

**UK Anti-Doping Ltd  
Annual Report and Accounts  
2017/18**







**United Kingdom Anti-Doping Limited  
Annual Report and Accounts  
2017/18**

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

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## The Team

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### Board

Trevor Pearce CBE QPM .....	Chair
Dr Frances Akor .....	(appointed 1 October 2017) Member
John Brewer.....	(retired 30 September 2017) Member
Pippa Britton .....	Senior Independent Director and Vice-Chair
Nicholas Griffin QC .....	(appointed 1 October 2017) Member
Professor Nicola Phillips .....	(appointed 1 October 2017) Member
Dr Claire-Marie Roberts .....	(appointed 1 October 2017) Member
Janice Shardlow .....	(retired 30 September 2017) Member
Justin Turner QC .....	(resigned 19 June 2017) Member
Sarah Winckless MBE .....	Member

### Executive

Nicole Sapstead .....	Chief Executive
Philip Bunt .....	Director of Business Services
Matthew Johnson.....	Director of Legal and Regulatory Affairs
Pat Myhill .....	Director of Operations
Emily Robinson .....	Director of Communications

# Performance Report – Overview

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

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It's been an eventful year for the **integrity of sport**, particularly with regards to anti-doping. Rarely has the subject demanded so many column inches with such frequency and ferocity of opinion. But these are necessary discussions, and should only help advance the efforts of United Kingdom Anti-Doping Limited (UKAD) and our global stakeholders and partners to protect every athlete's right to compete in clean sport.

The **public perception** around the integrity of sport, and particularly the subject of doping, was made evident at the 2017 World Athletics Championships, and the negative reaction to 100m champion Justin Gatlin, who has twice served bans for doping offences. Meanwhile, the vast amount of discussion around the participation of Russian athletes in the Olympic and Paralympic Winter Games further demonstrated the strength of public opinion on the subject.

It is vitally important we work together to reinstate confidence in clean sport.

While the anti-doping landscape as a whole has encountered a busy year, UKAD in particular has faced a number of fresh challenges, and launched exciting new projects.

As detailed below, much of our investigation work has revolved around the **British Cycling case**, as has been well documented in the media. It proved to be a lengthy and complicated investigation, but was an important case for highlighting the need for National Governing Bodies (NGBs) to carefully monitor medical practices.

**The Digital, Culture, Media and Sport (DCMS) Commons Select Committee's report** on combatting doping in sport was released in March. The committee looked closely at the British Cycling case as part of its analysis and we were pleased at the opportunity to explain in more detail the nature of our work, the parameters within which we work and the complexity of the doping environment.

We were also grateful that the report brought a number of issues to light, and we hope it will further encourage sports to do all they can to ensure anti-doping remains a top priority – something we have addressed in **our new four-year strategy**.

Outside of our work on home soil, we have extended our international influence this year, most prominently in **working with the Russian Anti-Doping Agency (RUSADA)** to ensure their testing is compliant with the International Standard for Testing and Investigations (ISTI). We also continue to review all Therapeutic Use Exemption (TUE) applications received by RUSADA using the UKAD TUE Committee, and have carried out 'train the trainer' Doping Control Officer (DCO) sessions in partnership with the World Anti-Doping Agency (WADA).

We've also completed **extensive education and testing programmes, covering every athlete competing in the Olympic and Paralympic Winter Games in PyeongChang**. Education was also delivered to all Home Nation athletes within our remit prior to the Commonwealth Games in the Gold Coast.

We were also delighted to see **two members of staff**, Head of Education and Athlete Support, Amanda Hudson and Director of Business Services, Philip Bunt, **acknowledged by the wider anti-doping community**. Amanda was appointed to the WADA Education Standing Committee, while in December, Philip was selected as one of 12 members of the Ad Hoc European Committee for the World Anti-Doping Agency (CAHAMA) sub-group on WADA finance. Congratulations to them both, it's fantastic for the organisation to be represented internationally by such experienced and knowledgeable people.

In May 2017, we launched the **first Clean Sport Week**, with the aim of changing the conversation and celebrating clean sport. Numerous NGBs and stakeholders took part to promote the great work being done to educate and inform both those directly involved in sport, as well as the general public, around clean sport. We'll be running the initiative again this year.

We have also issued our **Gender Pay Gap report**, highlighting a minor hourly difference in favour of males. The Remuneration and Human Resources Committee will monitor this at its future meetings. UKAD is proud of the diversity and representation within its staff and Board, with two out of five senior members of staff being female, and 70% female representation on the Board.

Finally, we were delighted at the **outcome of the DCMS Tailored Review** in January, significantly increasing the funding available to UKAD for the next two years, aligned with specified outcomes identified in the Tailored Review.

This clear commitment to clean sport from government will allow us to increase the effectiveness of our current investigation, testing and education programmes, and also importantly to expand our investment into new approaches in the fight against doping.

We have spent time developing our new strategy spanning the next four years on the basis of this.

We hope you find this year's Annual Report a useful insight into the work of UKAD, especially in the context of the current anti-doping landscape.



Trevor Pearce CBE QPM  
Chair, UKAD



Nicole Sapstead  
Chief Executive, UKAD



## Testing

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It's been a busy year for UKAD's Testing team and Doping Control Personnel (DCP), having conducted more testing than ever before, with four major events and a significantly increased Football Association (FA) programme to undertake. UKAD's DCP have been busy with testing ahead of the World Athletics Championships, the Olympic and Paralympic Winter Games and the Commonwealth Games.

Meanwhile, the FA programme has grown substantially since April 2017, with English football's governing body investing heavily in testing, to the extent that UKAD now employs a designated Senior Football Testing Officer. It is now one of the biggest testing programmes in the world.

Five UKAD DCOs were also selected by the PyeongChang Organising Committee as part of their official doping control team for the Olympic Winter and Paralympic Games.

Their selection was one of several endorsements for the standard of UKAD's DCP during the year, with UKAD also being contracted to carry out DCO training in Malta, Cyprus and Israel, as well as running 'train the trainer' DCO sessions with our Russian counterparts RUSADA, and supporting them with their next round of DCO training.

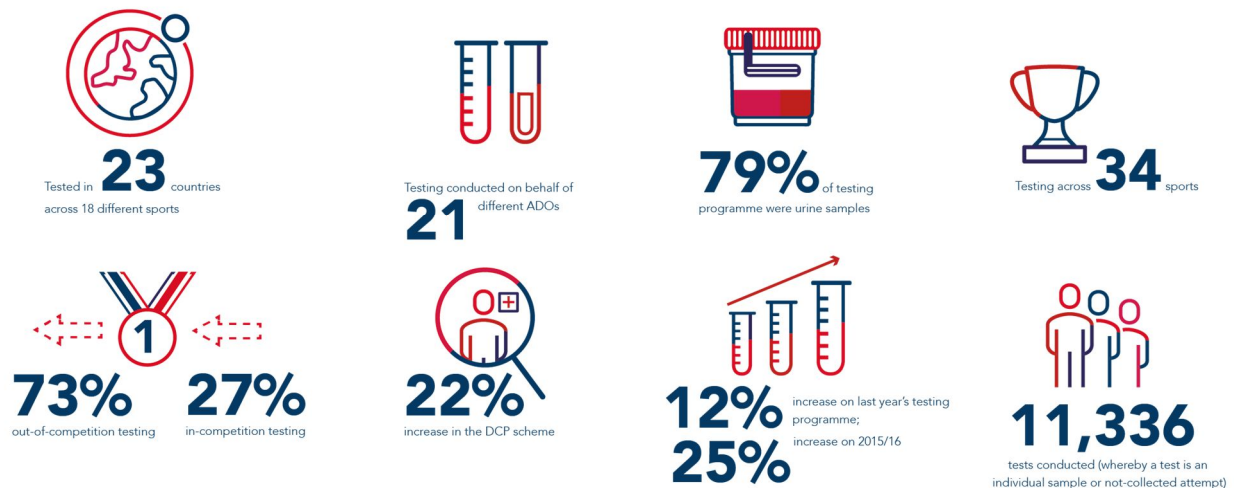
UKAD's DCOs were also assessed as part of their biennial reaccreditation process.

Towards the end of the year, the Testing team was also faced with issues regarding the production and use of Berlinger sample collection bottles and, as such, UKAD staff had numerous meetings with WADA and other National Anti-Doping Organisations (NADOs) to discuss a solution and hear from alternative suppliers.

The team worked hard to reassure athletes of the continuing integrity of the sample collection process, and keep them up-to-date with developments.

On an international front, UKAD's Head of Testing, Hamish Coffey, was trained and accredited as a WADA Compliance Auditor in December, giving him the responsibility to check on other NADOs and International Federations and ensure they are compliant with the World Anti-Doping Code.

## Testing



## Science and Medicine

In response to an increasing number of TUEs being granted for attention deficit hyperactivity disorder (ADHD), we developed a policy which came into effect on 1 January 2018.

UKAD consulted with experts in sports psychiatry and psychiatric research to create a robust but fair policy that reassures the sporting community that TUEs, for the use of stimulant medication, are only granted to athletes with sufficiently well-evidenced applications.

The Science and Medicine team held the annual TUE Independent Review Panel meeting in December, from which key recommendations were formed, including:

- i. Formalise a TUE Committee educational module for new TUE Committee members
- ii. Establish a respiratory steering panel to develop a position statement on the best medical practice for managing asthma and related respiratory conditions and a policy regarding the medical evidence required to support respiratory related TUE applications

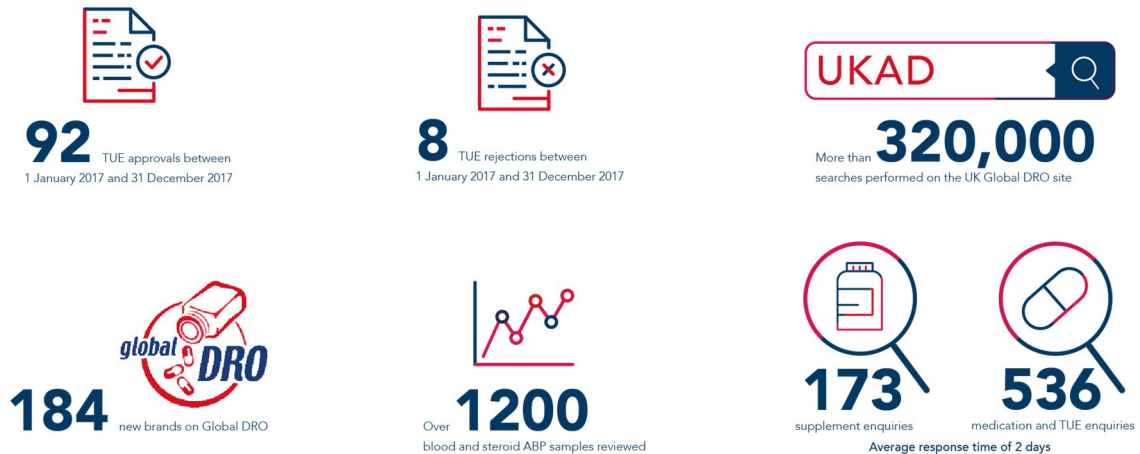
Under the direction of WADA, UKAD has continued to review all TUE applications received by Russian counterparts RUSADA, using the UKAD TUE Committee.

Last summer, UKAD submitted a comprehensive response to WADA's consultation on the 2018 Prohibited List.

UKAD had further international influence when Head of Science and Medicine, Nick Wojek, served on two separate ad-hoc WADA Expert Groups on glucocorticoids and the formalisation of a technical document relating to the Athlete Passport Management Unit (APMU).

Meanwhile, the team also attended the WADA TUE Symposium in Helsinki, the United States Anti-Doping Agency (USADA) Science Symposium in Orlando and the Partnership for Clean Competition Scientific Research Symposium in New York.

## Science and Medicine



## Intelligence and Investigations

UKAD's Intelligence and Investigations work during 2017/18 hit the headlines with the widely publicised investigation into wrongdoing in British Cycling, and in particular around the events of 12 June 2011 at the Critérium du Dauphiné. The team conducted a detailed and complex investigation led by the Head of Intelligence and Investigations, Mario Theophanous, and supported by his team, and in particular Analyst Simon Welch.

Despite the well-documented challenges the team faced in terms of a lack of contemporaneous medical records, they carried out a lengthy and thorough investigation.

Throughout the course of the process, UKAD interviewed 37 individuals, including current and former employees of British Cycling and Team Sky (riders, medical professionals and other staff), and was provided with and reviewed a voluminous amount of documentation.

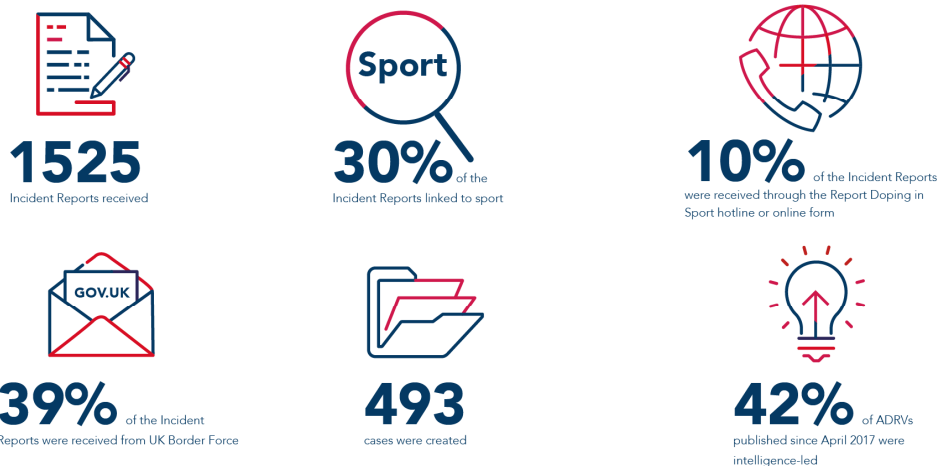
Away from the British Cycling case, Mario Theophanous attended the annual WADA Anti-Doping Intelligence and Investigations Network Group (ADIN), which was hosted by Finnish counterparts, FINCIS, in Helsinki in March 2018. This is a strategic expert working group which discusses current intelligence and investigative issues and informs on best practice, which is cascaded to other NADOs globally via WADA Intel and Investigations. This has recently been evidenced by a fact finding visit to UKAD by the Swedish Sports Federation.

In the past year, UKAD has published details of 23 Anti-Doping Rule Violations (ADRVs), of which 10 (42%) were intelligence-led, highlighting the importance of gaining information from athletes, sporting bodies, Public Sector agencies and the general public.

The team also continues to maximise the use of Intelligence and Investigative resources to ensure the operations are delivered in a timely and coordinated manner, particularly related to non-analytical anti-doping rule violations.

To do this, UKAD has employed an additional Investigator, while the team has created and maintains an extensive partnership approach with public sector agencies such as the National Crime Agency (NCA), Medicines and Healthcare products Regulatory Agency (MHRA), General Medical Council (GMC), Food Standards Agency (FSA), Gambling Commission, UK Border Force, police forces throughout the UK and Interpol.

## Intelligence and Investigations



## Education and Athlete Support

In April 2017, the Education and Athlete Support team helped launch the world's first Clean Games Policy signed by the British Olympic Association (BOA), British Paralympic Association (BPA), and four Commonwealth Games Agencies, and supported by the Home Country Sports Councils. This policy resulted in the major games education programme becoming mandatory for all athletes and athlete support personnel who will be part of any Olympic, Paralympic or Commonwealth Games team, Youth or Senior until 2021.

Education and Athlete Support supported the Testing team in the introduction of a new Registered Testing Pool – the Domestic Testing pool – through a programme of athlete inductions and on-going Whereabouts support. This education programme and subsequent revision of our Elite Athlete Support Policy has meant we have continued to hit our 98% compliance rate of whereabouts submissions, despite a further 200+ athletes now required to submit their Whereabouts each quarter.

Other new initiatives saw a partnership with UK Sport to deliver education as part of the Para-transitions programme and we launched the 'Clean Club' resources as part of Sport England's Club Matters platform, helping community sport clubs.

The Education and Athlete Support team, with support from UKAD's Science and Medicine team, held its first ever forum specifically for people who work with athletes – 'Clean Sport at the Front Line' – which took place in June, with more than 50 delegates in attendance.

Following stakeholder feedback, UKAD's Coach Clean e-learning programme has also been revamped and recently relaunched, and includes a new assessment and a bi-annual reaccreditation process.

The University Accreditation Scheme, now known as the Clean Sport Accreditation for Universities, has been refreshed and relaunched, giving universities and some colleges the opportunity to demonstrate their commitment to clean sport by meeting several criteria.

Meanwhile, the team has also extended its influence internationally, through membership of the Council of Europe Advisory Group on Education, and recent acceptance to the WADA Education Committee. The team also delivered an educator training programme for global partners including WADA and Cypriot counterparts CyADA, presenting at both the European Athletics Congress and the UK Sport Integrity Conference, and supporting WADA on developing a new International Standard for Education.

Of course, UKAD's Education and Athlete Support team could not have achieved all of this alone. Throughout the year, we have partnered with the BOA, BPA, the four Commonwealth Games Agencies, over 40 National Governing Bodies, over 20 universities, the Home Country Sports Councils, the British Association of Sport and Exercise Sciences (BASES), UK Coaching and many more education partners helping to deliver education programmes and initiatives to protect clean sport.

## Education and Athlete Support



**3278** people completed UKAD's Accredited Advisor course, completed the re-assessment

**126**





## Communications

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It's been a busy year for UKAD's Communications team due to the continued high levels of public interest surrounding the integrity of sport, particularly with a number of major events taking place throughout the year, the FIFA World Cup in Russia fast approaching, and several high-profile cases. We have also supported the organisation in stakeholder management, organising conferences and events and developing new campaigns and partnerships.

UKAD, through Director of Operations Pat Myhill, appeared on BBC One's 'Inside Out' programme in January, following a case involving a young cyclist. Chief Executive, Nicole Sapstead, has appeared on a number of BBC radio programmes, while UKAD has also featured in magazines such as Men's Health.

The Communications team also prepared responses to both the Tailored Review, published in January 2018, and the DCMS Commons Select Committee report on 'Combatting Doping in Sport', published in March 2018. As part of the responses to these publications, Nicole Sapstead and Chair, Trevor Pearce, were interviewed by media outlets including BBC Sport, the Times, the Daily Telegraph, BBC Radio 5Live and BBC Radio Four's 'Today' programme.

The team also joined forces with the Daily Telegraph to produce a feature on UKAD's testing process, allowing journalist Jeremy Wilson access to a rowing squad test, providing an insight on the Doping Control process to the public.

In addition to media relations, the Communications Team have led campaigns such as UKAD's inaugural Clean Sport Week, a national awareness campaign designed to educate both the public and athletes around the importance of clean sport and celebrate the work of NGBs and other partners and stakeholders.

27 NGBs signed up to be involved with the campaign, with their levels of engagement ranging from social media posts to putting an athlete forward to join UKAD on a school visit.

A survey was also carried out as part of Clean Sport Week, finding that two-thirds of the general public had lost confidence in the integrity of sport.

Working with athletes is core to our activity. In August 2017 we were delighted to jointly host with UK Sport, a meeting of the WADA's Athlete Committee, along with UK athlete representatives to discuss key issues. This year we recruited new members to the UKAD Athlete Commission and the first meeting of the refreshed Commission chaired by Sarah Winckless MBE took place in February 2018. This is a vital source of feedback, advice and flow of information between the athlete community and the UKAD senior management team.

This year has seen the team renew our approach to stakeholder engagement. UKAD has engaged with new partners and stakeholders during the year, including the MHRA and British Sports Communications Group in a bid to reach new audiences and inform and engage our partners. As part of our growing

stakeholder engagement, we launched our stakeholder e-newsletter in January 2018. This is distributed to around 600 people and will be produced on a bi-monthly basis.

Managing conferences and events is also part of the team's work and we held our annual Clean Sport Forum in October 2017, where around 125 delegates including NGBs, journalists and stakeholders joined us at the Kia Oval in London. Speakers included Tracy Crouch MP, Dame Katherine Grainger and Goldie Sayers.

The team also manage our website and social media channels and we promoted online changes made to WADA's Prohibited List which came into force on 1 January 2018.

## Communications



Issued **53** press releases



**27** NGBs took part in the first ever Clean Sport Week



More than **600** contacts received UKAD's bi-monthly stakeholder e-newsletter



Social impressions:  
**3,348,514**



Total pieces of news (in national and regional publications and broadcast): **4,455**



Volume of UK Anti-Doping pieces in national newspapers: **826**

## Major Events and International Activity

The Major Events team have helped ensure UKAD's global visibility and reputation has continued to grow throughout 2017/18, working with a number of different international partners and NADOs across a range of projects.

On home turf, the team continued its outreach work in collaboration with World Taekwondo at the World Para Taekwondo Championships in October, where UKAD staff were on hand to inform athletes and their support personnel of the anti-doping requirements when training and competing in the UK. More than 300 people (including 120 athletes, 70 support personnel and 125 spectators) visited the stand for advice during the event.

As a world-leading NADO, UKAD is committed to supporting other NADOs to develop their programmes in the fight against doping in sport. So, further afield, the Major Events team has also carried out work with Belarus, Cyprus, Japan and Israel during the year.

In November, the team travelled to Nicosia to support Cypriot counterparts, CyADA, in a training seminar for their Sample Collection Personnel. The seminar included both theoretical and practical training of all

sampling procedures, including; notification and chaperoning of the athlete, sample collection procedures and sample processing. The training was followed by a practical examination.

In the same month, the UKAD and NADA Belarus collaboration project was successfully signed off by WADA. The project, which ran for two years, saw UKAD offer advice and training to NADA Belarus staff in relation to the development of their anti-doping related processes and programmes.

WADA Deputy Director General, Rob Koehler, said: "The partnership between UKAD and the national anti-doping agency of Belarus (BNADA) has proved to be very successful in helping BNADA improve its anti-doping programme in all areas. UKAD's expertise and commitment to act on the international scene are very valuable to the whole anti-doping community."

There was continued activity in relation to the three-year partnership with Japan Anti-Doping Agency (JADA). The aim of the partnership is to assist JADA and Japanese Sport Council (JSC) in preparing for the Tokyo 2020 Olympic and Paralympic Games and the Rugby World Cup 2019, through the sharing of best practice, expertise and information.

UKAD staff also carried out training with Israel NADO over a period of five days, covering areas such as governance, Doping Control, and education.

## Major Events



Worked with **6** different  
NADOs/international partners



Attended/delivered at **20** major sporting  
events in the UK, via the Major Events team

# Performance Report – Overview

## Strategic Report for the Year Ended 31 March 2018

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### Strategic Objectives

UKAD is the UK's NADO. It is responsible for ensuring sports bodies in the UK comply with the National Anti-Doping Policy. During the year DCMS conducted a Tailored Review into UKAD. An interim plan was therefore put in place pending the outcome of that review, so that a longer-term plan could encompass recommendations arising from that work. The strategic objectives for 2017/18 were to:

- To support and drive compliance with the National Anti-Doping Policy in the UK
- To deliver a joined up, risk-based programme to educate, detect and deter doping
- To achieve a level playing field for athletes by influencing international policy and practices

### Review of the Business

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

A review of UKAD's business is set out in the foreword, reporting on activities during the year and setting out the focus for 2017/18.

### Results

The net expenditure for the period was £6,707k (2016/17:£5,903k). Our GIA is recognised as financing in the Statement of Changes in Taxpayers' Equity. A review of financial performance set out in the Performance Report provides details of the net expenditure for the year, income sources, the principal areas of expenditure, treasury policy, the investment in non-current assets and a summary of the staffing structure. An assessment of the going concern nature of the business is set out below. Achievement against our key performance indicators (KPIs) is set out in the Performance Report.

### Key Issues and Risks Facing UKAD

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

### Going Concern

The financial statements have been prepared on a going concern basis. The going concern nature of the business was assessed by the Board at its meeting in March 2018. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of UKAD to continue as a going concern. Baseline financing has been increased from April 2018 and we have not received any indications from DCMS that financing will be withdrawn. The Board will take the steps necessary to ensure that UKAD's income and

expenditure remain in balance. The Statement of Financial Position at 31 March 2018 shows that UKAD has an overall net liability of £2,315k (2016/17: £2,446k). This is primarily a result of the actuarial valuation of the pension scheme, in accordance with International Accounting Standard (IAS) 19, which has seen a decrease in the pension liabilities at 31 March 2018. The liability has decreased because of market fluctuations and the way in which IAS19 requires the actuaries to measure the liabilities. The triennial valuation by the actuary as at 31 March 2016 confirmed that there are no current requirements to increase the employer contributions.

### **Employment and Training Policies and Staff Participation**

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

By order of the Board



Trevor Pearce

Chair

19 June 2018



Nicole Sapstead

Chief Executive and Accounting Officer

19 June 2018



## Performance Report – Performance Analysis

### How Performance Is Measured and Monitored

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

These KPIs are also the strategic objectives of the organisation, and performance against them is measured monthly by an assessment of progress towards achieving the underlying Business Plan Objectives. The Board receives and reviews a report at each meeting highlighting those Business Plan Objectives which may not or will not be achieved.

Key Performance Indicators	Progress Made
To support and drive compliance with the National Anti-Doping Policy in the UK	Fully met. The policy was created with the central aim of eliminating doping in sport, and applies to all sports orientated bodies in the United Kingdom, including UKAD, Home Country Sports Councils and National Governing Bodies for Sport. UKAD has monitored compliance throughout the year.
To deliver an integrated risk-based programme to prevent doping	Fully met. During the year UKAD reassessed the risks of doping in sports across the UK and designed and implemented a test distribution plan which took account of that reassessment.
To promote a level playing field for athletes by influencing international policy and practices	Fully met. UKAD continues to have active engagement with EU Expert Group and Council of Europe, offering a significant opportunity to influence European and international anti-doping policy. UKAD worked with the World Anti-Doping Agency and several overseas NADOs to develop capacity and influence international standards.

### Sustainability

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

## Financial Performance

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### Summary of Results

UKAD had net expenditure for the year of £6,707k (2016/17: £5,903k). GIA is treated as financing rather than income, and as such is recognised in the Statement of Changes in Taxpayers' Equity.

### Income Sources

The majority of the organisation's funding came from GIA, received from DCMS. This is recognised in the accounts as financing rather than income. In addition UKAD generates income from testing, consultancy and other activities which in 2017/18 came to £3,543k (2016/17: £3,027k).

### Treasury Policy

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

### Investment in Non-Current Assets

The organisation spent £57k (2016/17: £19k) on non-current assets during the year. This all related to replacing information technology.

### Future Non-Current Asset Investment

In 2018/19 UKAD does not anticipate any significant spend on non-current assets.

### Expenditure

Significant areas of expenditure included the following:

- UKAD has a contract with the WADA-accredited laboratory, the Drug Control Centre, King's College London, which undertakes the analysis of the samples from the UK's athlete testing programme. Results analysis and legal work accounted for £2,157k (2016/17: £1,832k)
- £2,177k (2016/17: £1,908k) spent on the direct costs of the athlete testing programme and a further £454k on the related staff costs – a total of £2,631k. The costs of the athlete testing programme include the costs of DCP who collect samples for analysis
- £632k (2016/17: £549k) spent on the cost of the UK contribution to the WADA
- £329k (2016/17: £304k) spent on the direct costs of the education programme and a further £317k on the related staff costs – a total of £646k. A key part of UKAD's prevention work involves the education of those in sport to deter them from doping. The costs of the education programme include the costs of the education trainers, who are field workers conducting education sessions for athletes and support personnel
- £107k (2016/17: £93k) spent on the direct costs of the Intelligence and Investigations programme and a further £341k on the related staff costs – a total of £448k.

### Future Financial Risks

During 2012 UKAD entered into a 10-year occupancy agreement on its premises at Fleetbank House. The agreement does not require UKAD to restore the premises to its original condition and as such no dilapidations provision has been made in the accounts. There are financial risks regarding the collection of our commercial income but no provision for bad debts was required (2016/17: £nil).

### Long-term Expenditure Trends

Operating expenditure over the last five years ended 31 March and projected expenditure over the next two years is set out below.

£'000	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Staff cost</b>	2,424	2,362	2,682	2,960	3,678	3,991	4,313
<b>Other expenditure</b>	5,139	5,280	5,325	5,888	6,499	7,158	7,736
<b>Depreciation &amp; amortisation</b>	115	81	77	82	73	60	60
<b>Total operating expenditure</b>	7,678	7,723	8,084	8,930	10,250	11,209	12,109

# Accountability Report - Corporate Governance

## Directors' Report for the Year Ended 31 March 2018

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The Directors present their report and financial statements for the year ended 31 March 2018, in respect of United Kingdom Anti-Doping Limited (UKAD), company number 6990867.

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

### Future Development and Events since the Reporting Period

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

### Better Payment Practice Code

UKAD has a commitment to abide by the Better Payment Practice Code and in particular to settle bills in accordance with contract. Invoices are normally settled within our suppliers' standard terms. 76 per cent (2016/17: 76 per cent) of undisputed invoices were paid within 30 days of receipt.

### Pension Liabilities

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

### Sickness Data

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

### Gender Mix at the End of the Financial Year

Information concerning the gender mix is set out in the Accountability Report – Remuneration and Staff.

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

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

### Personal Data

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

**Auditors**

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

By order of the Board

A handwritten signature in black ink, appearing to read 'Trevor Pearce', with a long horizontal flourish underneath.

Trevor Pearce

Chair

19 June 2018



# Accountability Report - Corporate Governance

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

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

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

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

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

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

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

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

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



Nicole Sapstead  
Chief Executive and Accounting Officer  
19 June 2018



Trevor Pearce  
Chair  
On behalf of the UKAD Board  
19 June 2018

# Accountability Report - Corporate Governance

## Governance Statement

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### Introduction

This Governance Statement sets out the governance, risk management and internal control arrangements for UKAD. It applies to the financial year 1 April 2017 to 31 March 2018 and up to the date of approval of the Annual Report and Accounts.

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

### Governance Structure

Our governance process is led by the Board which, consists of the Chair and six other company Directors. The Board members were independently appointed by the Secretary of State for Digital, Culture, Media and Sport, through the Cabinet Office's public appointments procedure. Details of the appointments are included in the Remuneration Report. The Board provides independent scrutiny of the organisation and has met four times during 2017/18. The work of the Board is supported by two Committees – (1) Audit and Risk and (2) Remuneration and Human Resources. The remit of the Audit and Risk Committee covers the oversight of audit, financial and risk management. This Committee met five times during 2017/18. This Governance Statement was reviewed by the Audit and Risk Committee at its meetings in April and June 2018. The Remuneration and Human Resources Committee is responsible for determining and agreeing with the Board the framework and broad policy for the remuneration of staff. The Committee met twice in 2017/18.

In addition, the Board has established an Athlete Commission. Its remit is to provide a forum for the exchange of information and opinions on anti-doping matters. The Commission is chaired by one of the company Directors and met twice in 2017/18.

During the year the Board reviewed the terms of reference for the Committees and Commission.

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

### Board Performance and Compliance with the Corporate Governance Code

The Board has assessed its performance as a collective throughout the year. In addition, the Chair of the Board assesses the individual performance of each Board Director on a periodic basis. The assessment concluded that the Board has continued to be effective and it will focus on those areas where the function and contribution of the Board could be strengthened. At its meeting in March 2018 the Board

reviewed its compliance with The UK Corporate Governance Code issued by the Financial Reporting Council. It concluded that it is compliant with this Code.

### Accounting Officer

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

### Board and Committee Attendance

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

	Board				Audit and Risk Committee					Remuneration and Human Resources Committee	
	June 2017	Sept 2017	Dec 2017	Mar 2018	Apr 2017	June 2017	Aug 2017	Nov 2017	Feb 2018	June 2017	Nov 2017
<b>Trevor Pearce</b>	●	●	●	●	●	●	●	●	●	√	√
<b>Frances Akor</b>	*	*	●	●	*	*	*	●	●	*	-
<b>John Brewer</b>	●	●	*	*	-	-	-	*	*	√	*
<b>Pippa Britton</b>	●	●	●	●	●	●	X	X	●	-	-
<b>Nicholas Griffin</b>	*	*	●	X	*	*	*	●	●	*	-
<b>Nicola Phillips</b>	*	*	X	§	*	*	*	-	-	*	√
<b>Claire-Marie Roberts</b>	*	*	●	●	*	*	*	-	-	*	X
<b>Janice Shardlow</b>	●	●	*	*	●	●	●	*	*	-	*
<b>Sarah Winckless</b>	●	●	X	§	-	-	-	-	-	X	√
<b>Martin Gore†</b>	-	-	-	-	*	*	*	*	●	-	-

Key: √ denotes a member of that meeting and attended, x denotes a member of that meeting and non-attendance, § denotes absent due to Commonwealth Games Chef de Mission responsibilities - denotes not a member of that meeting, # denotes not a member of that meeting but attended, \* denotes meeting before or after the Board member's term of office, † denotes co-opted member of the Audit and Risk Committee.

## Board Members' Company Directorships and Significant Interests

Name	Entity	Role
Trevor Pearce	Gambling Commission	Commissioner
Frances Akor	None	-
John Brewer	None	-
Pippa Britton	Sport Wales Disability Sport Wales Archery GB Honours Committee -Sport	Vice-Chair Chair Board member Independent member
Nicholas Griffin	QEB Hollis Whiteman	Member of chambers
Nicola Phillips	Commonwealth Games Council for Wales Wales Touch Association International Federation of Sports Physical Therapy Saudi Journal of Sports Medicine Cardiff University Team Wales CG 2018 Vector Performance	Board Member Patron President Editor in Chief Professor Chef de Mission Academic /clinical lead
Claire-Marie Roberts	The Premier League Various athletes and teams representing a number of professional, Olympic, Paralympic and Commonwealth sports	Consultant  Sport Psychology Support
Janice Shardlow	British Equestrian Federation Fédération Equestre Internationale	General Counsel Audit and Compliance Committee member
Justin Turner	-	-
Sarah Winckless	British Bobsleigh and Skeleton British Olympic Association Commonwealth Games England	Non-executive Director Board member Chef de Mission

### Approach to Risk Management and Internal Control

Our risk management approach is based on devolved accountability across the organisation so that risks are assigned to those senior managers best placed to manage them, with overall strategic direction on risk management set centrally.

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

UKAD's relationship with its sponsor department, DCMS, is defined in a Management Agreement. This document sets out the governance and accountability structures for the organisation. The relationship

with DCMS is maintained through regular meetings with the sponsor team and meetings during the year with the Minister for Sport and Civil Society.

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

### **Capacity to Handle Risk**

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

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

### **The Risk and Control Framework**

Risk identification and assessment processes form an integral part of UKAD's strategic and business planning and these have been further embedded during 2017/18. The process of risk assessment is led by the senior management team, with input from managers and staff. All strategic risks have a designated senior manager who is responsible for reporting the status of each identified risk. New risks which are identified during the year are added to the risk register. The organisation has developed strategic and operational level risk registers, involving all staff, to ensure that risk management is embedded throughout UKAD. After taking mitigating action, the highest residual strategic risks which require continued vigilance have been identified as:

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

The senior management team reviews the risk registers on a frequent basis and the Audit and Risk Committee reviews the strategic risks at every meeting. The Audit and Risk Committee reports to the Board on the appropriateness and effectiveness of risk management in UKAD.

### **Information Risk**

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

certification under ISO27001 Information Security Management. UKAD suffered a cyber-attack in March 2018 but our cyber-security proved robust and I am satisfied that a data loss did not occur.

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

As Accounting Officer, I am responsible for reviewing the effectiveness of the system of internal control. My review is informed by the work of our internal and external auditors and UKAD senior managers who have responsibility for the development and maintenance of the internal control framework. Mazars began its appointment to provide our internal audit services for a three-year period from 1 April 2017. In addition, UKAD has a quality management system in place, audited by ISOQAR, in accordance with the requirements of the ISO9001. During the year UKAD transitioned from ISO9001:2008 to the ISO9001:2015 quality management standard, which provides me with further assurance over the effectiveness of the control environment. These independent reviews provide assurance to the Board that the data and information used for decision-making is reliable.

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

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

Mazars undertook three reviews during the year, covering the areas of case management system: financial planning, monitoring and reporting, budget setting and control; and recruitment, retention and succession planning. In addition Mazars followed up on the implementation of recommendations from prior years. In its Annual Report to the Audit and Risk Committee Mazars concluded that 100 per cent of previous internal audit recommendations had either been implemented or superseded, and in its opinion good progress had been made. Mazars also reported that UKAD's arrangements for governance, risk management and internal control are effective.

### **Significant Internal Control Issues**

My review of the effectiveness of the internal control system shows that in 2017/18 we made good progress in developing and maintaining our systems of internal control, and there were no significant control issues in the year. I am satisfied that, whilst further work will be undertaken to strengthen our systems, we have adequate risk management, control and governance processes to manage the achievement of our objectives.

### **Reporting of Wrongdoing**

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

**Reporting of Suspicions about Doping**

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

**Accounting Officer's Conclusion**

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



Nicole Sapstead

Chief Executive and Accounting Officer

19 June 2018



# Accountability Report - Remuneration and Staff Report

## Remuneration Policy and Committee

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

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

During the year to 31 March 2018, the members of the Remuneration and Human Resources Committee were John Brewer (Chair), Justin Turner, Nicola Phillips and Sarah Winckless (chair).

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

**The following information has been subject to audit.**

### Remuneration of Board Members

Name	Salary/Fees £'000 2017/18	Salary/Fees £'000 2016/17
Trevor Pearce	30-35	5-10
Frances Akor	0-5	-
Michael Brace	-	0-5
John Brewer	0-5	5-10
Pippa Britton	5-10	5-10
Nicholas Griffin	0-5	-
David Kenworthy	-	35-40
Nicola Phillips	0-5	-
Claire-Marie Roberts	0-5	-
Janice Shardlow	0-5	5-10
Justin Turner	0-5	0-5
Sarah Winckless	5-10	5-10

## Contract information

Name	Date of Appointment	Length of Contract	Unexpired Term at 31 March 2018	Notice Period
Trevor Pearce	22 February 2017	4 years	3 years	3 months
Frances Akor	1 October 2017	4 years	3 years 6 months	3 months
John Brewer	24 December 2012	4 years 9 months	Nil	3 months
Pippa Britton	23 March 2016	3 years	1 year	3 months
Nicholas Griffin	1 October 2017	4 years	3 years 6 months	3 months
Nicola Phillips	1 October 2017	3 years	2 years 6 months	3 months
Claire-Marie Roberts	1 October 2017	3 years	2 years 6 months	3 months
Janice Shardlow	23 November 2013	3 years 10 months	Nil	3 months
Justin Turner*	23 November 2013	3 years 10 months	Nil	3 months
Sarah Winckless	23 March 2016	3 years	1 year	3 months

\*Resigned 19 June 2017

## Salary/Fees

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

## Benefits in Kind

The monetary value of benefits in kind covers any benefits treated by HM Revenue and Customs as a taxable emolument. Benefits in kind are non-cash benefits and none were received or receivable by the Board in 2017/18 (2016/17 – zero). Tax on Board Members' expenses of £5k (2016/17 £8k) was paid by UKAD during the year.

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

£'000	Salary	Performance Related Pay	Pension Benefits (to nearest £1k)	Total
<b>2017/18</b>				
Nicole Sapstead	95-100	5-10	32	135-140
Philip Bunt	80-85	0-5	23	105-110
Matthew Johnson	90-95	-	28	120-125
Pat Myhill	75-80	5-10	23	105-110
Emily Robinson	75-80	-	25	100-105
<b>2016/17</b>				
Nicole Sapstead	95-100	5-10	30	130-135
Philip Bunt	75-80	0-5	24	105-110
Pat Myhill	75-80	0-5	25	105-110
Emily Robinson	5-10	-	3	10-15

## Salary

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

## Pension Benefits

The Chief Executive and Directors Team are members of the Local Government Pension Scheme (LGPS), a tax-approved benefit occupational pension scheme set up under the Superannuation Act 1972. Benefits are based on career average revalued earnings and duration of membership. Members of the scheme accrued pension entitlement in the year at a rate of 1/49 of career average revalued earnings salary. Death in service cover is three years pay plus spouse's/civil partner's pension equal to 1/160 of the career average revalued earnings, times total membership. Financial disclosures in relation to the pension scheme are shown in Note 13 to the accounts. The table below shows the pension entitlement of the Chief Executive and Directors Team as at 31 March 2018.

### Chief Executive and Directors Team Pension Entitlements

£'000	Real Increase in Pension	Real Increase in Lump Sum	Value of Accrued Pension	Value of Accrued Lump Sum	CETV	Real Increase in CETV
<b>2017/18</b>						
Nicole Sapstead	0-2.5	(0-2.5)	20-25	15-20	247	10
Philip Bunt	0-2.5	-	5-10	-	105	18
Matthew Johnson	0-2.5	-	0-5	-	19	9
Pat Myhill	0-2.5	-	5-10	-	91	13
Emily Robinson	0-2.5	-	0-5	-	14	5
<b>2016/17</b>						
Nicole Sapstead	0-2.5	0-2.5	20-25	10-15	219	24
Philip Bunt	0-2.5	-	5-10	-	77	19
Pat Myhill	0-2.5	-	5-10	-	68	16
Emily Robinson	0-2.5	-	0-5	-	1	-

Accrued pension represents the amount payable to the Chief Executive and Directors Team if they had left on 31 March 2018. Cash-Equivalent Transfer Values (CETV) are not payable directly but represent the potential liability if they should leave the scheme and wish to transfer accrued benefits to another scheme. These are based on assumptions certified by a qualified actuary in accordance with guidance note GN11, published by the Institute of Faculty Actuaries, and do not take account of any reduction in benefits arising from Lifetime Allowance Tax that may be due when pension benefits are drawn. The 2016/17 CETV for Nicole Sapstead has been restated to an amended figure provided by the scheme actuary.

### The Cash Equivalent Transfer Value (CETV)

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

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

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

### Benefits in Kind

Benefits in kind are non-cash benefits treated by HM Revenue and Customs as a taxable emoluments. There were none received or receivable by the Chief Executive or the Directors Team in 2017/18 (2016/17 – nil).

### Our Staff

At the start of the year there were 46 people on full-time permanent contracts, ten on fixed-term contracts and nil on a part-time contract. By the end of 2017/18 there were 55 people on full-time permanent contracts, one on a fixed-term contract and nil on part-time contracts. Some 20 staff came across from UK Sport to UKAD under the TUPE regulations in 2009/10, of whom five remain in UKAD's employment. UKAD is organised into four directorates – Business Services, Legal, Operations and Communications. There were 246 days (2016/17: 211 days) lost due to sickness absence during the year, equivalent to 4.6 days per person (2016/17: 4.2 days per person). There were three voluntary exit packages of £0 to £5k in the year amounting to a total of £14k (2016-17 - £70k).

### Staff Costs

£'000	Permanent staff	Contract Personnel	Total 2017/18	Total 2016/17
<b>Wages and salaries</b>	2,259	186	2,445	2,304
<b>Social Security costs</b>	244	-	244	225
<b>Net pension cost</b>	660	-	660	199
<b>Pension contributions</b>	329	-	329	232
<b>Total</b>	3,492	186	3,678	2,960

## Average Number of Staff

	Permanent staff	Contract Personnel	Total 2017/18	Total 2016/17
Directly employed	46	7	53	52
Other	-	3	3	2
<b>Total</b>	46	10	56	54

## Contingent Labour, Consultancy and Off-Payroll Engagements

UKAD spent £186k (2016/17: £190k) on contract personnel. No amounts were spent on consultants and there were no off-payroll engagements.

## Hutton Fair Pay Disclosures

UKAD is required to disclose the relationship between the remuneration of the highest paid member of staff in their organisation and the median remuneration of the organisation's workforce. During the period, the banded remuneration of the highest paid member of staff was £105k-110k (2016/17: £105k-110k). For 2017/18 this was 3.4 times (2016/17: 3.5 times) the median remuneration of the annualised workforce as at 31 March 2018, which equated to £31,198 (2016/17: £30,946). Total remuneration includes salary, allowances and non-consolidated performance related pay. It does not include employer pension contributions and the cash equivalent transfer value of pensions. There have been no changes to the structure of the remuneration of the highest paid member of staff or the workforce in accordance with the public sector pay restrictions. The change in ratio is mainly due to changes in the structure of the workforce.

**This is the end of the audited information**

## Gender Mix at the End of the Financial Year

Gender	Board	Senior Management	Other Staff
Males	2	3	31
Females	5	2	20

## Employment of disabled persons

UKAD has policies in place for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. As at 31 March 2018 UKAD did not have any employees who had declared a disability but will arrange appropriate training, career development and promotion for employees who become disabled persons during their employment.

## Promoting diversity

UKAD embraces the spirit of all equalities legislation and is committed to eradicating any form of unfair discrimination. We will not tolerate discrimination either directly or indirectly, on the grounds of race, disability, class or social back ground, religious belief, sexual orientation, ethnic or national origins, gender, marital status, pregnancy, parental status, age, colour or political persuasion. We will take positive action to:

- eliminate individual and institutional discrimination
- comply with statutory/legislative obligations and, wherever possible, best practice
- meet the needs of our employees and partner organisations
- make equality and equal treatment a core issue in the development, delivery and refinement of our policies, initiatives and services and in the way we manage our employees.



Nicole Sapstead  
Chief Executive and Accounting Officer  
19 June 2018



Trevor Pearce  
Chair  
On behalf of the UKAD Board  
19 June 2018

# The Independent Auditor's Report

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

### Opinion on financial statements

I certify that I have audited the financial statements of United Kingdom Anti-Doping Limited for the year ended 31 March 2018 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Taxpayers' Equity and the related notes, including the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union. I have also audited the information in the Remuneration and Staff Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2018 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- the financial statements have been prepared in accordance with the Companies Act 2006.

### Opinion on regularity

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

### Basis of opinions

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

### Responsibilities of the directors and accounting officer for the financial statements

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

- the preparation of the financial statements and for being satisfied that they give a true and fair view.
- such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

- assessing the company's ability to continue as a going concern, disclosing, if applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Kingdom Anti-Doping Limited's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on United Kingdom Anti-Doping Limited's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



## **Other Information**

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

## **Opinion on other matters**

In my opinion:

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

## **Matters on which I report by exception**

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

- adequate accounting records have not been kept by United Kingdom Anti-Doping Limited or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

**Report**

I have no observations to make on these financial statements.

**Sir Amyas C E Morse**  
**Comptroller and Auditor General**  
**9 July 2018**

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

## Statement of Comprehensive Net Expenditure

### Year ended 31 March 2018

	Notes	2017/18 £'000	2016/17 £'000
<b>Expenditure</b>			
Staff costs	3	(3,678)	(2,960)
Other expenditure	4	(6,499)	(5,888)
Depreciation and amortisation	5	(73)	(82)
<b>Total operating expenditure</b>		<b>(10,250)</b>	<b>(8,930)</b>
<b>Income</b>			
Testing income	2	3,101	2,335
Consultancy income		259	579
Other income		183	113
<b>Total income</b>		<b>3,543</b>	<b>3,027</b>
<b>Net expenditure before and after taxation for the year</b>		<b>(6,707)</b>	<b>(5,903)</b>
<b>Other comprehensive income/(expenditure)</b>			
Remeasurements of pension liability	13	842	(1,535)
<b>Total net comprehensive expenditure for the year</b>		<b>(5,865)</b>	<b>(7,438)</b>

The Accounting Policies and Notes on pages 42 to 55 form part of these Financial Statements

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

There are no unrecognised gains and losses

# Statement of Financial Position

## As at 31 March 2018

	Notes	As at 31 March 2018 £'000	As at 31 March 2017 £'000
<b>Non-current assets:</b>			
Property, plant and equipment	6	126	160
Intangible assets	7	95	77
<b>Total non-current assets</b>		<b>221</b>	<b>237</b>
<b>Current assets</b>			
Trade and other receivables	8	1,186	1,023
Cash	9	566	712
<b>Total current assets</b>		<b>1,752</b>	<b>1,735</b>
<b>Total assets</b>		<b>1,973</b>	<b>1,972</b>
<b>Current liabilities</b>			
Trade and other payables	10	(1,293)	(1,241)
<b>Total current liabilities</b>		<b>(1,293)</b>	<b>(1,241)</b>
<b>Total assets less current liabilities</b>		<b>680</b>	<b>731</b>
<b>Non-current liabilities</b>			
Pension (liabilities)/assets	13	(2,995)	(3,177)
<b>Total non-current liabilities</b>		<b>(2,995)</b>	<b>(3,177)</b>
<b>Assets less total liabilities</b>		<b>(2,315)</b>	<b>(2,446)</b>
<b>Taxpayers' equity</b>			
General fund		(2,315)	(2,446)
<b>Total taxpayers' equity</b>		<b>(2,315)</b>	<b>(2,446)</b>

The Accounting Policies and Notes on pages 42 to 55 form part of these Financial Statements

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

Approved and authorised for issue



**Nicole Sapstead**  
**Chief Executive and Accounting Officer**  
 UKAD  
 19 June 2018



**Trevor Pearce**  
**Chair**  
 On behalf of the UKAD Board  
 19 June 2018

## Statement of Changes in Taxpayers' Equity For the year ended 31 March 2018

	Notes	2017/18 £'000	2016/17 £'000
Reserves at 1 April		(2,446)	(1,104)
Total net comprehensive expenditure for the period	2	(6,707)	(5,903)
Remeasurements of pension liability	13	842	(1,535)
Resource Grant-in-aid received	11	5,933	6,076
Capital Grant-in-aid received	11	63	20
<b>Reserves at 31 March</b>		<b>(2,315)</b>	<b>(2,446)</b>

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

The Accounting Policies and Notes on pages 42 to 55 form part of these Financial Statements

# Statement of Cash Flows

## For the year ended 31 March 2018

	Notes	2017/18 £'000	2016/17 £'000
<b>Cash flows from operating activities</b>			
Net expenditure		(6,707)	(5,903)
Depreciation and amortisation	6 & 7	73	82
(Increase)/decrease in trade and other receivables	8	(163)	(68)
Increase/(decrease) in trade and other payables	10	52	91
Increase/(decrease) in pension liability	13	(182)	1,734
Less movements relating to pension not passing through the net expenditure account	13	842	(1,535)
<b>Net cash outflow from operating activities</b>		<b>(6,085)</b>	<b>(5,599)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	-	(19)
Purchase of intangible assets	7	(57)	-
<b>Net cash outflow from investing activities</b>		<b>(57)</b>	<b>(19)</b>
<b>Cash flows from financing activities</b>			
Grant-in-aid received to fund current year activities	11	5,996	6,096
<b>Net financing</b>			
Net increase/(decrease) in cash in the year		(146)	478
Cash at the beginning of the year	9	712	234
Cash at the end of the year	9	566	712

# Notes to the Financial Statements

## General information

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

## 1 Statement of accounting policies

These financial statements have been prepared in accordance with the Companies Act 2006 and with the 2017-18 Government Financial Reporting Manual (FRoM) issued by HM Treasury where disclosure requirements go beyond the Companies Act 2006. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of UKAD for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items that are considered material to the accounts. With the exception of the pension valuation, there are no judgements or key sources of estimation uncertainty that have a significant effect on amounts recognised in the financial statements. The pension valuation is subject to significant estimation uncertainty. The assumptions made by the actuary in their valuation are detailed in note 13.

These accounts have been prepared on a going concern basis, as detailed under the Financial Review of the Business.

### 1.1 Accounting convention

These accounts have been prepared under the historical cost convention.

### 1.2 Grant in Aid received

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

### 1.3 Doping Control Personnel

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

### 1.4 Non-current assets

#### 1.4.1 Depreciation and amortisation

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

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

## Notes to the Financial Statements continued

### 1.4.2 Recognition and capitalisation threshold

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

### 1.4.3 Property, plant and equipment

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

### 1.4.4 Intangible assets

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

### 1.5 Provisions

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

### 1.6 Pension obligations

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

### 1.7 VAT

UKAD is registered for VAT and makes supplies for both business and non-business purposes. Business supplies are subject to VAT at the standard rate. 55% of VAT paid in 2017-18 was treated as recoverable.

### 1.8 Corporation Tax

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



## Notes to the Financial Statements continued

### 1.9 Testing income

Testing income is recognised at the point at which a doping test is completed. Consultancy income is recognised at the point when the relevant work has been completed.

### 1.10 Operating leases

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

### 1.11 Foreign currency translations

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

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

## 2 Segmental reporting

	<b>Contracted testing</b>	<b>Consultancy</b>	<b>Total</b>	<b>Contracted testing</b>	<b>Consultancy</b>	<b>Total</b>
	<b>2017/18</b>	<b>2017/18</b>	<b>2017/18</b>	<b>2016/17</b>	<b>2016/17</b>	<b>2016/17</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Non-staff costs expenditure *	(2,249)	(10)	(2,259)	(1,669)	(13)	(1,682)
Income	2,964	259	3,223	2,130	579	2,709
Net income (before staff costs)	715	249	964	461	566	1,027
Total assets	446	84	530	430	142	572
Total net expenditure for operating segments			964			1,027
Staff costs			(3,678)			(2,960)
Other expenditure			(4,240)			(4,206)
Other income (including Major Games)			320			318
Depreciation and amortisation			(73)			(82)
Total net expenditure per the Statement of Comprehensive Net Expenditure			(6,707)			(5,903)
Total assets reported for operating segments			530			572
Non-current assets			221			237
Other receivables			656			451
Cash			566			712
Total assets			1,973			1,972

The activities and results for the identified segments, which both comprise more than 10% of income, are reported monthly to the relevant directors. Contracted testing comprises athlete testing, sample analysis and legal expenditure and forms part of the overall test distribution plan for the year undertaken by UKAD, complementing the activity under its public interest programme. 62% of contracted testing income for 2017/18 was generated from one customer. Consultancy income is generated via UKAD's work with its International Partners, and includes testing in compliance with the International Standard for Testing and Investigations, training and education support.

## Notes to the Financial Statements continued

### 3 Staff costs

	Permanent Staff	Contract Personnel	Total	
	£'000	£'000	2017/18 £'000	2016/17 £'000
Wages and salaries	2,259	186	2,445	2,304
Social security costs	244	-	244	225
Net pension cost	660	-	660	199
Pension contributions	329	-	329	232
<b>Total staff costs</b>	<b>3,492</b>	<b>186</b>	<b>3,678</b>	<b>2,960</b>

### 4 Other expenditure

	2017/18 £'000	2016/17 £'000
<b>Operating activities</b>		
Sample analysis	1,524	1,422
Legal	633	410
Athlete testing *	2,177	1,908
Science and research	123	136
Intelligence	107	93
Education	329	304
Communications	86	74
WADA and iNADO expenditure	638	554
Major games	95	129
<b>Other operating activities</b>		
Rentals under operating leases	145	142
Rates and associated accommodation services	93	89
IT related costs	275	330
Board salary and fees, including travel and subsistence	69	67
Other office costs	99	127
Training	27	29
Recruitment	36	16
Telephones	3	17
<b>Auditors' remuneration</b>		
External auditor **	21	21
Internal auditor	15	17
Quality assurance auditor	4	3
	<b>6,499</b>	<b>5,888</b>

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

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

## Notes to the Financial Statements continued

### 5 Depreciation and amortisation

	Notes	2017/18 £'000	2016/17 £'000
Depreciation and amortisation	6 & 7	73	82

### 6 Property, plant and equipment

	Information Technology £'000	Furniture and Fixtures £'000	Office Refurbishment £'000	Totals £'000
<b>Cost</b>				
At 31 March 2017	114	100	248	462
Additions	-	-	-	-
Disposals	(81)	-	-	(81)
At 31 March 2018	33	100	248	381
<b>Depreciation</b>				
At 31 March 2017	(101)	(93)	(108)	(302)
Provided during the year	(5)	(4)	(25)	(34)
Disposals	81	-	-	81
At 31 March 2018	(25)	(97)	(133)	(255)
<b>Net book value</b>				
At 31 March 2018	8	3	115	126
At 31 March 2017	13	7	140	160
<b>Cost</b>				
At 31 March 2016	101	95	248	444
Additions	13	6	-	19
Disposals	-	(1)	-	(1)
At 31 March 2017	114	100	248	462
<b>Depreciation</b>				
At 31 March 2016	(92)	(88)	(83)	(263)
Provided during the year	(9)	(6)	(25)	(40)
Disposals	-	1	-	1
At 31 March 2017	(101)	(93)	(108)	(302)
<b>Net book value</b>				
At 31 March 2017	13	7	140	160
At 31 March 2016	9	7	165	181

## Notes to the Financial Statements continued

### 7 Intangibles

	Information Technology £'000	Software Licences £'000	Totals £'000
<b>Cost</b>			
At 31 March 2017	322	125	447
Additions	57	-	57
At 31 March 2018	379	125	504
<b>Amortisation</b>			
At 31 March 2017	(248)	(122)	(370)
Provided during the year	(36)	(3)	(39)
At 31 March 2018	(284)	(125)	(409)
<b>Net book value</b>			
At 31 March 2018	95	-	95
At 31 March 2017	74	3	77
<b>Cost</b>			
At 31 March 2016	322	125	447
Additions	-	-	-
At 31 March 2017	322	125	447
<b>Amortisation</b>			
At 31 March 2016	(213)	(115)	(328)
Provided during the year	(35)	(7)	(42)
At 31 March 2017	(248)	(122)	(370)
<b>Net book value</b>			
At 31 March 2017	74	3	77
At 31 March 2016	109	10	119

## Notes to the Financial Statements continued

### 8 Trade receivables and other current assets

	As at 31 Mar 2018 £'000	As at 31 Mar 2017 £'000
<b>Amounts falling due within one year:</b>		
Trade receivables	544	572
Other receivables	-	229
Staff season ticket advances	27	10
Prepayments and accrued Income	615	212
<b>Trade and other receivables</b>	<b>1,186</b>	<b>1,023</b>

### 9 Cash and cash equivalents

	£'000	£'000
At 31 March 2017	712	234
Net change in cash and cash equivalent balances	(146)	478
At 31 March 2018	566	712
The balances at 31 March were held at:		
Commercial banks	566	712
	566	712

### 10 Trade payables and other current liabilities

	As at 31 Mar 2018 £'000	As at 31 Mar 2017 £'000
<b>Amounts falling due within one year:</b>		
Trade payables	(192)	(392)
Accruals and deferred income	(893)	(698)
VAT payable	(108)	(49)
Other taxation, social security and pension contributions	(100)	(102)
<b>Trade and other payables</b>	<b>(1,293)</b>	<b>(1,241)</b>

## Notes to the Financial Statements continued

### 11 Related party transactions

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

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

	<b>2017/18</b>	<b>2016/17</b>
	<b>£'000</b>	<b>£'000</b>
Resource and capital Grant in Aid received	6,096	5,696
Grant in Aid (repaid)/received to provide working capital	(100)	400
<b>Total Grant in Aid in the year amounted to</b>	<b>5,996</b>	<b>6,096</b>

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

The British Equestrian Federation (BEF) is considered to be a related party because Janice Shardlow, who was a UKAD Board member for part of the year, also served as the BEF General Counsel during the year 2017/18. During the year UKAD paid a £15k grant to the BEF.

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

### 12 Obligations under operating leases

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

	<b>As at</b>	<b>As at</b>
	<b>31 Mar 2018</b>	<b>31 Mar 2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Property</b>		
Within one year	149	145
Between two and five years	533	615
More than five years	-	67
	<b>682</b>	<b>827</b>

UKAD occupies space at Fleetbank House for which it has entered into a 10 year agreement which commenced on 1 September 2012.

## Notes to the Financial Statements continued

### 13 Superannuation scheme

The Local Government Pension Scheme (LGPS) is a tax approved, defined benefit occupational pension scheme set up under the Superannuation Act 1972 and is administered by the London Pension Fund Authority (LPFA). The benefits under the scheme are based on career average revalued salary and length of service on retirement. Actuarial gains/ losses are recognised in full in the reserves during the year, in accordance with the FReM 2017/18. The Pension Scheme is funded by employees and employers at actuarially determined rates. Individual contribution rates vary depending on the level of pensionable pay. The employee contribution rates for 2018/19 are as stated below:

<b>Earnings</b>	<b>Employee contribution</b>
Up to £14,100	5.50%
£14,101 - £22,000	5.80%
£22,001 - £35,700	6.50%
£35,701 - £45,200	6.80%
£45,201 - £63,100	8.50%
£63,101 - £89,400	9.90%
£89,401 - £105,200	10.50%

Every three years an independent review is undertaken to calculate employer contribution rates. The most recent actuarial valuation, undertaken by Barnett Waddingham (the consulting actuaries to the LPFA), was as at 31 March 2016. The employer contribution rate applicable to 2017/18 was 12%.

The employer's contribution for the year amounted to £329,000 (2016/17 £232,000) including a backdated contribution of £75,000. The projected employer's contribution for 2018/19 is £256,000.

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

### 13.1 Pension commitments

#### Financial assumptions

	<b>31 Mar 2018</b>	<b>31 Mar 2017</b>
	<b>% p.a.</b>	<b>% p.a.</b>
RPI Increases	3.3%	3.6%
CPI Increases	2.3%	2.7%
Salary increases	3.8%	4.2%
Pension increases	2.3%	2.7%
Discount rate	2.6%	2.8%

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

	<b>31 Mar 2018</b>	<b>31 Mar 2017</b>
<b>Retiring today</b>		
<b>Males</b>	22.1	22.0
<b>Females</b>	24.7	24.6
<b>Retiring in 20 years</b>		
<b>Males</b>	24.5	24.3
<b>Females</b>	27.0	26.8



## Notes to the Financial Statements continued

### 13.2 Net pension liability

	31 Mar 2018	31 Mar 2017
	£'000	£'000
Present value of funded obligation	(7,748)	(7,289)
Fair value of Scheme assets (bid value)	4,753	4,112
Net liability in Statement of Financial Position	(2,995)	(3,177)

### 13.3 Amounts recognised in the Net Expenditure Account

	31 Mar 2018	31 Mar 2017
	£'000	£'000
Net interest on the defined liability	85	52
Administration expenses	5	4
Service cost	899	375
Total net expenditure per the Statement of Comprehensive Net Expenditure	989	431
Actual return on Scheme assets	240	652

### 13.4 Remeasurements in Other Comprehensive Income

	31 Mar 2018	31 Mar 2017
	£'000	£'000
Return on plan assets in excess of interest	119	528
Other actuarial gains/(losses) on assets	-	92
Change in financial assumptions	723	(2,572)
Change in demographic assumptions	-	14
Experience (loss)/gain on defined benefit obligation	-	403
Remeasurements	842	(1,535)

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

	31 Mar 2018	31 Mar 2017
	£'000	£'000
Opening defined benefit obligation as at 1 April 2017	7,289	4,437
Current service cost	899	375
Estimated future service cost not yet paid	(81)	-
Interest cost	206	176
Change in financial assumptions	(723)	2,572
Change in demographic assumptions	-	(14)
Experience loss/(gain) on defined benefit obligation	-	(403)
Estimated benefit paid	(3)	(2)
Contributions by scheme participants	161	148
Closing defined benefit obligation as at 31 March 2018	7,748	7,289

## Notes to the Financial Statements continued

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

	31 Mar 2018	31 Mar 2017
	£'000	£'000
Opening fair value of Scheme assets as at 1 April 2017	4,112	2,994
Interest on assets	121	124
Return on assets less interest	119	528
Other actuarial gains/(losses)	-	92
Administration expenses	(5)	(4)
Contributions by employer including unfunded	329	232
Estimated future service cost not yet paid	(81)	-
Contributions by scheme participants	161	148
Estimated benefits paid plus unfunded net transfers in	(3)	(2)
<b>Fair value of Scheme assets as at 31 March 2018</b>	<b>4,753</b>	<b>4,112</b>

### 13.7 Reconciliation of opening and closing deficit

	31 Mar 2018	31 Mar 2017
	£'000	£'000
Deficit at the beginning of the year	(3,177)	(1,443)
Current Service Cost	(899)	(375)
Employer Contributions	329	232
Interest on assets	121	124
Interest on obligation	(206)	(176)
Return on assets less interest	119	528
Other actuarial gains/(losses)	-	92
Change in financial assumptions	723	(2,572)
Administration expenses	(5)	(4)
Experience loss/(gain) on defined benefit obligation	-	403
Change in demographic assumptions	-	14
<b>Deficit at the end of the year</b>	<b>(2,995)</b>	<b>(3,177)</b>

### 13.8 Employer Asset Share - Bid Value

	31 Mar 2018		31 Mar 2017	
	£'000	%	£'000	%
Equities	2,906	62%	2,436	60%
Target Return Portfolio	1,065	22%	869	21%
Infrastructure	208	4%	217	5%
Property	342	7%	210	5%
Cash	232	5%	380	9%
<b>Total</b>	<b>4,753</b>	<b>100%</b>	<b>4,112</b>	<b>100%</b>

### 13.9 Expected Return on Assets

For the year to 31 March 2018, the expected return on assets was 6% per annum (2016/17: 21%), which has been used by the actuary to determine the profit and loss charge for the year ended 31 March 2018.

## Notes to the Financial Statements continued

### 13.10 Sensitivity Analysis

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	7,477	7,748	8,029
Projected Service Cost	706	732	759
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	7,773	7,748	7,724
Projected Service Cost	732	732	732
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	8,005	7,748	7,500
Projected Service Cost	759	732	706
Adjustment to mortality age rating assumption	+ 1 Year	None	- 1 Year
Present Value of Total Obligation	7,995	7,748	7,509
Projected Service Cost	755	732	709

### 13.11 Amounts for the Current and Previous Periods

	Year to 31 March 2018 £'000	Year to 31 March 2017 £'000	Year to 31 March 2016 £'000	Year to 31 March 2015 £'000	Year to 31 March 2014 £'000
Defined Benefit Obligation	(7,748)	(7,289)	(4,437)	(4,514)	(2,911)
Scheme assets	4,753	4,112	2,994	2,665	2,222
Surplus (Deficit)	(2,995)	(3,177)	(1,443)	(1,849)	(689)
Experience adjustments on Scheme liabilities	-	403	-	(12)	-
Percentage of liabilities	-	5.5%	-	-0.3%	-
Experience adjustments on Scheme assets *	-	-	-	-	166
Percentage of assets *	-	-	-	-	7.5%
Cumulative Actuarial Gains and Losses	308	195	(15)	(93)	(200)

The cumulative gains and losses in the table above start from 14 December 2009. The items marked \* for 2013/14 have been restated to the correct amounts.

### 14 Capital commitments

There were no commitments for the purchase of non current assets at the year end.

### 15 Losses and special payments

There were no losses and special payments for the year ended 31 March 2018 (2016/17 £nil).

## Notes to the Financial Statements continued

### 16 Financial instruments

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

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

	As at 31 Mar 2018 £'000	As at 31 Mar 2017 £'000
<b>Financial assets</b>		
Cash and cash equivalents	566	712
Trade receivables	544	572
Other receivables	-	229
	1,110	1,513
<b>Financial liabilities</b>		
Trade payables	(192)	(392)
VAT payable	(108)	(49)
Other taxation, social security and pension contributions	(100)	(102)
	(400)	(543)
<b>Total</b>	710	970

### 17 Contingent liabilities

There were no contingent liabilities at 31 March 2018.

### 18 Trade union facility time

Facility time is paid time off for union representatives to carry out trade union activities. The total cost of facility time for 2017/18 is £nil (2016/17 £nil).

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

IFRS 9 (Financial Instruments) and IFRS 15 (Revenue from Contracts with Customers) will be adopted from 1 April 2018. IFRS 9 sets out how an entity should classify and measure financial assets and liabilities. IFRS 15 specifies how and when revenue will be recognised, providing a five-step model to be applied to all contracts with customers. Having assessed the impact of IFRS 9 on the current Financial Instruments, and IFRS 15 on the current revenue recognition policy, it is estimated they will have no material change to the financial statements.

IFRS 16 (Leases), effective from 1 January 2019, will be adopted from 1 April 2019. The expected impact of IFRS 16 is that the current operating lease will be recognised as a right of use asset on the Statement of Financial Position representing the right to use the underlying leased asset together with a lease liability representing the obligation to make future lease payments.

### 20 Date Accounts authorised for issue

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











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