

Company Registration No. 01616941 (England and Wales)

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
COMPANY INFORMATION**

Directors	I R Metcalfe - Chairman P J Blanchard - Chief Executive S P Ball A M L Danson D A Munday C D Simpson N K Walker J A Zaremba D M Bushell (Appointed 5 June 2018) Rt Hon Dame C A Spelman (Appointed 5 June 2018) A Jawad (Appointed 6 June 2018)
Secretary	P J Blanchard
Company number	01616941
Registered office	The Dutch House 307-308 High Holborn London WC1V 7LL
Auditor	UHY Hacker Young 14 Park Row Nottingham NG1 6GR
Bankers	Lloyds Bank Plc 83 Cannon Street London EC4N 8DL

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
CONTENTS**

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 7
Statement of income and retained earnings	8
Balance sheet	9
Statement of cash flows	10
Notes to the financial statements	11 - 20

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
STRATEGIC REPORT**

FOR THE YEAR ENDED 31 MARCH 2018

The directors present the strategic report for the year ended 31 March 2018.

Principal activities

The main activity of Commonwealth Games England ('CGE' and/or 'the Company') is to organise and manage the participation of the best possible team of athletes as Team England at the Commonwealth Games ('the Games') and the Commonwealth Youth Games ('Youth Games'). In doing this, CGE works closely with each sport's National Governing Body, Sport England, Commonwealth Games Federation and the Games' Organising Committee. Typically, the Games are held every 4 years and therefore the company operates on a cycle covering 4 financial years. This current cycle runs to 31 March 2019 and included the Games which took place in Gold Coast, Australia from 4 – 15 April 2018 and 2 Youth Games (Bahamas 2017 and Samoa 2015).

The Youth Games are considered to play a key part in providing young athletes with experience of a multi-sport competitive environment. CGE as an organisation helps to promote this and strives to provide the young participants with a positive experience that will stand them in good stead should they continue their development and participate in the senior events.

Business Review

In the first 2 years of a cycle, the company operates through a small core staff team, concentrating on securing funding and working with sports governing bodies in England to identify the best available athletes, together with logistic planning for the Games themselves. As the Games approach company activity, and therefore cost, increases, culminating in an intense period during Games time. Shortly after completion of the Games, the company reduces its cost base back to the core team, ready for the new cycle.

The company, therefore, has an asymmetric profile of income and expenditure over the 4-year cycle. For accounting purposes, recognition of income from sponsorship is at the point the contract is signed and quasi-government grants are phased across the cycle. In 2016 the company was awarded major funding from Sport England to cover participation in the Gold Coast Games and this, together with the highest corporate sponsorship income ever raised by the company, has ensured that the company is fully funded for this cycle, through to 31 March 2019. Sport England set key performance indicators for the company and for Team England as part of their funding award, and the company has met these requirements for this cycle.

The year to 31 March 2018 was an extremely active one for CGE and therefore operational costs were at a peak for the cycle.

In July 2017, a Youth Games was held and the staff team undertook the organisation of sending a 105 strong team of athletes and support staff to The Bahamas, where Team England topped the medal table. Based on previous Youth Games performances, it is anticipated that athletes who competed in the Bahamas may go on to participate in future senior Games. Athletes and team officials from both Samoa 2015 and Isle of Man 2011 represented Team England on the Gold Coast.

In August 2017, a successful Queen's Baton Relay programme was organised as the Baton came to England as part of its travels around the Commonwealth in the lead up to the start of the Games in 2018.

The company was also focused on the logistical arrangements for the participation of Team England in the Gold Coast with the team leaving for Australia in late March. As these games took place at the very beginning of the new financial year, the costs of participation are spread between the accounts for this year, ended 31 March 2018, and those for the following year.

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Business Review (continued)

An additional, and unusual activity, that occurred in the year to March 2018 was participation in the successful bid of Birmingham to hold the Games in July 2022. As host Commonwealth Games Association, the company sold its marketing rights to the 2022 Organising Committee and this transaction has been recognised in full in these accounts. Whilst opportunities for additional funding activity for the “Birmingham” cycle are limited due to the sale of company rights, a strategic priority for the Board is to develop parallel strands of funding for future cycles to extend this period of financial sustainability.

Corporate Governance

CGE is fully committed to the application of principles of good corporate governance. The Company has structures in place which reflect good practice under the UK Corporate Governance code, but also has a good level of compliance with Sport England’s governance expectations and has endeavoured to align its practices closely with their ‘A Code of Sport Governance’.

Once a cycle is funded, the Company’s key risk areas can be summarised as:

- Financial
- Reputational
- Games activity

and the company manages these risks through a set of governance processes built around risk registers, external professional advice and insurance where appropriate.

On behalf of the board



P J Blanchard - Chief Executive
Director

11 SEPTEMBER 2018

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

The directors present their annual report and financial statements for the year ended 31 March 2018.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

I R Metcalfe - Chairman	
P J Blanchard - Chief Executive	
S P Ball	
A M L Danson	
Dr H A McInnes	(Retired 5 June 2018)
D A Munday	
D P J Ross	(Retired 5 June 2018)
C D Simpson	
M R Thomas	(Retired 5 June 2018)
N K Walker	
J A Zaremba	
D M Bushell	(Appointed 5 June 2018)
Rt Hon Dame C A Spelman	(Appointed 5 June 2018)
A Jawad	(Appointed 6 June 2018)

Results

The results for the year are set out on page 8.

Auditor

In accordance with the company's articles, a resolution proposing that UHY Hacker Young be reappointed as auditor of the company will be put at a General Meeting.

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

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

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
P J Blanchard - Chief Executive
Director

Date: 11 SEPTEMBER 2018

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMONWEALTH GAMES ENGLAND**

Opinion

We have audited the financial statements of Commonwealth Games England (the 'company') for the year ended 31 March 2018 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF COMMONWEALTH GAMES ENGLAND

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF COMMONWEALTH GAMES ENGLAND

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



Roger Merchant (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young

.....3/10/19.....

Chartered Accountants
Statutory Auditor

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
Income	3	13,492,288	926,902
Games costs	4	(3,919,839)	(157,912)
Administrative expenses		(981,528)	(879,469)
Operating surplus/(deficit)	5	8,590,921	(110,479)
Interest receivable and similar income	8	7,182	15,601
Amounts written off investments	9	-	(18,297)
Surplus/(deficit) before taxation		8,598,103	(113,175)
Tax on surplus/(deficit)	10	9,862	(3,120)
Surplus/(deficit) for the financial year		8,607,965	(116,295)
Retained earnings brought forward		2,820,726	2,937,021
Retained earnings carried forward		11,428,691	2,820,726

The Income and Expenditure Account has been prepared on the basis that all operations are continuing operations.

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
BALANCE SHEET**

AS AT 31 MARCH 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	11		19,111		12,079
Investments	12		285		287
			<u>19,396</u>		<u>12,366</u>
Current assets					
Debtors	14	11,671,343		4,487,998	
Cash at bank and in hand		2,140,110		1,880,901	
		<u>13,811,453</u>		<u>6,368,899</u>	
Creditors: amounts falling due within one year	15	<u>(2,402,158)</u>		<u>(2,600,182)</u>	
Net current assets			<u>11,409,295</u>		<u>3,768,717</u>
Total assets less current liabilities			<u>11,428,691</u>		<u>3,781,083</u>
Creditors: amounts falling due after more than one year	16		-		(960,357)
Net assets			<u><u>11,428,691</u></u>		<u><u>2,820,726</u></u>
Reserves					
Income and expenditure account			<u><u>11,428,691</u></u>		<u><u>2,820,726</u></u>

The financial statements were approved by the board of directors and authorised for issue on 11.09.18 and are signed on its behalf by:

I. R. Metcalfe

 I R Metcalfe - Chairman
 Director

Company Registration No. 01616941

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	21		331,470		(703,371)
Income taxes paid			(61,912)		(3,760)
Net cash inflow/(outflow) from operating activities			<u>269,558</u>		<u>(707,131)</u>
Investing activities					
Purchase of tangible fixed assets		(17,531)		(5,525)	
Proceeds on disposal of fixed asset investments		-		2,199,402	
Interest received		7,182		15,601	
Net cash (used in)/generated from investing activities			<u>(10,349)</u>		<u>2,209,478</u>
Net cash used in financing activities			<u>-</u>		<u>-</u>
Net increase in cash and cash equivalents			259,209		1,502,347
Cash and cash equivalents at beginning of year			1,880,901		378,554
Cash and cash equivalents at end of year			<u><u>2,140,110</u></u>		<u><u>1,880,901</u></u>

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1 Accounting policies

Company information

Commonwealth Games England is a private company limited by guarantee incorporated in England and Wales. The registered office is The Dutch House, 307-308 High Holborn, London, WC1V 7LL.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Sponsorship is recognised once a signed agreement is in place. Sport England Grant income is recognised on a proportional basis to expected costs. The timing of cash receipts may be different from the income recognition date.

Expenses are recognised net of VAT and trade discounts.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings and office equipment 20 - 30% straight line per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

1 Accounting policies (Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs.

Other financial assets

Other financial assets, including investments in equity instruments are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in surplus or deficit.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

1.7 Taxation

The company has obtained exemption from paying corporation tax on all trading income as the company does not carry on a trade for the purpose of making a profit. Corporation tax is payable on interest income received and profit on disposal of investments.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The Director's do not believe there are any material judgements or estimates required in these financial statements.

3 Income

The total income of the company for the year has been derived from its principal activity. Income largely arose in England and Wales during the year, except for £767,989 (2017 - £nil) which was generated from games related grants from overseas organising committees.

Turnover includes Sport England award income of £2,320,860 (2017 - £720,268) being the apportioned element of the £4,001,487 total grant for the period 1 April 2016 to 31 March 2019. This income is not restricted to a specific purpose and it is all available for the general activities of the Company.

Turnover includes income generated from the sale of rights for the Birmingham 2022 Commonwealth Games of £9,150,000 (2017 - £nil). The agreement was signed in December 2017 and has been recognised in full.

4 Games cost

The net cost of the games shown in any one financial year do not reflect the total net games costs which are incurred over the 4 year games cycle. Set out below are the costs relating to both the Bahamas Youth Games and the Gold Coast Games as incurred in this financial year, as well as in prior years and post year end.

	Prior Years	Year ended 31 March 2018	Post Year end	Total
	£'000	£'000	£'000	£'000
Games costs	160	3,916	938	5,014
Games related income *	<u>-</u>	<u>(1,742)</u>	<u>(358)</u>	<u>(2,100)</u>
Net Games costs	<u>160</u>	<u>2,174</u>	<u>580</u>	<u>2,914</u>

* Games related income includes the Travel Grant received from the Games Operating Committees and fees from Sports National Governing Bodies relating to the support provided to their Sport's participation at the games.

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

5 Operating surplus/(deficit)

	2018	2017
	£	£
Operating surplus/(deficit) for the year is stated after charging/ (crediting):		
Exchange losses/(gains)	4,527	(210)
Fees payable to the company's auditor for the audit of the company's financial statements	6,100	5,750
Fees payable to the company's auditor for non-audit work on behalf of the company	2,850	1,400
Depreciation of owned tangible fixed assets	10,499	13,135
Operating lease charges	29,624	28,529
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including 2 remunerated directors) employed by the company during the year was:

2018	2017
Number	Number
13	9
<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2018	2017
	£	£
Wages and salaries	661,881	399,674
Social security costs	76,032	39,445
Pension costs	16,657	12,944
	<u> </u>	<u> </u>
	<u>754,570</u>	<u>452,063</u>

7 Directors' remuneration

	2018	2017
	£	£
Remuneration for qualifying services	178,092	169,500
	<u> </u>	<u> </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2017 - 1).

COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018

8 Interest receivable and similar income

	2018	2017
	£	£
Interest income		
Interest on bank deposits	7,182	15,601
	<u>7,182</u>	<u>15,601</u>

9 Amounts written off investments

	2018	2017
	£	£
Loss on disposal of investments held at fair value through profit or loss	-	(18,297)
	<u>-</u>	<u>(18,297)</u>

10 Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax on profits for the current period	(1,365)	(73,139)
Adjustments in respect of prior periods	11,227	-
	<u>9,862</u>	<u>(73,139)</u>
Deferred tax		
Origination and reversal of timing differences	-	70,019
	<u>-</u>	<u>70,019</u>
Total tax credit/(charge)	<u>9,862</u>	<u>(3,120)</u>

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

10 Taxation

(Continued)

The actual (credit)/charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Profit)/loss before taxation	(8,598,103)	113,175
Expected tax (charge)/credit based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	(1,633,640)	22,635
Adjustments in respect of prior years	11,227	-
Items not subject to Corporation tax	1,632,275	(25,755)
Taxation credit/(charge) for the year	9,862	(3,120)

11 Tangible fixed assets

	Fixtures, fittings and office equipment £
Cost	
At 1 April 2017	83,874
Additions	17,531
Disposals	(10,222)
At 31 March 2018	91,183
Depreciation and impairment	
At 1 April 2017	71,795
Depreciation charged in the year	10,499
Eliminated in respect of disposals	(10,222)
At 31 March 2018	72,072
Carrying amount	
At 31 March 2018	19,111
At 31 March 2017	12,079

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2018

12 Fixed asset investments

	2018	2017
	£	£
Unlisted investments	285	287

Movements in fixed asset investments

	£
Cost or valuation	
At 1 April 2017	287
Valuation changes	(2)
At 31 March 2018	285

13 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	13,093,158	6,201,871
Instruments measured at fair value through surplus or deficit	285	287
Carrying amount of financial liabilities		
Measured at amortised cost	2,400,793	3,472,752

Included within financial assets measured at amortised cost is cash at bank and in hand, sponsorship due, grant income due and other debtors. The grant income due includes £1,220,705 (2017 - £4,001,487) which is due from Sport England at the balance sheet date. The sponsorship income due includes £9,150,000 (2017 - £nil) which is due from the company's marketing rights relating to the 2022 Commonwealth Games at the balance sheet date.

Included within financial assets measured at fair value through surplus or deficit is investments (excluding cash held with the broker).

Included within financial liabilities measured at amortised cost is trade creditors, accruals and deferred income. Deferred income includes £960,357 (2017 - £3,281,219) from Sport England.

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

14 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Sponsorship installments due	8,235,000	268,333
Grant installments due	1,220,705	2,831,932
Trade debtors	582,343	-
Other debtors	11,443	-
Prepayments and accrued income	706,852	167,028
	<u>10,756,343</u>	<u>3,267,293</u>
Amounts falling due after more than one year:		
Grant installments due	-	1,220,705
Sponsorship installments due	915,000	-
	<u>915,000</u>	<u>-</u>
Total debtors	<u><u>11,671,343</u></u>	<u><u>4,487,998</u></u>

15 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	1,277,837	59,441
Corporation tax	1,365	73,139
Other taxation and social security	-	14,648
Accruals	162,597	83,591
Deferred income	960,359	2,369,363
	<u>2,402,158</u>	<u>2,600,182</u>

16 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Deferred income	-	960,357
	<u>-</u>	<u>960,357</u>

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

17 Retirement benefit schemes

	2018	2017
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	16,657	12,944
	<u>16,657</u>	<u>12,944</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

19 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018	2017
	£	£
Within one year	27,976	33,232
Between two and five years	26,804	21,019
	<u>54,780</u>	<u>54,251</u>

20 Related party transactions

Key management personnel

The employment cost of key management personnel includes the 2 (2017 - 2) remunerated directors and 5 (2017 - 3) employees as follows.

	2018	2017
	£	£
Aggregate cost (including employer's national insurance)	511,091	360,756
	<u>511,091</u>	<u>360,756</u>

**COMMONWEALTH GAMES ENGLAND
A COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2018**

20 Related party transactions (Continued)

Transactions with related parties

During the year, the company made purchases of £nil (2017 - £32,238) from Dissidentbusiness Limited, a company owned by a director who served in the year.

During the year, the company received income of £25,100 (2017 - £nil) from British Shooting relating to the Gold Coast games. This is an organisation in which a director, who served during the year, had an interest.

21 Cash generated from operations

	2018	2017
	£	£
Surplus/(deficit) for the year after tax	8,607,965	(116,295)
Adjustments for:		
Taxation (credited)/charged	(9,862)	3,120
Investment income	(7,182)	(15,601)
Depreciation and impairment of tangible fixed assets	10,499	13,135
Amounts written off investments	-	18,297
Fair value adjustments on fixed asset investments	2	(287)
Movements in working capital:		
(Increase) in debtors	(7,171,902)	(3,968,240)
(Decrease)/increase in creditors	(1,098,050)	3,362,500
Cash generated from/(absorbed by) operations	331,470	(703,371)

