

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

Company registration number: 02370578  
Charity registration number: 802385

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
for the year ended  
**31 MARCH 2018**

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

**CONTENTS**

Legal and Administrative Information	2
Trustees' Report	3
Report of the Independent Auditors	21
Consolidated Statement of Financial Activities	24
Balance Sheets	25
Consolidated Statement of Cash Flows	26
Notes to the Consolidated Financial Statements	27

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Charity name:</b>	The British Paralympic Association	
<i>also known as:</i>	ParalympicsGB BPA	
<b>Charity registration number:</b>	802385	
<b>Company registration number:</b>	02370578	
<b>Registered office</b>	60 Charlotte Street London W1T 2NU	
<b>Trustees and Directors</b>	Nick Webborn OBE Annamarie Phelps CBE Geoff Newton Emma Boggis David Clarke Forbes Dunlop David Hadfield Greg Nugent Davida Paterson	Chair Vice Chair (resigned 31 March 2018) Vice Chair (from 31 March 2018) Senior Independent Director        (appointed 11 August 2017)
<b>Chief Executive Officer</b>	Tim Hollingsworth OBE	
<b>Company Secretary</b>	Elaine Battson	
<b>Executive Team</b>	Tim Hollingsworth OBE, CEO Elaine Battson, Director of Finance and Corporate Services Penny Briscoe OBE, Director of Sport Verity Naylor, Director of Operations (from 1 July 2018) Karl Reynolds, Commercial Director Anna Scott-Marshall, Director of Communications	
<b>Auditors</b>	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW	
<b>Bankers</b>	HSBC 21 High Street Purley Surrey CR8 2RW	
<b>Solicitors</b>	Hogan Lovells Atlantic House Holborn Viaduct London EC1A 2FG	
<b>Website address</b>	<a href="http://paralympics.org.uk">http://paralympics.org.uk</a>	

# **THE BRITISH PARALYMPIC ASSOCIATION**

## **(Limited by Guarantee)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

#### **CHAIR'S MESSAGE**

I am delighted to introduce the 2017–2018 annual report and financial statements.

The year was my first full one as Chair and it has been both a privilege and a pleasure to be in the role at such an important and positive time for both the organisation and the Paralympic movement as a whole.

The year culminated of course in the PyeongChang 2018 Winter Paralympic Games – following the summer games, the most significant event that the British Paralympic Association (BPA) has in its calendar. The success of our ParalympicsGB athletes there and the way in which the British delegation as a whole maximised the opportunities presented by our time in South Korea, made the Games an obvious highlight. But there was a huge amount of work done before, and across all the BPA's responsibilities that also deserve attention in this Report.

Not least of this was the continued focus on the challenges presented by the Tokyo 2020 Paralympic Games. Significant progress was made during the year by the BPA in understanding how best to fulfil our ambitions for a 'best prepared' strategy for those Games, across both our final Preparation Camp activity in the cities of Yokohama and Kawasaki and our presence both within and outside of the Athlete Village in Tokyo itself. While Tokyo will undoubtedly host a memorable and very impressive Games, and is taking rightful pride in being the first city to host Paralympic Games for a second time, the spread of the venues, the scale of the distances and perhaps most tellingly at this stage, the lack of positive focus on genuine accessibility and attitudes to disability in wider Japanese society means there is genuine complexity across all our planning.

There was also considerable attention placed on Paralympic sport and athletes domestically during the year. We were delighted to play our part in the highly successful hosting in London of the International Paralympic Committee (IPC) Para Athletics World Championships in July, where the excellence of British athletes was supported by considerable stakeholder engagement - including a very well attended National Paralympic Committee (NPC) Reception, where the BPA was able to pay a final tribute to the outgoing President of the IPC, Sir Philip Craven.

Issues around culture and behaviours in sport and particularly around the Classification of para athletes also were very much in the spotlight in the past year and received both attention and scrutiny. It is absolutely right that they did – as the NPC for Great Britain and Northern Ireland the BPA takes its responsibilities very seriously and that extends to the overall welfare of para athletes and how the cultures within the British system influence this. On the back of the issues raised the BPA created a new NPC Member Handbook (published in May 2018) that sets out for the first time the rights and responsibilities of BPA member bodies and ensures that there is appropriate and effective monitoring of both governance and behaviours across the UK landscape. Equally positively, I was delighted that in February the BPA launched the first ever UK Athlete Classification Code to set out clearly how its responsibilities and those of all other partner bodies deliver this fundamental aspect of Para sport at a national level.

It was a particularly busy year on the international relations front. Together with the CEO and other colleagues, I attended the General Assembly of both the European Paralympic Committee (in Katowice in Poland) and the IPC (in Abu Dhabi). At the latter we supported the election of the new IPC President Andrew Parsons and were particularly delighted in January 2018 to invite him to address a meeting of the UK International Relations Seminar, and also a meeting of the BPA Board, on his priorities for the movement.

Also, at the IPC General Assembly the BPA actively led the campaign to elect Tim Reddish CBE to be a member at large of the IPC's Governing Board. It is of particular tribute to Tim's credibility and good standing with the membership that he was not only duly elected but placed highest of all the new candidates in the first round of voting.

As always, in what was a winter Games year, there was the continued focus on our wider vision and belief in the power of our athletes to challenge perceptions of disability in society. As this Report makes clear we have continued to grow online both our 'Get Set' education platform and to support the Parasport website.

# **THE BRITISH PARALYMPIC ASSOCIATION**

**(Limited by Guarantee)**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

Additionally, a key focus was on bringing to life the heritage of the movement in the UK and Stoke Mandeville's role as its birthplace. Despite appalling weather conditions, the Heritage Flame was once again lit and celebrated at Stoke Mandeville ahead of the PyeongChang 2018 Paralympic Games and Stoke Mandeville featured prominently in the narrative of the Opening Ceremony in PyeongChang. And perhaps more significantly the National Paralympic Heritage Trust – of which the BPA is a founder member alongside Wheelpower, Buckinghamshire County Council and Aylesbury Vale District Council – held its first public exhibition of memorabilia and artefacts telling the story of the Paralympics' beginnings. I strongly believe as Chair we should never forget the history and heritage of this incredible movement and am very excited by the Trust's continued development.

I should note that a large amount of time and effort has also been spent in the past year on the BPA's fourth Strategic Priority – maintaining the effectiveness of the BPA's financial and governance structures to ensure a high performing, sustainable and robust organisation. As the first year of the four-year summer games cycle, it is vital that we start out as accurately as possible with an expenditure budget for the period whilst ensuring that the focus on income generation is prioritised. On the latter front it has been particularly pleasing to welcome both Toyota and Virgin Media as Tier 1 sponsors of the BPA but we are hugely grateful to all our funders – UK Sport and the National Lottery, our commercial partners and every single trust, foundation or private individual who has either given to or fundraised for the BPA in the past year.

Alongside the budget the governance of the BPA has been significantly advanced. We are fully compliant with A Code for Sports Governance published by UK Sport and Sport England, as well as all our obligations under the Charities Commission. We have also given significant attention to cyber security and data protection, as well as ensuring we continue to train and develop our people and those within the wider system. Related to this, I was particularly pleased that the BPA successfully achieved the CPSU's Advanced Standard for Safeguarding and Child Protection in Sport.

Finally, however, the year was of course brought to a head by PyeongChang 2018. The BPA took a 17 strong ParalympicsGB team, led by Chef de Mission Penny Briscoe, and importantly represented in five of the six competing sports – including our first ever Para Snowboarders and our first Para Nordic athlete for 20 years. Some sterling performances resulted in ParalympicsGB recording its greatest ever medal haul at a Winter Paralympic Games – with seven overall, including only the second ever Winter Paralympic gold for Menna Fitzpatrick and her guide Jennifer Kehoe in the Women's VI Slalom.

It was my privilege to attend the Games as President and see first hand not only those great performances but also the incredible expertise and dedication of the 'team behind the team' supporting them. Our international relations and commercial guest programmes made sure we maximised the opportunity a Games provides, while our London based team worked closely with the team in-country to drive unprecedented levels of media and partner coverage.

I have throughout continued to be hugely impressed by the dedication and commitment of everyone involved in the BPA. I would like to thank the members of the Board – old and new – for their continuing support and engagement and all the staff for their incredible hard work. A special mention is due in particular to Annamarie Phelps who stood down from the Board at the end of this financial year following almost ten years sterling service, the last four of which as Vice Chair. I would also like to thank the members of the NPC for their continued commitment to the organisation.

While the past year has been so full of positives it has not been without its challenges and those continue as we look forward to the year ahead. The costs involved for the BPA in delivering on its Games, international relations and domestic responsibilities are considerable and far in excess of anything previously encountered. This means that, while the BPA's financial position in the short term is positive as these reports show, we remain significantly challenged in terms of balancing the budget by the end of the cycle and in particular in ensuring we raise the income required to deliver on all our ambitions. In a period of financial and economic uncertainty that cannot be taken for granted. Nor can the continued focus on governance and welfare in Para sport and our role within that, and our desire to couple our Games delivery with real change in terms of delivering on our wider vision to "through sport, inspire a better world for disabled people."

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2018**

I remain confident both in our understanding of these issues and our ability to respond appropriately to them. And above all I am excited by the prospect of the year ahead and the opportunity we have to help contribute to the continued growth not just of the BPA but the Paralympic movement as a whole.

**Professor Nick Webborn OBE**  
**Chair**

# **THE BRITISH PARALYMPIC ASSOCIATION**

## **(Limited by Guarantee)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

The Trustees present their annual report together with the audited financial statements for the year ended 31 March 2018.

This Trustees Report is a Directors Report as required by s417 of the Companies Act 2006.

All Legal and Administrative information relating to the British Paralympic Association can be found on page 2 of the annual accounts.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Association is a charitable company limited by guarantee and registered as a charity. The Association is bound by its Articles of Association. These were most recently updated at the Annual General Meeting on 6 October 2017. (Copies available on the Company's website).

The development of the Association is the responsibility of the Board with advice from the National Paralympic Committee (NPC) (membership of the Association). The management team under the CEO holds executive responsibility for implementing the policies and strategies approved by the Board. All five Board meetings were well attended and quorate in the year.

The Board may delegate all or any of the powers conferred on them under the Articles to a committee consisting of one or more of the Directors. A Finance and Audit Committee is established under this power. Delegated authority also resides currently with a Qualification and Selection Panel, whilst other Board sub groups such as the Sport Advisory Group, International Relations Group, Development Committee, Classification Advisory Group, Awards and Protocols Committee, Deals Committee, Remuneration Committee and Nominations Panel exist in an advisory capacity to the Board. (This structure was considered by the BPA Board in May 2018 and will be revised in the year ahead.)

The corporate membership of the Association (voting or non-voting) is open to any British governing body, sports specific body, disability sports body and disability body, subject to the constraints of the constitution and acceptance by the Board. Individual membership of the Association (voting or non-voting), is open to honorary members, life members and ordinary members, subject to the constraints of the constitution and acceptance by the Board.

The Trustees of the Association are also the directors for the purposes of company law and comprise:

- a) The Chair (current incumbent elected, but in future the Chair will be appointed)
- b) Six other individuals elected by the Voting Members.
- c) Up to four additional co-opted members appointed by the Board following an open recruitment procedure.

The term of office for all Directors is four years. However, to ensure that the change of personnel on the Board is staggered, an election (for six directors) and an appointment process (the Chair plus four) is held every two years. Four representatives will be elected for the Summer Quad (from end of one Summer Paralympic Games to the next) and two will be elected after the end of the Winter Paralympic Games. Elections for the four places are not later than nine months after each Summer Paralympic Games, and for the two places not later than nine months after the Winter Paralympic Games. Trustees are elected at an election meeting following nomination from the membership. The appointment of the Chair will always follow in the period following a Summer Paralympic Games, through an open recruitment process. Similarly, the other appointed directors to the Board are recruited through an open process in a three-to-one ratio following the Summer and Winter Games and a skills gap analysis.

# **THE BRITISH PARALYMPIC ASSOCIATION**

## **(Limited by Guarantee)**

Nominations of individuals proposed for election as Trustees and Directors have to be made in writing to the Company Secretary of the Association not later than one calendar month before the Election Meeting. Retiring

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

Trustees and Directors are eligible for re-election providing that they have not already completed two consecutive terms.

As part of the BPA's commitment to equality and diversity, nominations for elected and applications for co-opted Trustees and Directors are encouraged from groups that are under-represented on the Board. This is now further underpinned by the requirements of A Code for Sports Governance, where for example it states that there must be at least 30% representation of both genders within the Board's composition at any one time.

New Trustees are provided with an information pack of policies and procedures and meet with the Chair and Chief Executive to receive details of the decision-making process. Trustees are briefed by the Company Secretary (Currently the Director of Finance and Corporate Services) on their legal obligations under charity and company law, the content of the Articles and the business plan. At the first Board meeting, there is an opportunity to meet members of staff and all Trustees are encouraged to attend appropriate external training events where these facilitate the undertaking of their role.

### **OBJECTS, MISSION AND ACTIVITIES**

As is highlighted in the Achievements and Performance section the BPA's primary focus in delivering its objects is inspiration. The performance of the British Paralympic team (known as ParalympicsGB) on the field of play at the Paralympic Games creates high profile, widely communicated evidence of what is possible for disabled people in relation to sporting activity. It showcases the sports themselves (e.g. someone with cerebral palsy may not have known about the sport of Boccia) but more importantly can inspire disabled people to think about taking the sport up and participating. Additionally, the athletes' performances can drive both public and private funding into disability sport, not least in relation to the National Lottery investment by channel UK Sport, thereby increasing the provision of training facilities and equipment.

More widely the success of the ParalympicsGB team inspires greater understanding and appreciation of disability among society as a whole and challenges perceptions as to what is possible. Programmes like the BPA's Get Set online platform, produced jointly with the British Olympic Foundation, are for example key outputs in relation to educating young people in particular, but its positive influence on Government, media and the public as a whole can increase the benefit to the wider community.

"Inspiring Excellence" is the British Paralympic Association's Strategic Plan for the period 2016-2021. This Report therefore covers the second year of its delivery. It presents the organisation's vision, mission, values and priorities for the cycle of activity that encompasses both the PyeongChang 2018 Winter Paralympic Games and Tokyo 2020 Summer Paralympic Games.

In Inspiring Excellence, the organisation's vision is stated as "through sport, inspire a better world for disabled people".

The vision is driven by the BPA's belief that, through the power and inspiration of the Paralympic Games, and the world class achievements of Paralympians, real change can be achieved in the perception of society as a whole and the way people individually think, feel and behave towards disabled people.

The British Paralympic Association's mission through to 2021 is "To make the UK world leading in Paralympic Sport on and off the field of play". It further states that it will achieve this:

- Through the excellence of the team at the Games; and
- Advocacy of the Movement.

Our vision and mission therefore fit within the objects set out in our Articles:



# **THE BRITISH PARALYMPIC ASSOCIATION**

## **(Limited by Guarantee)**

- I. To relieve people with physical, sensory and learning disabilities by encouraging and facilitating their participation in sporting activities and assisting in the provision of training, facilities and equipment for this purpose; and

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

- II. The relief of poverty and the advancement of education and such other purposes for the benefit of the community as shall be exclusively charitable.

#### **ACHIEVEMENTS AND PERFORMANCE**

Although it fell in the final month of the year, the PyeongChang 2018 Paralympic Winter Games in March 2018 were an undoubted highlight for the organisation. Despite some challenge in the build up to the Games – not least around concern on the safety and security in the region of the travelling delegation, and on the composition of the final selected team - ParalympicsGB enjoyed a smooth and successful experience and our athletes succeeded in delivering our most successful ever Winter Paralympic Games in terms of medals won and records broken.

The ultimate success of the team both on and off the field of play, which is detailed below, was comprised of many different aspects. The performance of the athletes was matched by the coaches, medics, operational and other support personnel, including those from the National Governing Bodies, all of whom worked tirelessly to ensure that the team was 'best prepared' and that every opportunity to maximise the positive opportunity of the Games for the BPA was taken.

Additionally, the BPA ran a large and successful guest programme to the Games, ensuring that stakeholders from Government and the sporting landscape, and senior representatives from our commercial partners, were able to witness first hand athlete success and the incredible power and inspiration of a Paralympic Games. This was supplemented by a very active team back in the UK, not least in terms of overcoming a significant time difference and driving high levels of media coverage both on TV and radio and in print, and through the BPA's own social and digital media platforms.

The Games period was preceded by considerable success against the BPA's international relations agenda. Most notably this involved running a comprehensive and highly successful campaign to ensure the successful election of former BPA Chair, Tim Reddish CBE, to the role of Member at Large on the IPC's Governing Board. In addition, the BPA supported the election of a new IPC President, Brazil's Andrew Parsons, and in partnership with UK Sport and the BOA were delighted to welcome him to London in January 2018 to address the whole sporting landscape at a packed UK International Relations Network Seminar.

Alongside this, the BPA has continued to represent the movement domestically – including the continued development of a new charity The National Paralympic Heritage Trust, telling the story of Stoke Mandeville and Great Britain's unique role as the birthplace of the Paralympic movement. And we have sought to highlight more fully and openly our wider obligations as a National Paralympic Committee, including the creation of a new NPC Member Handbook and in particular the successful publication of a first ever UK Athlete Classification Code – the latter being publicly praised by the IPC President for its ground-breaking focus on ensuring the roles and responsibilities of everyone involved in athlete classification at a national level.

Also, in the period since September 2016 the BPA staff and Board have been hugely active in planning for the cycle ahead with considerable focus given to business planning and budgeting for the Tokyo cycle and the staffing structure needed to deliver it. This has been accompanied by a major income generation drive – all the commercial partnerships signed for Rio 2016 formally ended due to contractual requirements in December 2016. The BPA therefore has to act quickly and strategically to ensure that it has both the income projected to cover the period ahead and the necessary cashflow to continue to operate as a going concern.

Lastly in the financial year 2017/18 attention was paid to continued, detailed Tokyo 2020 planning – including a number of intensive recesses to Japan to scope out both pre-Games preparation and Games time delivery options and to build relationships with the Government, Embassy, Organising Committee and others. Alongside this the BPA is proud to have ensured a strong focus on its finance and governance – not least through achieving compliance with the new Code for Sports Governance and also securing the Advanced Standard for Safeguarding in November 2017 – one of the first sports bodies to achieve this level.

# THE BRITISH PARALYMPIC ASSOCIATION

## (Limited by Guarantee)

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

All the above was carried out professionally by the small dedicated staff team and the many partners, volunteers, secondees and fixed-term contracted staff that joined to support both the BPA and ParalympicsGB during the year, overseen by the BPA Board. A crucial element of the success of this was a strong adherence by all at all times to the BPA's three core organisational values:

- **Excellence**, Everything we do as the BPA should be of the highest possible standard, and reflective of an ambition to be world leading. We are committed to a flexible, proactive, challenging approach to all activity – recognising how our own commitment to 'being better' can support the similar ambitions of our athletes and team;
- **Honesty**, We will ensure that all engagement and communication is fair, open and grounded in an appreciation of others and their view, seeking to set and manage expectations of ourselves and others to ensure consistency and transparency; and
- **Trust**, Our interaction with each other, with key partners and the wider community will be characterised by respect and will seek to engender a belief in the value, ethics and integrity of the BPA.

Inspiring Excellence highlights four key Strategic Priorities for the organisation in its activity and delivery of its aims. The summary below outlines our achievements against those four strategic priorities:

#### ***Strategic priority 1: To define and deliver a 'best prepared' approach to the selection, management, delivery and leadership of ParalympicsGB at the Summer and Winter Paralympic Games***

The PyeongChang 2018 Paralympic Winter Games was held between the 9<sup>th</sup> and the 18<sup>th</sup> March 2018 in the Gangwon-do province of South Korea. It was overall the largest ever Winter Games, with 567 athletes from 49 countries competing across the six sports of Para alpine Skiing, Para snowboard, Para cross-country, Para biathlon, Wheelchair Curling and Para ice hockey.

ParalympicsGB entered a team of 17 athletes (including three sighted guides for Visually Impaired Skiers) across five of the six sports. The athletes competed in Para Alpine Skiing, Para Biathlon, Para Cross Country, Para Snowboard and Wheelchair Curling. In addition, a further 20 team members were accredited as support staff, including coaches, medics and other Village based personnel; while a further ten members of the team travelled to support the commercial and stakeholder guest programmes successfully run during the Games. In total therefore around 47 made up the total travelling delegation with a further 16 people actively engaged in supporting the team from the London Office.

The Head of Delegation for the team was Nick Webborn; Secretary General was Tim Hollingsworth; and Chef de Mission was Penny Briscoe.

The team returned to the UK following the Games having won seven medals – one gold, four silver and two bronze – a record performance by ParalympicsGB at the Winter Games. It also ensured that collectively the athletes met the stated UK Sport and Government ambition to exceed the total from Sochi 2014 Games, where the team won six medals.

Although a small team especially in comparison to the Summer Games, ParalympicsGB set a number of notable records and firsts in PyeongChang:

- Represented in the most sports ever at a Winter Games
- Athletes recorded 16 Top-8 finishes, more than ever before
- 12 out of the 17 athletes recorded Personal Best performances while at the Games

# THE BRITISH PARALYMPIC ASSOCIATION

## (Limited by Guarantee)

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

- Visually Impaired skier Menna Fitzpatrick, with her sighted guide Jennifer Kehoe, won four medals including GB's only second ever Paralympic Winter Gold medal. In doing so they became the most successful Winter Paralympic athletes in British history
- Together with the two silvers and a bronze won by Millie Knight with her sighted guide Brett Wild, ParalympicsGB won medals in all five skiing disciplines for the first time, including the first ever female Giant Slalom medal
- James Barnes-Miller became the first ever GB Para snowboarder to compete at a Paralympic Games
- Scott Meenagh became the first ParalympicsGB athlete in 20 years to compete in Para nordic Skiing at a Paralympic Games.

These achievements pay tribute primarily to the hard work, talent and competitive ability of every single athlete, but also to the support they received in the build up to and during the Games from the 'team behind the team' made up of BPA and NGB core staff.

Both UK Sport and Sport Scotland invested Lottery funds into programmes supporting Para alpine skiing and Wheelchair Curling respectively and this was supplemented by revenues generated by the NGBs themselves and specifically by the BPA in relation to our Games time ambition to ensure a targeted programme of support for athletes and staff that left 'no stone unturned' in pursuit of success.

These programmes include:

- **In Village Science & Medicine Support** The BPA provided world leading sports science and medicine support for all ParalympicsGB athletes and support staff throughout the Games, under the leadership of Chief Medical Officer, Dr Stuart Miller (latterly replaced due to illness by Dr Kim Gregory), and with the support and partnership of the English Institute of Sport and others. A key element of success was the bespoke Performance Centre environment created within the GB section of the Athletes Village – providing dedicated medical treatment and rehabilitation and recovery facilities for the sole use of ParalympicsGB athletes.
- **Operations and Logistics** The Games period is a significant operational and logistical one for the BPA with a total of around 30 personnel directly engaged with delivery as part of the team in some capacity. The year saw the final scoping, ordering and delivering of a wide range of logistical responsibilities – including flights, kit, hotel and other accommodation, athlete village fit out, freight transportation and delivery and arrivals and departures. Where possible the BPA worked closely with the British Olympic Association and the Foreign and Commonwealth Office in this period to maximise synergies with its own operations and also with key commercial partners in this area – especially adidas (for athlete and village wear) ASOS (for formal wear) and British Airways.
- **Team Development Programme** The final year of preparation ahead of PyeongChang included a major focus on working relationships, team dynamics and understanding of the unique Games environment. This included a specific focus on incident and crisis management; a two day Games Readiness workshop held for all potential athletes and support team members; and a focus on developing the working dynamic of the Chef de Mission's team in particular through the engagement of specialist coaching support.
- **Paralympic Inspiration Programme** For the fourth Games in succession the BPA ran this very successful programme introducing the next generation of athletes and coaches to the unique Games environment to develop their skills and increase their awareness and understanding for what they should prepare for and expect. For PyeongChang, the programme was run in partnership with the military charity Help for Heroes. A total of six athletes and one coach attended, all considered to have a realistic chance of selection for either the Tokyo 2020 or Beijing 2022 Paralympic Games. Six PyeongChang athletes were on previous Paralympic Inspiration Programmes.

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

- **Team Launch and Homecoming Celebration Events** Both events were held this year in the UK to act as a send-off and welcome home to the athletes travelling to PyeongChang. As well as celebrating their selection the Team Launch is an invaluable opportunity for athletes to be briefed on the environment at the Games, to finalise any kit or equipment requirements and to record media interviews, social media content and content for BPA Partner activations. The Homecoming Lunch, held this year in partnership with and at the offices of Channel 4, was a great opportunity to invite Government Ministers, key VIP, commercial and other stakeholders who were unable to travel to PyeongChang to meet the athletes and celebrate their achievements.

Alongside this Winter Games related activity, planning and preparation for the Tokyo 2020 Summer Games continued. A total of three recces were held to Tokyo, and also to the cities of Yokohama and Kawasaki and to the University of Keio in Kawasaki to continue the process of identifying and securing preparation bases for ParalympicsGB athletes ahead of the Games in 2020. As well as orientation and testing (e.g. of travel times and locations) these recces are vital at this early stage for the building of positive working relationships with Japanese politicians and officials, including from the Organising Committee, and also with the Ambassador and officials from the British Embassy in Tokyo who will do so much to support our team on the ground.

Lastly in the UK the BPA, as part of its responsibility as the National Paralympic Committee for Great Britain and Northern Ireland, developed, finalised and published the first ever UK Athlete Classification Code. This serves to codify, benchmark and raise standards across all organisations involved in classification at a national level and also supports the implementation of the IPC Athlete Classification Code and its International Standards. Published on 28 February 2018 it has been extremely well received across the sporting landscape as a much-needed step forward in the governance and understanding of this critical area of Para sport.

***Strategic Priority 2. To influence positively the direction and impact of the Paralympic movement both in the UK and internationally.***

During the PyeongChang 2018 Games the BPA hosted a visit from Baroness Peta Buscombe, Minister of State in the Department for Work and Pensions, while both Tracey Crouch, Minister for Sport, and Sarah Newton, Minister for Disabled People, attended the team's Homecoming Celebration. This powerful political engagement with key decision makers shows how valuable the Games can be to a wider agenda and opportunity to influence beyond the field of play.

In addition, the BPA hosted at the Games the CEO and senior figures from UK Sport, the Home Country Sport Institutes and also the Chair, CEO and Board members from our broadcast partner Channel 4. That was alongside a commercial guest programme that included the Global Chair of Law Firm Hogan Lovells, the UK MD of Virgin Mobile and senior directors from ASOS, Allianz and BP. Many of them also attended the successful reception that the BPA and the British Embassy jointly hosted during the Games for the IPC members and National Paralympic Committees present which was addressed by the BPA Chair, Nick Webborn, HM Ambassador to South Korea, Simon Smith, and the President of the IPC, Andrew Parsons.

The BPA also held a reception for NPCs and other organisations attending the IPC World Para Athletics Championships at the London Stadium in July 2017. In part, this well attended event was to celebrate the achievements of the outgoing President of the IPC, Sir Philip Craven. It also however proved valuable to the BPA's influencing strategy around the upcoming vote for the President and Member at Large positions on the IPC Governing Board. This was particularly helpful given the BPA was the official organisation for the campaign to secure the election of Tim Reddish CBE, the BPA's previous Chair, to the position of Member at Large.

The vote was held at the IPC General Assembly in Abu Dhabi on Friday 8 September 2017. Tim Reddish was successfully elected to the Governing Board in the first round, finishing 3<sup>rd</sup> with 87 votes, the highest placed new candidate. He is now playing an active and positive role as a Governing Board member.

# THE BRITISH PARALYMPIC ASSOCIATION

## (Limited by Guarantee)

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Alongside the Election process, the BPA – represented by President Nick Webborn and Secretary General Tim Hollingsworth – took part in 2017 in the plenary sessions of both the IPC General Assembly and the European Paralympic Committee General Assembly held in Katowice in Poland in June 2017.

Following his election as President, Andrew Parsons took up the invitation to come to the UK and address a major International Relations Network seminar hosted by the BPA, the British Olympic Association and UK Sport. He then followed that up the following morning with a working breakfast with the BPA Board. At both events Andrew Parsons laid out his ambitions for the movement and IPC and in turn the BPA was able to set out its priorities, including suggested issues to focus on at the upcoming IPC Member Gathering in late 2018.

In the UK, the BPA as National Paralympic Committee for Great Britain and Northern Ireland has a responsibility to promote and advocate the movement on behalf of its members. This led to continued regular engagement with Parliament at every level – including with the Departments for Digital, Culture, Media and Sport and for Work and Pensions. In October 2017 the BPA CEO also gave evidence to a DCMS Select Committee Hearing on Sports Governance. Alongside Parliament, the BPA also continued to play a major role with UK Sport and the BOA on the development of the world class performance programme and sporting landscape – including the instigation of a major project to consider future funding streams for high performance sport.

***Strategic Priority 3. To promote the success of the ParalympicsGB team and its athletes demonstrating the positive power of the Paralympic brand to inspire wider change.***

Given the opportunity it presents, it is little surprise that activity around the PyeongChang 2018 Games featured heavily in delivering this Priority. The media team at the Games, led by Chief Press Officer, Katherine Allin, worked very hard to make sure that every opportunity was maximised across traditional and new media outlets to celebrate our athletes and their medal success. A large part of this is down to the continued creative and comprehensive commitment of Paralympic broadcaster, Channel 4, who broadcast over 100 hours of coverage during PyeongChang, a record for a Winter Games. The BPA also benefitted from the radio rights being held by the BBC, who also alongside others such as Sky gave considerable focus to the team on news broadcasts throughout the Games.

In the build up to the Games the BPA also invested in creative content to support its online and social media presence. This led to a campaign entitled #BeFearless that focused not only on the results from the Games but also the impact that the athletes' performances can have on wider social perceptions. The campaign was a huge success despite the nine-hour time zone difference, thanks in large part to the efforts of the communications team based in the UK. The BPA saw its total of social media fans across all its platforms increase by 2.6% (11.3k) and in total received 20 million social media impressions. The #BeFearless campaign was also widely and successfully adopted by many of the BPA's commercial partners, including most notably Virgin Media, helping to amplify the core messaging greatly.

This Strategic Priority is also the focus for non sport-related activity as the BPA seeks to ensure that we continue to deliver against our organisational vision to "through sport, inspire a better world for disabled people." In some ways, this was a year of development in this area – including the consideration of positive partnerships and MOUs with disability charities such as Help for Heroes and Scope. It will be together with such organisations that the BPA can potentially best provide the route for the incredible inspiration of the athletes to have the most impact on the everyday lives of disabled people and on attitudes and perceptions across society. Relationships and plans developed over the year to the extent that the 2018/19 year will see considerably more targeted activity in this area.

The BPA remains active however with existing programmes and with the continued successful focus on the UK's unique role as the birthplace of the movement through the Heritage Flame Celebration held just prior to PyeongChang 2018 and in particular the formation and first exhibition of the National Paralympic Heritage Trust. The BPA is one of the four founder members of the Trust – which seeks to "enlighten and inspire future generations by celebrating, cherishing and bringing the Paralympic heritage and its stories of human endeavour to life" and to capture archive and exhibit Stoke Mandeville's unique role as the Birthplace of the Paralympic movement. This ambition was realised in Norwich Cathedral in March 2018, with the first in a

# THE BRITISH PARALYMPIC ASSOCIATION

## (Limited by Guarantee)

### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

series of roadshow exhibitions opened to the public before the permanent exhibition opens in Stoke Mandeville in 2019.

The Get Set Education & Youth Engagement platform, which the BPA jointly owns and runs with the British Olympic Foundation and is based around the inspirational impact of the Paralympic and Olympic values, continued to grow in the past year. Looking at recent data, in 2018 to date, there have been 369 new registrations and 22,967 page views from users across the site. Looking specifically at activity related to the PyeongChang games, the Winter Games resources (both the new assembly and revamped older resources) have proved popular. The Teamwork at the Winter Games assembly has been the most popular resource so far this year, with 142 downloads, with the Winter Games quiz and Winter team sports challenges also proving popular (45 and 22 downloads respectively).

The Winter Games resources, and retweets of PyeongChang content also proved engaging on the Get Set Community Twitter Channel, which in the lead up to and during the Games (January – March 2018, Get Set Q1) received 106.3k impressions and 289 engagements with a steady organic increase of 100 new followers. Several schools also sent in messages of support for the team in PyeongChang.

In addition, the BPA continues to operate its Parasport website, which acts as a central directory for disability sport and is designed to provide information and signpost interested individuals to clubs where they can play. It was previously funded directly by a Deloitte, and this source of income ended in 2016/17. It was supported by BPA unrestricted funds in 2017/18 and continued to operate, however, without paid-for promotion there was a decrease of 70% in visits compared to the previous year.

***Strategic Priority 4. To maintain the effectiveness of the BPA's financial and governance structures to ensure a high performing, sustainable and robust organisation.***

As last year, the BPA kept close attention on its resources to ensure its ability to deliver the strategy around both PyeongChang 2018 and the wider activity highlighted earlier whilst being able to forecast confidently for a budget through to the Tokyo 2020 Games. The four-year budget first adopted in 2016/17 was comprehensively reviewed on a six-month basis, with full consideration given both to planned and expected expenditure and a rigorous assessment of income generation potential. The BPA Commercial Team continued its active engagement in the retention and renewal of existing corporate partners and the identification and securing of new and additional ones (with sponsorship representing a significant proportion of the overall income required). At the end of March 2018 the BPA had seven Tier 1 sponsors – adidas, Allianz, Hogan Lovells, Mondelez International, Sainsburys, Toyota and Virgin Media – and two Tier 2 sponsors: ASOS and BP.

This activity is enhanced by the continued development of a Philanthropy programme for the Charity with awards from Trusts, Foundations and private individuals, and by fundraising donations made by individuals who raised money through sponsored activities such as bike rides on the BPA's behalf. As a result of all this activity, when combined with the UK Sport National Lottery award that BPA receives directly to support its Tokyo 2020 Preparation strategy, as of March 2018 approximately 68% of all targeted income had been secured. While this does mean there is still just under a quarter of the revenue to be raised by the end of 2020/21, this is under constant review and a strategic plan in place for raising the remaining required.

Having undertaken a full staffing structure review in 2016/17, the BPA has continued to recruit to identified roles across the year. In addition, significant focus has once again been given to recognition of the need for the BPA at all times to be in position to deliver our activity and services and demonstrate effective governance and probity. A comprehensive Programme Plan means that all activity is subject to regular project planning and review, and from this a Risk Register is compiled and mitigating actions identified and undertaken. More broadly with its membership, and following various publicly expressed concerns over athlete welfare and the culture and governance of Para sport in Great Britain, the BPA worked on establishing a new NPC Member Handbook, which sets out for the first time the rights and obligations of Member bodies of the BPA.

# **THE BRITISH PARALYMPIC ASSOCIATION**

## **(Limited by Guarantee)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

The BPA is subject to the UK Sport / Sport England Code for Sports Governance. Following a considerable amount of action taken, including a vote by the NPC membership to change the BPA Articles and move from an elected to an appointed Chair position, the BPA was recognised by UK Sport as being Code compliant in December 2017. The organisation continues to be fully committed to good corporate governance and adherence to the Code specifically, and is actively focused on ensuring best practice within its governance more widely. For example, work continued in 2017/18 towards achieving the Intermediate level of the Equality

Standard for Sport (by November 2018), with a highlight of 2017 being becoming one of the first sports bodies to achieve the CPSU Advance Standard for Safeguarding and Child Protection in Sport. In the latter part of the year, significant attention was also given to cyber safety and security and to data protection – including moving actively towards compliance with the new General Data Protection Regulation, effective from May 2018. An internal focus in 2018/19 will be continued work on the review of the BPA's sub-committees, panels and working groups.

Lastly, following the Board elections held in February 2017, two existing Board members Emma Boggis and Greg Nugent were re-appointed for a second term, and Davida Paterson was appointed to the Board in August 2017 following an external recruitment process. As a result of the requirements of the Code for Sports Governance, Annamarie Phelps stepped down from her role on the Board (and Vice Chair) in March 2018. She was replaced as Vice Chair by Geoff Newton, while Emma Boggis was appointed the BPA's Senior Independent Director. The next round of Board elections are due to be held in November 2018.

#### *Financial*

The Financial Statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 (FRS 102) and the revised Charity Statement of Recommended Practice (effective 1 January 2015), applicable UK Accounting Standards and the Companies Act 2006.

The group consists of the parent undertaking, the British Paralympic Association, and its subsidiary undertakings, British Paralympic Enterprises Limited (BPE), British Paralympic Performance Services Limited (BPPS), and Paralympic World Cup Limited (PWC). BPE, BPPS, and PWC are wholly owned subsidiaries. PWC was dormant in this and the previous year. The BPA is also a shareholder in a joint venture '2016 Crest Holding Limited' with the British Olympic Association, with the liability of each organisation limited to £10. The company holds the rights to the crest that featured on the Adidas kit for the Rio Paralympic Games (and which has the potential to feature on future kit, depending on creative decisions).

The group's total Income for the year was £2,922,709 (2017: £9,048,030), a reduction of 68%, and total expenditure was £3,701,164 (2017: £9,230,603), a decrease of 60%. Both year-on-year percentage decreases reflect the fact that the previous year included a Summer Paralympic Games, which was significantly larger in scale than the Winter Games in 2017/18. Net movement in funds for the year was an outflow of £(778,454) (2017: £(182,573)). Strong financial control ensured that the company outperformed its planned for budgetary position. This was the first year in the Tokyo Paralympic cycle, for which considerable preparations had been made in terms of budget setting. A budget was set for the four years of the entire cycle, and will be reviewed at least every six months. The aim for the end of the cycle is that the BPA retains its positive reserves position, in line with its Reserves Policy.

All commercial arrangements held for the Rio 2016 Games formally came to an end on 31 December 2016. By the end of March 2018, the BPA had seven Tier 1 sponsors – adidas, Allianz, Hogan Lovells, Mondelez International, Sainsburys, Toyota and Virgin Media – and two Tier 2 sponsors: ASOS and BP. It continues to actively seek out further new business opportunities. In total our commercial partners supported the BPA through sponsorship arrangements with BPE totalling £958,311 (2017: £1,415,802), and value in kind – donated goods and services - totalling goods and services is assessed at £861,645 (2017: £3,124,619).

# **THE BRITISH PARALYMPIC ASSOCIATION**

## **(Limited by Guarantee)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

The BPA receives a significant grant from UK Sport which is restricted to fund specific elements of the BPA's athlete preparation and Games related activity over the four-year cycle to Tokyo 2020, and totals £2.5M. UK Sport grants recognised in the year totalled £438,463 (2017: £939,610).

The BPA also received philanthropic donations of £55,000 (2017: £278,894), as well as legacy donations totalling £7,472 (2017: £317,704).

The BPA values immensely all the support it receives from grant funders, commercial partners, trust and foundations, major donors and other individuals. It looks forward to continuing to develop those vital relationships throughout the Tokyo cycle to ensure it meets its responsibilities and through that its wider charitable objectives. Income generated expended on charitable objectives totalled £2,713,343 (2017: £8,182,760), a decrease of 67%, with expenditure on raising funds decreasing to £987,820 (2017: £1,047,843), a decrease of 16% which reflects the relatively reduced activities in the year.

#### *British Paralympic Enterprises Limited*

This is a wholly-owned trading subsidiary of BPA and its principal activity is sports administration and trading. During the year, the company donated under Gift Aid its entire profit of £1,760,486 to BPA, its ultimate parent company. During the year, the company focused on the major sponsorship dealings surrounding the ParalympicsGB team.

#### *British Paralympic Performance Services Limited*

British Paralympic Performance Services Limited (BPPS), a wholly owned subsidiary, provides performance services to Paralympic athletes and their sports and/ or disability organisations. During the year the key strategy and focus for BPPS activities was the development of preparation strategies for Tokyo 2020 in and around the cities of Yokohama and Kawasaki.

#### *Risk*

The Board continuously reviews business risk in all its operations and has created a number of risk minimisation strategies in key areas, including active use of the BPA's Programme Planning tool to form active Risk Registers for both the organisation as a whole and specific identified projects (including each Summer and Winter Paralympic Games). These are then scheduled to be reviewed monthly by the Executive Team, with the organisation's Risk Register reviewed quarterly by the Finance and Audit Committee and bi-annually by the Board. The Charity has purchased indemnity insurance for its directors.

The Risk Register indicates that the organisation faces particular challenge in the year ahead from a number of areas and seeks to provide evidence of mitigation that can reduce or remove the risk. The four key areas of identified strategic risk to the BPA in the coming year can be summarised as follows:

- *Increased costs.* The four-year cycle through to Tokyo 2020 is likely to be the most expensive in the BPA's history – with the increasing performance and potential of the athlete team requiring greater investment in performance and Games time support services and in particular the massively increased logistic and operational costs of successive Games in Asia (with the PyeongChang 2018 Winter Games being followed by Tokyo 2020 Summer Games, and with the Beijing Winter Games also to plan in 2022). Alongside this the growth of and interest in the Paralympic movement in the UK and internationally is putting ever greater strain on the BPA's existing capacity and ability to deliver as we seek to deliver our own strategic and charitable ambitions whilst meeting the expectations of the Government, the IPC and our many partners.
- *Variable Income (and associated cashflow)* – the intensely cyclical nature of the BPA's business means that ordinary annual business planning for income generation and growth is not possible.



# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Rather the key times for income generation are at the start of the cycle (when interest is high following the Summer Games) and at the end (in the build up to the next Summer Games). This makes managing spend and especially cashflow difficult and can offer the BPA real challenge. In addition, the raising of unsecured income is not just a priority but a major challenge for the organisation. While the situation currently is reassuring, with approaching three quarters secured of the total required, the remaining effort – in particular around commercial partnerships – is substantial. Against this the BPA has identified the potential for more uncertain financial and economic conditions, including the potential post 2019 impact of Brexit.

Mitigation of this is a priority, with a more planned and strategic approach to corporate partnerships than ever before and an increased staff number within the commercial team. Alongside this is a strategic ambition to diversify income generation including greater focus on Philanthropy and also the introduction of a more flexible approach to budget forecasting with the 'core' and 'enhanced' expenditure model. Lastly the BPA is playing an active role in the consideration of how new private funding streams could be introduced across the high-performance system to mitigate against the likelihood post Tokyo of declining Government and Lottery investment.

- *Reputation Risk* – the past year has seen the sporting landscape as a whole face an increased level of scrutiny around the conditions and culture that athletes in particular encounter. Whether it be 'cheating' through doping or (specifically in a Paralympic context) the intentional misrepresentation of impairment for classification, or whether it be more generally athlete welfare in high performance sport and examples of failures in the duty of care, the reputation risk to the organisation and the Paralympic movement is increased. This will need continually to be monitored and a values-based set of mitigating actions introduced. This has included in the past year the introduction of both the UK Athlete Classification Code and the NPC Member Handbook.
- *External Threats* - more broadly the BPA is subject to a wider range of external threats than before, both at home and overseas. The serious threat posed by terrorism, either physical or cyber, must be recognised and acted on. Whilst a charity, the BPA is itself an internationally recognised organisation and a symbol of Great Britain – as such it is a potential target for action. This was the case when planning for the PyeongChang 2018 Games but is also a factor in everyday life in London and the UK. Therefore, enhanced protection both of information and people is essential at all times and the BPA has already in the past year engaged the services of an expert security consultant. It has also fully considered its online presence and cyber security as part of its preparation for compliance with the General Data Protection Regulation (GDPR).

### *How we pay Staff*

The British Paralympic Association is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact on delivery of the Strategy.

The Board operates a Remuneration Committee, with the principal responsibilities being as follows:

- upon the recommendation of the Chair of Board, determine and agree the remuneration of the BPA's Chief Executive Officer;
- determine the policy for, and scope of, pay and pension arrangements for all staff;
- upon the recommendation of the CEO, endorse the remuneration of the BPA's Executive Team.

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

### *Fundraising*

The British Paralympic Association has signed up to the Fundraising Regulator and is committed to following the highest fundraising standards.

In the year there have been:

- no failures to comply with the standard (2017: none).
- no complaints received by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising (2017: none).

In both this and the previous year the organisation did not engage the services of a professional fundraiser or commercial participator to undertake any of its fundraising activities.

The Company sets out to protect vulnerable people and other members of the public from unreasonable behaviour related to its fundraising by complying with the standards set by the Institute of Fundraising, managed by the Fundraising Regulator. In 2017 we carried out an internal review of our compliance and implemented a small number of changes to fundraising processes to ensure best practise. The BPA is registered with the Information Commissioner's Office, and made significant progress in the year towards compliance with GDPR.

### *Reserves*

The cyclical nature of the Charity's activities (where activity and expenditure both build towards a Summer and – to a less degree – Winter Paralympic Games) means that the level of reserves required varies throughout the four-year cycle. The Trustees' primary aim is to build reserves to the highest level that is required at any time in the cycle, which is normally in the year in which the Summer Paralympic Games takes place (year four of the cycle), whilst also managing the level of funds at a level appropriate to an organisation the size and scale of the BPA.

Total reserves at 31 March 2018 are £2,116,697 (2017: £2,895,152). The current level of free reserves is £2,077,446 (2017: £2,886,401), with £30,501 (2017: £8,751) carried forward to the next year as restricted funds, this representing unused grants recognised as income but not yet fully expended. No funds have been designated in the year (2017: £nil).

The BPA's Reserves Policy sets out a *minimum* level of reserves equal to approximately six months of the charity's running expenses, as well as a *target* for reserves at the end of each financial year to be within 20% of the level forecast as part of the agreed budget. This additional target has been included in the Policy in recognition that there are large fluctuations in the level of reserves across the four-year cycle, when historically funds have been accumulated in the early years of the cycle, followed by significant expenditure in year four – the year of the Summer Paralympic Games. At the end of 2017/18 the minimum and target reserves requirements were both met.

### **PLANS FOR FUTURE PERIODS**

As 'year two' in the four-year cycle of planning and budgeting through to the Tokyo 2020 Games, and without a major event to deliver against such as a Paralympic Games, the year ahead for the BPA will be one of even spread of activity across all four of its stated strategic priorities.

A key focus will still be on the organisation's primary Strategic objective: "to define and deliver a 'best prepared' approach to the selection, management, delivery and leadership of ParalympicsGB at the Summer and Winter Paralympic Games." As has been well highlighted elsewhere in this Report, the complexity of the Tokyo 2020 Games project has already led to a significant amount of preparatory work being undertaken and this will

# **THE BRITISH PARALYMPIC ASSOCIATION**

**(Limited by Guarantee)**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018**

continue, including finalising the planning around Preparation Camp bases and considering where any major British House might be located within Tokyo during Games time. It will be supplemented by four key projects: the introduction of a new BPA Games Readiness Tool which assesses each sport's readiness and planning across eight significant aspects of Games preparation; the review and reworking as required of the BPA's Qualification and Selection Principles and Protocols; the Sports Science and Medicine strategy for Tokyo 2020; and the very sizable Operations and Logistics delivery strategy for the Games.

The focus on stakeholder engagement domestically will also continue, not least to ensure that the BPA's own voice and that of the Paralympic movement is effectively heard in discussions around future strategy and funding (including UK Sport's future investment strategy) and the continued attention rightly being paid to athlete welfare, duty of care and the governance and culture of sport. Internationally there are currently six British representatives on the IPC Standing Committees that support the work of the Governing Board – including the Paralympic Games Committee, Athlete Committee, Science and Medicine Committee, Education Committee, Classification Committee and Finance and Audit Committee. They will continue actively to engage across the year in the development of policy within the international movement, as will senior representatives from the BPA who will attend the IPC Member Gathering in Madrid in September.

As indicated earlier in this Report, a major focus in the year ahead will be on exciting, innovative and meaningful programmes that relate to the delivery of the BPA's charitable purposes and wider vision, through bringing to life the inspirational impact of our Athletes. Some commercial partner engagement is likely to put renewed emphasis behind existing successful programmes and in addition the planning for a major new BPA led campaign is in advanced stages and is due to be launched later in 2018. This will more than ever before help demonstrate the impact the BPA can have on wider perceptions of disability and seek to challenge and change attitudes across society.

Against all this is the realisation of the funding challenge that the BPA still faces and in particular the gap that exists between expected expenditure and secured income by 2021. A key feature of the year ahead will be the continued delivery of the commercial strategy alongside the consideration and development of potential fundraising opportunities for the BPA in the build up to Tokyo 2020. There will also be necessarily a continued focus on our corporate governance, system and processes. Alongside continued compliance with A Code for Sports Governance and other regulations including the Charity Governance Code, GDPR and standards set by the Fundraising Regulator, the BPA will be itself engaged more fully in the implementation of governance requirements on its members – not least around the Classification Code and Member Handbook.

### **EQUALITY AND DIVERSITY**

The British Paralympic Association is fully committed to the principles of equality of opportunity and is responsible for ensuring that no employees, Board members, volunteers, supporters, participants, job applicants or members (together "stakeholders") are unlawfully discriminated against because of grounds of age, gender, marital status, religious belief, sexual orientation, race, ethnicity, nationality or disability.

In October 2017 the Board agreed a Board Diversity Statement and Diversity Action Plan (DAP) – both are available on the Company's website. Work commenced in the year on the actions identified in the DAP and continues into 2018/19. In October 2018 the Board will publish an annual statement on progress on the actions on the website.

In May 2016 the Company achieved the Preliminary Level of the Equality Standard for Sport and is targeting achieving the Intermediate level by November 2018. The most recent monitoring data of both employees and Board members (as at 31 March 2018) is set out below:

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Ethnicity - Staff	White British 79%: White Irish 3%: Other White 3%: Mixed White/ Asian 4%: Black/ Black British African 7%: Prefer not to answer 4%
Ethnicity - Board	White British 89%: White Irish 11%
<b>TOTAL</b>	<b>White British 81%: White Irish 6%: Other White 2%: Mixed White/ Asian 4%: Black/ Black British African 5%: Prefer not to answer 4%</b>
Gender - Staff	Male 29%: Female 68%: Prefer not to answer 3%
Gender - Board	Male 67%: Female 33%
<b>TOTAL</b>	<b>Male 38%: Female 59%: Prefer not to answer 3%</b>
Pregnancy - Staff	4% pregnant
Pregnancy - Board	Nil
<b>TOTAL</b>	<b>3% pregnant</b>
Age - Staff	Mean 40
Age - Board	Mean 52
<b>TOTAL</b>	<b>Mean 43</b>
Disability - Staff	Yes 11%: No 85%: Prefer not to answer 4%
Disability - Board	Yes 22%: No 78%
<b>TOTAL</b>	<b>Yes 14%: No 83%: Prefer not to answer 3%</b>
Sexual orientation - Staff	Bisexual 4%: Homosexual 4%: Heterosexual 85%: Prefer not to answer 7%
Sexual orientation - Board	Heterosexual 89%: Prefer not to answer 11%
<b>TOTAL</b>	<b>Bisexual 3%: Homosexual 3%: Heterosexual 87%: Prefer not to answer 7%</b>
Marital Status - Staff	Married 54%: Single 21%: Cohabiting 18%: Prefer not to answer 7%
Marital Status - Board	Married 89%: Prefer not to answer 11%
<b>TOTAL</b>	<b>Married 63%: Single 16%: Cohabiting 14%: Prefer not to answer 7%</b>
Religion - Staff	Christian 36%: Agnostic 11%: Atheist 43%: Other 10%
Religion - Board	Christian 67%: Agnostic 11%: Other 22%
<b>TOTAL</b>	<b>Christian 44%: Agnostic 11%: Atheist 33%: Other 12%</b>

### CHARITABLE PURPOSE

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charitable purposes and Public Benefit".

The public benefit of the British Paralympic Association is the promotion and engagement of the community in Paralympic Sport. This is reflected in the key objectives of the company.

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2018

### TRUSTEES' STATEMENT OF RESPONSIBILITIES

The Trustees (who are also directors of The British Paralympic Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business;

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and the Group and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report the directors have taken advantage of the exemptions available to small companies.

By Order of the Board



Nick Webb OBE

Trustee

Date

18 July 2018

# **THE BRITISH PARALYMPIC ASSOCIATION**

**(Limited by Guarantee)**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF THE BRITISH PARALYMPIC ASSOCIATION**

### **Opinion**

We have audited the financial statements of The British Paralympic Association ('the Group') for the year ended 31 March 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the group and the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees, who are also the Directors for the purposes of Company Law, use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

# **THE BRITISH PARALYMPIC ASSOCIATION**

**(Limited by Guarantee)**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF THE BRITISH PARALYMPIC ASSOCIATION**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements;
- sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

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

In preparing the financial statements, the Trustees' are responsible for assessing the Group'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 Trustees' either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND  
TRUSTEES OF THE BRITISH PARALYMPIC ASSOCIATION**

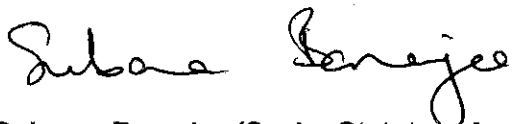
**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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



**Subarna Banerjee (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young**

...18/7/18...

**Chartered Accountants and Statutory Auditor**

Quadrant House  
4 Thomas More Square  
London  
E1W 1YW  
United Kingdom



**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**  
**31 MARCH 2018**

**INCOME AND EXPENDITURE ACCOUNT**

	<b>Note</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
<b>Incoming Resources</b>					
<b>Income and endowments from:</b>					
Donations and legacies	2	415,534	1,414,451	1,829,985	7,340,910
Other trading activities		1,089,981	-	1,089,981	1,704,717
Investment income	3	2,743	-	2,743	2,403
<b>Total income</b>		<b>1,508,258</b>	<b>1,414,451</b>	<b>2,922,709</b>	<b>9,048,030</b>
<b>Expenditure on:</b>					
Raising funds	4	974,382	13,438	987,820	1,047,843
Charitable activities	5	1,342,831	1,370,513	2,713,344	8,182,760
<b>Total expenditure</b>		<b>2,317,213</b>	<b>1,383,951</b>	<b>3,701,164</b>	<b>9,230,603</b>
<b>Net income/ (expenditure)</b>		<b>(808,955)</b>	<b>30,500</b>	<b>(778,455)</b>	<b>(182,573)</b>
<b>Net movement in funds</b>	9	<b>(808,955)</b>	<b>30,500</b>	<b>(778,455)</b>	<b>(182,573)</b>
<b>Reconciliation of funds</b>					
Fund Balances Brought Forward at 1 April 2017		2,886,401	8,751	2,895,152	3,077,725
<b>Funds Balances Carried Forward at 31 March 2018</b>		<b>2,077,446</b>	<b>39,251</b>	<b>2,116,697</b>	<b>2,895,152</b>

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## BALANCE SHEETS AT 31 MARCH 2018

	Note	Group		Company	
		2018 £	2017 £	2018 £	2017 £
<b>FIXED ASSETS</b>					
Tangible	11	99,962	31,283	99,962	31,283
Investment in Subsidiaries	12	-	-	6	6
		<u>96,962</u>	<u>31,283</u>	<u>99,968</u>	<u>31,289</u>
<b>CURRENT ASSETS</b>					
Debtors	13	1,572,357	566,053	2,447,985	5,848,354
Cash at Bank and in Hand		1,959,526	2,616,782	522,723	467,639
		<u>3,531,883</u>	<u>3,182,835</u>	<u>2,970,708</u>	<u>6,315,993</u>
<b>CREDITORS</b> – Amounts Falling Due Within One Year	14	(1,515,148)	(318,966)	(953,979)	(3,452,130)
<b>NET CURRENT ASSETS</b>		<u>2,016,735</u>	<u>2,863,869</u>	<u>2,016,729</u>	<u>2,863,863</u>
<b>NET ASSETS</b>		<u>2,116,697</u>	<u>2,895,152</u>	<u>2,116,697</u>	<u>2,895,152</u>
<b>FUNDS</b>					
Restricted Income Funds	17	39,251	8,751	39,251	8,751
Unrestricted Funds		<u>2,077,446</u>	<u>2,886,401</u>	<u>2,077,446</u>	<u>2,886,401</u>
Total Charity Funds	18	<u>2,116,697</u>	<u>2,895,152</u>	<u>2,116,697</u>	<u>2,895,152</u>

These Financial Statements were approved and authorised for issue by the Board of Trustees on 18 July 2018 and signed on its behalf by:-



Davida Paterson  
Trustee

Company Registration: 02370578  
Charity registration number: 802385

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
<i>Net cash used in operating activities</i>	(575,403)	(278,434)
<b>Cash flows from investing activities</b>		
Interest	2,743	2,403
Purchase of fixtures, fittings and equipment	(84,596)	(29,617)
<i>Net cash used in investing activities</i>	(81,853)	(27,214)
<i>Change in cash and cash equivalents in the reporting period</i>	(657,257)	(305,648)
Cash and cash equivalents at 1 April	2,616,782	2,922,430
<i>Cash and cash equivalents at 31 March</i>	<u>1,959,526</u>	<u>2,616,782</u>

### Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net expenditure for the reporting period	(778,455)	(182,573)
Depreciation charges	15,917	15,270
Loss on disposal of fixed assets	-	1,830
Interest	(2,743)	(2,403)
(Increase)/ decrease in debtors	(1,006,304)	657,513
Increase/ (decrease) in creditors	1,196,181	(768,071)
	<u>(575,403)</u>	<u>(278,434)</u>

### Cash and cash equivalents

	2018 £	2017 £
Total cash and cash equivalents	<u>1,959,526</u>	<u>2,616,782</u>

# **THE BRITISH PARALYMPIC ASSOCIATION**

## **(Limited by Guarantee)**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

#### **1 ACCOUNTING POLICIES**

##### **Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates.

There are no material key sources of estimation uncertainty that could have an impact on the financial statements

##### **a) Statement on Public Benefit**

The British Paralympic Association is a public benefit entity under the Financial Reporting Standard 102 (FRS 102).

##### **b) Going Concern**

The financial statements of the charity company and subsidiary companies have been prepared on the going concern basis and adequate cash resources will be available to cover the requirements for working capital and capital expenditure for at least the next twelve months. The Trustees are not aware of any other factors which could put into jeopardy the charitable company's or subsidiaries going concern status during or beyond this period.

##### **c) Basis of Accounting**

The financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **d) Fund accounting**

The charity's accounts are a consolidation of funds which are defined as follows:-

*Unrestricted funds* comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

*Restricted funds* are funds subject to specific restricted conditions imposed by the donors.

##### **e) Incoming resources**

All incoming resources are accounted for when the Association has entitlement, there is certainty of receipt and the amount is measurable. Income is deferred in respect of UK Lottery funding where the funding is over the 4 year cycle for the Games in order to match it to the expenditure profile. The specific bases used are as follows:

###### *Donations and legacies*

Comprises all incoming resources from grants, donations (both monetary and Value in Kind), legacies and membership subscriptions.

- Grants are recognised in the Statement of Financial Activities when received or when the conditions for receipt have been complied with.
- Donations and members' annual subscriptions are recognised when receivable.

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### e) Incoming resources (continued)

- Donated facilities is included at the value to the Association where this can be quantified.

#### *Charitable activities*

Comprises income receivable from charitable trading.

#### *Other trading*

Comprises trading income from non-charitable trading, including sponsorship income from the BPA's commercial partners.

#### *Investment income*

Bank interest is accounted for on a receivable basis.

### f) Resources Expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as services are supplied.

*Costs of generating funds* are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

*Charitable activities* comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

*Governance costs* include those associated with meeting the constitutional and statutory requirements of the Association and include the audit fees and costs linked to the strategic management of the charity.

*Support costs* include central functions and have been allocated to activity cost categories on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly and others are apportioned on an appropriate basis – estimated usage.

### g) Debtors, Cash at Bank and Creditors

Debtors - short term debtors are measured at transaction price, less any impairment losses.

Cash and cash equivalents - cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks.

Creditors - short term creditors are measured at the transaction price.

### h) Financial Instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the SOFA.

# **THE BRITISH PARALYMPIC ASSOCIATION**

## **(Limited by Guarantee)**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

#### **i) Basis of Consolidation**

These financial statements consolidate the financial statements of the charitable company and its subsidiary undertakings, British Paralympic Enterprises Limited and British Paralympic Performance Services Limited on a line by line basis. A separate Statement of Financial Activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions offered by Section 408 of the Companies Act 2006.

#### **j) Tangible Fixed Assets and Depreciation**

Expenditure of a capital nature over £700 per item is capitalised at cost. Depreciation is provided on all tangible assets in order to write off their cost over their expected useful lives. The principal rate adopted is as follows:-

Office Equipment	- 25% straight line
Software	- 33% straight line
Lease Improvements	- 25% straight line

#### **k) Investments in Subsidiaries (the charity)**

Investments in subsidiaries are recognised in the charity's balance sheet at original cost less any provision necessary for impairment to that cost.

#### **l) Pension**

Pension costs represent payments to individual personal pension schemes of employees. Pension costs are charged to the Statement of Financial Activities in the period in which they are paid.

#### **m) Holiday Pay Accrual**

A liability is recognised to the extent of any unused pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement accrued at the Balance Sheet date.

#### **n) Foreign Currencies**

The transactions of the charity denominated in foreign currencies are translated into sterling at the date of the transaction. Amounts receivable and payable in foreign currencies at the balance sheet date are translated at rates ruling at that date. The translation differences are included in the Statement of Financial Activities.

#### **o) VAT**

Income and expenditure is stated net of VAT to the extent that it is recoverable.

## **2 DONATED FACILITIES AND SERVICES**

Value in kind from commercial partners - Adidas, ASOS, BA, Hogan Lovells, Hilton Deansgate, IT Lab (contract agreed in principle), Manchester Council, Sainsburys and Physique Management Company Limited is included within incoming resources. Equivalent amounts within resources expended are accounted for in kit, consultancy, event costs, legal costs and support with Sports Science Medicine Equipment stock control system and management.

The total value of these goods and services is assessed at £861,645 (2017: £3,124,619).

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**3 INVESTMENT INCOME**

All of the group's investment income arises from interest bearing deposit accounts.

**4 COSTS OF GENERATING FUNDS**

		Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Fund Raising & Publicity Expenses		53,522	-	53,522	177,052
Press, Publicity and Promotion		105,232	8,746	113,978	151,571
Salaries and National Insurance		548,801	4,692	553,493	483,893
Sponsor Search & Support		82,927	-	82,927	27,848
Trading Costs	7	-	-	-	22,087
		<hr/>	<hr/>	<hr/>	<hr/>
		790,482	13,438	803,920	862,451
Support costs	6	183,900	-	183,900	185,392
		<hr/>	<hr/>	<hr/>	<hr/>
		974,382	13,438	987,820	1,047,843
		<hr/>	<hr/>	<hr/>	<hr/>

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 5 DIRECT CHARITABLE EXPENDITURE

		Unrestricted Funds Games Expenditure £	Other Services £	Restricted funds £	Total 2018 £	Total 2017 £
Performance Services		-	1,885	525,312	527,197	1,504,026
Management and International Representation		-	259,154	-	259,154	347,146
Rio Summer Paralympics 2016		-	-	-	-	5,175,762
PyeongChang Winter Paralympics 2018		395,400	-	402,441	797,841	28,349
Tokyo Summer Paralympics 2020		-	159	-	159	24,576
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		395,400	261,198	927,753	1,584,351	7,079,859
Support costs	6	445,533	267,320	416,139	1,128,992	1,102,901
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		840,933	528,518	1,343,892	2,713,343	8,182,760
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>



# THE BRITISH PARALYMPIC ASSOCIATION

## (Limited by Guarantee)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

#### 6 ALLOCATION OF SUPPORT COSTS

The Association's support costs are allocated on a basis consistent with the use of resources unless directly attributable to a particular activity as follows:

	Games Expenditure	Direct Charitable Expenditure			Cost of Generating Funds 20%	Total 2018	Total 2017
		Other Services	Restricted	Total			
	50%	30%	£	£	£	£	£
Percentage splits relate to BPA's (the company) costs							
Insurance	13,509	8,105	-	21,614	5,403	27,017	33,313
Office Accommodation	96,275	57,765	-	154,040	38,510	192,550	192,820
Storage	9,113	5,468	-	14,581	3,645	18,226	17,395
Salaries and National Insurance	195,144	117,087	-	312,231	78,058	390,289	388,976
Printing and Stationery	2,859	1,715	-	4,574	1,144	5,718	6,827
Telephone, Fax and Postage	6,689	4,013	-	10,702	2,675	13,377	13,776
Governance costs	9,881	5,929	14,328	30,138	3,966	34,104	18,552
Other Travel and Meeting Expenses	3,036	1,822	-	4,858	1,214	6,072	7,779
IT Support and Internet Services	32,478	19,487	36,280	88,245	12,991	101,236	48,531
Audit Fees	2,230	1,338	-	3,568	5,482	9,050	21,937
Legal and Professional	1,180	708	365,531	367,419	1,327	368,746	445,175
Depreciation	7,958	4,775	-	12,733	3,183	15,916	15,270
HR/ Recruitment Expenditure	10,305	6,183	-	16,488	4,122	20,610	9,964
Other Expenditure	49,826	29,895	-	79,721	20,159	99,880	54,322
Staff Training	5,050	3,030	-	8,080	2,020	10,100	13,656
	<u>445,533</u>	<u>267,320</u>	<u>416,139</u>	<u>1,128,992</u>	<u>183,900</u>	<u>1,312,891</u>	<u>1,288,293</u>

# THE BRITISH PARALYMPIC ASSOCIATION

## (Limited by Guarantee)

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

#### 7 RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARIES

The financial group consists of the parent undertaking, the British Paralympic Association, and its subsidiary undertakings, British Paralympic Enterprises Limited (BPE), British Paralympic Performance Services Limited (BPPS), and Paralympic World Cup Limited (PWC). BPE, BPPS, and PWC are wholly owned subsidiaries. PWC was dormant in this and the previous year.

Both British Paralympic Enterprises Limited and British Paralympic Performance Services Limited gift aid their taxable profits to the British Paralympic Association. All activities have been consolidated on a line by line basis.

#### British Paralympic Enterprises Limited

The Company's principal activity is sports administration and trading, a summary of the results of this subsidiary is shown below:-

	2018 £	2017 £
Turnover	1,761,806	4,080,136
Direct Cost and Administrative Expenses	(2,841)	(30,279)
	<hr/>	<hr/>
Operating Profit	1,758,965	4,049,857
Interest Receivable	1,521	633
Tax on Profit on Ordinary Activities	-	-
	<hr/>	<hr/>
Profit on Ordinary Activities after Taxation	1,760,486	4,050,490
Gift Aid	(1,760,486)	(4,050,490)
	<hr/>	<hr/>
Profit on Ordinary Activities after Taxation	-	-
	<hr/>	<hr/>

The aggregate of the assets, liabilities and funds was:

	2018 £	2017 £
Assets	2,701,995	4,144,295
Liabilities	(2,701,993)	(4,144,293)
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>
Funds:		
Share Capital	2	2
Profit and Loss Account	-	-
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**7 RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARIES (Continued)**

**British Paralympic Performance Services Limited**

The Company's principal activity is to provide performance services to Paralympic athletes and their sports and/or disability organisations.

A summary of the results of this subsidiary is shown below:

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
Income	426,963	986,274
Expenditure	(426,963)	(968,499)
	<hr/>	<hr/>
Gross Profit	-	17,775
Administrative Expenses	(2,845)	(10,833)
	<hr/>	<hr/>
Operating Result	(2,845)	6,942
Interest Receivable	542	934
Taxation on Surplus on Ordinary Activities	-	-
	<hr/>	<hr/>
Profit on Ordinary Activities after Taxation	(2,303)	7,876
Gift Aid	-	(7,876)
	<hr/>	<hr/>
Result on Ordinary Activities after Taxation and Gift Aid	(2,303)	-
	<hr/>	<hr/>

The aggregate of the assets, liabilities and funds was:-

	<b>2018</b> <b>£</b>	<b>2017</b> <b>£</b>
Assets	559,419	1,538,091
Liabilities	(561,720)	(1,538,089)
	<hr/>	<hr/>
	(2,301)	2
	<hr/>	<hr/>
Funds:-		
Share Capital	2	2
Profit and Loss Account	(2,303)	-
	<hr/>	<hr/>
	(2,301)	2
	<hr/>	<hr/>

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**8 STAFF COSTS, DIRECTORS' REMUNERATION AND TRUSTEES REIMBURSED EXPENSES**

None of the Trustees/directors received any emoluments in respect of their services to the Charity, (2017: £Nil). Six (2017: Six) Trustee/director was reimbursed travel and subsistence expenses incurred in attending meetings and representing the Company, which in aggregate amounted to £3,746 (2017: £5,248).

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Gross Salaries	1,319,505	1,302,059
Employers' National Insurance	139,483	137,076
Pension - Defined Contribution	163,736	153,220
	<hr/>	<hr/>
	1,622,724	1,592,355
	<hr/>	<hr/>

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	<b>2018</b>	<b>2017</b>
£60,001 - £70,000	-	-
£70,001 - £80,000	3	4
£80,001 - £90,000	1	1
£120,001 - £130,000	1	1
	<hr/>	<hr/>
	5	6
	<hr/>	<hr/>

The key management personnel comprises the five executive team and the total remuneration, benefits and defined benefit pension contributions paid in the year was £388,288 (2017: £454,458).

The average number of employees during the year analysed by function was:-

	<b>2018</b>	<b>2017</b>
Charitable Activities	16	19
Cost of Generating Funds	11	10
	<hr/>	<hr/>
	27	29
	<hr/>	<hr/>

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 9 NET MOVEMENT IN FUNDS

Net movement in funds is arrived at after charging:	2018 £	2017 £
Depreciation of tangible fixed assets	15,917	15,270
Foreign exchange loss/ (gain)	182	(27,225)
Auditors remuneration	9,049	21,937

The consolidated Statement of Financial Activities is for the Group as a whole. The figures below are the equivalent figures for the Charity only, excluding other Group companies:

- Charity only incoming resources for the year ended 31 March 2018 were £758,497 (2017 £4,108,653) excluding donations from subsidiaries.
- Charity only net increase/ (decrease) in funds for the year were (£778,455) (2017: (£182,573)).

### 10 TAXATION

No corporation tax is payable as the Association is a registered charity. A corporation tax liability of £Nil is included in the subsidiary accounts (2017: £ Nil).

### 11 TANGIBLE FIXED ASSETS

	Fixtures, Fittings and Equipment	
Cost	Group £	Company £
At 1 April 2017	191,461	191,461
Additions	84,596	84,596
	<hr/>	<hr/>
At 31 March 2018	276,057	276,057
	<hr/>	<hr/>
Depreciation		
At 1 April 2017	160,178	160,178
Charge for the Year	15,917	15,917
	<hr/>	<hr/>
At 31 March 2018	176,095	176,095
	<hr/>	<hr/>
Net Book Value		
At 31 March 2018	99,962	99,962
	<hr/>	<hr/>
At 31 March 2017	31,283	31,283
	<hr/>	<hr/>

All fixed assets of the company are used for charitable purposes.

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 12 INVESTMENT IN SUBSIDIARIES

	Company 2018 £	Company 2017 £
British Paralympic Enterprises Limited	2	2
British Paralympic Performance Services Limited	2	2
Paralympic World Cup	2	2
	<u>6</u>	<u>6</u>

The Association has three wholly owned subsidiaries, British Paralympic Enterprises Limited – company number 3008516, British Paralympic Performance Services Limited – company number 4577740, and Paralympic World Cup – company number 5362068. All companies were incorporated in Great Britain.

### 13 DEBTORS

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Amounts Due from Group Companies	-	-	445,118	1,467,080
Prepayments and Accrued Income	378,274	99,116	115,327	99,066
Sundry Debtors	1,194,083	466,937	129,357	223,842
Gift Aid Receivable from Group Companies	-	-	1,758,183	4,058,366
	<u>1,572,357</u>	<u>566,053</u>	<u>2,447,985</u>	<u>5,848,354</u>

### 14 CREDITORS

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
<b>Amounts Falling Due Within One Year</b>				
Amounts Due to Group Companies	735	735	497,674	3,290,834
Accruals and Deferred Income	1,179,231	208,429	121,126	64,286
Deferred Grant Income	-	10,000	-	-
Other Creditors	308,932	49,253	308,929	46,461
Grants	6,580	36,256	6,580	36,256
Other Taxes and Social Security Costs	19,670	14,293	19,670	14,293
	<u>1,515,148</u>	<u>318,966</u>	<u>953,979</u>	<u>3,452,130</u>
<b>Movement on Deferred Grant Income</b>				
At 1 April 2017	10,000	316,924	-	84,371
Released to SOFA in the year	-	(316,924)	-	(84,371)
Deferred in the current period	102,700	10,000	-	-
	<u>112,700</u>	<u>10,000</u>	<u>-</u>	<u>-</u>

# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 15 FINANCIAL INSTRUMENTS

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Financial assets that are debt instruments at amortised cost				
Debtors				
- Group balances	-	-	445,118	1,467,080
- Sundry debtors	1,193,865	466,937	129,138	223,842
- Gift aid receivable from group companies	-	-	1,758,183	4,058,365
Cash at bank and in hand	1,959,526	2,616,782	522,723	467,639
	<u>3,153,391</u>	<u>3,083,719</u>	<u>2,855,162</u>	<u>6,216,926</u>
Financial liabilities measured at amortised cost				
Creditors				
- Group balances	735	735	497,674	3,290,834
- Other creditors	308,930	49,253	308,930	46,461
	<u>309,665</u>	<u>49,988</u>	<u>806,604</u>	<u>3,337,295</u>

### 16 DISCLOSURE OF COMMITMENTS

#### *Binding Commitments*

In the year the charity did not enter into any agreements relating to future Summer Paralympic Games and as a result at the year end the following amounts were committed:

- Accommodation - £nil (2017: £nil)
- Flights - £nil (2017: £nil)

In addition the charity was committed to expenditure under its Value in Kind arrangements with commercial partners, whereby the equivalent amount will be recognised with Incoming Resources. Under these arrangements the total value of kit, legal costs, consultancy and support with Sports Science Medicine Equipment stock control system totals £368,720 (2017: £634,995).

The above does not include commitments funded by restricted grants.

#### *Lease Payments*

At the 31 March 2018 the amount of lease payments committed with respect to the rental of office space, £269,456, and office equipment, £3,053, totalled £272,509 (2017: £489,779).

**THE BRITISH PARALYMPIC ASSOCIATION**  
**(Limited by Guarantee)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**17 RESTRICTED FUNDS**

	Balance 1 April 2017 £	Movement in Funds: Incoming Resources £	Resources Expended £	Transfers Between Funds £	Balance 31 March 2018 £
Cadbury Foundation - grant	-	92,980	(59,652)	-	33,328
Commercial Partners - value in kind	-	861,645	(861,645)	-	-
UK Sport - grants	8,751	438,463	(441,291)	-	5,923
OCOG – grant	-	21,363	(21,363)	-	-
	<u>8,751</u>	<u>1,414,451</u>	<u>(1,383,951)</u>	<u>-</u>	<u>39,251</u>

Funds expended on capital items are transferred to unrestricted funds once spent.

Incoming resources received in the year related to the following activity:

- Cadbury Foundation – grant for the PyeongChang Games Readiness Workshop and the administration of the Get Set and Parasport website in 2017/18.
- Commercial Partners – value in kind as set out in Note 2, Donated Facilities and Services.
- UK Sport – grants for Classification, International Relations, SSMC, staff costs and planning for the Tokyo 2020 Summer Paralympic Games (T2020). The balance at 31 March 2018 represents unused funds at the year end for the International Relations grant (the grantee being BPA). Unused funds for the T2020 grant are included in deferred income (the grantee being BPPS).
- OCOG – grant is a contribution to support costs incurred in respect of participation in the 2018 PyeongChang Winter Paralympic Games.

**18 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund Balances at 31 March 2018 are represented by:			
Tangible Fixed Assets	99,962	-	99,962
Current Assets	3,492,632	39,251	3,531,883
Current Liabilities	(1,515,148)	-	(1,515,148)
<b>Total Net Assets</b>	<u>2,077,446</u>	<u>39,251</u>	<u>2,116,697</u>



# THE BRITISH PARALYMPIC ASSOCIATION

(Limited by Guarantee)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 19 COMPARATIVE FIGURES FOR ALL FUNDS

The comparatives for both the Unrestricted and Restricted Funds in 2017 are as follows:

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total 2017 £
<b>Incoming Resources</b>			
<b>Income and endowments from:</b>			
Donations and legacies	1,963,023	5,377,887	7,340,910
Other trading activities	1,704,717	-	1,704,717
Investment income	2,403	-	2,403
<b>Total income</b>	<b>3,670,143</b>	<b>5,377,887</b>	<b>9,048,030</b>
<b>Expenditure on:</b>			
Raising funds	1,047,843	-	1,047,843
Charitable activities	2,786,365	5,396,395	8,182,760
<b>Total expenditure</b>	<b>3,834,205</b>	<b>5,396,395</b>	<b>9,230,603</b>
<b>Net expenditure</b>	<b>(164,065)</b>	<b>(18,508)</b>	<b>(182,753)</b>
Transfers between funds	(1,977)	1,977	-
<b>Net movement in funds</b>	<b>(166,042)</b>	<b>(16,531)</b>	<b>(182,573)</b>
<b>Reconciliation of funds</b>			
Fund Balances Brought Forward at 1 April 2016	3,052,443	25,282	3,077,725
<b>Funds Balances Carried Forward at 31 March 2017</b>	<b>2,886,401</b>	<b>8,751</b>	<b>2,895,152</b>

# **THE BRITISH PARALYMPIC ASSOCIATION**

**(Limited by Guarantee)**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018**

### **20 RELATED PARTY TRANSACTIONS**

The balance due to the British Paralympic Association from British Paralympic Enterprises at 31 March 2018, after taking account of gift aid receivable, was £1,263,547 (2017: £760,392). The balance due to the British Paralympic Association from British Paralympic Performance Services Limited at 31 March 2018 was £442,815 (2017: £1,474,956)

The British Paralympic Association has a joint venture company with the British Olympic Association, "2016 Crest Holding Limited" (2016CHL), a company limited by guarantee. The liability of each of the organisations is limited to £10. The company holds the rights to the crest that featured on the kit for the 2016 Rio Paralympic Games (and which has the potential to feature on future kit, depending on creative decisions). The activities of 2016CHL have not been consolidated.

### **21 FUNDS RECEIVED AS AN AGENT**

The Company acted as an agent on behalf of Sainsbury's Supermarkets Limited "Active Kids" programme. Funds held at 1 April 2017 were £Nil (2017: £nil), and funds receivable in the year totalled £213,000(2017: £200,000) which was matched by funds disbursed of £213,000 (2017: £200,000) to the Disability Sports Federations of England for further disbursement to the other Disability Sports Federations. Namely Scotland, Northern Ireland and Wales. As at the 31 March 2018 all funds had been disbursed.

### **22 DONATIONS FROM TRUSTEES**

The aggregate value of donations received from Trustees in the year was £nil (2017: £nil).

### **23 SHARE CAPITAL**

The Company is limited by guarantee and has no share capital.

The 34 (2017: 34) voting members of the Company have undertaken to contribute an amount not exceeding £10 each to the assets of the Company in the event of it being wound up.

### **24 CONTROLLING PARTY**

The Company is under the control of its voting members.