

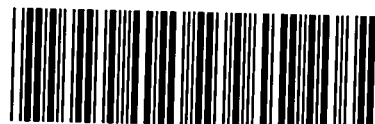
# UKAD

Protecting Sport

## United Kingdom Anti-Doping Ltd Annual Report and Accounts 2018/19



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# **United Kingdom Anti-Doping Limited**

## **Annual Report and Accounts**

### **2018/19**

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

Ordered by the House of Commons to be printed on 15 October 2019.



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## The Team

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### Board

Trevor Pearce CBE QPM ..... Chair  
 Dr Frances Akor ..... Member  
 Pippa Britton .....(reappointed 23 March 2019) Senior Independent Director and Vice-Chair  
 Nicholas Griffin QC ..... Member  
 Professor Nicola Phillips OBE ..... Member  
 Dr Claire-Marie Roberts ..... Member  
 Sarah Winckless MBE .....(reappointed 23 March 2019) Member

### Executive

Nicole Sapstead ..... Chief Executive  
 Philip Bunt ..... Chief Operating Officer  
 Matthew Johnson ..... Director of Legal and Regulatory Affairs  
 Pat Myhill ..... Director of Operations  
 Emily Robinson ... (maternity leave from 4 December 2018) Director of Strategy and Education  
 Resham Kotecha (maternity cover from 18 December 2018) Director of Strategy and Education  
 Gareth Wellings .....(appointed 1 July 2018) Director of Finance

# Performance Report – Overview

## Foreword by the Chair, Trevor Pearce CBE QPM and Chief Executive, Nicole Sapstead

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This time last year, our foreword began by reflecting on what a busy year it had been for anti-doping. It's fair to say that the past 12 months have been no different. In fact, arguably more so.

UK Anti-Doping (UKAD) now looks very different to the organisation on which we reported in 2018. Following the publication of the Tailored Review report in January 2018, and the launch of our new four-year Strategic Plan (2018-2022) at the start of the last financial year, our staff headcount has grown by around one third to enable us to deliver against the recommendations set out in the report. It is pleasing to note that good progress against the recommendations is being made.

New projects are now underway, such as the implementation of our International Strategy, preparing our Tokyo 2020 education programmes and increasing our public-interest testing by 50%. The impact on the organisation of increasing a testing programme by 50% cannot be understated. Additional Doping Control Personnel (DCP) have had to be recruited and trained to deal with the additional tests, the results team has had a 50% increase in doping control generated paperwork, the legal team has encountered a rise in results management issues and the significant increase in flow of samples to the laboratory has had to be carefully managed. We have also started preliminary work on scoping the broader sports integrity environment in the United Kingdom to identify opportunities for shared intelligence working and values-based education programmes.

We have been focussing on work necessary to support the Department for Digital, Culture, Media and Sport (DCMS) as it prepares to consult on the forthcoming changes to the National Anti-Doping Policy (NADP). At the same time, we have consulted widely on the proposed revisions to the World Anti-Doping Code (Code) and sought to fully represent the views of our stakeholders as well as our own when submitting these to the World Anti-Doping Agency (WADA). The proposed revisions seek to clarify some 'grey' areas in the current Code as well as strengthen the consequences for those that seek to purposely cheat. For the first time, an International Standard for Education will take effect in 2021 that mandates education by all signatories.

As for our major outreach events, we were delighted with the success of our second Clean Sport Week in May 2018, which saw more than 70 National Governing Bodies (NGBs), sporting bodies and stakeholders engage with the week, resulting in 75 pieces of national and regional media coverage and a social media reach of more than 40 million. A huge 'thank you' to all who supported the week.

WADA's reinstatement to compliance of the Russian Anti-Doping Agency (RUSADA) has resulted in numerous column inches across worldwide media outlets over the past few months. Whilst many have had – and continue to have – their say on proceedings, what has emanated

most clearly is the authoritative sound of the athlete voice. Athletes, more than ever before; are standing up for, and fighting for, clean sport; and this should be celebrated and encouraged.

This is also a poignant time to repeat a sentence from last year's Annual Report: "It is vitally important we work together to change public perception and reinstate confidence in clean sport."

We hope you find this year's Annual Report insightful and representative of the work of UKAD, both at home and abroad, as we continue the fight for clean sport for our athletes.

A handwritten signature in black ink, reading 'Trevor Pearce'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Trevor Pearce CBE QPM  
Chair, UKAD

A handwritten signature in black ink, reading 'Nicole Sapstead'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Nicole Sapstead  
Chief Executive, UKAD

## Tailored Review

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The Tailored Review was conducted by DCMS to ensure that UKAD is fit for purpose, well-governed and accountable. The review, commissioned by the Minister for Sport and Civil Society, took place in 2017 and reported early in 2018. It looked at the purpose, form and operations of UKAD along with preparations for the future.

Good headway has been made in establishing the infrastructure and processes required to monitor and implement the Tailored Review recommendations. Recording of progress made against all recommendations is recorded and reported to each Board meeting.

Monthly meetings take place with DCMS to provide updates on progress towards achievement of each recommendation and allow for monitoring against agreed deadlines.

The organisation's Operational Plan for 2019/20 will form the basis for reporting progress against the Tailored Review recommendations. Staff will report progress on a quarterly basis and progress reports will be submitted to Board for its oversight.

As of 31 March 2019, of the 33 recommendations where UKAD has the lead, 10 recommendations had been confirmed by the Minister as complete, with five more awaiting sign off.

## Testing

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UKAD's Testing team has faced another busy year. Having conducted more testing than ever before in 2017/18, the increased budget announced by DCMS in January 2018 enabled an increase of public-interest testing by a further 50% in 2018/19.

This additional testing resource ensured UKAD could deliver more comprehensive testing programmes in the highest risk areas, while also providing greater coverage across a wide range of sports. In order to successfully deliver its largest ever testing programme, not only did UKAD's internal Testing team increase in number, but there was also growth in the DCP scheme, with 25 new Chaperones and four new Blood Collection Officers (BCOs) recruited. In addition, 20 existing Chaperones were upskilled to become Doping Control Officers (DCOs). This enabled them to conduct sample processing, (including dividing the sample into A&B bottles and completing the Doping Control Form), in addition to their responsibilities for notification, chaperoning and witnessing of sample provision.

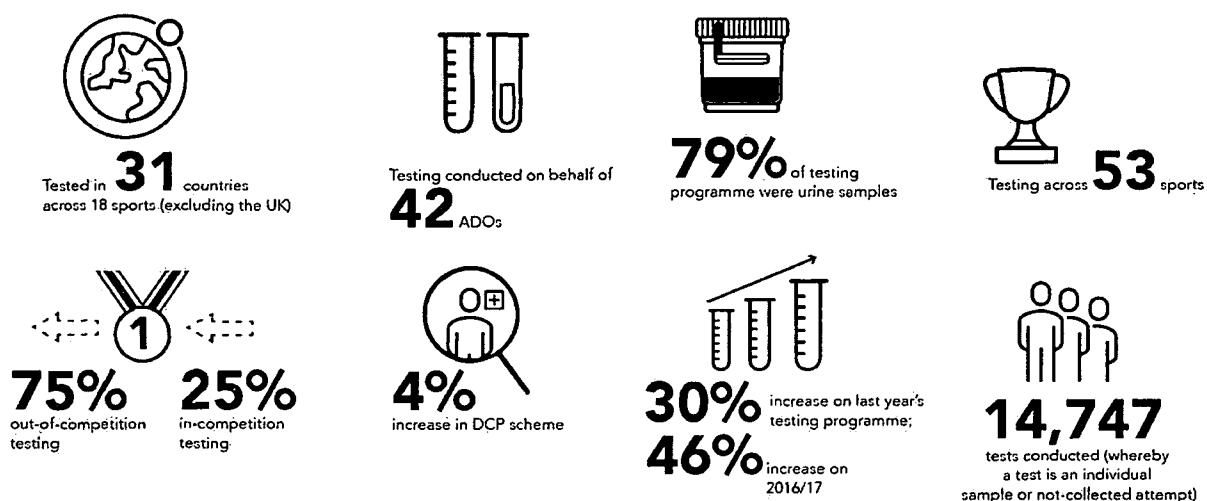
The reaccreditation of Chaperones and BCOs was undertaken during the year, as part of the required biennial process and our commitment to ensuring all members of the DCP scheme are operating at the highest possible standards.

We hosted a successful DCP conference in Leicester in July for more than 100 delegates, including DCOs, Chaperones and BCOs, along with guests from the Japan Anti-Doping Agency



(JADA) and UKAD staff. The conference enabled UKAD to bring DCP up-to-date on the latest developments in the field, including the impact of the Tailored Review on both the DCP scheme and UKAD more widely.

## Testing



## Science and Medicine

During summer 2018, UKAD submitted a comprehensive response to the WADA consultation on the 2019 Prohibited List. In addition, the Science and Medicine team made submissions and issued responses to WADA on other key documents, including the International Standard for Therapeutic Use Exemptions (TUEs), and the technical document for Athlete Passport Management Units.

Following a two-and-a-half-year engagement, UKAD completed its involvement in RUSADA's TUE programme during 2018/19. This followed the reinstatement by WADA of RUSADA in September 2018.

In partnership with the Drug Control Centre at King's College London, the Science and Medicine team began a research project to determine whether dry blood spot technology could be used in doping control. The findings of a previous project to determine the prevalence of specific nandrolone and testosterone preparations that could circumvent detection was published in a scientific journal.

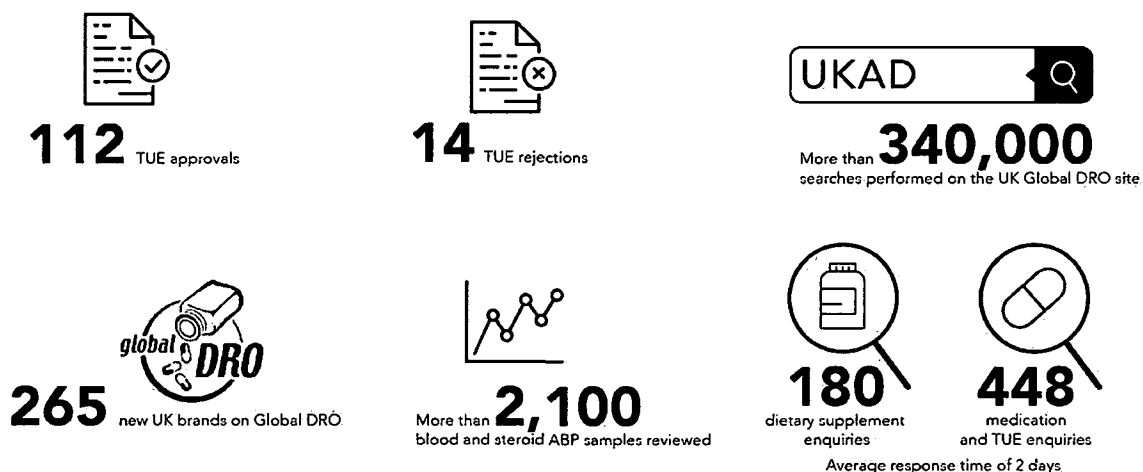
Infographics guiding athletes about the prohibited or permitted status of hay fever and emergency medicines were developed in collaboration with the Communications team. An athlete advisory note outlining UKAD's position on cannabidiol (CBD) was also published on the UKAD website.

The team delivered two webinars to share knowledge with UKAD's Education Delivery Network about TUEs, the Prohibited List, and dietary supplements. The team also delivered two presentations at the Clean Sport at the Front Line forum on these topics.

Members of the team attended the WADA Athlete Biological Passport (ABP) Symposium in Rome, the United States Anti-Doping Agency (USADA) Science Symposium in Chicago, and the Council of Europe Advisory Group meeting on Anti-Doping Science in Paris.

### **Science and Medicine**

(All statistics cover the period between 1 January 2018 and 31 December 2018)



### **Intelligence and Investigations**

UKAD's Intelligence and Investigations work during 2018/19 has spanned a number of areas, from operations with UK police forces, to international partnerships with other National Anti-Doping Organisations (NADOs).

The Intelligence and Investigations team met with their counterparts at the Azerbaijan National Doping Agency (AMADA) in July 2018. The team was asked to assist in creating a development programme, delivering training and tradecraft in disciplines such as cognitive and suspect interview techniques, and intelligence management and coordination.

UKAD staff attended the WADA Intelligence and Investigations Network Group in Bonn in March 2019. This is a strategic expert working group which discusses current intelligence and investigative issues and informs on best practice, which is cascaded to other NADOs via WADA.

As part of UKAD's strategic plan, more focus is being placed on maximising the use of intelligence and investigative resources. To help increase our investigatory capacity, UKAD has employed an additional Investigator, while the team continues to maintain strong partnerships with public sector agencies such as the National Crime Agency (NCA), Drugs and Firearms Licensing and Compliance Unit, Medicines and Healthcare products Regulatory Agency (MHRA), General Medical Council (GMC), Food Standards Agency (FSA), Gambling

Commission, UK Border Force, the Government Agency Intelligence Network (GAIN), Interpol and police forces throughout the UK.

These partnerships have yielded several positive results, with Operation Greyskull being a notable success. In July 2018, in collaboration with Cambridgeshire Police, the NCA, UK Border Force and the Eastern Region Special Operations Unit (ERSOU), the operation resulted in two search warrants being executed on domestic and commercial premises, where over £30,000 worth of steroids were seized.

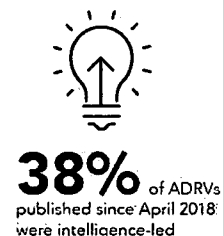
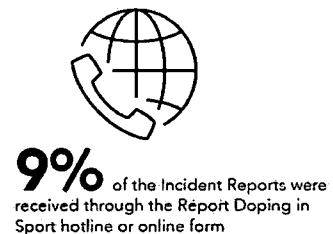
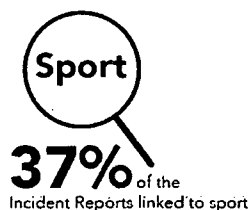
Through the strategic plan, more emphasis is also being placed on disruption techniques, for which the Intelligence and Investigations team have begun using a new matrix, in collaboration with the NCA and law enforcement teams. The next phase is to introduce the Disruption Techniques Matrix to some key NGB stakeholders to assist with actioning intelligence disseminated to them by the team.

In the past year, UKAD has published details of 24 Anti-Doping Rule Violations (ADRVs), of which 38% were intelligence-led, highlighting the importance of gaining information from athletes, sporting bodies, public sector agencies and the wider public.

In 2018/19, the Intelligence and Investigations team received 1,517 Incident Reports, instances of information and intelligence being passed to UKAD, of which 37% were linked to sport.

9% of the Incident Reports were received through the Report Doping in Sport hotline or online form, with a further 23% received from UK Border Force. The remainder came from a variety of sources including Crimestoppers, Law Enforcement, NGBs, the public and other NADOs.

### Intelligence and Investigations



## Legal and Regulatory Affairs

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It has been an exceptionally busy year for the Legal and Regulatory Affairs team. An obvious consequence of an increased testing programme is a growing number of test results to be analysed, processed and actioned. The Results team has worked closely with the DCP and Drug Control Centre to ensure that the collection and analyses of samples continues to be of the highest standard.

The Case Management team continues to focus on prosecuting ADRVs. A significant number of cases across a variety of sports has resulted in 24 published decisions. Intelligence – people passing on information regarding doping in sport – continues to be a significant driver in supporting our investigations. There have been an unusually high number of ADRVs for the presence of recreational drugs in the last year – a social issue that continues to manifest itself in sport.

Processing results and prosecuting violations is not the end of the story. The Legal team also continues to support UKAD's internal functions by providing advice on matters of policy, contract, data protection and freedom of information. In the last year we managed 33 Freedom of Information Requests, all of which can be found on our website.

We have recruited additional personnel, with the aim of improving the resilience and expertise of the team. We have also created a new Assurance team that is responsible for ensuring that Sports meet their compliance reporting obligations. This part of the team also ensures that NGBs and Sports Councils in the UK comply with their obligations under the NADP.

The Anti-Doping landscape is braced for change with the implementation of a new World Anti-Doping Code and International Standards in 2021. This happens once every six years and the Legal team has led on the engagement with stakeholders and WADA in putting forward submissions on the proposed changes. The Legal team has also been liaising with the DCMS about potential revisions to the NADP.

### **Legal and Regulatory Affairs**

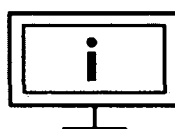


**2300**

hours spent reviewing  
test paperwork

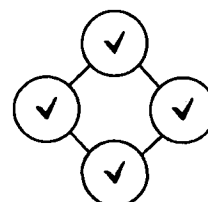


**24** decisions published



**33**

responses to  
FOI requests



**200**

NGBs within the  
compliance framework

## Education and Athlete Support

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With preparations for the Olympic and Paralympic Games in Tokyo 2020 getting underway, along with numerous other initiatives and projects, it has been a busy year for UKAD's Education team.

In line with the Clean Games Policy, education was delivered to 100% of the youth athletes and Athlete Support Personnel who attended the 2018 Youth Olympic Games and the 2019 Youth Winter Olympic Festival.

The Education team, together with National Trainers, attended the School Games Finals in Loughborough, providing education sessions and outreach to more than 1,500 young athletes.

Our education partnership with UK Sport continued to expand and develop. UKAD launched a new 'Clean Sport Party' initiative, as part of a UK Sport training programme for those working within the high-performance system to learn about integrity in sport. In addition, meetings with all Olympic and Paralympic funded sports have been held between UKAD and UK Sport to review their clean sport education provision for the World Class programmes.

To support our delivery of Tokyo 2020 education, an increased cohort of National Trainers was required. The recruitment process saw more than 100 applications received, with 22 new National Trainers joining the team.

In collaboration with Sport England, Team GB, ParalympicsGB and the English Institute of Sport (EIS), the Education team launched a new values-based school education programme – 'Think Real' - aimed at 11-to-16-year-olds. The programme covers a range of topics including getting active and healthy eating, as well as sleep hygiene, doping in sport and managing stress.

Throughout the year, relationships with several organisations were developed, resulting in both new and revised partnership agreements with the likes of the British Association of Sport and Exercise Sciences (BASES), the Chartered Institute for the Management of Sport and Physical Activity (CIMSPA), the British Association for Sport and Exercise Medicine (BASEM) and UK Coaching.

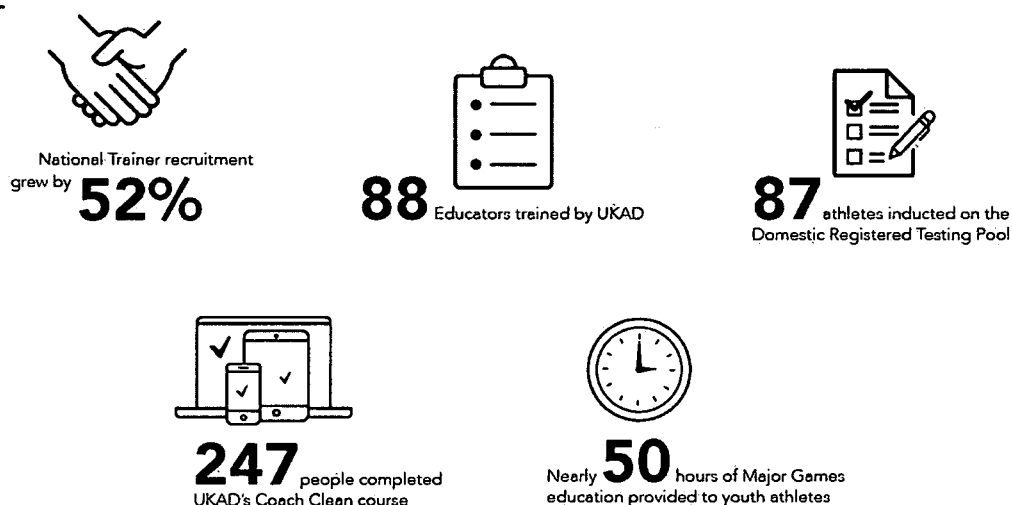
Such agreements will enable UKAD to embed mandatory education, targeting Athlete Support Personnel roles, as well as anti-doping requirements into new professional standards being developed for the sports industry. Further work on the development of a clean sport curriculum for coaches has started and a partnership has also been agreed with the Association of Colleges Sport to develop and pilot a Clean Sport Accreditation scheme for colleges, an expansion of the existing programme that accredits universities.

Internationally, the Education team has continued to influence and support the wider anti-doping community. This included two evaluation visits at the request of the Council of Europe, assessing compliance with the Anti-Doping Convention. It also involved an invitation from

WADA to present at the Global Education Conference in China. UKAD made significant drafting contributions to the Council of Europe's submissions as part of the WADA consultation process around the International Standard for Education and revision of Article 18 in the Code.

In January, the team hosted a successful Clean Sport at the Front Line conference for more than 100 delegates, focused on the protection of vulnerable athletes. This was preceded by a meeting of the BASES Clean Sport Interest Group and UKAD's first Supplement Summit, aimed at trying to bring leading practitioners and organisations together to discuss the challenges with supplements.

## Education



## Communications

The Communications team supports the organisation to build public confidence in clean sport, promote and protect the reputation of UKAD, and celebrate clean athletes and their successes.

The global challenges of clean sport have once more been brought to the fore this year, with significant developments in the compliance status of RUSADA. The Communications team has worked to ensure UKAD's voice is represented at the highest levels of decision-making in anti-doping. A significant part of the team's efforts this year has been working with other NADO leaders, our own Athlete Commission and other governing bodies, to highlight the impact of clean competition on UK athletes.

The Communications team has worked closely with the International Relations team to support the Athlete Commission in promoting UKAD's work. Featuring these athletes in our digital campaigns, such as awareness of the new Prohibited List, has proved popular with our audiences and we look forward to showcasing more 'peer-to-peer' examples to share UKAD's athlete support messages.

This 'storytelling' side of the Communications team's work reaches all areas of UKAD's operations. For example, the Intelligence and Investigation team's work with multiple law enforcement agencies to stem the flow of Image and Performance Enhancing Drugs (IPED) distribution, was highlighted in a story showcased in the Evening Standard in July 2018, bringing an underreported part of UKAD's work to a new and influential audience.

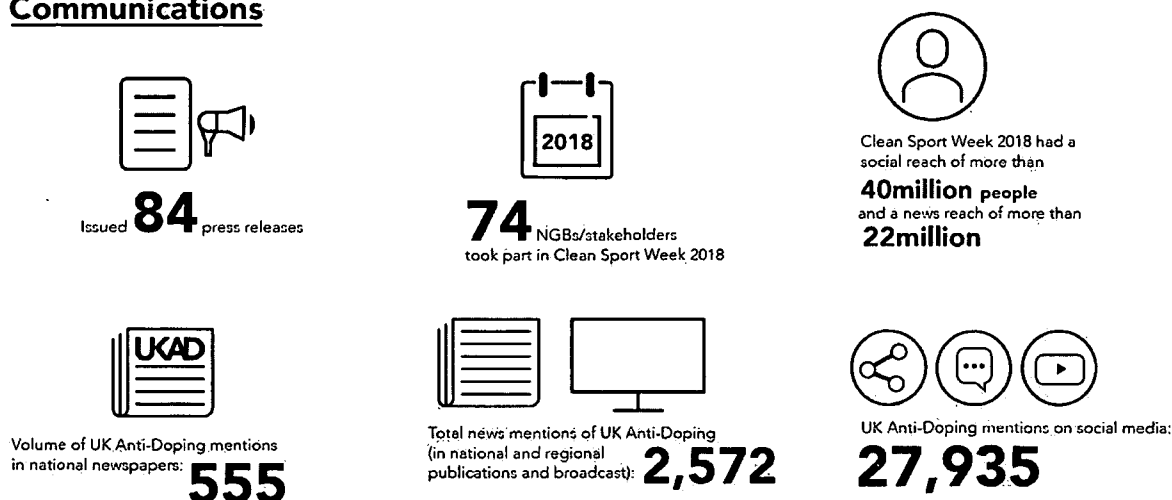
In addition to working closely with the Education team's promotion of the youth-focused Get Set and Think Real programmes, the team has also been working with JADA and their i-Play True campaign, launched ahead of the 2020 Olympic and Paralympic Games in Tokyo.

With a year-round focus on improving our communication with younger athletes, the team has sharpened its focus on delivering engaging content for this audience. The team has created more image-led information, which has proved popular on UKAD's social media channels. This type of content is also very popular with our NGB partners who have shared it with their own audiences.

This collaboration with governing bodies was a key success from the 2018 Clean Sport Week. Drawing on expertise from across UKAD, and with new partnerships across sport, the campaign delivered key messages on the risks of supplement use to athletes and recreational users alike. With coverage across many prominent and specialist media outlets, and supporting messages from the Brownlee brothers, the Sports Minister, and other high-profile names, Clean Sport Week is now established as a key date in the sporting calendar.

As UKAD looks to further strengthen its partnerships with organisations who can help us deliver on our objectives, the Communications team continues to establish and strengthen relationships across sport and government. This has helped deliver key partnerships in the last year with organisations such as ukactive, and given UKAD a platform to reach a wider audience.

## Communications



## International and Stakeholder Relations

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In Autumn 2018, UKAD formed the International and Stakeholder Relations team to lead on the delivery of its International Strategic Plan. The team focuses on the delivery of UKAD's International Strategy and being pro-active in maintaining and developing stakeholder relations.

The International Strategy was launched in November 2018 following consultation with partners such as WADA, UK Sport, the British Olympic Association (BOA) and the British Paralympic Association (BPA). The Strategy aims to:

- Use UKAD's international influence to strengthen and improve global anti-doping governance and decision making
- Ensure the voices of athletes and NADOs are heard in decision making
- Work with other NADOs to build their capacity
- Establish sustainable revenue streams to build capacity of other NADOs
- Identify evaluation metrics for international work to ensure the efficient, cost effective, and timely delivery of the strategy
- Contribute to the UK's soft power and foreign diplomacy aims

UKAD recognises the importance of soft power to the UK economy and has formed closer working relationships with the Foreign and Commonwealth Office, Commonwealth Secretariat and Department of International Trade to assist in achieving its objectives. We are also committed to developing a working relationship with the Department for International Trade (DfID) to further enhance the international support we provide to other NADOs. UKAD has been pro-active in contributing to the soft power agenda by forming partnerships with several of its international counterparts. They include the Anti-Doping Agency of Kenya (ADAK), JADA, AMADA and the Cyprus Anti-Doping Authority (CyADA).

The long-term partnership with ADAK was launched in June 2018, with training in the areas of Science and Medicine (TUEs) and Testing (sample collection process). ADAK has confirmed its intention to engage with UKAD in 2019 to further develop its anti-doping capabilities.

AMADA visited UKAD in July 2018 for training on Intelligence and Investigations. This was a forerunner of a planned long-term agreement starting in 2019. Following the success of the visit, AMADA confirmed that it would seek further training from UKAD in 2019 with the possibility of extending the agreement to cover Science and Medicine.

We welcomed JADA's newly appointed Science/Medicine and Intelligence Manager to UKAD on a brief secondment for training in the autumn of 2018. The focus of the training was on Science and Medicine, Intelligence and Investigation and Testing.

The close working relationship with CyADA continued in the Spring, when UKAD's Doping Control Personnel delivered training and assessments to CyADA Doping Control Officers.



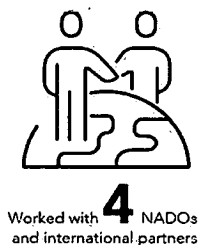
Hayden Tapper, Investigations and Intelligence Manager from Doping Free Sport New Zealand (DFSNZ) joined UKAD in March 2019 for a three-day workshop to gather information about UKAD's work and processes.

The International team represented UKAD at a number of key events throughout the year, including the WADA Symposium in Lausanne, meetings of the Independent National Anti-Doping Organisations (iNADO), the Ad-Hoc European Committee for the World Anti-Doping Agency (CAHAMA) meetings and the Council of Europe Monitoring Group (International Anti-Doping Convention) meetings.

2018/19 also proved an important year for UKAD's Athlete Commission which led the way in highlighting the importance of the athlete voice in the wake of WADA's decision to reinstate RUSADA as Code compliant. Four additional members were appointed in July; James Hudson, Jo Calvino, Laura Deas and Liam Tancock, taking the total to 11. The appointments came a month after the inaugural WADA Global Athlete Forum, at which athletes, including UKAD Athlete Commission members Ali Jawad and Callum Skinner, called for a stronger athlete voice within anti-doping.

Development of UKAD's Assurance Framework continues and it is leading to greater engagement with the Home Country Sports Councils.

### **International and Stakeholder Relations**



### **Major Events**

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Following a competitive tender process, UKAD was selected as the Sample Collection Agency for the inaugural European Championships in Glasgow in August 2018. This involved notifying athletes of tests, sample collection and sample transportation, as well as processing the doping control forms for each of the aquatics, cycling, golf, gymnastics, rowing and triathlon events staged in the city.

UKAD also trained the volunteer athlete chaperones at the event, ensuring compliance with the International Standard for Testing and Investigations (ISTI), and supported the doping control station managers, chaperone team leaders and doping control officers throughout the event.

Following a successful European Championships, UKAD was also selected as the supplier of Anti-Doping services for the European Athletics Indoor Championships in March 2019, which were also held in Glasgow.

Alongside testing services, UKAD's Major Events team also offers education provision. In the past year, we have worked with the likes of ePremier League, Help for Heroes, Cerebral Palsy Sport and the Boccia International Sports Federation (BISFed), among other organisations.

We partnered with BISFed in August 2018 to educate athletes from 33 different countries at the World Boccia Championships in Liverpool. UKAD's 'Win Clean' education programme was delivered by National Trainers to nearly 200 athletes and 250 athlete support personnel, including coaches and physios across two days.

Earlier this year, UKAD worked with the Premier League, developing a 'Game Clean' resource to promote fair competition in their eSports, ePremier League competition. This work took us beyond our traditional remit of sports that comply with the World Anti-Doping Code, but we fully support those seeking to educate competitors around the integrity and values within clean competition. Going forward, we are looking to further develop Game Clean to support all eSports, to ensure clean, fair competition.

## Business Services

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UKAD's Business Services team is responsible for human resources, information technology, cyber security, risk, business planning, planning for the UK's departure from the European Union (EU), governance, accommodation and the implementation of the Tailored Review.

The Tailored Review recommendations were matched by increased public funds totalling £6.1m over 2018/19 and 2019/20. To deliver the recommendations UKAD undertook a review of its organisational structure including all roles and responsibilities.

Approximately 25 new roles were created, providing career development opportunities for many members of the UKAD team and allowing new, external recruits to join the fight against doping. The Human Resources team led this important piece of work which was largely completed by the end of December 2018. During the same period the Human Resources team led the reaccreditation by Investors in People achieving a move from bronze to silver award.

UKAD continued to invest in information technology to ensure that all staff have the tools necessary to work effectively both in UKAD's office and remotely. This included a rolling upgrade of the software applications and hardware used, as well as taking further steps to enhance cyber-security. Through the National Cyber-Security Centre (part of the Government Communications Headquarters - GCHQ) UKAD works with other sports bodies to share information and mitigate the inevitable threats to data.

During 2018/19, UKAD created a new website designed to use contemporary design and technology and better meet the needs of our users. After considering how users accessed the

old website, the focus is on a mobile-first design. The new website provides a platform for further development and to add innovative content in the future.

UKAD continues to actively manage the risks in all aspects of operations with responsibility delegated throughout the organisation. During 2018/19 the Board reviewed its risk appetite which will enable staff to better manage risks and report exceptions as appropriate.

UKAD refined its operational plan during 2018/19 to ensure that the Board has clear visibility of progress against the delivery of all the key performance indicators (KPIs) for each of the strategic objectives.

Along with all government bodies, UKAD stepped up its planning for the UK's departure from the EU. This involved a thorough analysis of the likely risks - particularly in the event of 'no deal' - and taking necessary mitigating actions. With the support of DCMS and the Cabinet Office, UKAD has reached a position where appropriate contingency plans are in place.

The management of all governance activities were centralised during 2018/19 including longer-term planning of meeting schedules and agendas.

The Tailored Review recommended that UKAD should start planning to relocate in anticipation that it will no longer occupy its current offices after the summer of 2022. It was also advised that the Ministry of Justice would like to build a new court on the site of Fleetbank House and it might be necessary to relocate in the summer of 2021. Working with the Places for Growth team at the Cabinet Office, UKAD has identified Loughborough University as the future location for its principal office. During 2018/19 UKAD started briefing staff about the proposal and preparing the necessary business cases to seek consent from DCMS and HM Treasury. By planning the relocation over an extended period, UKAD expects to minimise the disruption to its operations and retain the skills of its staff.

# Performance Report – Overview continued

## Strategic Report for the Year Ended 31 March 2019

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### Strategic Objectives

UKAD is the UK's NADO. It is responsible for ensuring sports bodies in the UK comply with the National Anti-Doping Policy. The strategic plan sets out four objectives for 2018-2022:

1. Catching those who cheat: To deter, detect and disrupt doping in sport, and ban those involved
2. Providing information and education: To enable those involved in sport to implement effective anti-doping education programmes by providing information, support and resources
3. Working with sports: To ensure compliance by sport and the sports councils with the National Anti-Doping Policy
4. Influence anti-doping decision-making: To influence national and international laws, rules, policies and practices to help all athletes participate in clean sport

### Review of the Business

UKAD receives Grant-in-Aid (GIA) from DCMS. It also generates income from its contracted testing programme and other activities. UKAD works at arm's length from Government and has the status of a Non-Departmental Public Body. It is regulated in accordance with the Management Agreement issued by the Secretary of State for Digital, Culture, Media and Sport and the financial statements are prepared in accordance with the Companies Act.

A review of UKAD's business is set out in the foreword, reporting on activities during the year and setting out the focus for 2018/19.

### Results

The net expenditure for the period was £8,534k (2017/18: £6,707k). Our GIA is recognised as financing in the Statement of Changes in Taxpayers' Equity. A review of financial performance set out in the Performance Report provides details of the net expenditure for the year, income sources, the principal areas of expenditure, treasury policy, the investment in non-current assets and a summary of the staffing structure. An assessment of the going concern nature of the business is set out below. Achievement against our KPIs is set out in the Performance Report - Performance Analysis.

### Key Issues and Risks Facing UKAD

UKAD reviews the principal risks and uncertainties to the business on a periodic basis and considers necessary actions and controls in place to mitigate these. UKAD has developed a risk management strategy which is fully embedded within its business planning and day-to-day operations. A brief description of the principal risks and uncertainties faced is set out in the Governance Statement.

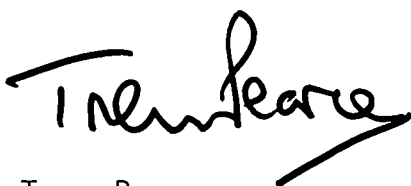
## Going Concern

The financial statements have been prepared on a going concern basis. The going concern nature of the business was assessed by the Board at its meeting in February 2019. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of UKAD to continue as a going concern. Baseline financing has been further increased from April 2019 and we have not received any indications from DCMS that financing will be withdrawn. The Board will take the steps necessary to ensure that UKAD's income and expenditure remain in balance. The Statement of Financial Position at 31 March 2019 shows that UKAD had an overall net liability of £2,762k (2017/18: £2,315k). This is primarily a result of the actuarial valuation of the pension scheme, in accordance with International Accounting Standard (IAS) 19, which has seen an increase in the pension liabilities at 31 March 2019. The liability has increased because of market fluctuations and the way in which IAS19 requires the actuaries to measure the liabilities. The triennial valuation by the actuary as at 31 March 2016 confirmed that there are no current requirements to increase the employer contributions.

## Employment and Training Policies and Staff Participation

UKAD is committed to a policy of equality of opportunity in its employment practices and continues to develop a culturally diverse workforce. The organisation aims to ensure that no potential or actual employees receive more or less favourable treatment on the grounds of race, colour, ethnic or national origin, marital status, age, gender, sexual orientation, disability or religious beliefs. The organisation has established a training and development programme designed to encourage and support all employees in improving performance. UKAD has developed a staff handbook which is a comprehensive guide to its employment policies and procedures. UKAD ensures that there are arrangements to promote effective consultation and communications with all staff. All directorates have regular staff meetings at which matters relating to UKAD activities are discussed and staff are regularly briefed on the matters discussed at management and Board meetings. Meetings of all staff are held regularly. During the year UKAD was delighted to achieve higher Investors in People accreditation – moving from Bronze to Silver status. UKAD seeks to ensure that the requirements of health and safety legislation are met in the workplace.

By order of the Board



Trevor Pearce  
Chair  
04 October 2019



Nicole Sapstead  
Chief Executive and Accounting Officer  
04 October 2019

# Performance Report – Performance Analysis

## How Performance is Measured and Monitored

UKAD measures performance against the KPIs agreed with DCMS, set out in the Management Agreement.

Performance against the strategic objectives of the organisation is measured quarterly by an assessment of progress towards achieving the key deliverables. The Board receives and reviews a report at each meeting highlighting those key deliverables which may not or will not be achieved over the four-year duration of the strategic plan.

Key Performance Indicators	Progress Made
Support and drive compliance with the Code and Policy	Fully met. The policy was created with the central aim of eliminating doping in sport and applies to all sports-orientated bodies in the United Kingdom, including UKAD, Home Country Sports Councils and National Governing Bodies of Sport. During the year UKAD has supported DCMS in preparation for consultation on amendments to the policy. UKAD has also led the UK's response to WADA in relation to proposed revisions to the Code which are expected to be implemented on 1 January 2021.
Deliver integrated risk-based testing programmes	Fully met. During the year UKAD again reassessed the risks of doping in sports across the UK and designed and implemented a test distribution plan which took account of that reassessment. The increase in funding enabled UKAD to increase its public interest programme by 50% with testing in more sports and at more levels.
Deliver effective anti-doping education programmes	Fully met. During the year UKAD delivered to all the youth athletes and Athlete Support Personnel who attended the 2018 Youth Olympic Games and the 2019 Youth Winter Olympic Festival. It also provided education sessions and outreach to more than 1,500 young athletes at the School Games finals. In collaboration with Sport England, Team GB, ParalympicsGB and the English Institute of Sport (EIS), UKAD launched a new values-based school education programme – 'Think Real' - aimed at 11-to-16-year-olds. Preparations were put in place in anticipation of the Olympic and Paralympic Games in Tokyo 2020.

Key Performance Indicators	Progress Made
Continue to develop viable commercial models to secure additional non-Exchequer revenue	Partly met. UKAD continued to provide testing services under contracts with NGBs and consultancy services to NADOs. The year saw Russia being declared compliant with the Code and UKAD's work with RUSADA draw to a close.

## Sustainability

UKAD recognises that its activities have an impact on the environment and is committed to reducing this impact. A Corporate Social Responsibility policy has been developed which sets out the principles which aim to reduce environmental impact. All staff members are made aware of how their activities may adversely affect the environment and are encouraged to help to reduce our environmental impact. Because it has fewer than 250 full-time equivalent staff, UKAD is exempt from preparing a full sustainability report.

## Financial Performance

### Summary of Results

UKAD had net expenditure for the year of £8,534k (2017/18: £6,707k). GIA is treated as financing rather than income, and as such is recognised in the Statement of Changes in Taxpayers' Equity.

### Income Sources

The majority of the organisation's funding came from GIA, received from DCMS. This is recognised in the accounts as financing rather than income. In addition, UKAD generates income from testing, consultancy and other activities which in 2018/19 came to £3,634k (2017/18: £3,543k).

### Treasury Policy

UKAD does not hold any shares or other investments. UKAD's cash policy is to draw down grant-in-aid on the basis of need, in accordance with Managing Public Money.

### Investment in Non-Current Assets

The organisation spent £114k (2017/18: £57k) on non-current assets during the year. This related to replacing information technology, and fixtures and fittings for the additional space occupied at Fleetbank House.

### Future Non-Current Asset Investment

In 2019/20 UKAD does not anticipate any significant spend on non-current assets.

### Expenditure

Significant areas of expenditure included the following:

- UKAD has a contract with the WADA-accredited laboratory, the Drug Control Centre, King's College London, which undertakes the analysis of the samples from the UK's athlete testing programme. Results analysis and legal work accounted for £2,245k (2017/18: £2,157k)

- £2,695k (2017/18: £2,177k) spent on the direct costs of the athlete testing programme and a further £504k on the related staff costs – a total of £3,199k. The costs of the athlete testing programme include the costs of DCP who collect samples for analysis
- £678k (2017/18: £632k) spent on the cost of the UK contribution to the WADA
- £472k (2017/18: £329k) spent on the direct costs of the education programme and a further £341k on the related staff costs – a total of £813k. A key part of UKAD's prevention work involves the education of those in sport to deter them from doping. The costs of the education programme include the costs of the education trainers, who are field workers conducting education sessions for athletes and support personnel
- £107k (2017/18: £107k) spent on the direct costs of the Intelligence and Investigations programme and a further £362k on the related staff costs – a total of £469k.

### Future Financial Risks

During 2012 UKAD entered into a 10-year occupancy agreement on its premises at Fleetbank House. The agreement does not require UKAD to restore the premises to its original condition and as such no dilapidations provision has been made in the accounts. There are financial risks regarding the collection of our commercial income but no provision for bad debts was required (2017/18: £nil).

### Long-term Expenditure Trends

Actual operating expenditure over the last five years ended 31 March and projected expenditure, excluding any future period net pension costs, over the next two years is set out below.

£'000	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Staff cost	2,362	2,682	2,960	3,678	4,327	4,162	4,209
Other expenditure	5,280	5,325	5,888	6,499	7,765	7,979	8,309
Depreciation & amortisation	81	77	82	73	76	95	95
Total operating expenditure	7,723	8,084	8,930	10,250	12,168	12,236	12,613



# Accountability Report - Corporate Governance

## Directors' Report for the Year Ended 31 March 2019

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The Directors present their report and financial statements for the year ended 31 March 2019, in respect of United Kingdom Anti-Doping Limited (UKAD), company number 6990867.

The Directors who served during the year are detailed in the Remuneration Report.

### Future Development and Events since the Reporting Period

There were no material events to report since the end of the reporting period. UKAD will continue to ensure that a comprehensive anti-doping programme is in place in the UK and implement our programmes ahead of the Tokyo summer Olympics and Paralympics. UKAD will continue to work with overseas partners and will continue to work in partnership with the Drug Control Centre at King's College, London.

### Better Payment Practice Code

UKAD has a commitment to abide by the Better Payment Practice Code and in particular to settle bills in accordance with contract. Invoices are normally settled within our suppliers' standard terms. 84 per cent (2017/18: 76 per cent) of undisputed invoices were paid within 30 days of receipt.

### Pension Liabilities

UKAD has a defined benefit plan and the treatment of pension liabilities is set out in notes 1.6 and 13. The increase during the year in the pension scheme net liabilities is reflected in the Statement of Financial Position and Statement of Comprehensive Net Expenditure.

### Sickness Data

Information concerning the number of days lost to sickness is set out in the Accountability Report – Remuneration and Staff.

### Diversity

The board comprises two males and five females. One Board member is a wheelchair user and another is from a BAME community. Information concerning the gender mix at the end of the financial year is set out in the Accountability Report – Remuneration and Staff.

### Board Members' Company Directorships and Other Significant Interests

Information concerning the company directorships and other significant interests is set out in the Governance Statement within this report.

### Personal Data

There were no personal data incidents to be reported in respect of the year under review.

## Auditors

UKAD is required to have its accounts audited by the Comptroller and Auditor General.

By order of the Board

A handwritten signature in black ink, appearing to read 'Trevor Pearce', with a long horizontal stroke extending to the left.

Trevor Pearce

Chair

04 October 2019

# Accountability Report - Corporate Governance

## Statement of Directors' and Accounting Officer's Responsibilities

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The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires UKAD to prepare financial statements for each financial year. The financial statements are required by law to give a true and fair view of UKAD's state of affairs at the year end and of its income and expenditure and cash flows for the financial year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that UKAD will continue in business

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of UKAD and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of UKAD and to prevent and detect fraud and other irregularities.

The Accounting Officer of DCMS has designated the Chief Executive as Accounting Officer of UKAD. The relevant responsibilities of an Accounting Officer, including her responsibility for the propriety and regularity of the public finances for which she is answerable and for keeping of proper records and the safeguarding of UKAD's assets, are set out in Managing Public Money published by HM Treasury. UKAD complies with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by DCMS, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements

We confirm that the annual report and accounts as a whole is fair, balanced and understandable and I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

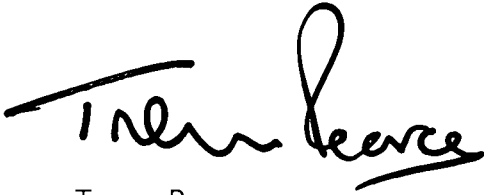
So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors, each Director has taken all the steps that she/he is obliged to take as a Director in order to

make her/himself aware of any relevant information and to establish that the auditor is aware of that information.

This report has been approved by the Board and is signed by the Chief Executive as Accounting Officer and the Chair on behalf of the Board.



Nicole Sapstead  
Chief Executive and Accounting Officer  
04 October 2019



Trevor Pearce  
Chair  
On behalf of the UKAD Board  
04 October 2019

# Accountability Report - Corporate Governance

## Governance Statement

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### Introduction

This Governance Statement sets out the governance, risk management and internal control arrangements for UKAD. It applies to the financial year 1 April 2018 to 31 March 2019 and up to the date of approval of the Annual Report and Accounts.

UKAD is a limited company which was incorporated on 14 August 2009 and became operational on 14 December 2009. UKAD is also a Non-Departmental Public Body, funded by DCMS. UKAD is covered by the Government Resources and Accounts Act 2000, and as a result the Comptroller and Auditor General (C&AG) is the statutory auditor.

### Governance Structure

Our governance process is led by the Board which, consists of the Chair and six other company Directors. The Board members were independently appointed by the Secretary of State for Digital, Culture, Media and Sport, through the Cabinet Office's public appointments procedure. Details of the appointments are included in the Remuneration Report. The Board provides independent scrutiny of the organisation and met formally four times during 2018/19. The work of the Board is supported by two committees: (1) Audit and Risk and (2) Remuneration and Human Resources. The remit of the Audit and Risk Committee covers the oversight of audit, financial and risk management. This committee met five times during 2018/19. This Governance Statement was reviewed by the Audit and Risk Committee at its meetings in May and June 2019. The Remuneration and Human Resources Committee is responsible for determining and agreeing with the Board the framework and broad policy for the remuneration of staff. The committee met three times in 2018/19.

In addition, the Board has established two commissions. The Athlete Commission, chaired by one of the Board members, met three times in 2018/19. Its remit is to provide a forum for the exchange of information and opinions on anti-doping matters. The Board has established an Innovation Commission which met for the first time in June 2019. The purpose of this commission is to signpost new trends in doping activity and to focus on coordinated opportunities for research funding that support the development of evidence-based anti-doping policy.

During the year the Board reviewed the terms of reference for the committees and commissions.

The Board and its committees use a range of management information to manage the performance of the organisation, including data on: the financial position, human resources; performance indicators; and data on its operations (e.g. testing, results management and education). There are a range of process controls in place that ensure the quality of the data is of the standard expected for reliable and informed decisions.

## Board Performance and Compliance with the Corporate Governance Code

The Board has assessed its performance as a collective throughout the year. In addition, the Chair of the Board assesses the individual performance of each Board Director on a periodic basis. The assessment concluded that the Board has continued to be effective and it will focus on those areas where the function and contribution of the Board could be strengthened. At its meeting in February 2019 the Board reviewed its compliance with the new UK Corporate Governance Code issued by the Financial Reporting Council. It concluded that it is compliant with this Code.

### Accounting Officer

My appointment as the Accounting Officer was made on 15 January 2015. As Accounting Officer, I have personal responsibility for maintaining a sound system of internal control that supports the achievement of UKAD's aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I am also accountable to Parliament for maintaining effective systems for identifying, evaluating, and managing the principal risks of UKAD as detailed in the Management Agreement between UKAD and DCMS.

### Board and Committee Attendance

The table below summarises the attendance of the Board and committee members at the formal meetings during the year. The board also met informally on a number of occasions to discuss key operational matters and to develop the 2018–2022 strategy.

	Board				Audit and Risk Committee					Remuneration and Human Resources Committee		
	June 2018	Sept 2018	Dec 2018	Feb 2019	Apr 2018	June 2018	Aug 2018	Nov 2018	Jan 2019	June 2018	Oct 2018	Feb 2019
Trevor Pearce	√	√	√	√	√	√	√	√	√	#	#	#
Frances Akor	√	√	√	§	√	√	√	√	√	-	-	-
Pippa Britton	√	√	√	√	√	√	√	√	√	-	-	-
Nicholas Griffin	x	√	√	√	√	x	√	x	√	-	-	-
Nicola Phillips	√	√	√	√	-	-	-	-	-	√	x	√
Claire-Marie Roberts	√	x	√	√	-	-	-	-	-	√	√	√
Sarah Winckless	√	√	√	√	-	-	-	-	-	√	√	√
Martin Gore †	-	-	-	-	√	√	√	√	√	-	-	-

Key: √ denotes a member of that meeting and attended, x denotes a member of that meeting and non-attendance, - denotes not a member of that meeting, § denotes non-attendance due to maternity leave, † denotes co-opted member of the Audit and Risk Committee, # denotes not a member but attended.

## Board Members' Company Directorships and Significant Interests

Name	Entity	Role
Trevor Pearce	Gambling Commission	Commissioner
Frances Akor	None	-
Pippa Britton	Sport Wales	Vice-Chair
Nicholas Griffin	QEB Hollis Whiteman	Member of chambers
Nicola Phillips	Commonwealth Games Council for Wales Wales Touch Association British Olympic Association	Board Member Patron Head of Team GB Preparation Camp (effective May 2019)
Claire-Marie Roberts	The Premier League Various athletes and teams representing several professional, Olympic, Paralympic and Commonwealth sports	Consultant Sport Psychology Consultant
Sarah Winckless	British Bobsleigh and Skeleton Association British Rowing Henley Royal Regatta	Non-executive Director Member / Umpire Steward

### Approach to Risk Management and Internal Control

Our risk management approach is based on devolved accountability across the organisation so that risks are assigned to those senior managers best placed to manage them, with overall strategic direction on risk management set centrally. Risks are regularly reviewed at operational level and this process continues through to Board.

The role of the Board is to determine UKAD's strategy, as well as the risk management culture, an appropriate risk level of risk exposure, and to approve major decisions within the organisation's risk profile. It also has responsibility for monitoring management of strategic risks, for satisfying itself that risks are being actively managed and annually reviewing UKAD's approach to risk management. The Audit and Risk Committee scrutinises the work of the senior management team in these areas and provides assurance to me and the Board.

UKAD's relationship with its sponsor department, DCMS, is defined in a Management Agreement. This document sets out the governance and accountability structures for the organisation. The relationship with DCMS is maintained through regular meetings with the sponsor team and meetings during the year with the Minister for Sport and Civil Society.

Our systems of internal control are designed to manage risk at a reasonable level, rather than eliminate all risk of failure to achieve aims and objectives. They can therefore only provide reasonable assurance of effectiveness. The system of internal control is designed to identify and prioritise the risks to the achievement of our aims and objectives, to evaluate the likelihood of those risks being realised and to manage them efficiently, effectively and economically.

## Capacity to Handle Risk

UKAD has developed an effective risk management strategy around four key principles:

- Clear ownership of roles and responsibilities
- Establishment of corporate systems to identify, report and evaluate risks and their potential impact
- Ensuring colleagues have the appropriate skills to identify and assess the potential for risks to arise in the delivery of UKAD's remit
- Embedding a culture which supports well-managed risk-taking likely to lead to improvements in the delivery of our work

## The Risk and Control Framework

Risk identification and assessment processes form an integral part of UKAD's strategic and business planning and these have been further embedded during 2018/19. The process of risk assessment is led by the senior management team, with input from managers and staff. All strategic risks have a designated senior manager who is responsible for reporting the status of each identified risk. New risks which are identified during the year are added to the risk register. The organisation has developed strategic and operational level risk registers, involving all staff, to ensure that risk management is embedded throughout UKAD. After taking mitigating action, the highest residual strategic risks which require continued vigilance have been identified as:

- Funding does not match obligations under the National Anti-Doping Policy
- Erroneous or misleading information produced by UKAD
- Material damage occurs to UKAD's reputation
- Failure to maintain integrity of testing programme
- Serious loss of personal data or breach of confidentiality

During the year consideration was given to the risks associated with the UK exit from the EU. Appropriate steps were taken to mitigate these risks so that operations could continue notwithstanding the timing of, or arrangements for, that event.

The senior management team reviews the risk registers on a frequent basis and the Audit and Risk Committee reviews the strategic risks at every meeting. The Audit and Risk Committee reports to the Board on the appropriateness and effectiveness of risk management in UKAD. During the year the Board considered its risk appetite to better inform the risk management by the senior management team and to determine when matters need to be escalated to the Board.

## Information Risk

UKAD has developed effective information risk and data management policies to ensure compliance with the Cabinet Office's Security Policy Framework. The Chief Operating Officer has been appointed as the Senior Information Risk Officer in accordance with this framework. We have incorporated information data security management into our risk assessment framework. We had no incidents of inadvertent data disclosure during the year. We are constantly reviewing and enhancing our data management processes. We gain independent assurance of the effectiveness of our data management procedures through our certification under ISO27001 Information Security



Management. During the year arrangements were finalised to ensure compliance with the General Data Protection Regulation.

### **Review of Effectiveness of the Systems of Internal Control**

As Accounting Officer, I am responsible for reviewing the effectiveness of the system of internal control. My review is informed by the work of our internal and external auditors and UKAD senior managers who have responsibility for the development and maintenance of the internal control framework. Mazars continued its work providing our internal audit services. In addition, UKAD has a quality management system in place, audited by ISOQAR, in accordance with the requirements of the ISO9001:2015. These independent reviews provide assurance to the Board that the data and information used for decision-making is reliable.

The effectiveness of the system of internal control will continue to be maintained by:

- active monitoring of the status of strategic risks by the senior management team, Audit and Risk Committee and Board
- review and approval by the Board of key policies which underpin internal control systems
- oversight of the status of all risks by the Audit and Risk Committee
- scrutiny of all internal and external audit reports by the Audit and Risk Committee, supported by follow-up reports on the management response
- twice-a-year receipt of the ISOQAR Report
- receipt of the Internal Auditor's Annual Report

Mazars undertook five reviews during the year, covering the areas of corporate governance, IT security and GDPR, counter fraud and reporting of wrongdoing, accounts payable and National Governing Bodies. In addition, Mazars followed up on the implementation of recommendations from prior years. In its Annual Report to the Audit and Risk Committee Mazars concluded that 81% (2017/18: 100%) of previous internal audit recommendations had either been implemented, superseded, or were within target date for implementation, and in its opinion good progress had been made. Mazars also reported that UKAD's arrangements for governance, risk management and internal control are effective.

### **Significant Internal Control Issues**

My review of the effectiveness of the internal control system shows that in 2018/19 we made good progress in developing and maintaining our systems of internal control, and there were no significant control issues in the year. I am satisfied that, whilst further work will be undertaken to strengthen our systems, we have adequate risk management, control and governance processes to manage the achievement of our objectives.

### **Reporting of Wrongdoing**

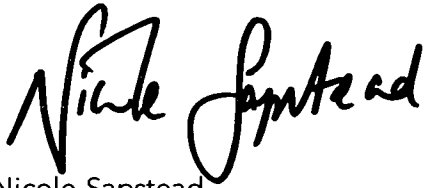
UKAD has in place procedures for the reporting of wrongdoing (whistleblowing) by its workforce as well as outsiders and staff are reminded about these periodically. The Audit and Risk Committee has oversight of these procedures and carries out an annual review.

### **Reporting of Suspicions about Doping**

UKAD also encourages anyone with suspicions about doping to confidentially share their concerns either directly or anonymously through our Report Doping in Sport hotline.

### Accounting Officer's Conclusion

I am heartened by the fact that considerable progress has been made in further developing and strengthening the control environment within our organisation in the past year.

A handwritten signature in black ink, reading 'Nicole Sapstead'. The signature is written in a cursive, flowing style with a large initial 'N'.

Nicole Sapstead

Chief Executive and Accounting Officer

04 October 2019

# Accountability Report - Remuneration and Staff Report

## Remuneration Policy and Committee

The members of the Remuneration and Human Resources Committee were appointed by the Board. The role and responsibilities of the Remuneration and Human Resources Committee include:

- supporting the Board in its responsibilities for issues of remuneration and recruitment
- reviewing the comprehensiveness of policies and procedures in meeting the Board and Accounting Officer's governance needs
- reviewing the reliability and integrity of relevant management systems for UKAD

During the year ended 31 March 2019, the members of the Remuneration and Human Resources Committee were Sarah Winckless (Chair), Nicola Phillips and Claire-Marie Roberts.

Board members are appointed on merit on the basis of fair and open competition.

The following information has been subject to audit.

### Remuneration of Board Members

Name	Salary/Fees £'000 2018/19	Salary/Fees £'000 2017/18
Trevor Pearce	30-35	30-35
Frances Akor	5-10	0-5
John Brewer*	-	0-5
Pippa Britton	5-10	5-10
Nicholas Griffin	5-10	0-5
Nicola Phillips	5-10	0-5
Claire-Marie Roberts	5-10	0-5
Janice Shardlow*	-	0-5
Justin Turner*	-	0-5
Sarah Winckless	5-10	5-10

\* Former Board members 2017/18

## Contract Information

Name	Date of Appointment	Length of Contract	Unexpired Term at 31 March 2019	Notice Period
Trevor Pearce	22 February 2017	4 years	2 years	3 months
Frances Akor	1 October 2017	4 years	2 years 6 months	3 months
Pippa Britton *	23 March 2019	3 years	3 years	3 months
Nicholas Griffin	1 October 2017	4 years	2 years 6 months	3 months
Nicola Phillips	1 October 2017	3 years	1 year 6 months	3 months
Claire-Marie Roberts	1 October 2017	3 years	1 year 6 months	3 months
Sarah Winckless *	23 March 2019	3 years	3 years	3 months

\* Reappointed for a second three-year term

## Salary/Fees

'Salary/Fees' includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. There are no pension entitlements for Board members.

## Benefits in Kind

The monetary value of benefits in kind covers any non-cash benefits treated by HM Revenue and Customs as a taxable emolument. None were received or receivable by the Board in 2018/19 (2017/18 – nil). Tax on Board Members' expenses of £3k (2017/18 £5k) was paid by UKAD. There were none received or receivable by the Chief Executive or the Directors Team in 2018/19 (2017/18 – nil).

### Single Total Figure of Remuneration of Chief Executive and Directors Team

£'000	Salary and allowances	Performance Related Pay	Pension Benefits (to nearest £1k)	Total
<b>2018/19</b>				
Nicole Sapstead	105-110	5-10	24	135-140
Philip Bunt*	75-80	5-10	25	110-115
Matthew Johnson	100-105	5-10	33	140-145
Pat Myhill	85-90	5-10	32	120-125
Emily Robinson**	75-80	5-10	26	105-110
Gareth Wellings***	50-55	-	22	75-80
Resham Kotecha****	20-25	-	7	25-30
<b>2017/18</b>				
Nicole Sapstead	95-100	5-10	32	135-140
Philip Bunt	80-85	0-5	23	105-110
Matthew Johnson	90-95	-	28	120-125
Pat Myhill	75-80	5-10	23	105-110
Emily Robinson	75-80	-	25	100-105

\* FTE from 1 November 2018 of 0.81, \*\* FTE from 9 April 2018 of 0.89, \*\*\* appointed 1 July 2018, \*\*\*\* appointed 18 December 2018

### Salary

'Salary and allowances' includes gross salary and allowances; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. UKAD contributes 4 per cent of gross salary towards all employees' pension contributions. The Chief Executive is entitled under contract to receive a non-consolidated performance related payment of up to 10 per cent of salary and the Directors Team up to 7 per cent of salary subject to the achievement of specific targets. These targets and the attainment of them are determined by the Remuneration and Human Resources Committee.

### Pension Benefits

The Chief Executive and Directors Team are members of the Local Government Pension Scheme (LGPS), a tax-approved benefit occupational pension scheme set up under the Superannuation Act 1972. Benefits are based on career average revalued earnings and duration of membership. Members of the scheme accrued pension entitlement in the year at a rate of 1/49 of career average revalued earnings salary. Death in service cover is three years pay plus spouse's/civil partner's pension equal to 1/160 of the career average revalued earnings, times total membership. Financial disclosures in relation to the pension scheme are shown in Note 13 to the accounts. The table below shows the pension entitlement of the Chief Executive and Directors Team as at 31 March 2019.

## Chief Executive and Directors Team Pension Entitlements

£'000	Real Increase in Pension	Real Increase in Lump Sum	Value of Accrued Pension	Value of Accrued Lump Sum	CETV	Real Increase in CETV
<b>2018/19</b>						
Nicole Sapstead	0-2.5	(0-2.5)	25-30	10-15	292	27
Philip Bunt	0-2.5	-	5-10	-	137	21
Matthew Johnson	0-2.5	-	0-5	-	43	12
Pat Myhill	0-2.5	-	5-10	-	123	21
Emily Robinson	0-2.5	-	0-5	-	28	6
Gareth Wellings	0-2.5	-	0-5	-	39	8
Resham Kotecha	0-2.5	-	0-5	-	3	1
<b>2017/18</b>						
Nicole Sapstead	0-2.5	(0-2.5)	20-25	15-20	247	10
Philip Bunt	0-2.5	-	5-10	-	105	18
Matthew Johnson	0-2.5	-	0-5	-	19	9
Pat Myhill	0-2.5	-	5-10	-	91	13
Emily Robinson	0-2.5	-	0-5	-	14	5

Accrued pension represents the amount payable to the Chief Executive and Directors Team if they had left on 31 March 2019. Cash-Equivalent Transfer Values (CETV) are not payable directly but represent the potential liability if they should leave the scheme and wish to transfer accrued benefits to another scheme. These are based on assumptions certified by a qualified actuary in accordance with guidance note GN11, published by the Institute of Faculty Actuaries, and do not take account of any reduction in benefits arising from Lifetime Allowance Tax that may be due when pension benefits are drawn.

### The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total service, not just their current executive appointment. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### The real increase in the value of the CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the individual. It is worked out using common market valuation factors for the start and end of the period.

### Our Staff

At the start of the year there were 55 people on full-time permanent contracts, one on a fixed-term contract and nil on a part-time contract. By the end of 2018/19 there were 68 people on full-time permanent contracts, three on a fixed-term contract and four on part-time contracts. Some 20 staff came across from UK Sport to UKAD under the TUPE regulations in 2009/10, of whom five remain in UKAD's employment. UKAD is organised into five directorates – Business Services, Finance and Quality, Legal and Regulatory Affairs, Operations and Strategy and Education. There were 129 days (2017/18: 246 days) lost due to sickness absence during the year, equivalent to 1.9 days per person (2017/18: 4.6 days per person). There were no voluntary exit packages during the year (2017/18 – three at a total cost of £14k).

### Staff Costs

£'000	Permanent Staff	Contract Personnel	Total 2018/19	Total 2017/18
Wages and salaries	2,796	71	2,867	2,445
Social Security costs	325	-	325	244
Net pension cost	796	-	796	660
Pension contributions	339	-	339	329
Total	4,256	71	4,327	3,678

### Average Number of Staff

	Permanent Staff	Contract Personnel	Total 2018/19	Total 2017/18
Directly employed	64	3	67	53
Other	-	2	2	3
Total	64	5	69	56

### Contingent Labour, Consultancy and Off-Payroll Engagements

UKAD Spent £71k (2017/18: £186k) on contract personnel. No amounts were spent on consultants and there were no off-payroll engagements.

## Hutton Fair Pay Disclosures

UKAD is required to disclose the relationship between the remuneration of the highest paid member of staff in their organisation and the median remuneration of the organisation's workforce. During the period, the banded remuneration of the highest paid member of staff was £115k-120k (2017/18: £105k-110k). For 2018/19 this was 3.3 times (2017/18: 3.1 times) the median remuneration of the annualised workforce as at 31 March 2019, which equated to £35,360 (2017/18: £34,289). Total remuneration includes salary, allowances and non-consolidated performance related pay. It does not include employer pension contributions and the cash equivalent transfer value of pensions. There have been no changes to the structure of the remuneration of the highest paid member of staff or the workforce in accordance with the public sector pay restrictions. The change in ratio is a result of both changes in the remuneration of the highest paid member of staff and the median remuneration of the annualised workforce. The comparative figures for 2017/18 have been restated due to a change in methodology.

This is the end of the audited information

## Gender Mix at the End of the Financial Year

Gender	Board	Senior Management	Other Staff
Males	2	4	36
Females	5	2	33

UKAD publishes its gender pay gap report on its website.

## Employment of disabled persons and promoting diversity

UKAD is fully committed to the elimination of unlawful and unfair discrimination and values the differences that a diverse workforce brings to the organisation. A new strategy was adopted during the year which sets out the approach UKAD will take to increase diversity and benefit from these changes. UKAD is committed to building and maintaining a culture that values meritocracy, openness, fairness and transparency. The organisation will not discriminate because of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. It will also not discriminate because of any other irrelevant factor. All UKAD employees, the UKAD Board, Doping Control Personnel and National Trainers are responsible for the promotion and advancement of the new strategy. As at 31 March 2019 UKAD had one employee who had declared a disability.

The new strategy will be reviewed on an ongoing basis to reflect changes in the law, demographics and internal business requirements. Progress relating to the new strategy will be recorded on an annual basis and a full report will be presented to the Remuneration and Human Resources Committee to debate progress and review the strategy status. The new strategy



includes plans covering: leadership, training, communication and consultation, measurement, and external profile.



Nicole Sapstead  
Chief Executive and Accounting Officer  
04 October 2019



Trevor Pearce  
Chair  
On behalf of the UKAD Board  
04 October 2019

# The Independent Auditor's Report

## The Certificate and Report of the Comptroller and Auditor General to the Members of United Kingdom Anti-Doping Limited

### Opinion on financial statements

I certify that I have audited the financial statements of United Kingdom Anti-Doping Limited for the year ended 31 March 2019 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union. I have also audited the information in the Remuneration and Staff Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2019 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- the financial statements have been prepared in accordance with the Companies Act 2006.

### Opinion on regularity

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

### Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of United Kingdom Anti-Doping Limited in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Conclusions relating to going concern

We are required to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on United Kingdom Anti-Doping Limited's ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements. If I conclude that a material

uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern. I have nothing to report in these respects.

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' and Accounting Officer's Responsibilities, the directors are responsible for:

- the preparation of the financial statements and for being satisfied that they give a true and fair view.
- such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- assessing the company's ability to continue as a going concern, disclosing, if applicable, matters relating 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**

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

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. 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.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Kingdom Anti-Doping Limited's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

### Other Information

Management is responsible for the other information. The other information comprises information included in the annual report, other than the parts of the Remuneration and Staff Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### Opinion on other matters

In my opinion:

- the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual;
- in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or

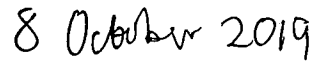
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Report

I have no observations to make on these financial statements.



Gareth Davies  
Comptroller and Auditor General



Date

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

## Statement of Comprehensive Net Expenditure

### Year ended 31 March 2019

	Notes	2018/19 £'000	2017/18 £'000
<b>Expenditure</b>			
Staff costs	3	(4,327)	(3,678)
Other expenditure	4	(7,765)	(6,499)
Depreciation and amortisation	5	(76)	(73)
<b>Total operating expenditure</b>		<b>(12,168)</b>	<b>(10,250)</b>
<b>Income</b>			
Testing income		3,429	3,101
Consultancy income		102	259
Other income		103	183
<b>Total income</b>	2	<b>3,634</b>	<b>3,543</b>
<b>Net expenditure before and after taxation for the year</b>		<b>(8,534)</b>	<b>(6,707)</b>
<b>Other comprehensive income/(expenditure)</b>			
Remeasurements of pension liability	13	89	842
<b>Total net comprehensive expenditure for the year</b>		<b>(8,445)</b>	<b>(5,865)</b>

The Accounting Policies and Notes on pages 47 to 60 form part of these Financial Statements

All of the income and expenditure of UKAD is in respect of continuing operations

There are no unrecognised gains and losses

# Statement of Financial Position

## As at 31 March 2019

	Notes	As at 31 March 2019 £'000	As at 31 March 2018 £'000
<b>Non-current assets:</b>			
Property, plant and equipment	6	186	126
Intangible assets	7	73	95
Total non-current assets		259	221
<b>Current assets</b>			
Trade and other receivables	8	1,241	1,186
Cash	9	1,236	566
Total current assets		2,477	1,752
Total assets		2,736	1,973
<b>Current liabilities</b>			
Trade and other payables	10	(1,796)	(1,293)
Total current liabilities		(1,796)	(1,293)
Total assets less current liabilities		940	680
<b>Non-current liabilities</b>			
Pension (liabilities)/assets	13	(3,702)	(2,995)
Total non-current liabilities		(3,702)	(2,995)
Assets less total liabilities		(2,762)	(2,315)
<b>Taxpayers' equity</b>			
General fund		(2,762)	(2,315)
Total taxpayers' equity		(2,762)	(2,315)

The Accounting Policies and Notes on pages 47 to 60 form part of these Financial Statements

UKAD is exempt from the requirements of Part 16 of the Companies Act 2006 under section 482 (non-profit-making companies subject to public sector audit) of that Act. The financial statements are subject to audit by the Comptroller and Auditor General under The Government Resources and Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009.

Approved and authorised for signature on 04 October 2019

  
 Nicole Sapstead  
 Chief Executive and Accounting Officer  
 UKAD

  
 Trevor Pearce  
 Chair  
 On behalf of the UKAD Board

## Statement of Changes in Taxpayers' Equity

### For the year ended 31 March 2019

	Notes	2018/19 £'000	2017/18 £'000
Reserves at 1 April		(2,315)	(2,446)
Total net comprehensive expenditure for the period	2	(8,534)	(6,707)
Remeasurements of pension liability	13	89	842
Resource Grant-in-aid received	11	7,876	5,933
Capital Grant-in-aid received	11	122	63
Reserves at 31 March		(2,762)	(2,315)

There is £1 of issued ordinary share capital and retained earnings are represented by Taxpayers' Equity.

The Accounting Policies and Notes on pages 47 to 60 form part of these Financial Statements



# Statement of Cash Flows

## For the year ended 31 March 2019

	Notes	2018/19 £'000	2017/18 £'000
<b>Cash flows from operating activities</b>			
Net expenditure		(8,534)	(6,707)
Depreciation and amortisation	6 & 7	76	73
(Increase)/decrease in trade and other receivables	8	(55)	(163)
Increase/(decrease) in trade and other payables	10	503	52
Increase/(decrease) in pension liability	13	707	(182)
Less movements relating to pension not passing through the net expenditure account	13	89	842
Net cash outflow from operating activities		(7,214)	(6,085)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	(101)	-
Purchase of intangible assets	7	(13)	(57)
Net cash outflow from investing activities		(114)	(57)
<b>Cash flows from financing activities</b>			
Grant-in-aid received to fund current year activities	11	7,998	5,996
<b>Net financing</b>			
Net increase/(decrease) in cash in the year		670	(146)
Cash at the beginning of the year	9	566	712
Cash at the end of the year	9	1,236	566

# Notes to the Financial Statements

## General information

UKAD, incorporated in 2009, is a limited liability company incorporated in England and Wales. The address of its registered office is Fleetbank House, 2-6 Salisbury Square, London, EC4Y 8AE.

## 1 Statement of accounting policies

These financial statements have been prepared in accordance with the Companies Act 2006 and with the 2018-19 Government Financial Reporting Manual (FReM) issued by HM Treasury where disclosure requirements go beyond the Companies Act 2006. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of UKAD for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items that are considered material to the accounts. With the exception of the pension valuation, there are no judgements or key sources of estimation uncertainty that have a significant effect on amounts recognised in the financial statements. The pension valuation is subject to significant estimation uncertainty. The assumptions made by the actuary in their valuation are detailed in note 13.

These accounts have been prepared on a going concern basis, as detailed under the Strategic Report of the Business. A copy of the accounts direction given by the Secretary of State for DCMS and which applies to UKAD is available from the Accounting Officer, Fleetbank House, 2-6 Salisbury Square, London, EC4Y 8AE.

### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention.

### 1.2 Grant in Aid received

Grant in Aid received towards resource expenditure is regarded as a contribution from a controlling party. It is therefore treated as financing and credited to taxpayers' equity.

### 1.3 Doping Control Personnel

A key accounting judgement has been made in respect of the pay and associated costs relating to the doping control personnel of UKAD. It was decided that these costs will be treated as other expenditure in note 4 and will not form part of UKAD's staff costs. This is because UKAD has made an assessment that doping control personnel are legally classified as workers rather than staff.

### 1.4 Non-current assets

#### 1.4.1 Depreciation and amortisation

Depreciation and amortisation is provided on all non current assets at rates calculated to write off the cost or valuation of each asset, less any estimated residual value, evenly over its expected useful life. The following useful lives have been used:

Asset Type	Useful life
Information Technology	3 years
Office Refurbishment	10 years
Furniture and Fittings	5 years
Software licenses/ Information Technology (intangibles)	4 years

## Notes to the Financial Statements continued

### 1.4.2 Recognition and capitalisation threshold

The threshold for capitalisation of non-current assets (either as a single or as a composite asset) is £2,500, or above, exclusive of irrecoverable VAT. Furniture and fittings (e.g. workstations, chairs, filing cabinets) and low value IT assets or equipment (e.g. printers) are capitalised on a pooled basis where batches of assets bought together exceed the capitalisation threshold. Disposals from asset pools are assumed to be on a first in/first out basis.

### 1.4.3 Property, plant and equipment

Property, plant and equipment is measured at historical cost less any accumulated depreciation less any accumulated impairment losses. Property, plant and equipment is held at cost as a proxy of valuation and not subject to a revaluation review as the change in the value of the assets would be immaterial to the accounts.

### 1.4.4 Intangible assets

Intangible assets comprise purchased software licences, applications software (not integrated into hardware) with a life of more than one year and information technology and are measured at cost less any accumulated amortisation less any accumulated impairment losses. Intangible assets are held at cost as a proxy of valuation and not subject to a revaluation review as the change in the value of the assets would be immaterial to the accounts.

### 1.5 Provisions

Provisions for dilapidations and legal claims are recognised when UKAD has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation and the amount can be reliably estimated.

### 1.6 Pension obligations

UKAD has a defined benefit plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets, as actuarially determined in accordance with the assumptions disclosed in note 13. Remeasurements are charged or credited to other comprehensive income in the period in which they arise.

### 1.7 VAT

UKAD is registered for VAT and makes supplies for both business and non-business purposes. Business supplies are subject to VAT at the standard rate. 50% of VAT paid in 2018-19 was treated as recoverable.

### 1.8 Corporation Tax

UKAD is registered to pay Corporation Tax, although its testing income is not considered to be trading income by HMRC, so not subject to Corporation Tax. A tax note has not been included because UKAD is not liable for Corporation Tax in the current period and it does not envisage that it will be liable in future years due to the nature of activities undertaken.

## Notes to the Financial Statements continued

### 1.9 Testing income

IFRS 15, which was adopted from 1 April 2018, specifies how and when revenue will be recognised, providing a five-step model to be applied to all contracts with customers. Testing income is recognised at the point at which a doping test is completed. Consultancy income is recognised at the point when the relevant work has been completed.

### 1.10 Operating leases

UKAD entered into operating leases in respect of its office accommodation at Fleetbank House from September 2012. Additional operating leases were entered into due to increased office accommodation requirements from January 2019. Rentals under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis. Assets provided under operating leases are not recognised on UKAD's Statement of Financial Position.

### 1.11 Foreign currency translations

Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rate of exchange ruling at that date. Foreign currency gains or losses arising from the translation of assets and liabilities at these rates of exchange, together with exchange differences arising from transactions settled during the year, are included in the income statement. Non-monetary assets and liabilities measured at historical cost are translated into sterling at the rate of exchange on the date of initial recognition.

## 2 Segmental reporting

	Contracted testing 2018/19 £'000	Other 2018/19 £'000	Total 2018/19 £'000	Contracted testing 2017/18 £'000	Other 2017/18 £'000	Total 2017/18 £'000
Non-staff costs						
expenditure	(2,363)	(153)	(2,516)	(2,249)	(104)	(2,353)
Income	3,176	458	3,634	2,964	579	3,543
Net income (before staff costs)	813	305	1,118	715	475	1,190
Total assets	401	45	446	446	98	544
Total net expenditure for operating segments			1,118			1,190
Staff costs			(4,327)			(3,678)
Other expenditure			(5,249)			(4,146)
Depreciation and amortisation			(76)			(73)
Total net expenditure per the Statement of Comprehensive Net Expenditure			(8,534)			(6,707)
Total assets reported for operating segments			446			544
Non-current assets			259			221
Other receivables			795			642
Cash			1,236			566
Total assets			2,736			1,973

The activities and results for the identified segment, which comprises more than 10% of income, is reported monthly to the relevant directors. Contracted testing comprises athlete testing, sample analysis and legal expenditure and forms part of the overall test distribution plan for the year undertaken by UKAD, complementing the activity under its public interest programme. 64% of contracted testing income for 2018/19 was generated from one customer. Income generated through contracted testing services at Major Games is included in other income.

## Notes to the Financial Statements continued

### 3 Staff costs

	Permanent Staff	Contract Personnel	Total	
	£'000	£'000	2018/19 £'000	2017/18 £'000
Wages and salaries	2,796	71	2,867	2,445
Social security costs	325	-	325	244
Net pension cost	796	-	796	660
Pension contributions	339	-	339	329
<b>Total staff costs</b>	<b>4,256</b>	<b>71</b>	<b>4,327</b>	<b>3,678</b>

### 4 Other expenditure

	2018/19 £'000	2017/18 £'000
<b>Operating activities</b>		
Sample analysis	1,864	1,524
Legal	381	633
Athlete testing *	2,695	2,177
Science and research	145	123
Intelligence	107	107
Education	472	329
Communications	188	86
WADA and iNADO expenditure	685	638
Major games	137	95
<b>Other operating activities</b>		
Rentals under operating leases	164	145
Rates and associated accommodation services	108	93
IT related costs	466	275
Board salary and fees, including travel and subsistence	80	69
Other office costs	99	99
Training	64	27
Recruitment	54	36
Telephones	5	3
<b>Auditors' remuneration</b>		
External auditor **	22	21
Internal auditor	26	15
Quality assurance auditor	3	4
	<b>7,765</b>	<b>6,499</b>

\* All costs related to doping control personnel have been included within this expenditure category.

\*\* External auditors received no remuneration for non-audit work.

# Notes to the Financial Statements continued

## 5 Depreciation and amortisation

	Notes	2018/19 £'000	2017/18 £'000
Depreciation and amortisation	6 & 7	76	73

## 6 Property, plant and equipment

	Information Technology £'000	Furniture and Fixtures £'000	Office Refurbishment £'000	Totals £'000
<b>Cost</b>				
At 31 March 2018	33	100	248	381
Additions	75	18	8	101
At 31 March 2019	108	118	256	482
<b>Depreciation</b>				
At 31 March 2018	(25)	(97)	(133)	(255)
Provided during the year	(14)	(2)	(25)	(41)
At 31 March 2019	(39)	(99)	(158)	(296)
<b>Net book value</b>				
At 31 March 2019	69	19	98	186
At 31 March 2018	8	3	115	126
<b>Cost</b>				
At 31 March 2017	114	100	248	462
Disposals	(81)	-	-	(81)
At 31 March 2018	33	100	248	381
<b>Depreciation</b>				
At 31 March 2017	(101)	(93)	(108)	(302)
Provided during the year	(5)	(4)	(25)	(34)
Disposals	81	-	-	81
At 31 March 2018	(25)	(97)	(133)	(255)
<b>Net book value</b>				
At 31 March 2018	8	3	115	126
At 31 March 2017	13	7	140	160

# Notes to the Financial Statements continued

## 7 Intangibles

	Information Technology £'000	Software Licences £'000	Totals £'000
<b>Cost</b>			
At 31 March 2018	379	125	504
Additions	13	-	13
At 31 March 2019	392	125	517
<b>Amortisation</b>			
At 31 March 2018	(284)	(125)	(409)
Provided during the year	(35)	-	(35)
At 31 March 2019	(319)	(125)	(444)
<b>Net book value</b>			
At 31 March 2019	73	-	73
At 31 March 2018	95	-	95
<b>Cost</b>			
At 31 March 2017	322	125	447
Additions	57	-	57
At 31 March 2018	379	125	504
<b>Amortisation</b>			
At 31 March 2017	(248)	(122)	(370)
Provided during the year	(36)	(3)	(39)
At 31 March 2018	(284)	(125)	(409)
<b>Net book value</b>			
At 31 March 2018	95	-	95
At 31 March 2017	74	3	77



## Notes to the Financial Statements continued

### 8 Trade receivables and other current assets

	As at 31 Mar 2019 £'000	As at 31 Mar 2018 £'000
<b>Amounts falling due within one year:</b>		
Trade receivables	446	544
Staff season ticket advances	36	27
Prepayments and accrued Income	759	615
Trade and other receivables	1,241	1,186

### 9 Cash and cash equivalents

	£'000	£'000
At 31 March 2018	566	712
Net change in cash and cash equivalent balances	670	(146)
At 31 March 2019	1,236	566
The balances at 31 March were held at:		
Commercial banks	1,236	566
	1,236	566

### 10 Trade payables and other current liabilities

	As at 31 Mar 2019 £'000	As at 31 Mar 2018 £'000
<b>Amounts falling due within one year:</b>		
Trade payables	(445)	(192)
Accruals and deferred income	(1,141)	(893)
VAT payable	(68)	(108)
Other taxation, social security and pension contributions	(142)	(100)
Trade and other payables	(1,796)	(1,293)

## Notes to the Financial Statements continued

### 11 Related party transactions

UKAD is constituted as a company limited by guarantee, the sole guarantee of £1 is provided by the Secretary of State for Digital, Culture, Media and Sport, who is the sole member.

DCMS is regarded as a related party, as are other bodies sponsored by DCMS.

	2018/19 £'000	2017/18 £'000
Resource and capital Grant in Aid received	7,998	6,096
Grant in Aid (repaid)/received to provide working capital	-	(100)
Total Grant in Aid in the year amounted to	7,998	5,996

In addition UKAD has had dealings throughout the year with other Government Departments and other Central Government bodies, the amounts of which are not material.

Key management personnel compensation has been disclosed in the Remuneration Report.

### 12 Obligations under operating leases

The total minimum lease payment commitments under operating leases for the following periods are:

	As at 31 Mar 2019 £'000	As at 31 Mar 2018 £'000
<b>Property</b>		
Within one year	214	149
Between two and five years	543	533
	757	682

UKAD occupies space at Fleetbank House for which it has entered into a 10 year agreement which commenced on 1 September 2012. An agreement to occupy additional space at Fleetbank House until September 2022 was entered into on 1 January 2019.

## Notes to the Financial Statements continued

### 13 Superannuation scheme

The Local Government Pension Scheme (LGPS) is a tax approved, defined benefit occupational pension scheme set up under the Superannuation Act 1972 and is administered by the London Pension Fund Authority (LPFA). The benefits under the scheme are based on career average revalued salary and length of service on retirement. Actuarial gains/ losses are recognised in full in the reserves during the year, in accordance with the FReM 2018/19. The Pension Scheme is funded by employees and employers at actuarially determined rates. Individual contribution rates vary depending on the level of pensionable pay. The employee contribution rates for 2019/20 are as stated below:

Earnings	Employee contribution
Up to £14,400	5.50%
£14,401 - £22,500	5.80%
£22,501 - £36,500	6.50%
£36,501 - £46,200	6.80%
£46,201 - £64,600	8.50%
£64,601 - £91,500	9.90%
£91,501 - £107,700	10.50%
£107,701 - £161,500	11.40%

Every three years an independent review is undertaken to calculate employer contribution rates. The most recent actuarial valuation, undertaken by Barnett Waddingham (the consulting actuaries to the LPFA), was as at 31 March 2016. The employer contribution rate applicable to 2018/19 was 12%.

The employer's contribution for the year amounted to £339,000 (2017/18 £329,000). The projected employer's contribution for 2019/20 is £379,000.

The figures in this note have been prepared by Barnett Waddingham in accordance with International Accounting Standard 19 (IAS19 (2011)).

### 13.1 Pension commitments

#### Financial assumptions

	31 Mar 2019 % p.a.	31 Mar 2018 % p.a.
RPI Increases	3.4%	3.3%
CPI Increases	2.4%	2.3%
Salary increases	3.9%	3.8%
Pension increases	2.4%	2.3%
Discount rate	2.5%	2.6%

#### Average future life expectancies at age 65 (years)

	31 Mar 2019	31 Mar 2018
<b>Retiring today</b>		
Males	21.1	22.1
Females	23.7	24.7
<b>Retiring in 20 years</b>		
Males	22.9	24.5
Females	25.3	27.0

## Notes to the Financial Statements continued

### 13.2 Net pension liability

	31 Mar 2019	31 Mar 2018
	£'000	£'000
Present value of funded obligation	(9,518)	(7,748)
Fair value of Scheme assets (bid value)	5,816	4,753
Net liability in Statement of Financial Position	(3,702)	(2,995)

### 13.3 Amounts recognised in the Net Expenditure Account

	31 Mar 2019	31 Mar 2018
	£'000	£'000
Net interest on the defined liability	74	85
Administration expenses	6	5
Service cost	1,055	899
Total net expenditure per the Statement of Comprehensive Net Expenditure	1,135	989
Actual return on Scheme assets	462	240

### 13.4 Remeasurements in Other Comprehensive Income

	31 Mar 2019	31 Mar 2018
	£'000	£'000
Return on plan assets in excess of interest	331	119
Change in financial assumptions	(813)	723
Change in demographic assumptions	571	-
Remeasurements	89	842

### 13.5 Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	31 Mar 2019	31 Mar 2018
	£'000	£'000
Opening defined benefit obligation as at 1 April	7,748	7,289
Current service cost	1,055	899
Prior year employer service cost now paid	45	-
Estimated future service cost not yet paid	(14)	(81)
Interest cost	205	206
Change in financial assumptions	813	(723)
Change in demographic assumptions	(571)	-
Estimated benefit paid	(1)	(3)
Contributions by scheme participants	238	161
Closing defined benefit obligation as at 31 March	9,518	7,748

## Notes to the Financial Statements continued

### 13.6 Reconciliation of the opening and closing balances of the fair value of Scheme assets

	31 Mar 2019	31 Mar 2018
	£'000	£'000
Opening fair value of Scheme assets as at 1 April	4,753	4,112
Interest on assets	131	121
Return on assets less interest	331	119
Administration expenses	(6)	(5)
Contributions by employer including unfunded	339	329
Estimated future service cost not yet paid	(14)	(81)
Prior year employer service cost now paid	45	-
Contributions by scheme participants	238	161
Estimated benefits paid plus unfunded net transfers in	(1)	(3)
Fair value of Scheme assets as at 31 March	5,816	4,753

### 13.7 Reconciliation of opening and closing deficit

	31 Mar 2019	31 Mar 2018
	£'000	£'000
Deficit at the beginning of the year	(2,995)	(3,177)
Current Service Cost	(1,055)	(899)
Employer Contributions	339	329
Interest on assets	131	121
Interest on obligation	(205)	(206)
Return on assets less interest	331	119
Change in financial assumptions	(813)	723
Administration expenses	(6)	(5)
Change in demographic assumptions	571	-
Deficit at the end of the year	(3,702)	(2,995)

### 13.8 Employer Asset Share - Bid Value

	31 Mar 2019		31 Mar 2018	
	£'000	%	£'000	%
Equities	3,164	54%	2,906	62%
Target Return Portfolio	1,551	27%	1,065	22%
Infrastructure	350	6%	208	4%
Property	547	9%	342	7%
Cash	204	4%	232	5%
<b>Total</b>	<b>5,816</b>	<b>100%</b>	<b>4,753</b>	<b>100%</b>

### 13.9 Expected Return on Assets

For the year to 31 March 2019, the expected return on assets was 9% per annum (2017/18: 6%), which has been used by the actuary to determine the profit and loss charge for the year ended 31 March 2019.

## Notes to the Financial Statements continued

### 13.10 Sensitivity Analysis

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	9,185	9,518	9,863
Projected Service Cost	1,081	1,121	1,162
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	9,544	9,518	9,492
Projected Service Cost	1,121	1,121	1,121
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	9,837	9,518	9,210
Projected Service Cost	1,162	1,121	1,081
Adjustment to mortality age rating assumption	+ 1 Year	None	- 1 Year
Present Value of Total Obligation	9,845	9,518	9,202
Projected Service Cost	1159	1121	1,084

### 13.11 Amounts for the Current and Previous Periods

	Year to 31 March 2019 £'000	Year to 31 March 2018 £'000	Year to 31 March 2017 £'000	Year to 31 March 2016 £'000	Year to 31 March 2015 £'000
Defined Benefit Obligation	(9,518)	(7,748)	(7,289)	(4,437)	(4,514)
Scheme assets	5,816	4,753	4,112	2,994	2,665
Surplus (Deficit)	(3,702)	(2,995)	(3,177)	(1,443)	(1,849)
Experience adjustments on					
Scheme liabilities	-	-	403	-	(12)
Percentage of liabilities	-	-	5.5%	-	-0.3%
Cumulative Actuarial Gains and Losses	432	308	195	(15)	(93)

The cumulative gains and losses in the table above start from 14 December 2009.

### 14 Capital commitments

There were no commitments for the purchase of non current assets at the year end (2017/18 £nil).

### 15 Losses and special payments

There were no losses and special payments for the year ended 31 March 2019 (2017/18 £nil).

## Notes to the Financial Statements continued

### 16 Financial instruments

UKAD had no borrowings and relied on Grant in Aid income from DCMS for its cash requirement and was, therefore, not exposed to liquidity risk. It also had no investments other than cash held in bank accounts and was therefore not exposed to significant interest rate risk. The majority of the financial instruments relate to trade payables, VAT and other taxation, social security and pension contributions which are exposed to little credit risk.

The majority of UKAD's transactions are denominated in sterling, although some of the activities involve foreign currency transactions. The gains and losses arising from these transactions have not been disclosed but the amounts involved are not considered material. UKAD is therefore not exposed to significant foreign exchange risk.

	As at 31 Mar 2019 £'000	As at 31 Mar 2018 £'000
<b>Financial assets</b>		
Cash and cash equivalents	1,236	566
Trade receivables	446	544
	<b>1,682</b>	<b>1,110</b>
<b>Financial liabilities</b>		
Trade payables	(445)	(192)
VAT payable	(68)	(108)
Other taxation, social security and pension contributions	(142)	(100)
	<b>(655)</b>	<b>(400)</b>
<b>Total</b>	<b>1,027</b>	<b>710</b>

### 17 Contingent liabilities

On 27 June 2019 the Supreme Court rejected the government's request to appeal, regarding age discrimination arising from public sector pension scheme transition arrangements. Court of appeal judgements were made in cases affecting judge's pensions (e.g. McCloud) and firefighter pensions (e.g. Sergeant) which had previously been considered by employment tribunals. The rulings have implications for UKAD which participates in a Local Government Pension Scheme. The impact of this judgement has not been recognised in the accounts, on the grounds that the financial implication is not significant. The estimated cost, based on broad assumptions, is £191,000 which is equivalent to 5% of the current pension scheme liability.

Contingent liabilities disclosed in 2017/18 were £nil.

### 18 Trade union facility time

Facility time is paid time off for union representatives to carry out trade union activities. The total cost of facility time for 2018/19 is £nil (2017/18 £nil).

### 19 New Accounting standards issued but not yet effective

IFRS 16 (Leases), effective from 1 January 2019, will be adopted from 1 April 2019. The expected impact of IFRS 16 is that current operating leases of £1,202,000 will be recognised as right of use assets on the Statement of Financial Position representing the right to use the underlying leased asset together with a corresponding lease liability representing the obligation to make future lease payments. The expected impact includes all relevant expenditure associated with current lease agreements.

### 20 Date Accounts authorised for issue

The accounts were authorised for issue on the date the Comptroller and Auditor General certified the accounts. The accounts do not reflect events after this date.

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