

The British Triathlon Federation

Annual Report and Financial Statements

31 March 2023

Company Registration Number 02995438
Limited by guarantee (England and Wales)

Reference and administrative details of the Company, its Directors and Advisers

Directors	R J Ashton D Clarke S L Heath V Holland W James M Kitchener S Pabari A Salmon N Saunders
Company secretary	A Salmon
Registered office	PO Box 25 British Triathlon Federation Loughborough Leicestershire LE11 3WX
Registered number	02995438 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC PO Box 13 14 Market Place Loughborough Leicestershire LE11 3EJ
Solicitors	Moore Law Ltd Unit 1A, The Sussex Innovation Centre University of Sussex Science Park Square Falmer, Brighton BN1 9SB

Contents

Reports

Strategic report	2
Directors' report	7
Independent auditor's report	9

Financial statements

Statement of comprehensive income	14
Statement of financial position	15
Statement of changes in reserves	16
Statement of cash flows	17
Principal accounting policies	18
Notes to the financial statements	21

Principal activity and review of the business

The principal activities of the company during the period were to carry out the functions of the national governing body of Triathlon, Duathlon and Aquathlon in Great Britain.

The company consists of two divisions, British Triathlon and Triathlon England. The Board delegates responsibility for the day-to-day running of Triathlon England to the Triathlon England Management Board (TEMB).

The British Triathlon Federation’s (BTF) vision is ‘Great Experiences through swim, bike, run’ and its mission is ‘To develop an environment that makes Britain the world’s leading triathlon nation; enabling success and increasing participation.’

BTF aims to deliver the strategy by working collaboratively with its members (Triathlon England, Triathlon Scotland and Welsh Triathlon) towards the achievement of shared objectives. It is also committed to supporting the work of the British Triathlon Trust, of which it is the sole member.

During 2022/23, the company conducted a refresh of strategy which produced the following:

	British Triathlon Division	Triathlon England Division
Mission:	Developing People & Delivering Excellence to Grow Swim, Bike, Run	Developing People & Places to Grow Swim, Bike, Run
Values:	People Centred Inclusive Ambitious Do What's Right	
Strategic Goals:	Excellent Athletes Outstanding Major Events Inspired Age Groups Amplify Work of Home Nations Whole Sport	The Big Active Our Community Developing Athletes Great Events for All
Enabling Goals:	Sport Integrity, Digital Transformation, Commercial Growth, Exceptional People, Strong Organisation, Social Impact, International Relations	

The financial year ended 31 March 2023 was another year of challenging trading conditions. The emerging cost of living crisis with high inflation and rising interest rates contributed to records lows in consumer confidence, which made the work of event organisers, clubs and coaches ever more complex and challenging.

In recognition of these trading conditions, the Board had set a deficit budget of £216,380, consisting of a deficit of £102,195 for the British Triathlon Division and £114,185 for the Triathlon England Division. The actual result for the financial year ended 31 March 2023 was a deficit of £13,008 with the British Triathlon division producing a surplus of £46,226 and the Triathlon England division a deficit of £59,234. Under the circumstances, the Board considered this a very positive outcome.

Principal activity and review of the business (continued)

Performance: The World Class Programme faced numerous difficulties in achieving a balanced year-end position, due to the effect of inflation affecting the cost of travel and subsistence when travelling overseas.

Talent: Developing talented athletes in England remains an under-invested area and one which the Board is determined to invest in once revenues return.

Major Events: 2022 saw the inaugural World Triathlon Paratriathlon Series Swansea, which was preceded by the first International Paratriathlon Conference, attended by over 50 delegates. The World Triathlon Championship Series returned to Leeds. Both events were affected by economic factors and required investment from the company as follows:

	WTPS Swansea	WTCS Leeds
Total:	£25,000	£100,000

Membership: Triathlon England Membership at March 2023 was 22,980, representing a loss of 700 members or attrition of 3%. Average retention ran at 80%. In net terms, membership produced income of £1.2m for the Triathlon England division.

Event Permitting: The recovery from Covid continued to be slow with race and participant numbers falling well short of 2019 levels. Permitting and day membership revenue was £300k with event numbers around 70% of a normal level of activity.

Commercial: During the period, commercial performance was largely as expected. A three-year partnership with Volvo Cars (UK) was not renewed which impacted both organisational revenue but also major event budgets. The most significant partnership for the company was with Descente due to royalties on ranges sold in the Far East.

Development: During the period, Triathlon England developed the key components of the Big Active strategy, aimed at growing the sport and reaching under-represented groups. These components have traditionally depended on Sport England investment and whilst this is still the case currently, future models are established on the basis of financial sustainability. Any net revenues would be reinvested into Triathlon England programmes.

Cost Control: Despite the fluctuation in activity between lockdowns, the company was able to flex costs effectively, producing a satisfactory overall position.

Principal activity and review of the business (continued)

The financial result for the period has maintained reserve levels beyond the target established in the six-year recovery plan. The reserves level at 31 March 2023 was £1,104k comfortably ahead of the levels established in the Company's Reserves Policy. However, as the current year ending 31 March 2024 is certain to be another very challenging year with a continued revenue shortfall, the Board strives to maintain an appropriate balance between investing in recovery and growth versus retaining financial reserves to protect against unforeseeable events.

Principal Risks and Uncertainties

There are a number of risks and uncertainties which may have an impact on the Company. The list on the next page does not purport to be exhaustive. The executive team maintain a risk register which is reviewed twice a year by the Board. Risks are identified along with the necessary mitigation strategies.

Principal risks and uncertainties (continued)

RISK	DETAIL AND ACTIONS
<p>Funding</p> <p>Maintenance of public funding and the inability to achieve self-generated revenue targets.</p>	<p>The company has been successful in securing strong public sector investment in the mid-to-long term with additional project specific funding for activity. This provides the Board with assurance that plans for the World Class programme and the development of the sport can be fully committed to, notwithstanding other risks, specifically rising costs.</p> <p>Self-generated funds are and will remain a constant challenge. Principal sources are commercial, membership and event permit and day license revenue. Current market conditions are challenging across all three sources.</p>
<p>Financial Reserves</p> <p>Depletion of financial reserves rendering the organisation insolvent.</p>	<p>The Board has planned for a deficit budget in the financial year ending 31 March 2024, to enable investment in technology and campaigns to drive recovery and growth. Accordingly, it is planned to reduce reserve levels during the year, but the Board is confident that this is planned and understood and so does not represent a significant risk.</p>
<p>Political</p> <p>Changes in the regulatory or political environment affecting the Company's ability to deliver its strategy and objectives.</p>	<p>This is not deemed a significant risk, despite the apparently turbulent political scene. Public sector funding is secured.</p> <p>It is deemed as somewhat likely that there will be a change in UK Government, and this may present a small risk due to a shift in government policy towards sport.</p> <p>The risk of a potential independence referendum in Scotland is deemed to have diminished and, in any event, is not seen as a risk to the organisation and the ongoing inclusion of Triathlon Scotland and its members.</p>
<p>Operating Costs</p>	<p>The impact of double-digit inflation and energy costs on the cost of living and of operating are beginning to have a material impact and this looks set to continue throughout 2023/24.</p> <p>With no provision for inflation in public sector investment awards, difficult decisions will be required.</p>

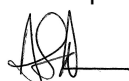
<p>Events</p> <p>Failure to secure major events, or funding for major events, may adversely affect the Company's ability to build the profile of and participation in the sport.</p>	<p>Given trading and market conditions, this risk is slightly elevated compared to previous years. Rising costs, and a very tough commercial landscape make the financial aspects of running major events and/or attracting event sponsorship very challenging indeed.</p> <p>The executive team is exploring alternative models, involving vastly reduced risk profiles.</p>
<p>Commercial</p> <p>Maintaining and attracting sponsorship investment.</p>	<p>As the sponsorship scene becomes even more competitive, maintaining existing and attracting new partnership investment is going to be challenging and regular forecasts will enable the company to react accordingly.</p> <p>The Board has discussed and agreed a commercial strategy that is more aligned to our community and less aligned to major events.</p>
<p>Reputational</p> <p>Reputational risk due to a safeguarding matter.</p>	<p>The Whyte Review report, published in June 2022, sends a signal to all sporting NGB's. The company had already commissioned an independent review of all Safeguarding policy and procedure across British Triathlon and the Home Nations and this, along with a comprehensive action plan, has been published. The company is involved in discussions with other NGBs about a more collaborative model for safeguarding.</p>
<p>Technological</p> <p>Ever present risk of a successful Cyber-attack, a data breach or failure to comply with GDPR regulation.</p>	<p>Increased reliance on digital solutions makes us more susceptible to attack. Investment in IT security software and hardware, a new Digital Technology solution and Cyber security audits all contribute to mitigating this risk.</p>

Financial key performance indicators

The following KPIs are considered as part of the monthly management accounts:

- ◆ Performance against budget or forecast
- ◆ Cashflow projections
- ◆ Membership growth and retention
- ◆ Event and participation numbers.

This report was approved by the Board on 29 September 2023 and signed on its behalf.



A Salmon
Chief Executive Officer

Directors' report 31 March 2023

The directors present their annual report together with the audited financial statements of The British Triathlon Federation for the year ended 31 March 2023.

Results

The deficit for the year, after taxation, amounted to £13,008 (2022 - £90,651 surplus).

Directors

The directors in office during the financial year and to the date of this report were:

Director	Appointed/resigned
R J Ashton	
D H Cameron	Resigned 3 July 2023
D Clarke	
N Dick	Resigned 11 January 2023
S L Heath	
V Holland	
W James	
M Kitchener	
S Pabari	
A Salmon	
N Saunders	
J Skan	Resigned 4 February 2023
G Warnecke	Resigned 31 May 2023

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 Section 1A, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.' Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ make judgements and 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

Statement of director's responsibilities 31 March 2022

Statement of directors' responsibilities (continued)

- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Disclosure of information to auditors


Each of the directors confirms that:

- ◆ so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- ◆ the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with Financial Reporting Standard 102 Section 1A.

Signed on behalf of the board of directors:



Chief Executive Officer
A Salmon

Approved by the board on: 29 September 2023

Independent auditor's report to the members of The British Triathlon Federation

Opinion

We have audited the financial statements of The British Triathlon Federation (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, principal accounting policies and the related notes to the financial statements. 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 company's affairs as at 31 March 2023 and of its deficit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of directors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the company through discussions with management, and from our knowledge of the sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the company and determined that the most significant are the reporting framework the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102 Section 1A), the Companies Act 2006, employment law and the Code of Sports Governance;

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

- ◆ we understood how the company is complying with those legal and regulatory frameworks by making inquiries of management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of directors' meetings and papers provided to the director.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of directors' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims; and
- ◆ reviewing any available correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 26 October 2023

Statement of comprehensive income Year to 31 March 2023

	Notes	2023 £	2022 £
Income	1, 17	10,917,667	10,099,604
Operating expenses	17	(10,930,675)	(10,009,426)
Government grant income (CJRS)	2	—	473
Operating (deficit) surplus	3	(13,008)	90,651
Interest receivable and similar income		—	—
(Deficit) surplus before tax		(13,008)	90,651
Taxation	6	—	—
(Deficit) surplus for the financial year		(13,008)	90,651

The notes on pages 18 to 25 form part of these financial statements.

There was no other comprehensive income in 2023 or 2022.

Statement of financial position 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible fixed assets	7	62,945	72,815
		62,945	72,815
Current assets			
Debtors: amounts falling due within one year	8	940,379	789,888
Cash at bank and in hand	9	2,983,651	3,481,457
		3,924,030	4,271,345
Creditors: amounts falling due within one year	10	(2,882,956)	(3,227,133)
Net current assets		1,041,074	1,044,212
Net assets		1,104,019	1,117,027
Capital and reserves			
Triathlon England designated reserve	11	106,715	165,949
Income and expenditure account	11	997,304	951,078
		1,104,019	1,117,027

These financial statements have been prepared in accordance with the special provisions relating to the small companies regime within Part 15 of the Companies Act 2006 and FRS 102 Section 1A.

These financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



Chief Executive Officer
A Salmon

Date: 29 September 2023

Company Registration Number
02995438 (England and Wales)

Statement of changes in reserves 31 March 2023

	Triathlon England designated reserve £	Income and expenditure account £	Total reserves £
At 1 April 2021	165,431	860,945	1,026,376
Surplus for the year	—	90,651	90,651
Transfer to/from TE designated reserves	518	(518)	—
At 31 March 2022	165,949	951,078	1,117,027
Deficit for the year	—	(13,008)	(13,008)
Transfer to/from TE designated reserves	(59,234)	59,234	—
At 31 March 2023	106,715	997,304	1,104,019

Statement of cash flows 31 March 2023

	2023	2022
	£	£
Cash flows from operating activities		
(Deficit) / surplus for the financial year	(13,008)	90,651
Adjustments for:		
Depreciation of tangible assets	36,459	26,574
(Increase) in debtors	(150,491)	(340,057)
(Decrease) / increase in creditors	(344,177)	759,602
Net cash (used in) / generated from operating activities	(471,217)	536,770
Cash flows from investing activities		
Purchase of tangible fixed assets	(26,589)	(73,161)
Net cash (used in) investing activities	(26,589)	(73,161)
Net (decrease) / increase in cash and cash equivalents	(497,806)	463,609
Cash and cash equivalents at the beginning of year	3,481,457	3,017,848
Cash and cash equivalents at the end of year	2,983,651	3,481,457

Analysis of net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	3,481,457	(497,806)	2,983,651

Principal accounting policies 31 March 2023

The British Triathlon Federation is a company limited by guarantee incorporated in England and Wales.

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are prepared in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. The directors consider there to be no significant judgements or sources of estimation uncertainty impacting these financial statements.

Going concern

The directors have reviewed their forecasts and cash flow requirements for at least twelve months from the date these financial statements have been signed. The directors consider that the company will have adequate working capital available to continue in operational existence for at least twelve months from the date these financial statements have been signed. They believe the going concern basis of accounting is appropriate for these annual financial statements and there are no material uncertainties relating to the going concern.

Income

Income comprises revenue recognised in the year by the company in respect of grant funding, membership fees, sponsorship and other income receivable less VAT where applicable.

Grant income is recognised in the income and expenditure account as the related expenditure is incurred and any unspent amounts are carried forward in creditors.

Membership fees are recognised in the year to which they relate.

Sponsorship income that is received in respect of specific expenditure is matched with the related expenditure and any unspent amount is carried forward in creditors. All other sponsorship income is taken to the income and expenditure account for the period in which it is receivable and the application of the income is charged in the period in which it is incurred.

Principal accounting policies 31 March 2023

Income (continued)

Revenue received from sponsorship in the form of gifts in kind (GIK) is recognised on a straight-line basis over the life of the relevant contractual term. The majority of GIK relate to kit from Descente used by our performance athletes. Other smaller GIK are triathlon related products which are given in exchange for advertising and promotion.

Government grant income relates to the Coronavirus Job Retention Scheme (CJRS) and is recognised as receivable in line with the period that the relevant expense has been incurred.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and excludes recoverable VAT.

Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

Taxation

Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in reserves is also recognised in other comprehensive income or directly in reserves respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Principal accounting policies 31 March 2023

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

- ◆ Fixtures and fittings, Office equipment, Systems - Straight line over five years
- ◆ IT hardware - Straight line over three years

Trade and other debtors

Trade and other debtors are initially recognised at the transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

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

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Notes to the financial statements 31 March 2023

1 Analysis of income

An analysis of income by class of business is as follows:

	2023 £	2022 £
Grant Income	4,909,753	5,164,980
Events	3,143,734	2,391,330
Sponsorship	721,114	540,760
Gifts in Kind	656,870	655,654
Membership	1,292,893	1,222,283
Other Income	193,303	124,597
	10,917,667	10,099,604

All income arose within the United Kingdom. Further detail regarding grants receivable and the expenditure that they have funded is provided in note 17.

2 Government grants

	2023 £	2022 £
Coronavirus job retention scheme income	—	473

3 Operating (deficit) surplus

The operating (deficit) surplus is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets	36,459	26,574
Auditor's remuneration:		
. Audit fees – current year	14,104	12,991
. Other fees – tax services	2,900	2,040
Other operating lease rentals	69,110	99,918
Staff costs (note 4)	3,852,876	3,572,588

Notes to the financial statements 31 March 2023

4 Employees

Staff costs, including directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	3,328,076	3,088,920
Social security costs	342,717	312,115
Cost of defined contribution scheme	182,083	171,553
	3,852,876	3,572,588

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
	93	86

5 Directors' remuneration

	2023 £	2022 £
Directors' emoluments	148,806	142,600
Directors' pension costs	8,625	8,282
	157,431	150,882

During the year retirement benefits were accruing to 1 director (2022 - 1) in respect of defined contribution pension schemes.

6 Taxation

	2023 £	2022 £
Current tax on investment income for the year	—	—

Factors affecting tax charge for the year

	2023 £	2022 £
(Deficit) surplus on ordinary activities before tax	(13,008)	90,651
(Deficit) surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	(2,472)	17,224
Effects of:		
Non-taxable (deficits)	2,472	(17,224)
Total tax charge for the year	—	—

The company is only subject to tax on its investment income.

Notes to the financial statements 31 March 2023

7 Tangible fixed assets

	Fixtures and fittings £	IT hardware £	Office equipment £	Systems £	Total £
Cost or valuation					
At 1 April 2022	4,483	77,477	89,962	23,923	195,845
Additions	—	26,589	—	—	26,589
At 31 March 2023	<u>4,483</u>	<u>104,066</u>	<u>89,962</u>	<u>23,923</u>	<u>222,434</u>
Depreciation					
At 1 April 2022	161	27,773	83,140	11,956	123,030
Charge for the year	896	28,762	2,783	4,018	36,459
At 31 March 2023	<u>1,057</u>	<u>56,535</u>	<u>85,923</u>	<u>15,974</u>	<u>159,489</u>
Net book value					
At 31 March 2023	<u>3,426</u>	<u>47,531</u>	<u>4,039</u>	<u>7,949</u>	<u>62,945</u>
At 31 March 2022	<u>4,322</u>	<u>49,704</u>	<u>6,822</u>	<u>11,967</u>	<u>72,815</u>

8 Debtors: Amounts falling due within one year

	2023 £	2022 £
Trade debtors	135,963	281,087
Other debtors	95,925	228,319
Prepayments and accrued income	708,491	280,482
	<u>940,379</u>	<u>789,888</u>

9 Cash at bank and in hand

	2023 £	2022 £
Cash at bank and in hand	<u>2,983,651</u>	<u>3,481,457</u>

10 Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	369,269	238,186
Corporation tax	—	—
Other taxation and social security	—	114,691
Other creditors	28,195	146,494
Accruals and deferred income	<u>2,485,492</u>	<u>2,727,762</u>
	<u>2,882,956</u>	<u>3,227,133</u>

10 Creditors: Amounts falling due within one year (continued)

Included within accruals and deferred income is the following deferred income:

	2023 £	2022 £
Deferred membership income	530,099	526,489
Deferred UK Sport grant income	652,472	562,931
Deferred Sport England income	333,527	135,430
Deferred IT project funding from Sport England	34,687	100,000
Deferred event fees	724,531	825,168
Other deferred income	78,170	416,570
	2,353,486	2,566,588

11 Reserves

Triathlon England designated reserve

This reserve relates to funds designated for Triathlon England activities.

Income and expenditure account

Comprises the accumulated surpluses of the British Triathlon Federation.

12 Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

13 Pension commitments

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. An amount totalling £Nil (2022 - £Nil) was due at the balance sheet date.

14 Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	51,480	51,480
Later than 1 year and not later than 5 years	51,480	102,960
	102,960	154,440

15 Related party transactions and key management remuneration

Directors D Clarke and A Salmon are common directors of British Triathlon Foundation Trust. During the year grants totalling £8,000 (2022 - £Nil) and member donations totalling £3,680 (2022 - £1,832) were made to the Trust and an amount of £Nil (2022 - £6,185) was received from the Trust for British Triathlon Federation to distribute to clubs.

The total of key management personnel compensation for the year was £725,403 (2022 - £627,704). This represents the total remuneration and benefits (including employer pension costs and national insurance contributions) of the Federation's senior management team, representing 8 (2022 - 7) members of staff.

There were no other related party transactions in the year or prior year.

16 Controlling party

There is no ultimate controlling party.

17 Grant income and expenditure

	Sport England	UK Sport	Local Authority	Non-public income	2023 Total
Revenue grants	2,121,310	2,788,443	—	—	4,909,753
Membership Income	—	—	—	1,292,893	1,292,893
Sponsorship Income	—	—	—	1,377,984	1,377,984
Major Event Income	74,929	363,135	475,299	962,331	1,875,694
Other Events & Courses	—	—	—	1,268,040	1,268,040
Other income	—	—	—	193,303	193,303
Total Income	2,196,239	3,151,578	475,299	5,094,551	10,917,667
Overheads/Support costs	104,724	168,166	—	2,521,893	2,794,783
Talent	480,274	—	—	—	480,274
Participation/Core market	1,464,873	—	—	—	1,464,873
Performance	—	2,548,708	—	—	2,548,708
Major events	74,929	363,135	475,299	1,306,349	2,219,172
Events and Courses	—	—	—	1,023,794	1,023,794
Marketing	—	—	—	255,523	255,523
Other costs	71,439	71,569	—	—	143,008
Total Expenditure	2,196,239	3,131,578	475,299	5,107,559	10,930,675
Net expenditure	—	—	—	(13,008)	(13,008)