

The English Institute of Sport Limited

**Annual Report and Financial Statements
For the year ended 31st March 2022**

The English Institute of Sport Limited

**Annual Report and Financial Statements
For the year ended 31st March 2022**

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

Ordered by the House of Commons to be printed on 14 December 2022



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ISBN 978-1-5286-3768-8

E02822077 12/22

Printed on paper containing 75% recycled fibre content minimum

Printed in the UK by the HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

The English Institute of Sport Limited
Annual Report and Financial Statements
Year Ended 31 March 2022

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The English Institute of Sport Limited
Company Registration Number 04420052

Officers and Professional Advisers

Directors	Sir David Tanner CBE - (Interim Chair 1 January to 30 June 2021) J Dowson – Chair (appointed 1 July 2021) N Walker OBE – National Director (resigned 1 October 2021) M Archibald – National Director (appointed 7 February 2022) V Aggar (resigned 7 October 2022) V Luck J Skiggs M Rogan K Van Someren (resigned 2 October 2022) E Boggis A Parkinson Dr C Cowie (appointed 1 October 2022) Dr A Watkins (appointed 1 October 2022)
Company Secretary	J Quick
Registered Office	The Manchester Institute of Health and Performance 299 Alan Turing Way Manchester M11 3BS
Auditor	Comptroller and Auditor General National Audit Office 157 – 197 Buckingham Palace Road Victoria London SW1W 9SP

The English Institute of Sport Limited

Strategic Report

Year Ended 31 March 2022

The results and a detailed review of the main activities carried out in the year are contained in the Directors' Report.

The EIS developed a new strategy to run between 2021 and 2025 ("Mission 2025"). The focus is to continue to deliver outstanding support that enables sports and athletes to excel across National and International competition. The strategy embraces the philosophy of putting "people at the heart of extraordinary performance". The company values have been developed to recognise the scope of what they do. They are: Innovation, collaboration, excellence and care.

The strategy focuses on national governing body (NGB) requirements, providing a pathway for the practitioners of the future and surrounding athletes and coaches with excellent people to enable them to excel on the world stage. There is an ambition to increase the diversity of the workforce to represent society and the athletes supported. Increasing diversity will lead to better performance as well as better representation of the population served.

There are nine strategies developed for Mission 2025:

- Athlete Health - Support sports in managing their athletes' physical and mental health
- Data Governance - Allow performance impacting data to be captured, analysed & shared securely with relevant parties, in compliance with GDPR
- Elite Training Centres - Create & maintain a world class environment, optimising the support of EIS staff to sports & athletes
- Enabling People - Ensure our workforce is highly motivated to achieve our mission, behave in line with our values and have high levels of technical and interpersonal skill
- Human Performance - Deliver and develop outstanding cross-discipline performance support
- Organisational Health - Ensure the future viability of the EIS
- Performance Data - Timely, accurate & credible insight from data to best inform decision-making
- Performance Innovation - Enabling our athletes to perform better and our system to learn faster by delivering new and novel solutions through strong partnerships
- Performance Planning - Excellence in performance planning & high-performing team working that is valued by coaches

The EIS believes people will see, hear and feel the impact of the strategy in the following ways:

- For athletes, there will be nowhere better to be cared for; to receive mental and physical support that enables them to excel; to prepare them to stand on the start line knowing that they have benefited from every innovation that could benefit their performance; and to feel the power of hundreds of the brightest British brains behind them.
- For sports, there will be nowhere better to be part of a community that is curious about performance challenges; that is committed to excellence; that is standing shoulder to shoulder with them in good times and in bad; and that is helping them to be the best they can be.
- For the EIS staff, there will be nowhere better to live their dream of working in sport; to grow in their role and be cared for as people; to work with the best athletes in the world; and to see the fruits of their labour on the biggest stages.

The English Institute of Sport Limited

Strategic Report *(continued)*

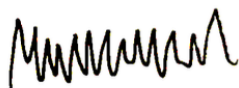
Year Ended 31 March 2022

There are several risks that are actively being managed, with the primary ones being:

- Long term funding
- Staff retention and the loss of talent
- Recruitment and the challenges attracting new practitioners of the required standard
- Practice going beyond boundaries of ethical acceptability
- Cyber security, data protection and information management.

In addition, the EIS continues to monitor the impact of inflation on the cost base. Where possible contracts will be managed to cap any inflationary increases.

Signed by order of the directors

A handwritten signature in black ink, appearing to be 'M Archibald', written in a cursive style.

M Archibald, Director

Approved by the Directors on 29 November 2022

The English Institute of Sport Limited

Directors' Report

Year Ended 31 March 2022

The directors have pleasure in presenting their report and the financial statements of the Company for the year ended 31 March 2022.

Principal Activities and Business Review

The EIS provides sport science, medicine, technology and support services to elite athletes, primarily in UKS funded Olympic and Paralympic sports (the company's principal activity). The company is a wholly owned subsidiary of The United Kingdom Sports Council (UKS).

EIS continues to receive core funding from UKS (68% of EIS income) to support its infrastructure, with direct costs of service provision funded by charging the National Governing Bodies (NGBs) for agreed levels of service (29% of income). Funding is received from Sport England to support equipment purchases at EIS sites.

The main activities during the year have included:

- The EIS continues to work with 33 Olympic, Paralympic and English sports.
- The 2020 Tokyo Games took place in the summer of 2021. The EIS provided 110 people (for a total of 2,685 person days) to support NGBs, the BPA and BOA during the Olympic and Paralympic events.
- Shauna Coxsey was supported at the Olympic Games by the EIS. Shauna came 10th as sport climbing made its debut appearance.
- At the Paralympic Games, Wheelchair Fencing, an EIS managed program, won 5 medals placing them third on the wheelchair fencing medal table.
- The Winter Olympic and Paralympic Games took place in February and March 2022. EIS staff supported the Skeleton programme and in headquarter roles with the BOA and BPA.
- Short track speed skater Elise Christie was supported by the EIS through her medal support plan. Unfortunately, she was unable to qualify for the Games.
- The first year of strategy delivery was monitored via Mission meetings that track performance against strategic objectives defined for each business area.
- The EIS developed an online learning platform that went live in 2022. All compliance training is housed on this platform with reporting available to line managers to monitor team completion rates. The platform will also provide other on-demand training.
- A review of multisport services was completed resulting in closer alignment of resources to customer need.
- Operating sites were closed at Birmingham and Gateshead in 2022 in response to low athlete numbers at each location.
- The EIS continued its commitment to learning by providing opportunities for its people through professional studies, learning events, online resources and communities of practice.
- A project looking at customer engagement was completed in 2022. Outputs included an enhanced customer dashboard providing key information and dedicated contacts for all NGBs.
- The EIS invested in a data protection tool to collate information asset registers, data protection impact assessment and key processing activities in one place. This enhances the ability to comply with data protection regulations.
- Additional mental health consultants were recruited increasing support for athletes in this area.
- The Performance Innovation Team worked on 130 projects across 33 sports.
- The EIS continued to provide support and guidance to the High-Performance System on COVID-19 protocols.

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Principal Activities and Business Review *(continued)*

Communication of progress against strategies and developments within the organisation remained a high priority through the year. Staff have been kept informed and updated via a variety of communication methods, including the annual national conference, all-staff teleconferences held monthly and weekly email updates.

The EIS conducted its own staff survey in 2021.

Some of the key findings included:

- 95% of staff agreed: "I feel proud to work for the EIS" (2020: 96%)
- 90% of staff agreed: "This job is good for my personal growth" (2020: 92%)
- 89% of staff agreed: "I feel I have the right support to provide a great service" (2020: 93%).

The Senior Leadership Team (SLT) works through the key areas for improvement and feeds this back to staff regularly.

The EIS continues to have high focus on cyber security. The programme includes regular simulated phishing attacks, annual mandatory training and enhanced monitoring of suspicious activity. Regular organisation wide communication is undertaken to highlight risks in this area. There have been no successful attacks in the last twelve months. The EIS renewed their Cyber Essentials accreditation in 2022.

A sustainability audit was conducted in 2021 to provide the EIS with a framework to help them approach the topic. A working group has been formed from staff with an interest in promoting sustainability in the organisation, acting as a focal point for ideas and initiatives. Opportunities identified include monitoring travel spend and working with suppliers to reduce waste.

The EIS continued its focus on equality, diversity and inclusion. The EIS committed to have a workforce that represents the diversity of the UK population by 2032. To achieve this, recruitment targets by protected characteristics have been calculated for each of the next three Olympic and Paralympic cycles. These targets are monitored quarterly and reported to Board annually. Webinars were run on a variety of topics and were open to the whole organisation with high levels of engagement. Awareness is also raised through weekly updates. As a Disability Confident Committed employer, the EIS are removing barriers to disabled people and those with long-term health conditions to enable them to fulfil their potential and realise their ambitions as part of the team.

The high levels of inflation seen in 2022 had no impact on the results presented in these financial statements. The EIS factor the impact of inflation into business plans for the remainder of the current funding cycle.

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Principal Activities and Business Review *(continued)*

In 2022, the EIS reported on the gender pay gap (GPG) for the fifth time. The gender pay gap looks at how everyone, including contractors as well as employees, is paid across the organisation. This year's report, which is based on data at 31st March 2021, shows that unfortunately the pay gap has increased both in the mean and the median calculations. We have implemented the significant changes set out in last year's report in the EIS's recruitment processes and checks. Last year the GPG was 16.1% (mean) and 11% (median) compared to this year 18.7% (mean) and 16.7% (median). Following this disappointing increase, the EIS commissioned a detailed and specialist data analysis of the information. This has provided greater clarity of the areas that are causing the GPG to arise.

- Firstly, when looking at the pay gap within the four quartiles, there is a small pay gap in the two lower pay quartiles and a more significant pay gap in the higher two quartiles with the highest being in the top quartile. Equally the EIS has more females in the lower paid quartiles and more males in the higher quartiles. This indicates that having more men in higher-paid roles has a greater impact on the overall pay gap than having more women in lower-paid roles and that difference is most substantial for the highest-paid roles.
- Secondly, in analysing the data in functions within the organisation, it seems that the greater gaps are in the central functions and not in the practitioners (which accounts for 50% of the organisation).
- Finally, and most significantly, the EIS has identified that the biggest impact on our overall GPG comes from part-time workers. At the EIS, a significant number of people work part time across all levels and all functions. The analysis found that more of the part-time women employed are in lower paid roles and more of the part-time men we employ work in higher paid roles. There is no evidence that there are equal pay issues simply that where we have high value part-time work it is more likely to be done by men.

Governance

The EIS Board meets up to six times a year to provide strategic direction to the organisation. Non-executive board members are appointed for a maximum term of four years. At the end of this time directors may be re-appointed for a further four-year term (i.e., maximum of two, four-year terms in total). Since April 2021, two meetings have been online and three have been in person.

UK Sport is entitled to appoint three Directors to the Board of EIS, one of whom is appointed as the Chair. Following the resignation of John Steele in December 2020, Sir David Tanner assumed the role of interim Chair. John Dowson was appointed as permanent Chair on 1 July 2021. Matt Archibald joined the EIS as CEO in February 2022 and joined the Board at the same time. UK Sport appoints two observers to the EIS Board. These roles are filled by Kate Baker and Ismail Amla. The remaining two UK Sport appointed positions are vacant. Vic Luck is the Senior non-executive Director. The Board comprises three females and seven males. In line with our commitment to ensure that the Board and organisation is more representative of UK Society, we are using the board recruitment that we will carry out in 2023 to improve the diversity of the Board. We have a particular focus on attracting women, people with a disability and people from an ethnically diverse background to apply to join the Board.

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Governance *(continued)*

Board membership during 2021/22 was as follows:

Name	Position	Start Date	Term duration
John Dowson	Chair	July 2021	Four-year term appointed until July 2025
Vic Luck	Senior Non-Executive Director	December 2015	Four-year term to December 2019, reappointed to final term to December 2023
Sir David Tanner	Interim Chair and Non-Executive Director	December 2015	Four-year term to December 2019, reappointed to final term to December 2023
Victoria Aggar	Non-Executive Director	October 2014	Four-year term to October 2018, reappointed to final term until October 2022. Resigned 7 October 2022
Emma Boggis	Non-Executive Director	October 2019	Four-year appointment to October 2023
Andy Parkinson	Non-Executive Director	October 2019	Four-year appointment to October 2023
Matt Rogan	Non-Executive Director	October 2018	Four-year appointment to October 2022, reappointed to final term until October 2026
Jamie Skiggs	Finance Director	June 2017	Executive appointment. No fixed term
Ken Van Someren	Non-Executive Director	October 2018	Four-year appointment to October 2022. Resigned 2 October 2022
Nigel Walker	National Director	September 2010	Executive appointment. Resigned October 2021
Matt Archibald	Chief Executive Officer	February 2022	Executive appointment. No fixed term
Dr Charlotte Cowie	Non-Executive Director	October 2022	Four-year term appointed until October 2026
Dr Anna Watkins	Non-Executive Director	October 2022	Four-year term appointed until October 2026
Vacant	UKS nominated Non-Executive Director	N/A	
Vacant	UKS nominated Non-Executive Director	N/A	

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Governance *(continued)*

The Board met 6 times in the period April 2021 to November 2022. Attendance was as follows:

Board Attendance	Jun	Sep	Dec	Mar	Jun	Sep	Overall
Nigel Walker	Y	Y	N/A	N/A	N/A	N/A	2/2
Victoria Aggar	Y	Y	Y	Y	Y	Y	6/6
Vic Luck	Y	Y	Y	Y	Y	Y	6/6
Sir David Tanner	Y	Y	Y	Y	Y	Y	6/6
Jamie Skiggs	Y	Y	Y	Y	Y	Y	6/6
Matt Rogan	Y	Y	Y	Y	Y	Y	6/6
Ken Van Someren	Y	N	Y	Y	Y	Y	5/6
Andy Parkinson	Y	Y	Y	Y	Y	Y	6/6
Emma Boggis	Y	Y	Y	Y	Y	Y	6/6
John Dowson	N/A	Y	Y	Y	Y	Y	5/5
Matt Archibald	N/A	N/A	N/A	Y	Y	Y	3/3

The Boards of UK Sport and the EIS have a Group Audit and Risk Committee (GARC) to support them in their respective responsibilities for issues of risk, control and governance. Membership consists of three UK Sport non-executive board members, one of whom is the chair, one non-executive EIS Board member and up to three independent members. Responsibilities include advising on accounting policies, risk monitoring frameworks, internal and external audit planning and cyber security arrangements and review of annual reports. The GARC meets 4 times per year and reports back to the EIS Board.

BDO provides internal audit services on behalf of the GARC. Their annual report stated that the EIS has some risk that management's objectives may not be fully achieved. Improvements are required in those areas to enhance the adequacy and / or effectiveness of governance, risk management and internal control. This is a 'level 2' rating of four rating levels, the second highest rating. Management implements agreed recommendations and consistently look to improve the control framework.

The Remuneration and Nomination Committee is a sub-committee of the EIS Board. Key responsibilities include setting executive pay, executive role descriptions, review of board skills and appointments. The committee reports back to board bi-annually.

Monitoring of strategic KPIs is undertaken by EIS Mission Control group attended by an external advisor, two EIS Board members and a UKS representative alongside the Senior Leadership Team. KPIs include market share, employee and customer satisfaction and cost per day. Reporting is provided to the Board quarterly.

The EIS Board also has a Technical Steering Panel, the purpose of which is to provide independent advice and oversight on technical projects and practice conducted by the EIS.

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Governance *(continued)*

The EIS continues to monitor compliance with General Data Protection Regulations (GDPR) through a data privacy framework that tracks key areas of activity. This includes KPI to monitor subject access requests, Data Protection Impact assessments completed and data incidents. During 2021/22, there was one data incident that was reportable to the Information Commissioner's Office (2020/21: 0).

The EIS SLT monitors all strategic risks under the headings of People, Reputation, Finance / Governance and Performance. These include staff retention, financial risk, cyber security, performance impact and data protection. This is reviewed regularly within the EIS and reported to the Group Audit and Risk Committee and EIS Board quarterly.

The EIS has a number of policies and procedures that effectively describe to staff the details of their responsibilities. These include anti-fraud, anti-bribery, anti-corruption, gifts and hospitality, health and safety, EIS professional code, information retention and whistleblowing and confidential disclosure. There has been one instance of fraud in 2021/22 (2020/21: 0). This occurred via a third party which illegally extricated funds from the EIS.

The EIS continues to comply with the Code for Sports Governance and the Board is regularly updated on activity to remain compliant.

Future Developments

With just two years to the Olympic and Paralympic Games in Paris, focus is on providing support for Athletes attending those Games. Whilst focus remains on Paris, initial planning for the 2026 Winter Games in Milan Cortina and the 2028 Games in Los Angeles will start. NGBs will be supported the various European and World Championships.

Mission 2025 strategy is in its second year. Focus is on delivery against the objectives in each strategy. For this year it includes significant investment in Performance Innovation, embedding new people into the organisation and enhancing the standard of performance planning.

The online learning platform, launched in 2022, will be further developed with a broader range of training allowing staff to access modules at times that suit them. In person training will continue where this remains the best method for training delivery.

The financial challenges presented by rising inflation are being actively managed with business plans running to the end of the current funding cycle (March 2025). These plans will continue to be monitored by Group Audit and Risk Committee and Board.

In partnership with sports, the EIS will continue to strive to underpin world class delivery by recruiting, developing and retaining exceptionally talented and motivated individuals. Further work will be undertaken to enhance the EIS overall employee reward package to ensure this supports the people development strategy to 2025 and beyond.

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Future Developments *(continued)*

The EIS will continue to focus on long term Organisational Health. Specific KPIs and objectives have been developed. Key focus areas are: culture, market share, attracting and retaining talent, developing the brand, financial stability and governance.

We will continue to focus resources to create world leading performance environments, working closely with UKS in support of the Elite Training Centres and prioritising additional capital investment around sport need. A dedicated space for the Wheelchair Fencing programme in Bath will be completed in Autumn 2022

Going Concern

The accounts have been prepared on a going concern basis. The directors have reviewed this position and are satisfied that the company is operating as a going concern, despite ongoing budgetary pressures. Funding from UKS is confirmed to 31 March 2025. Detailed budgets have been prepared for the remainder of the funding cycle, resulting in a break-even position. The EIS SLT will prioritise activity to deliver strategic objectives within the funding available.

Agreements are in place with 19 Olympic, Paralympic and English funded sports, the majority of which are committed until March 2025.

Whilst these financial statements show a significant deficit from the FRS102 pension bookings, the ongoing scheme contributions are included in the financial planning at current contribution levels.

Given all the above, the directors have reviewed cash flow forecasts for a period of 12 months from the date of approval of these financial statements, which indicate that, taking account of reasonable possible downsides, the company will have sufficient funds, to meet its liabilities as they fall due for that period.

People With Disabilities

EIS employs disabled persons on merit and every effort is made to ensure that all applicants are given full and fair consideration at all times. All reasonable adjustments are made to meet the needs of disabled employees and an occupational health service is provided to assess the needs of employees, where required, during the course of their employment. EIS is committed to providing training and development opportunities to all of its employees, both able bodied and disabled. EIS has achieved the Preliminary level of the Equality Standard for Sport and the Intermediate level of the Standards for Safeguarding and Protecting Children in Sport. The EIS is a disability confident employer.

Results

The deficit for the year, after taxation, amounted to £7,747,000 (2021: deficit £3,652,000). The deficit is caused by a charge to pension contributions of £6,401,000 (2021: £2,841,000) in respect of service costs and a net interest charge on the defined liability of £1,228,000 (2021: £597,000) both as a result of the FRS102 actuarial valuation of the pension scheme.

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Results *(continued)*

The balance sheet showed net liabilities as at 31 March 2022 of £52,018,000 (*2021: net liabilities of £60,777,000*) of which £51,926,000 (*2021: £60,730,000*) is caused by the Defined Benefit pension scheme liability. The decrease in the net Defined Benefit pension scheme liability for the year to 31 March 2022 is largely due to an increase in fund asset values (refer to note 14). The pension scheme valuation for FRS102 purposes differs from the triennial valuation as a result of a different set of actuarial assumptions being used.

Financial Risk Management Objectives and Policies

With approximately 29% of our funding secured through service level agreements with NGBs it is key that we meet the performance objectives set out in these agreements in order to retain this funding. To that end each of the EIS's sports has a dedicated point of contact who closely monitors both the quantity and quality of service provision, liaising regularly with the sport in the process.

The EIS is bound by Funding Agreements (alongside a separate Financial Memorandum) and KPIs are agreed annually to ensure we meet the requirements of our key funder, UKS. Progress against the KPIs is reviewed quarterly by the EIS SLT and by the EIS Board. The majority of KPIs being reported against are on target, and corrective action is being taken for those that are not.

Regular meetings have been held throughout 2021/22 with UK Sport to review performance. In addition, governance/risk issues are addressed via the Group Audit and Risk Committee.

An EIS Risk Management Strategy is in place which covers all areas of risk, financial or otherwise, and the EIS Risk Register is reviewed and updated by the SLT and Board on at least a quarterly basis. Specific areas of risk are addressed through the internal audit programme.

Remuneration Policy

In the interest of transparency, the EIS publishes the collective salary of the Senior Leadership Team (SLT) which for the year ended 31 March 2022 was £894,514 (*2021: £967,538*). The decrease on the prior year is mainly due to a combination of the departure of the National Director in October 2021, with the new incumbent only commencing in February 2022 and the recharge of 50% of one SLT member's costs to UK Sport for the period 1 April 21- 31 December 21, a recharge that did not occur during the prior year.

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Directors

The directors who served the company during the year and their remuneration are detailed below, together with details of reimbursed meeting expenses for unremunerated non-executive directors:

Name	Position	Emoluments (£000)	Expenses (£000)
J Dowson	Chair	20-25	- Appointed 1 July 2021
N Walker OBE	National Director	60-65	- Resigned 1 October 2021
M Archibald	National Director	15-20	- Appointed 7 February 2022
V Aggar	Director	-	1 Resigned 7 October 2022
V Luck	Director	-	1
Sir D Tanner CBE	Director	5-10	-
J Skiggs	Director	100-105	-
M Rogan	Director	-	-
K Van Someren	Director	-	- Resigned 2 October 2022
E Boggis	Director	-	1
A Parkinson	Director	-	1

The company has indemnity insurance in relation to the directors.

Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The English Institute of Sport Limited

Directors' Report *(continued)*

Year Ended 31 March 2022

Directors' Responsibilities *(continued)*

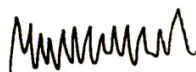
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

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

Registered office;
The Manchester Institute of
Health and Performance
299 Alan Turing Way
Manchester
M11 3BS

Signed by order of the directors



M Archibald
Director

Approved by the Directors on 29 November 2022

The English Institute of Sport Limited

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

Year Ended 31 March 2022

Opinion on financial statements

I certify that I have audited the financial statements of The English Institute of Sport Limited for the year ended 31 March 2022 under the Government Resources and Accounts Act 2000. The financial statements comprise The English Institute of Sport Limited's:

- Balance sheet as at 31 March 2022;
- Statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and the UK adopted International Accounting Standards.

In my opinion the financial statements:

- give a true and fair view of the state of The English Institute of Sport Limited's affairs as at 31 March 2022 and its deficit for the year then ended; and
- have been properly prepared in accordance with UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of 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 for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law 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 2019*. I have also elected to apply the ethical standards relevant to listed entities. I am independent of The English Institute of Sport Limited in accordance with the ethical requirements that are relevant to my audit of 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

In auditing the financial statements, I have concluded that The English Institute of Sport Limited's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The English Institute of Sport

The English Institute of Sport Limited

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

Conclusions relating to going concern *(continued)*

Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises information included in the Strategic Report and the Directors' Report, but does not include the financial statements and my auditor's certificate and report thereon. The directors are responsible for the other information.

My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, 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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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, based on the work undertaken in the course of the audit:

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

Matters on which I report by exception

In the light of the knowledge and understanding of The English Institute of Sport Limited and its environment obtained in the course of the audit, I have not identified material misstatements in the Strategic Report or the Directors' Report.

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 are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- I have not received all of the information and explanations I require for my audit;

The English Institute of Sport Limited

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

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities statement, the directors are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as directors determine are necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
- assessing The English Institute of Sport Limited's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the entity or to cease operations, or has 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.

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

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of The English Institute of Sport Limited's accounting policies.
- Inquiring of management and those charged with governance at the English Institute of Sport Limited, including obtaining and reviewing supporting documentation relating to The English Institute of Sport Limited's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including The English Institute of Sport Limited's controls relating to The English Institute of Sport Limited's compliance with the Companies Act 2006, Government Resources and Accounts Act 2000 and Managing Public Money.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

The English Institute of Sport Limited

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

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud *(continued)*

As a result of these procedures, I considered the opportunities and incentives that may exist within The English Institute of Sport Limited for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, and bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of The English Institute of Sport Limited's framework of authority as well as other legal and regulatory frameworks in which The English Institute of Sport Limited operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of The English Institute of Sport Limited. The key laws and regulations I considered in this context included Companies Act 2006, Government Resources and Accounts Act 2000, Managing Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management, those charged with governance and in-house legal counsel concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

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.

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.

The English Institute of Sport Limited

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

Report

I have no observations to make on these financial statements

Gareth Davies

2 December 2022

Comptroller and Auditor General (Statutory Auditor)

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

The English Institute of Sport Limited

Statement of comprehensive income

Year ended 31 March 2022

	Note	2022 £000	2021 £000
Income	2	25,475	25,067
Payroll costs	3,4	(24,059)	(20,833)
Operating costs	3	(7,936)	(7,289)
Total operating expenditure		(31,995)	(28,122)
Net operating deficit before interest and taxation	3	(6,520)	(3,055)
Interest receivable and similar income	5	1	-
Interest payable	6	(1,228)	(597)
Deficit on ordinary activities before taxation		(7,747)	(3,652)
Tax on ordinary activities	7	-	-
Deficit for the financial year		(7,747)	(3,652)
Remeasurement of the net defined benefit liability	14	16,506	(30,962)
Total comprehensive net income/(expenditure) for the year		8,759	(34,614)

All of the activities of the company are classed as continuing.

For a detailed breakdown of payroll and operating costs please refer to page 40.

The notes on pages 23 to 38 form part of these financial statement

The English Institute of Sport Limited


Balance sheet

As at 31 March 2022

			2022		2021
	Note	£000	£000		£000
Fixed assets					
Tangible assets	8		1,056		1,113
Intangible assets	9		817		1,006
			1,873		2,119
Current assets					
Debtors	10	1,138		1,363	
Cash at bank		1,780		1,240	
			2,918		2,603
Creditors: Amounts Falling due Within One Year	11	(2,729)		(2,410)	
Net current assets			189		193
Total assets less current liabilities			2,062		2,312
Deferred income	12		(2,103)		(2,359)
Provision for other liabilities	13		(51)		-
Net liabilities excluding pension liability			(92)		(47)
Defined benefit pension scheme liability	14		(51,926)		(60,730)
Net liabilities including pension liability			(52,018)		(60,777)
Reserves					
Retained earnings			(52,018)		(60,777)

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

These financial statements were approved by the directors and authorised for issue on the date of the C&AG's signature of the audit certificate and are signed on their behalf by:



Matt Archibald on 29 November 2022

Director

Company number: 04420052

The notes on pages 23 to 38 form part of these financial statements

The English Institute of Sport Limited

Statement of changes in equity

For the year ended 31 March 2022

	2022	2021
	£000	£000
Retained earnings brought forward	(60,777)	(26,163)
Total comprehensive net income/(expenditure) for the year	8,759	(34,614)
	<hr/>	<hr/>
Retained earnings carried forward	(52,018)	(60,777)
	<hr/>	<hr/>

The notes on pages 23 to 38 form part of these financial statement

The English Institute of Sport Limited

Statement of cash flows

For the year ended 31 March 2022

	2022	2021
	£000	£000
Cash flows from operating activities		
Deficit for the financial year	(7,747)	(3,652)
<i>Adjustments for:</i>		
Depreciation of tangible assets	572	652
Amortisation of intangible assets	369	407
Other interest receivable and similar income	(1)	-
Interest paid	1,228	597
Loss on disposal of fixed assets	3	2
Provision for service cost of defined pension scheme	8,146	4,581
Defined benefit pension scheme contributions paid	(1,745)	(1,740)
Administration expenses of defined pension scheme	73	58
Tax on profit on ordinary activities	-	-
Deferred income	(256)	(162)
Provisions	51	-
<i>Changes in:</i>		
Trade and other debtors	225	454
Trade and other creditors	319	(218)
Cash generated from operations	1,237	979
Interest payable	-	-
Tax received	-	-
Net cash generated from operating activities	1,237	979
Cash flows from investing activities		
Purchase of tangible assets	(524)	(288)
Purchase of intangible assets	(180)	(481)
Interest received	1	-
Proceeds from sale of tangible assets	6	3
Net cash used in investing activities	(697)	(766)
Cash flows from financing activities		
Repayments of finance lease obligations	-	-
Net cash (used in)/from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	540	213
Cash and cash equivalents at beginning of year	1,240	1,027
Cash and cash equivalents at end of year	1,780	1,240

The notes on pages 23 to 38 form part of these financial statements

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

1 Accounting Policies *(continued)*

General Information

The English Institute of Sport Limited (the “EIS”) provides sport science, medicine, technology and engineering services to elite athletes, primarily in World Class funded sports. The company is a wholly owned subsidiary of The United Kingdom Sports Council (UKS).

The company is a private company limited by guarantee and is incorporated in England. The address of its registered office is The Manchester Institute of Health and Performance, 299 Alan Turing Way, Manchester, M11 3BS.

Basis of Accounting

The financial statements of the EIS are prepared on a going concern basis as referred to in the Directors’ report and below and in accordance with FRS102, “The Financial Reporting Standard applicable in the UK and the Republic of Ireland” (“FRS 102”) and the Companies Act 2006.

Notwithstanding net liabilities of £52,018,000 as at 31 March 2022, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from UK Sport to meet its liabilities as they fall due for that period.

UK Sport has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Use of Estimates and Judgements

The preparation of financial statements requires management to make key judgements, assumptions and estimates that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The pension costs recognised within these financial statements are subject to key assumptions as set out in note 14.

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

1 Accounting Policies *(continued)*

Use of Estimates and Judgements *(continued)*

Included within these is an assumed difference between CPI (which drives future pension increases) and RPI. At 31 March 2022, the actuary has estimated CPI to be lower than the RPI by 1.0%, compared to a difference of 0.5% applied at 31 March 2021. This change reflects the movement in market implied RPI inflation that occurred following the UK Statistics Authority's proposal to change how RPI is calculated with effect from 2030.

At 31 March 2022 the actuary has again used the mortality data from the Continuous Mortality Investigation's model (CMI_2020), which was released in March 2021. This approach was adopted at 31 March 21 in the light of the COVID-19 pandemic with the introduction of a "2020 weighting parameter" so that the exceptional mortality experienced due to the pandemic could be incorporated without having a disproportionate impact on results. The CMI published their updated CMI_2021 Model in March 2022. The actuary does not propose to update their approach to this model as they do not expect this to have a significant impact on the value of the liability for those who adopted the CMI_2020 model last year.

UK Sport Grant Income

The UK Sport grant income shown in the income and expenditure account represents amounts receivable from UK Sport during the year less amounts credited to a deferred income account. Grant income received during the financial year but not used is deferred until the following year. Grant funding used to acquire fixed assets is credited to this account and then released over the life of the assets (see note 12).

Income from sale of services

The income from sale of services shown in the income and expenditure account represents amounts receivable from National Governing Bodies for services provided during the year.

Fixed Assets

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

Depreciation

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

Leasehold Improvements	- 5 years
Fixtures & Fittings	- 5 years
Computer Equipment	- 3 years

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

1 Accounting Policies *(continued)*

Intangible Assets

Intangible assets acquired by the company are measured at cost less accumulated amortisation

Amortisation

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

Software & Licences - up to 5 years

Financial Instruments

Basic financial assets including trade and other debtors, and cash and bank balances are recognised at transaction price, as are the basic financial liabilities of trade and other creditors.

Finance Lease Agreements

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

Operating Lease Agreements

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

Pension Costs and Other Post-Retirement Benefits

The London Pension Fund Authority pension scheme is a defined benefit scheme. The amount charged to the Statement of comprehensive income in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variation from the cost. The interest cost and expected return on assets are included within other finance costs.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the Statement of comprehensive income.

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

1 Accounting Policies *(continued)*

Pension Costs and Other Post-Retirement Benefits *(continued)*

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

Taxation

The company is liable for taxation on interest receivable and any non-lottery funded income in excess of expenditure.

2 Income

The deficit before tax is attributable to the one principal activity of the company.

An analysis of income is given below:

	2022	2021
	£000	£000
UK Sport grant	17,346	17,510
Sport England grant	166	150
Income from sale of services	7,286	7,032
Sponsorship income	14	34
Other income	397	162
Grant released to the income & expenditure account in respect of depreciation	486	543
Transfer of fixed asset additions to deferred income	(240)	(260)
Grant income released from prior year	185	81
Unused grant released carried forward	(165)	(185)
	<u>25,475</u>	<u>25,067</u>

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2021

3 Operating deficit

	2022	2021
	£000	£000
Operating deficit is stated after charging:		
Wages and salaries	14,158	14,654
Social security costs	1,567	1,567
Redundancy costs (including provision-see note 13) *	167	3
Other pension costs	8,167	4,609
Total payroll costs	24,059	20,833
Travel, subsistence & meetings	602	228
Information systems & telephone costs	866	889
Research and technical consultancy	1,639	1,134
Insurance costs	254	208
Consumables, repairs & maintenance	494	574
Staff training, benefits & subscriptions	531	571
Contracted service providers	481	485
Marketing costs	134	156
Auditor's remuneration **	16	21
Depreciation of tangible fixed assets	572	652
Amortisation of intangible fixed assets	369	407
Loss on disposal of fixed assets	3	2
Operating lease costs	1,654	1,632
Other operating costs	321	330
Total operating costs	7,936	7,289

*No single redundancy in 2022 exceeded £95,000.

**No non-audit fees were paid to external auditors (2021: Nil). The external audit fee is £15,500 (2021: £20,500).

4 Employees and directors

Employees

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

	2022	2021
Management	10	10
Administration	23	24
Operations	351	357
	384	391

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

4 Employees and directors *(continued)*

Directors

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

	2022	2021
	£000	£000
Emoluments receivable	215	256
Value of company pension contributions to defined benefit schemes	22	32
	237	288
	237	288

Three directors (*2021: three*) are accruing benefits under the company defined benefit pension scheme.

Of the total amount above, the emoluments attributable to the highest paid director are £104,499 (*2021: £141,536*) and the pension contributions attributable to the highest paid director are £12,540 (*2021: £19,366*).

The accrued pension of the highest paid director at year end is £9,875 (*2021: £27,903*) and the accrued lump sum of the highest paid director at year end is £Nil (*2021: £Nil*).

5 Interest income and similar income

	2022	2021
	£000	£000
Bank interest receivable	1	-
	1	-
	1	-

6 Interest payable

	2022	2021
	£000	£000
Net interest on defined pension liability	1,228	597
	1,228	597
	1,228	597

7 Taxation on Ordinary Activities

(a) Analysis of charge in the year

	2022	2021
	£000	£000
Current tax:		
UK Corporation tax based on the results for the Year at 19% (<i>2021: 19%</i>)	-	-
Total current tax	-	-
	-	-

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

7 Taxation on Ordinary Activities *(continued)*

(b) Reconciliation of tax charge

The tax assessed on the deficit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022	2021
	£000	£000
Deficit on ordinary activities before taxation	<u>(45)</u>	<u>(3,652)</u>
Deficit on ordinary activities by the rate of tax	-	-
Net income and expenditure not attributable for tax	-	-
Adjustment to tax charge in respect of prior years	-	-
	<hr/>	<hr/>
Total current tax	<u>-</u>	<u>-</u>

8 Tangible Fixed Assets

	Leasehold Improvements £000	Fixtures & Fittings £000	Assets held under finance leases £000	Computer Equipment £000	Total £000
Cost					
At 1 April 2021	130	5,704	42	1,323	7,199
Additions	0	246	-	278	524
Disposals	(3)	(156)	-	(290)	(449)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	<u>127</u>	<u>5,794</u>	<u>42</u>	<u>1,311</u>	<u>7,274</u>
Depreciation					
At 1 April 2021	125	4,783	42	1,136	6,086
Charge for the year	3	403	-	166	572
On disposals	(3)	(148)	-	(289)	(440)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	<u>125</u>	<u>5,038</u>	<u>42</u>	<u>1,013</u>	<u>6,218</u>
Net book value					
At 31 March 2022	<u>2</u>	<u>756</u>	<u>-</u>	<u>298</u>	<u>1,056</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	<u>5</u>	<u>921</u>	<u>-</u>	<u>187</u>	<u>1,113</u>

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

9 Intangible Assets

	Software & Licences £000
Cost	
At 1 April 2021	3,152
Additions	180
Disposals	(51)
At 31 March 2022	3,281
Amortisation	
At 1 April 2021	2,146
Amortisation for the year	369
On disposals	(51)
At 31 March 2022	2,464
Net book value	
At 31 March 2022	817
At 31 March 2021	1,006

10 Debtors

	2022 £000	2021 £000
Trade debtors	544	786
Amounts owed by group undertakings	-	-
Other debtors	38	37
Prepayments and accrued income	556	540
	1,138	1,363

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

11 Creditors: Amounts Falling due Within One Year

	2022	2021
	£000	£000
Trade creditors	990	641
Amounts owed to group undertakings	-	24
Other creditors including taxation and social security:		
Corporation tax	-	-
Other taxation and social security	926	887
Other creditors	38	26
Accruals	775	832
	2,729	2,410

£113,033 (2021: £116,983) of the Other taxation and social security balance relates to VAT liabilities due to the parent company.

12 Deferred income

Funding used to acquire fixed assets is credited to the deferred income account and then released over the life of the asset. Income received in advance but not utilised is also credited to the deferred income account and is released over the period to which it relates.

	2022	2021
	£000	£000
Balance brought forward	2,359	2,532
Income received in advance deferred to future periods	230	240
Release of income deferred from prior periods	(240)	(118)
Income deferred in relation to fixed assets acquired less disposals during the year	204	260
Amortisation of income in relation to fixed assets	(450)	(555)
	2,103	2,359

13 Provision for other liabilities

The company had the following provisions during the year:

	Redundancy	Pension	Total
	£000	£000	£000
At 1 April 2021	-	-	-
Additions dealt within statement of comprehensive income	19	32	51
At 31 March 2022	19	32	51

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

13 Provision for other liabilities *(continued)*

Redundancy provision

A provision of £19k has been made for 6 individuals who remain at risk of redundancy following restructuring activities in some world class programmes and the EIS multisport service.

Pension provision

According to the terms of the EIS pension scheme, where an individual over the age of 55 is made redundant for efficiency reasons, they are entitled to the same pension entitlement they would have secured had they continued to work until the age of retirement. A provision was therefore required for a lump sum pension contribution for one individual.

14 Pension Commitments

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

The pension scheme is of the defined benefit type and it is funded by employees and employers at actuarially determined rates. Employer contributions charged for members of the scheme amounted to £1,765,322 (2021: £1,767,689).

A Triennial Actuarial Valuation was carried out as at 31 March 2019 for funding purposes. As a result of this, employer contributions remained at 12%.

A valuation for FRS102 purposes was carried out as at 31 March 2022 by Barnett Waddingham, a qualified independent actuary. The assumptions used by the actuary for FRS102 valuation purposes were:

Financial assumptions:	2022	2021
	%	%
Rate of increase in salaries	4.05	3.80
Rate of increase in pensions	3.05	2.80
Discount rate	2.55	2.05

As at 31 March 2022 and 31 March 2021 all standard actuarial assumptions have been used.

Average future life expectancies at age 65:	Males	Females
Current pensioners	23.4 years	25.1 years
Future pensioners	23.7 years	26.1 years

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

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

14 Pension Commitments *(continued)*

	2022	2021
	£000	£000
Equities	37,841	31,207
Target Return Portfolio	14,319	12,897
Cash	1,584	2,347
Infrastructure	6,773	4,800
Property	5,965	4,955
Total market value of assets	66,482	56,206
Present value of scheme liabilities	(118,408)	(116,936)
Net pension liability	(51,926)	(60,730)

For an explanation of movement in net pension liability refer to pages 10 and 11.

The amounts recognised in the Statement of comprehensive income are as follows:

	2022	2021
	£000	£000
Service cost	8,146	4,581
Net interest on the defined liability	1,228	597
Administration expenses	73	58
Total loss	9,447	5,236

Remeasurement of the net assets/(defined liability):

	31 March	31 March
	2022	2021
	£000	£000
Return on Fund assets in excess of interest	6,517	7,583
Other actuarial losses on assets	-	-
Change in financial assumptions	10,291	(40,095)
Change in demographic assumptions	-	751
Experience gain on defined benefit obligation	(302)	799
Remeasurement of the net assets/(defined liability)	16,506	(30,962)

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

14 Pension Commitments *(continued)*

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

	31 March 2022 £000	31 March 2021 £000
Opening defined benefit obligation	<u>116,936</u>	<u>71,223</u>
Current Service cost	7,941	4,581
Interest cost	2,407	1,684
Contributions by scheme participants	1,089	1,099
Change in financial assumptions	(10,291)	40,095
Change in demographic assumptions	-	(751)
Experience loss on defined benefit obligation	302	(799)
Past service costs, including curtailments	205	-
Estimate benefits paid (net of transfers in)	<u>(181)</u>	<u>(196)</u>
Closing defined benefit obligation	<u>118,408</u>	<u>116,936</u>

In December 2018 there was a Court of Appeal judgement in relation to the McCloud and Sargeant cases which relate to age discrimination in the Judicial and Fire Service pension schemes respectively. In June 2019 the Government was refused leave to appeal and the Government Actuary Department developed a methodology to estimate the impact of this judgement on those bodies that are part of the Local Government Pension Scheme (LGPS). The impact based on this initial methodology has been included in the figures presented at 31 March 2021.

On 16 July 2020, the Government published a consultation on the proposed remedy to be applied to LGPS benefits in response to the McCloud and Sargeant cases. The consultation closed on 8 October 2020 and a ministerial statement in response to this was published on 13 May 2021, however a full response to the consultation is still awaited. At this time the outcome of these matters is still to be agreed so the exact impact they will have is unknown, although they are not expected to be material. Barnett Waddingham have taken the approach at 31 March 22 to include an allowance for the McCloud judgement.

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

	31 March 2022 £000	31 March 2021 £000
Opening fair value of fund assets	<u>56,206</u>	<u>44,951</u>
Interest on assets	1,179	1,087
Return on assets less interest	6,517	7,583
Other actuarial losses	-	-
Administration expenses	(73)	(58)
Contributions by the Employer including unfunded	1,745	1,740
Contributions by Fund participants	1,089	1,099
Estimated benefits paid net of transfers in	<u>(181)</u>	<u>(196)</u>
Closing fair value of Employers assets	<u>66,482</u>	<u>56,206</u>
Net defined benefit pension scheme liability	<u>51,926</u>	<u>60,730</u>

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

14 Pension Commitments *(continued)*

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

	31 March 2022	31 March 2021
	%	%
Equities	57	55.5
Target return funds	22	23
Cash	2	4
Infrastructure	10	8.5
Property	9	9

The Actuaries estimate the employer's contributions for the year ending 31 March 2023 will be approximately £1,740,000 (2022: £1,763,000).

15 Commitments under operating leases

At 31 March 2022 the future minimum lease rentals payable under non-cancellable operating leases as set out below:

	2022		2021	
	Land and Buildings	Other Items	Land and Buildings	Other Items
	£000	£000	£000	£000
Within 1 year	-	-	261	12
Within 2 to 5 years	-	6	-	-
	-	6	261	12

Included within operating lease costs are facility rental costs where the agreement is on an annual rolling basis. Such costs are not included within the commitments disclosed above.

16 Related Party Transactions

The English Institute of Sport Limited's ultimate controlling party is The United Kingdom Sports Council. Copies of the group financial statements can be obtained from them at 6th Floor, 10 South Colonnade, London, E14 4PU, or from their website (www.uk sport.gov.uk).

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

16 Related Party Transactions *(continued)*

The following table details the grant income received from UK Sport during 2022 and 2021:

Funding Stream	2022 (£)	2021 (£)
Core Grant	12,056,318	11,898,902
Research and Innovation Programme grant	2,582,000	2,308,730
Performance Lifestyle grant	905,683	843,718
Sports Intelligence team grant	661,575	540,242
PDMS development grant	151,652	419,220
Performance Pathways grant	346,390	493,998
Performance support grant	99,999	-
Mental Health grant	-	187,935
Mental Health panel grant	-	50,669
Managed Sports grant	-	99,331
Athlete Health projects grant	-	26,000
Athlete Futures grant	-	6,234
First Timers Project grant	-	62,896
Short Track Speed Skating Transition/MSP/WCP grant	166,949	164,118
Wheelchair Fencing World Class Programme grant	294,986	205,307
Sport Climbing World Class Programme grant	80,314	202,982
Total	17,345,866	17,510,282

The following table details The English Institute of Sport's related party transactions for the year which are on an arm's length basis and any balances at 31 March 2022:

Related Party	Nature of Transaction	Amounts (£)
Sir David Tanner (Former Interim Chairman of The English Institute of Sport) – Former observer on the UK Sport Board	Grant funding from UK Sport	17,345,866
	Services provided to EIS during the year	29,783
	Balance owing	-
John Dowson (Chairman of The English Institute of Sport) – Former Director of UK Sport & former Chairman of the Group Audit and Risk Committee	Recharged Exchequer expenditure from UKS	692,853
	Balance owing to UKS	113,033
	Recharged Lottery expenditure from UKS	8,000
	Balance owing to UKS	-
Vic Luck (Director of The English Institute of Sport) – Group Audit and Risk Committee Member	Recharged expenditure to UKS	126,404
	Balance due from UKS	-

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

16 Related Party Transactions *(continued)*

Related Party	Nature of Transaction	Amounts (£)
Sir David Tanner (Former Interim Chairman of The English Institute of Sport) – Non-Executive Director of Lawn Tennis Association (LTA)	Services provided to EIS	-
	Balance owing to LTA	-
	Provision of services to LTA	63,412
	Balance due from LTA	5,887
John Dowson (Chairman of The English Institute of Sport) –Mentor to Performance Director of GB Wheelchair Basketball	Services provided to EIS	-
	Balance owing to GB Wheelchair Basketball	-
	Provision of services to GB Wheelchair Basketball	150,724
	Balance due from GB Wheelchair Basketball	8,711
Victoria Aggar (Director of The English Institute of Sport) – Member of The Sport Advisory Group for the British Paralympic Association (BPA)	Services provided to EIS	14,435
	Balance owing to BPA	-
	Provision of services to BPA	26,919
	Balance due from BPA	-
Emma Boggis (Director of The English Institute of Sport) – Former Non-Executive Director & Trustee for the British Paralympic Association (BPA)		
Andy Parkinson (Director of The English Institute of Sport) – Former Chief Executive Officer of British Rowing	Services provided to EIS	-
	Balance owing to British Rowing	-
	Provision of services to British Rowing	577,781
	Balance due from British Rowing	611
Jamie Skiggs (Director of The English Institute of Sport) – Non- Executive Director at Modern Pentathlon GB	Services provided to EIS	-
	Balance owing to Modern Pentathlon GB	-
	Provision of services to Modern Pentathlon GB	99,847
	Balance due from Modern Pentathlon GB	-

The English Institute of Sport Limited

Notes to the Financial Statements

Year Ended 31 March 2022

17 Company Limited by Guarantee

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

18 Financial instruments

The financial instruments relate to trade and other debtors, cash and trade and other creditors. During the year 68% of funding (2021: 70%) was grant income from UK Sport and 29% (2021: 28%) of funding was secured through long standing service level agreements with NGBs. The English Institute of Sport is therefore exposed to little credit or liquidity risk.

19 Post Balance Sheet Events

A new defined contribution pension scheme for all new starters after October 2022 came into effect. This does not affect existing members of the defined benefit pension scheme. This also does not affect contributions to the defined benefit pension scheme.

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

The English Institute of Sport Limited

Management Information

Year Ended 31 March 2022

**The following pages do not form part of the statutory financial statements
which are the subject of the Comptroller and Auditor General's report on pages 14 to 18**

The English Institute of Sport Limited

Detailed payroll and operating costs

Year Ended 31 March 2022

	2022		2021	
	£000	£000	£000	£000
Payroll costs				
Wages and salaries	14,158		14,654	
Redundancy costs	167		3	
Social security costs	1,567		1,567	
Staff pension contributions	8,167		4,609	
		24,059		20,833
Operating costs				
Utilities	1		-	
Insurance	254		208	
Repairs and maintenance	151		74	
Travel and motor expenses	544		125	
Telephone	133		158	
Information systems costs	733		731	
Meeting and workshops	58		103	
Athlete equipment and consumables	343		500	
Relocation expenses	0		(5)	
Stationery and postage	62		75	
Staff training	362		396	
Other staff costs	169		175	
Recruitment expenses	17		10	
Contracted service providers	481		485	
Athlete personal award	0		0	
General expenses	15		23	
Marketing	134		156	
Legal and professional fees	12		25	
Mental health referrals	57		57	
Technical consultancy fees	1,639		1,134	
Testing, development & Prototypes	4		12	
Pension administration costs	73		58	
Payroll administration costs	40		38	
Auditor's remuneration & accountancy costs	51		52	
Depreciation of leasehold improvements	3		4	
Depreciation of fixtures and fittings	403		503	
Depreciation of computer equipment	166		145	
Amortisation of intangible assets	369		407	
Loss on disposal of fixed assets	3		2	
Operating lease: Property & P&E	1,654		1,632	
Bank charges & exchange differences	5		6	
		7,936		7,289
Total costs		31,995		28,122

