers and professional advisers (continued)

Main bankers

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

Auditor

BDO LLP
55 Baker Street
London W1U 7EU

Solicitors

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

Headquarters and registered office

101 New Cavendish Street
London W1W 6XH

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Strategic report

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. The BOA works with the National Governing Bodies of Olympic sports, who are its members, to support the ultimate success of each sport and their athletes at the Olympic Games.

The BOA's vision is *'To unite and inspire the nation through the power of Olympic sport'*.

The BOA's primary purpose is to:

- select, lead and manage Team GB at both Olympic and Olympic Winter Games and International Olympic Committee (IOC), European Olympic Committees (EOC) and other 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.

In carrying out these activities the BOA remains financially autonomous and independent.

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

Governance

The Board of Directors continues to apply the principles of good corporate governance. Whilst continuing to have structures which reflect good practice under the UK Corporate Governance Code, the Company has also aligned closely with the principles set out in 'A Code for Sports Governance', although it does not expect to be in receipt of any Sport England or UK Sport funding. As part of its ongoing compliance the BOA will continue to monitor the external landscape and proactively make changes where necessary.

Games review

Team GB competed in just one multi-sport event during 2020 (the Youth Olympic Winter Games in Lausanne, Switzerland) due to the Covid-19 pandemic, which forced the postponement of the Tokyo 2020 Olympic Games. The planned Vuokatti European Youth Olympic Winter Festival, due to have taken place in December 2020 was also postponed until March 2022.

Tokyo 2020 Olympic Games

On the 24th March 2020 the Tokyo 2020 Olympic Games were officially postponed in a joint statement from the IOC and the Tokyo 2020 Organising Committee (TOCOG).

The Covid-19 outbreak saw the Games postponed by a year until Friday the 23rd July 2021, closing on Sunday the 8th August 2021.

In announcing the new dates for the Games, the IOC also noted the Games would remain branded as 'Tokyo 2020' despite them moving to the summer of 2021.

The executive management, with the support of the Board, undertook a significant analysis of the impact of the Games postponement, whilst re-prioritising financial plans and projects across the organisation. There were two clear aims:

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Strategic report (continued)

- to minimise the impact of any sunk costs and transfer as much Games-related expenditure into 2021 as possible; and
- protect sponsorship revenue.

The BOA remained in regular contact with the Team Leaders of British Olympic sports, to ensure planning for the rescheduled Games remained a priority.

Qualification for the Games by athletes was significantly disrupted in 2020 and into 2021, with numerous events postponed as a result of the pandemic. However, the final team number for Tokyo 2020 was 375 athletes.

In Tokyo, the BOA's relations with local stakeholders remained strong, with regular communication in place with Team GB Preparation Camp partners and the Odaiba School and Minato Ku authorities in relation to the Team GB Performance Lodge. All of these venues were used for the rescheduled Games in 2021.

Since the postponement, no travel to Tokyo was possible prior to the Games.

The Directors are pleased to note that despite the ongoing presence of Covid-19, the Games took place at the rescheduled date.

Beijing 2022 Olympic Winter Games

Olympic medallist Georgie Harland was announced as Team GB's Chef de Mission for the Beijing 2022 Olympic Winter Games. She becomes the first ever female Chef de Mission for Great Britain and Northern Ireland at an Olympic Games.

She will take charge of the planning, preparation and execution of Team GB's participation in the XXIV Olympic Winter Games, taking place from 4th-20th February 2022. A former modern pentathlete, she won bronze for Team GB at the 2004 Athens Olympics in the women's individual event and, following her successful career as an athlete, has been a Sport Engagement Manager at the BOA for nearly ten years.

Since the appointment, the BOA has formally commenced Beijing 2022 programme planning, with an initial focus around the Team Leader journey, finalising sport selection policies and the Team GB footprint – across the three geographical 'zones' presented by Beijing.

During 2021 travel into China has not been possible and so the BOA is relying heavily on support from the British Embassy in Beijing.

Lausanne 2020 Youth Olympic Winter Games

Lausanne, the city that is home to the Olympic Movement, hosted the 2020 Youth Olympic Winter Games from 9th-22nd January 2020.

A 28-strong team represented Team GB, under the leadership of Chef de Mission Georgie Harland, with Great Britain competing in 11 of the 16 disciplines on the programme.

The team finished the Lausanne Games with seven medals in total, with Kirsty Muir's silver (women's ski big air) and Olivia Weedon's bronze (short track speed skating – mixed country relay) adding to Theo Collins' silver medal (speed skating – mixed country relay) and four ice hockey medals, courtesy of Amy Robery, Mack Stewart (both silver), Mirren Foy and Evan Nauth (both bronze).

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Strategic report (continued)

Business review

Business operations were severely impacted in 2020 as a result of the Covid-19 pandemic and domestic conditions in the United Kingdom, with several prolonged 'lockdowns' resulting in the closure of our offices and significant restrictions to travel and social contact.

Despite this, the BOA continued to operate at a significant capacity with much of its operation moving to a digital method of delivery, predominantly utilising video-based technology to communicate both internally and externally.

The BOA formally closed its offices in March 2020, in line with Government Covid-19 advice, reopening briefly with Covid mitigation measures in place when restrictions were lifted in late summer. Following a return to a stricter Tier system in late Autumn the offices were once again closed to staff. The easing of restrictions in 2021 has seen a gradual return to office working, with staff able to use the office when required.

As a result of the domestic lockdown and the lack of the major Games, the BOA took the decision to utilise the Government's Coronavirus Job Retention Scheme (CJRS).

A number of staff were placed on furlough, whilst the judicious use of the flexible furlough scheme continued throughout the remainder of the year as the BOA sought to protect a number of Games-specific roles. The BOA ended its use of the CJRS in December 2020.

The Chair agreed to a remuneration decrease during this period whilst the Senior Leadership Team waived a previously agreed deferred 2019 bonus payment, as well as agreeing to the cancellation of the 2020 bonus scheme for all staff.

Following a challenge to the BOA's Rule 40 position in November 2019 by a number of athletes, the BOA engaged in constructive dialogue with these athletes and the legal firm Brandsmiths and agreed to provide a greater level of commercial freedom to athletes whilst protecting the BOA's unique funding model.

In February 2020, the BOA announced it had reached an agreement with the athletes in relation to the interpretation of the IOC's Rule 40 in the United Kingdom.

The United Kingdom's withdrawal from the European Union has not had a significant effect on the BOA, most changes have been in administrative in nature, with limited impact either financially or operationally.

Business performance

The BOA's achievements in the period are measured against a number of performance indicators including revenue, cost control, operating profit, cash flow, levels of borrowing and maintenance of reserves, as well as monitoring total contracted and pipeline revenues.

The critical long-term objective of the Company is to generate revenue to fund operations across each quadrennium, year-on-year comparisons are not meaningful due to the cyclical nature of the organisation. Due to the postponement of the Tokyo Games until 2021, the Company's key priority was to ensure sufficient funding for the five-year period from 2017-2021 to deliver a safe and secure, but performance-led environment in Tokyo. Following a root-and-branch review of all of its operations, the BOA has been able to reduce the revenue target for the 2017-2021 period to £67.9m which on a like-for-like basis is 26% higher than the amount required for the previous quad. In relation to this, the key performance indicator is the level of secured income achieved against this target which was at 96% at the year-end 2020, versus 88% at the equivalent point in the previous four-year cycle (2015). At the time of writing, secured income achieved is 99% of target.

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Strategic report (continued)

The BOA reported a £2.9m profit for the year. This was heavily influenced by the postponement of the Tokyo 2020 Games, which deferred an estimated £2.2m net cost into 2021. The underlying profit of £0.7m is consistent with the level of profit achieved in 2016.

Following the postponement of the Games the BOA engaged with many of its commercial partners to discuss revised contractual arrangements. For those partners whose contracted terms ended in December 2020 this involved offering a year's extension to December 2021, taking in the rescheduled Games period. All but one commercial partner finalised their extension terms with the BOA until the end of 2021, with Starling Bank unfortunately terminating their agreement in May 2020, only months after having signed.

The organisation also received important assurances from the IOC in relation to its 'The Olympic Partners' (TOP) sponsorship programme, for both the Tokyo and Paris quad period. This allowed the management team to consolidate both their 2020-21 budgets and the overall 2021-24 quad forecast, whilst mitigating the future overall risk.

Towards the end of the year, the BOA signed an agreement with GoDaddy to become the official web hosting partner of Team GB through until December 2022.

Despite a significant impact on their operation due to global travel restrictions, British Airways reconfirmed their commitment to the BOA for the rescheduled Games and were again the official airline carrier of Team GB to and from the Tokyo 2020 Olympic Games.

The BOA and the British Red Cross also announced a partnership through to the end of 2020 – subsequently extended to 2021 – making the charity the first official charity partner of the BOA.

The Company continued to perform strongly from a commercial perspective, capitalising on the strength of the Team GB brand to build a strong portfolio of official partners and suppliers to support activations and marketing activity in preparation for Tokyo 2020. At the year end, the BOA was supported by the following partners and suppliers:

Worldwide Partners:

Airbnb	Alibaba Group	Allianz	ATOS
Bridgestone	Coca-Cola/Mengnui	Dow	GE
Intel	Omega	Panasonic	P&G
Samsung	Toyota	Visa	

Official Partners:

adidas	Aldi	British Airways	Deloitte
DFS	Dreams	GoDaddy	Haven
McVitie's	Ocean Outdoor	Persimmon	Purplebricks
University of Hull			

Official Suppliers:

Ben Sherman	DB Schenker	Simon Jersey	STH
Whole Earth			

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Strategic report (continued)

Financial summary

The BOA completed the year with turnover of £10.5m (2019: £13.3m), profit after taxation of £2.9m (2019: £2.2m) and cash balance of £6.7m (2019: £4.1m).

Going concern

As described in Note 3 to the accounts, in addition to the normal sensitivity analysis around commercial outcomes, the Board has considered events that have occurred both before and after the balance sheet date when determining whether there is a material uncertainty over the ability to continue as a going concern, including the effects of the Coronavirus outbreak.

The Directors have determined that the going concern basis remains appropriate.

Other matters

British Olympic Foundation

The British Olympic Foundation (BOF) is the charitable arm of the British Olympic Association, responsible for the development of the Olympic Movement, its ideals and values and encouraging participation and awareness of Olympic sport within the UK.

BOF aims to create learning opportunities for young people through sport as well as education to encourage personal development, fair play and personal excellence.

Get Set, the Team GB and ParalympicsGB youth engagement programme managed by BOF, continued its activities in 2020, with a total 31,955 active registrants from UK schools and youth groups engaging with the programme, reaching approximately 416,016 young people in the 2019-20 school year. Due to the pandemic, resources were made freely available to the general public more widely, to support and supplement home schooling activities.

In 2019 Sport England awarded Get Set £2.6 million of funding to support the Travel to Tokyo initiative, throughout England. To support this a successful application to the Spirit of 2012 Trust funded an additional £193,780 to enable the programme to be rolled out across the Home Nations. After the postponement of the Olympic Games, both Sport England and Spirit of 2012 have increased funding by £249,463 and £46,350 respectively to enable the initiative to continue until the end of 2021.

Other activities

A meeting of the NOC in October 2020 confirmed Sir Hugh Robertson as Chair of the BOA for a second and final term, which will conclude after the Paris 2024 Olympic Games.

The IOC held its first ever Session in a virtual format in July 2020. Among the key updates at the Session, the President of the IOC, Thomas Bach confirmed that he would stand for a second term, with the election to take place in the Spring of 2021 (it was subsequently confirmed that he would stand unopposed). The Session also elected five new Members with four Individual Members and one Member whose election is linked to a function within an International Federation, Lord Sebastian Coe, as President of World Athletics. As per the Olympic Charter, Lord Coe automatically became an ex-officio Director of the BOA. The Session also ratified the decision to postpone the 2022 Dakar Youth Olympic Games to 2026.

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Strategic report (continued)

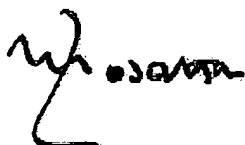
In October it was also announced that the winter edition of the 2021 European Youth Olympic Winter Festival (EYOFW) would be postponed from February to the new dates of the 11th-18th December 2021. Prior to the postponement, the BOA had announced Elaine Skilton as Chef de Mission for the Festival. Skilton, who is a Sport Engagement Manager at the BOA, will continue to lead the delegation for what will be 15th winter edition of the EYOF.

The BOA was recognised with the IOC and Dow Carbon Action Award (Dow is a TOP IOC sponsor) for its efforts to manage its carbon footprint. The recognition award is a joint IOC-Dow initiative aimed at boosting the Olympic Movement's efforts to help accelerate climate action. The award saw Dow offset the BOA's carbon emissions in 2020.

The BOA relaunched its TeamGB.com website for mobile, tablet and desktop devices. The site provides a better user experience with faster load times and a more responsive platform, greater depth of information, articles and data, and a richer video platform for users wishing to navigate the BOA's collection of archive footage and contemporary features.

Despite the challenges of operating in a Covid-19 environment the BOA was able to continue its operations successfully across all functions and is now planning for a successful Tokyo 2020 Olympic Games.

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



Rt Hon Sir Hugh Robertson KCMG DL
Chairman

Date 13 August 2021

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Directors' report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2020.

Results

The result for the year was a profit after taxation of £2,880,358 (2019: £2,162,143).

The financial results for the year are shown in the statement of income and retained earnings on page 23.

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.

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:

	2020	2019
	£	£
British Olympic Foundation	81,985	247,948

Financial risk management objectives and policies

The Company uses financial instruments including a bank overdraft facility, bank loan, 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.

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Directors' report (continued)

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 below:

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 application of the hedging policy is overseen by the Investment Committee and the Company has entered into foreign currency derivative financial instruments to execute this policy.

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.

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 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, an independent member deemed to have appropriate skills and expertise in this area and management to provide oversight over the investment portfolio.

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 funds 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 £68.0m of net revenue funding to meet the requirements for the five year period 2017-2021. The BOA manages the expenditure element of this cash flow risk through rigorous internal cost controls.

The Company manages the remaining risk by ensuring sufficient liquidity is available to meet foreseeable needs and by investing cash assets safely and profitably. Short-term flexibility is achieved through a bank overdraft facility. At the end of the financial year, the Company had access to facilities totalling £8.7m comprised of cash at bank and in hand of £6.7m and an overdraft of £2.0m. The overdraft facility has been renewed until December 2021. The Company has put in place contingency plans to deal with a shortfall in funding should the situation arise. These plans include agreement to increase the overdraft to £3.6m from July to December 2021, pro-active working capital management to deal with short-term pressure points, expenditure controls to limit expenditure in 2021, controlled realisation of investment assets and utilisation of cash reserves.

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Directors' report (continued)

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 £Nil on 31st December 2020 (2019: £Nil) in relation to bad and doubtful debts.

Strategic and operational risk management

The BOA maintains a risk register which captures strategic and operational risks for both business-as-usual and Games-related activities. All risks and mitigating actions are reviewed quarterly by the Senior Leadership Team. The Games-related risks are reviewed monthly by the Games Leadership Team and project area leads. 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 or reputation are escalated immediately to the Audit Committee. Management report quarterly to the Audit Committee commenting on any risks altered added or removed and provide the full risk register for review.

Disclosure of information to auditor

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

So far as the Director is aware, there is no relevant audit information of which the Company's auditor is not aware; and

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, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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Directors' report (continued)

Corporate governance

The Board of Directors 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 performance indicators, as referenced within the business review in the strategic report.

The Board has established four committees to deal with specific aspects of the Company's affairs and comply with specific obligations under the Olympic Charter.

The Athlete's Commission is made up of Olympians who have competed for Team GB at an Olympic Games within the last 12 years. Members are elected by British Athletes. The Commission Chair is elected by the members of the Commission, and is an *ex-officio* board member and company Director; the Chair is Ben Hawes. The Commission met six times during the year and twice since the year end. Members of the Commission:

Director:	B Hawes (Chair)
Athletes' representatives:	E Boateng, A Fuller, A Gemili, Dame Katherine Grainger, J Rodwell, J Rowsell Shand MBE, L Simmonds (Vice-Chair), C Skinner, L Tancock, K Thomas, G Twigg MBE, E Yarnold OBE (resigned December 2020), J Eley (appointed December 2020)

Following the postponement of the Tokyo 2020 Games, members of the Commission whose terms were due to expire at the end of December 2020 (including the Chair and Vice-Chair) were extended by one year to December 2021.

The Commission's primary purpose is 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; and
- represent agreed policy concerning athletes' interests within the Olympic Family and other forums, as approved by the Board.

The Audit Committee has the responsibility to support and add value in the areas of, amongst other things, governance, strategy, finance and risk mitigation. The composition of the Committee and details of the activities undertaken are set out in the Audit Committee report on pages 14-15.

The Remuneration Committee determines and agrees, in conjunction with the Board, the framework and policy for the remuneration of the Company's management and staff. The composition of the Committee and details of the activities undertaken are set out in the Directors' remuneration report on pages 16-17.

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Directors' report (continued)

The Investment Committee, comprising at least two independent non-executive Directors, is appointed by the Board and is chaired by David Ross. The Chief Executive Officer and Chief Financial Officer are management representatives of the Committee. It met once during the year and once since the year end. Members of the Committee:

Directors:	D Ross (Chair) A Phelps CBE
Independent member:	R Geffen
Management representatives	A Anson (CEO, appointed 27 February 2020) D Glassey (CFO, appointed 27 February 2020)

The primary role of the Committee is to provide oversight over the investment portfolio and the Company's foreign currency hedging arrangements. The Investment Committee meets regularly with the portfolio management company and reports to the Board on matters relating to the portfolio performance, including monitoring the BOA's responsible investment policy.

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

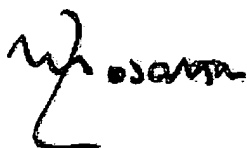
The Directors acknowledge that they are responsible for the Company's system of internal control and consider that the maintenance of effective internal controls is of fundamental importance to achieving the Company's objectives. The Company's system of internal control is designed to manage rather than 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 Board comprised of at least two independent non-executive Directors.

The Company has established an International Relations sub-group comprised of members of the Board and management. The International Relations sub-group meets at least bi-annually with the primary purpose of contributing to the development and governance of international sport, influencing reform, sharing best practice and building collaborative partnerships that benefit the UK and the global sporting system, acting in collaboration with its domestic and international stakeholders.

The Company continues to operate with a Senior Leadership Team, which has responsibility for recommending strategies to be approved by the Board and overseeing their implementation, it has established cross-functional working groups which are responsible for the operational execution of the agreed strategies.

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



Rt Hon Sir Hugh Robertson KCMG DL
Chair

Date 13 August 2021

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Audit Committee report

The Audit Committee, comprising at least three non-executive Directors, is appointed by the Board and is chaired by David Ross. It met three times during the year and has met twice since the year end. Membership is set out below:

Directors: D Ross (Chair)
 S Treseder OBE
 A Scoular

Independent member: D Cox

The Committee regularly invites the external audit lead partner, the Chief Executive Officer, the Chief Financial Officer and other non-members to attend its meetings. The Audit Committee meets privately with the external auditor at least once a year and liaises with Company management in considering areas for review.

The Committee's primary purpose is to assist the Board with the discharge of its responsibilities in relation to external audit and controls. This includes monitoring and reviewing the integrity of the financial statements of the Company in advance of its consideration by the Board, reviewing the adequacy of the Company's internal controls and risk management systems, and making recommendations to the Board in relation to the external auditor.

The Committee regularly reviews whether the members have the right blend of skills and experience within the Committee or at its disposal to carry out its role.

The key matters considered by the Committee are summarised below:

Financial and narrative reporting

- Reviewed the Annual Report and Financial Statements and considered whether, taken as a whole, 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 the period and provide the information necessary for members to assess the company's performance, business model and strategy.
- Made a formal annual report to the NOC as members of the Company.
- Reviewed BDO's Management and Governance Report.
- Reviewed the suitability of the Company's accounting policies and practices including the judgements associated with the application of the Company's income recognition policy.
- Reviewed the Company's going concern assessment and statement, including the impacts of Covid-19.

Internal controls and Risk management Systems

- Quarterly reviews of the Company's risk register.
- Reviewed the system of financial controls and considered the view of the external auditor in relation to the effectiveness of such controls.
- Received updates on the Company's General Data Protection Regulations compliance
- Reviewed the Company's compliance with the rules of the Coronavirus Job Retention Scheme.

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Audit Committee report (continued)

Compliance, whistleblowing and fraud

- Reviewed the adequacy and security of the company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters.
- Reviewed the Company's procedures for detecting fraud.
- Reviewed the Company's systems and controls for the prevention of bribery.

No incidents were reported during 2020.

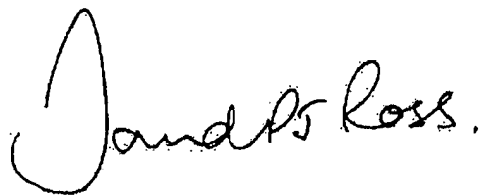
External Audit

- Reviewed the external auditor report on the Annual Report and Financial Statements.
- Considered the effectiveness of the external audit process.
- Discussed the non-audit work, relating to Corporation Tax compliance and Going Concern Assessment, carried out by the external auditor and its impact on safeguarding audit independence.

Other matters

- Recommended to the Board the extension of BDO LLP as external auditor through until 2021.
- Considered the audit planning report, including the scope, materiality and fees for the 2020 audit.

On behalf of the Audit Committee

A handwritten signature in black ink that reads "David Ross." The signature is written in a cursive, flowing style.

David Ross
Chair of the Audit Committee

Date 13 August 2021

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Directors' remuneration report

The Remuneration Committee, comprising at least two non-executive Directors, is appointed by the Board and is chaired by Vinai Venkatesham. It met three times during the year and has met once since the year end. Membership is set out below:

Directors: V Venkatesham (Chair)
G Usher

Independent Member H Beck

The Committee regularly invites the Chief Executive Officer, the Chief Financial Officer and the Head of Human Resources to attend its meetings.

The Committee's primary purpose is to determine and agree with the Board the framework and policy for the remuneration of the Company's management and staff, including an ongoing review of the appropriateness of the remuneration policy, approval of any bonus schemes, and total payments made pursuant to such schemes. It has specific responsibility to advise on the remuneration for the Company's Chair, Vice-Chair, the Chief Executive Officer and any other executive Directors, any members of the Company's Athletes' Commission, the Secretary of the Company, and other designated senior executives.

The remuneration of independent non-executive Directors for serving as members of the Board is a matter for the Board.

No Director or manager is involved in any decisions relating to their own remuneration.

The key matters considered by the Committee are summarised below:

Covid-19

Following the onset of the Covid-19 global pandemic and the subsequent impact on the Company's financial position, the Committee agreed with the Board and management that the priority should be to protect jobs and base salaries wherever possible. In order to achieve this the following steps were taken:

- the Senior Leadership Team agreed to waive their rights to the deferred additional bonus for 2019 (see below);
- the CEO and Chair requested that their remuneration be reduced for 2020;
- the Company utilised the Government's Coronavirus Job Retention Scheme (CJRS); and
- all bonus schemes were suspended for 2020 (see below).

As a result of these actions, the Company was able to maintain both jobs and base salaries. Consequently, it has been agreed that the remuneration for the CEO and Chair would be restored to their normal level and bonus schemes would be reinstated for 2021. It should be noted that the BOA does not currently intend to make use of the CJRS in 2021.

Base salary

Base salaries are reviewed annually. In considering the cost of living increase, the Remuneration Committee takes into account affordability, price inflation and wage inflation.

In November 2020, the Board approved the Committee's recommendation for a cost of living increase of 1.0% of salary for all eligible staff with effect from 1st January 2021 (2020: 1.7%) plus an additional allowance of 0.4% to allow management discretion to award additional salary increases during 2021 (2020: 1.7%).

The British Olympic Association

Report and financial statements 2020

Directors' remuneration report (continued)

Bonus plans

All employees are entitled to participate in one of three bonus schemes operated by the Company, which cover each of the Senior Leadership Team, the Commercial Team and all other staff. The three schemes only become payable if the Company meets its budget targets. Amounts awarded are based on each individuals' performance against key performance indicators (KPIs).

2019 Bonus:

In February 2020, the Committee considered bonus proposals in relation to the 2019 overall business performance as well as individual performances, including both financial and operational measures.

Although the Senior Leadership Team qualified for additional bonus in respect of above budget financial performance, in light of the impacts of the Covid-19 pandemic, it was agreed that any right to this additional bonus would be waived. Consequently, no provision for the additional bonus was made in the 2019 financial statements.

2020 Bonus:

The parameters for the 2020 bonus plans were agreed with the Board in November 2019 and confirmed in February 2020. However, due to the uncertainty caused by Covid-19, it was agreed that all bonus schemes would be suspended for 2020.

2021 Bonus:

The parameters for the 2021 bonus plans were agreed with the Board in November 2020 and confirmed in April 2021.

Gender pay gap

Whilst the Company is not required to report formally on the gender pay gap, the Committee consider it good practice to keep this area under regular review. The absolute gender pay gap at December 2020 was 40.8% (2019: 40.5%). Equality and Diversity has been identified as one of the eight priority areas of focus in the BOA's strategic review, which continues to be developed in conjunction with the Board.

On behalf of the Remuneration Committee



Vinai Venkatesham
Chair of the Remuneration Committee

Date 13 August 2021

The British Olympic Association

Report and financial statements 2020

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' 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.

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 the financial statements may differ from legislation in other jurisdictions.

The British Olympic Association

Report and financial statements 2020

Independent Auditor's Report to the Members of The British Olympic Association

Opinion on the 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 2020 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.

We have audited the financial statements of The British Olympic Association ("the Company") for the year ended 31 December 2020 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

The British Olympic Association

Report and financial statements 2020

Independent Auditor's Report to the Members of The British Olympic Association (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Report and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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.

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 in relation to which 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.

The British Olympic Association

Report and financial statements 2020

Independent Auditor's Report to the Members of The British Olympic Association (continued)

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Directors and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Directors.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

The British Olympic Association

Report and financial statements 2020

Independent Auditor's Report to the Members of The British Olympic Association (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

Paul Clark

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Paul Clark (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

London

Date 14 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The British Olympic Association

Report and financial statements 2020

Statement of Income and Retained Earnings For the year ended 31 December 2020

	Notes	2020 £	2019 £
Turnover	3,5	10,542,645	13,325,117
Cost of sales		(1,712,824)	(3,702,827)
Gross profit		8,829,821	9,622,290
Other operating income	6	347,179	-
Administrative expenses		(6,812,273)	(7,962,521)
Fair-value movement in fixed asset investments	13	770,190	484,246
Loss on disposal of fixed asset investments	13	(195,379)	(4,403)
Dividend income from equity instruments		60,787	103,298
Foreign exchange gain / (loss)		30,818	(4,140)
Profit before interest		3,031,143	2,238,770
Interest receivable and similar income	3	3,910	11,167
Interest payable and similar charges	8	(35,963)	(30,824)
Profit before taxation	9	2,999,090	2,219,113
Taxation	11	(118,732)	(56,970)
Profit after taxation		2,880,358	2,162,143
Retained Earnings – Beginning of Year		6,543,382	4,381,239
Retained Earnings – End of Year		9,423,740	6,543,382

All activities derive from continuing operations.

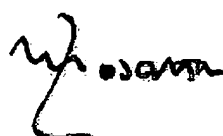
The British Olympic Association

Report and financial statements 2020

Statement of Financial Position As at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Property, plant & equipment	12	1,242,083	1,299,902
Investments: Financial assets measured at fair value through profit or loss	13	5,211,622	4,626,213
Other financial assets	14	859,533	-
Total fixed assets		7,313,238	5,926,115
Current assets			
Debtors	15	3,065,532	4,402,330
Other financial assets	14	181,680	234,522
Cash at bank and in hand		6,742,652	4,118,373
Total current assets		9,989,864	8,755,225
Creditors: amounts falling due within one year	16	(6,389,690)	(6,845,324)
Net current assets		3,600,174	1,909,901
Total assets less current liabilities		10,913,412	7,836,016
Creditors: amounts falling due after more than one year	16	(1,139,358)	(965,337)
Provisions for liabilities	18	(350,314)	(327,297)
Net Assets		9,423,740	6,543,382
Reserves		9,423,740	6,543,382

The financial statements of the British Olympic Association (registered number 01576093) were approved and authorised for issue by the Board of Directors on 13 August 2021 and signed on their behalf by Rt Hon Sir Hugh Robertson KCMG.



Rt Hon Sir Hugh Robertson KCMG DL
Chair

The British Olympic Association

Report and financial statements 2020

Statement of Cash Flows Year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit before interest	3,031,143	2,238,770
Adjusted for movements in:		
Foreign exchange (gain) on cash	(23,256)	(6,185)
Depreciation charges	234,662	151,416
Loss on disposal of Fixed Assets	-	14,566
Fair-value movement in fixed asset investments	(770,190)	(484,246)
Loss on disposal of fixed asset investments	195,379	4,403
Dividend income from equity instruments	(60,787)	(103,298)
Interest paid	(35,963)	(32,925)
Changes in working capital:		
Decrease in trade and other receivables	530,107	884,107
Increase in trade and other payables	286,245	111,393
Tax Paid	(3,565)	-
Net cash flow from operating activities	3,383,775	2,778,001
Cash flows from investing activities		
Purchases of property, plant & equipment	(176,843)	(1,280,166)
Purchases of financial assets	(1,340,770)	(567,830)
Proceeds from sale of financial assets	1,330,172	544,603
Interest received	3,910	11,295
Dividends received	60,787	103,298
Net cash flow from investing activities	(122,744)	(1,188,800)
Cash flows from financing activities		
Drawdown of Loan Facility	-	2,000,000
Loan Repayments	(660,008)	(375,980)
Net cash flow from financing activities	(660,008)	1,624,020
Net increase in cash, cash equivalents and bank overdrafts	2,601,023	3,213,221
Cash, cash equivalents and bank overdrafts - Beginning of Year	4,118,373	898,967
Foreign exchange gain on cash	23,256	6,185
Cash, cash equivalents and bank overdrafts - End of Year	6,742,652	4,118,373

The British Olympic Association

Report and financial statements 2020

Notes to the accounts

Year ended 31 December 2020

1. General information

The Company is a United Kingdom company (registered number 01576093) 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 101 New Cavendish Street, London, W1W 6XH.

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 and rounded to the nearest £.

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 factors likely to affect its future development, performance and position are set out in the Strategic Report on page 3. At the year end, the BOA had a £2m bank overdraft facility available to support its day-to-day working capital requirements. This facility was renewed until December 2021, with an increase in the overdraft to £3.6m from July 2021. As disclosed in notes 13 and 16, the facility is secured on the BOA's investment portfolio.

The Directors have considered events that have occurred both before and after the balance sheet date when determining whether there is a material uncertainty over the ability to continue as a going concern, including the effects of the Coronavirus outbreak.

The Company's projections, after allowing for reasonable changes in performance, show that it is expected to operate within the level of resources available.

Accordingly, the Directors have adopted the going concern basis in the preparation of these financial statements.

The British Olympic Association

Report and financial statements 2020

Notes to the accounts

Year ended 31 December 2020

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. Where the cash is conditional upon the delivery of an event, income is recognised at the date of delivery of that event.

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	- 5 years
Equipment	- 3 years
Website	- 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 date of the statement of financial position. Exchange profits and losses arising during the year are dealt with through the income statement.

The British Olympic Association

Report and financial statements 2020

Notes to the accounts

Year ended 31 December 2020

3. Principal accounting policies (continued)

Pension fund costs

Employees of the BOA are able to participate in a group personal pension arrangement. The pension costs represent the contributions payable to the pension 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 statement of financial position 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

Report and financial statements 2020

Notes to the accounts

Year ended 31 December 2020

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 income or expenditure and as an adjustment to the carrying amount, or as an asset or liability for a firm commitment. 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, the BOA has made the judgement that sponsors will fulfil their obligations in terms of both cash and VIK 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. Where revenue is contingent on an uncertain specific event, it is recognised once the event has occurred.

The Company's going concern status has been considered by the Directors and is detailed within the strategic report and principal accounting policies.

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.

The British Olympic Association

Report and financial statements 2020

Notes to the accounts

Year ended 31 December 2020

5. Revenue

Revenue recognised in the statement of income and retained earnings is analysed as follows:

	2020 £	2019 £
Sponsorship income	8,451,666	10,400,894
Royalty income	146,372	392,587
Olympic solidarity & EOC grant income (note 10)	635,444	319,465
Other income	1,309,163	2,212,171
	<u>10,542,645</u>	<u>13,325,117</u>

6. Other operating income

Government grants are accounted for under the accruals model as permitted by FRS 102. This includes the Coronavirus Job Retention Scheme ('Furlough'). The company has not directly benefited from any other forms of government assistance.

Other operating income recognised in the statement of income and retained earnings is analysed as follows:

	2020 £	2019 £
Coronavirus Job Retention Scheme	347,179	-
	<u>347,179</u>	<u>-</u>

7. Employees and Directors

	2020 No.	2019 No.
The average number employed by the BOA was:	<u>58</u>	<u>54</u>
The costs incurred in respect of these employees (including directors) were:		
	£	£
Wages and salaries	3,530,166	3,704,599
Social security costs	418,988	435,024
Pension costs	474,124	433,868
Other staff costs	93,085	92,009
	<u>4,516,363</u>	<u>4,665,500</u>

Directors' emoluments during the year amounted to £349,044 (2019: £258,521). Directors' pension contributions were £Nil (2019: £4,026). The highest paid Director received £307,044 by way of remuneration during the year (2019: £117,156) and pension contributions of £Nil (2019: £4,026).

The aggregate emoluments of key management staff amounted to £307,044 (2019: £206,521).

The British Olympic Association

Report and financial statements 2020

Notes to the accounts

Year ended 31 December 2020

8. Interest payable and similar charges

	2020 £	2019 £
Interest payable on overdrafts and loans	35,963	30,824

9. Profit before taxation

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

	2020 £	2019 £
Foreign exchange (gain) / loss	(30,818)	4,140
Depreciation on owned assets	234,662	151,417
Operating leases	552,652	1,015,269

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	26,000	23,000
Total audit fees	26,000	20,000
Fees payable to the Company's auditor for tax and other professional services	6,500	3,750
Total non-audit fees	6,500	3,750

10. Olympic Solidarity & EOC grants

The aim of Olympic Solidarity and the EOC grants is to organise financial assistance to all the National Olympic Committees, through multi-faceted programmes to help develop Olympic sport and the Olympic Movement worldwide. The funds which are distributed by Olympic Solidarity are those funds raised from broadcasting rights at the Olympic Summer Games 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 and the EOC:

	2020 £	2019 £
Scholarship grants for athletes	187,027	126,821
Team Support Grants	87,901	63,245
NOC administration and development	140,482	127,098
IOC Boxing Qualification Event Grant	211,500	-
Olympic Games subsidies	8,534	2,301
	635,444	319,465

The British Olympic Association

Report and financial statements 2020

Notes to the accounts

Year ended 31 December 2020

11. Taxation

	2020 £	2019 £
(i) <i>Current tax:</i>		
UK corporation tax at 19.00% (2019: 19.00%)	95,715	4,703
Total current tax charge	95,715	4,703
(ii) <i>Deferred tax (Note 18):</i>		
Current year relating to the origination and reversal of timing differences	23,017	52,267
Total deferred tax charge	23,017	52,267
Total tax charge	118,732	56,970
(iii) <i>Factors affecting tax charge for the current year</i>		
The tax assessed for the year is different than that resulting from applying the standard rate of corporation tax in the year of 19.00% (2019: 19.00%).		
The differences are explained below:		
	2020 £	2019 £
Profit on ordinary activities before tax	2,999,090	2,219,113
Tax at 19.00% (2019: 19.00%) thereon:	569,827	421,631
Effects of:		
Expenses not deductible for tax purposes	191,455	183,432
Non-taxable UK dividend income	(11,550)	(19,627)
Chargeable gains	74,714	35,643
Tax losses (utilised) / added	(465,288)	(418,215)
Non-taxable income	(130,821)	(129,261)
Short term timing differences	(22,270)	22,270
Profit on sale of investments and similar income	(86,197)	(38,903)
Adjustment to tax charge in respect of prior period	(1,138)	
Tax expense	118,732	56,970

The British Olympic Association

Report and financial statements 2020

Notes to the accounts

Year ended 31 December 2020

12. Property, plant & equipment

Cost:	Leasehold Improvements £	Office Furniture £	Website £	Equipment £	Total £
At 1 January 2020	1,112,571	238,656	304,569	549,523	2,205,319
Additions	1,987	3,160	131,283	40,413	176,843
Disposals	-	-	(304,569)	(37,189)	(341,758)
At 31 December 2020	<u>1,114,558</u>	<u>241,816</u>	<u>131,283</u>	<u>552,747</u>	<u>2,040,404</u>
Depreciation:					
At 1 January 2020	64,900	120,857	304,569	415,091	905,417
Charge for the year	111,423	27,210	21,880	74,149	234,662
Disposals	-	-	(304,569)	(37,189)	(341,758)
At 31 December 2020	<u>176,323</u>	<u>148,067</u>	<u>21,880</u>	<u>452,051</u>	<u>798,321</u>
Net book value:					
At 31 December 2019	<u>1,047,671</u>	<u>117,798</u>	<u>-</u>	<u>134,433</u>	<u>1,299,902</u>
At 31 December 2020	<u>938,235</u>	<u>93,749</u>	<u>109,403</u>	<u>100,696</u>	<u>1,242,083</u>

13. Fixed asset investments

	Listed Investments £	Subsidiary undertaking £	Total Investments £
Cost / Valuation:			
At 1 January 2020	4,626,211	2	4,626,213
Disposals	(1,330,172)	-	(1,330,172)
Additions	1,340,770	-	1,340,770
Fair value gain	770,190	-	770,190
Loss on disposal	(195,379)	-	(195,379)
At 31 December 2020	<u>5,211,620</u>	<u>2</u>	<u>5,211,622</u>

The BOA's credit facilities are secured on the listed investments portfolio. The portfolio is held 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 101 New Cavendish Street, London, W1W 6XH

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14. 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 / JPY 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) 2020 £	Fair value Asset / (Liability) 2019 £
Money Corp	31/12/2021	\$500,000	41,733	-
Argentex	31/12/2021	\$2,500,000	139,947	-
Lloyds Banking Group	25/02/2020	¥24,000,000	-	(5,717)
Lloyds Banking Group	25/02/2020	¥24,850,000	-	(2,102)
Lloyds Banking Group	27/04/2020	¥16,000,000	-	(3,943)
Lloyds Banking Group	27/04/2020	¥16,900,000	-	(1,535)
Lloyds Banking Group	27/07/2020	¥16,000,000	-	(4,201)
Lloyds Banking Group	27/07/2020	¥16,900,000	-	(1,693)
Lloyds Banking Group	25/09/2020	¥22,000,000	-	(6,042)
Lloyds Banking Group	25/09/2020	¥23,100,000	-	(2,614)
Money Corp	31/12/2020	\$1,450,000	-	(13,453)
Lloyds Banking Group	31/12/2020	\$1,450,000	-	(77,114)
Alpha FX	31/12/2020	\$1,450,000	-	(63,360)
Lloyds Banking Group	31/12/2020	\$1,450,000	-	(52,748)
Current Financial Asset/(Liability)			181,680	(234,522)
Money Corp	30/12/2022	\$2,500,000	199,770	-
Argentex	31/12/2022	\$2,500,000	136,837	-
Lloyds Banking Group	29/12/2023	\$3,000,000	222,198	-
Money Corp	29/12/2023	\$2,000,000	132,746	-
Alpha FX	29/12/2023	\$800,000	1,564	-
Lloyds Banking Group	31/12/2024	\$2,000,000	162,888	-
Alpha FX	31/12/2024	\$4,500,000	3,530	-
Non-Current Financial Asset			859,533	-

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14. Derivative financial instruments at fair value through profit or loss (continued)

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

Counterparty	Value Date	Nominal Value	Fair value Asset / (Liability) 2020 £	Fair value Asset / (Liability) 2019 £
International Olympic Committee	31/12/2021	£2,922,750	(175,232)	-
Current Financial (Liability)			<u>(175,232)</u>	<u>-</u>
Keiku Ex Inn	25/02/2020	¥24,000,000	-	5,717
Keiku Ex Inn	25/02/2020	¥24,850,000	-	2,102
Intercontinental Yokohama	27/04/2020	¥16,000,000	-	3,943
Intercontinental Yokohama	27/04/2020	¥16,900,000	-	1,535
Intercontinental Yokohama	27/07/2020	¥16,000,000	-	4,201
Intercontinental Yokohama	27/07/2020	¥16,900,000	-	1,693
Intercontinental Yokohama	25/09/2020	¥16,000,000	-	4,394
Intercontinental Yokohama	25/09/2020	¥16,900,000	-	1,912
Keiku Ex Inn	25/09/2020	¥6,000,000	-	1,648
Keiku Ex Inn	25/09/2020	¥6,200,000	-	702
International Olympic Committee	31/12/2020	\$1,450,000	-	13,453
International Olympic Committee	31/12/2020	\$4,350,000	-	193,223
Current Financial Asset			<u>-</u>	<u>234,522</u>
International Olympic Committee	31/12/2022	\$4,871,250	(329,560)	-
International Olympic Committee	31/12/2023	\$5,800,000	(356,508)	-
International Olympic Committee	31/12/2024	\$6,500,000	(166,418)	-
Non-Current Financial (Liability)			<u>(852,486)</u>	<u>-</u>

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15. Debtors: amounts falling due within one year

	2020 £	2019 £
Trade receivables	631,251	1,725,782
Allowance for estimated irrecoverable amounts of trade receivables	-	-
Net trade receivables	631,251	1,725,782
Other debtors	219	142,262
Prepayments and accrued income	2,434,062	2,534,286
	<u>3,065,532</u>	<u>4,402,330</u>

16. Creditors

	2020 £	2019 £
Amounts falling due within one year		
Trade payables	129,035	295,905
Other taxation and social security	597,420	710,511
Other creditors	58,658	369,076
Current cumulative hedging gain (note 14)	175,232	-
Current derivative financial liability (note 14)	-	234,522
Current loan financial liability	677,140	658,683
Accruals and deferred income	4,752,205	4,576,599
Amounts falling due within one year	<u>6,389,690</u>	<u>6,845,296</u>
Amounts falling due after more than one year		
Non-current cumulative hedging gain (note 14)	852,486	-
Non-current loan financial liability	286,872	965,337
Amounts falling due after more than one year	<u>1,139,358</u>	<u>965,337</u>

The loan is repayable in equal instalments until maturity in May 2022. Interest is chargeable at 2.0% above base rate.

In addition to the loan, the BOA had a £2m overdraft facility (2019: £2m) with its bankers at the date of the statement of financial position. No value had been drawn against the facility at the year end (2019: £Nil).

The loan and overdraft are secured on the listed investments portfolio (note 13).

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17. Financial Instruments

	2020 £	2019 £
Financial assets:		
Financial assets measured at amortised cost	7,396,191	2,325,782
Financial assets measured at fair value through profit or loss account	5,211,622	4,626,213
Other financial assets	1,027,718	-
Cumulative hedging loss	-	234,522
	<u>13,635,531</u>	<u>7,186,517</u>
Financial liabilities:		
Financial liabilities measured at amortised cost	3,135,041	1,919,925
Cumulative hedging gain	1,041,213	-
Other financial liabilities	-	234,522
	<u>4,176,254</u>	<u>2,154,447</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 2019	275,030	275,030
Charged to the income statement	<u>52,267</u>	<u>52,267</u>
At 31 December 2019	327,297	327,297
Charged to the income statement	<u>23,017</u>	<u>23,017</u>
At 31 December 2020	<u>350,314</u>	<u>350,314</u>

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18. Deferred tax (continued)

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 was not previously recognised in respect of timing differences relating to losses as there was insufficient evidence that the asset would be recovered. The brought forward miscellaneous losses have now been fully utilised. The amount not recognised for 2019 was £2.5m, resulting in a deferred tax asset not recognised of £0.5m.

19. Operating lease arrangements

Non-cancellable operating lease rentals are payable as follows:

	2020 £	2019 £
Within one year	681,298	179,612
Within two to five years	2,709,701	2,740,626
Over five years	1,881,901	2,729,784
Total	<u>5,272,900</u>	<u>5,650,422</u>

20. Pension costs

The BOA contributes 10% of pensionable salary in respect of eligible employees to a group personal pension arrangement. From April 2018 the BOA introduced a pension salary exchange scheme which was taken up by all eligible staff. The BOA's contributions in the year were £474,124 (2019: £433,868) and outstanding contributions as at 31 December 2020 were £Nil (2019: £35,490).

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.

The BOA was entitled to charge the BOF a license fee and service charges to occupy its previous offices at 60 Charlotte Street (2019: £8,062 for six months which was waived).

During 2020, a donation of £81,985 (2019: £59,886) was made to BOF in relation to staffing costs covering the employees of the BOA who provide a service to the BOF. The BOA did not make a donation to BOF in relation to license fee and services as it is no longer entitled to make this charge (2019: £8,062) and BOA did not make a non-restricted cash donation in the year (2019: £180,000).

As at 31 December 2020 there was £Nil outstanding balances between the BOA and BOF (2019: £9,866).

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21. Related parties (continued)

2016 Crest Holding Limited

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

Other related parties

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 £25,000 was charged to the BOA under this agreement (2019: £25,000) and £4,167 was outstanding at the year end (2019: £4,167).

During 2019 the BOA became a founding member of GB Sport Media Limited (GBSM) with the BPA and ten National Governing Bodies. As of the year end there was £Nil outstanding balances between the BOA and GBSM (2019: £36,000).

As at 31 December 2020, there was £23 in respect of expenses outstanding to Directors who had served during the year (2019: £Nil) and there was £Nil outstanding from Directors to the BOA (2019: £Nil).

22. Subsequent Events

There are no subsequent events to report.