

2011 British Athletics Facts

ABAC Fact File 1.

The growth in Governance.

1. Background. As the countdown to the London Olympics approaches its final year there is much uncertainty concerning the state of athletics in the UK. The sport has seen many changes imposed on it since the forced collapse of the British Athletics Federation (BAF) in 1997 and the establishment of the current Governing Body -UK Athletics Ltd- in 1998.

ABAC has commissioned world renowned statistician, Rob Whittingham, to analyse the level of athletics participation and performance over the last decade. The results of his studies will be published by ABAC in a series of Fact Files. The aim is to put into the public domain a true record of how the sport has performed following the major organisational changes set in train 13 years ago.

Fact File 1 sets the scene by looking at the extent and costs of running the sport in the UK over the last decade. With this information the subsequent Fact Files may be used to assess whether the sports achievements over the same period have been commensurate with the resources employed.

The Fact Files will list key facts only and will draw no conclusions as they are released. At the end of the series ABAC will produce an overall commentary with the aim of evoking public debate on the future of athletics in the UK

2. Development of the Governance Structure. Prior to 1998 governance of the sport of athletics in the UK was vested with the BAF while a parallel organisation - the Amateur Athletics Association (AAA)- represented clubs and athletes by updating rules and organising the sport's competition structures. Both organisations were "owned" by the clubs who were members able to control the sport democratically by participating at the Annual General Meetings of both bodies. At this stage there were approx a total of 10 paid staff employed by these organisations which together had an annual income of less than £2million.

In 1997 BAF faced bankruptcy due to a major court case. Following the 1997 general election the new Government supported the release of taxpayers monies to the sport on the basis that BAF would be wound up and a new governing body – UK Athletics Ltd – would be established. This Company was incorporated in 1998 and received IAAF recognition in 1999. UKA Ltd was set up as a private company limited by guarantee without share capital. Clubs were excluded from joining UKA Ltd. However the AAA's continued to function as before, representing the interests of clubs.

In 2004 Sir Andrew Foster published a report which contained proposals to totally re-organise the sport. His plans included disbanding the AAA's and its three Territorial Associations and replacing them with National bodies, each with subsidiary regions. In 2005 (at the request of UK Sport) UKA Ltd., produced a "One Stop Plan" for athletics which resulted in devolving some governance from UKA Ltd to the home countries.

3. The Governance structure at 2011

UKA Ltd. Company number 3686940

From 1998 to 2006, UKA Ltd., directly governed athletics for the whole of the UK with responsibilities ranging from grass roots club athletics through to elite athlete performance. Following an Independent Poll financed by UKA Ltd., in 2005 and undertaken by Electoral Reform Services Ltd., UKA Ltd., devolved much of its governance functions to four home country organisations: England Athletics Ltd., Scottish Athletics Ltd., Welsh Athletics Ltd., and Athletics Northern Ireland Ltd.

All of these are private companies limited by guarantee without share capital. They have no membership, are controlled by boards of directors and to varying degrees rely heavily on Grant aid from UK Sport, Sport England, Sport Scotland plus lottery grants. The appointment of senior executive directors is in the gift of UK Sport.

Scottish Athletics Ltd. Company number 217377

Established in March 2001, SA Ltd., has filed annual accounts from 2002. Initially accounts were brief but following the 2006 devolvement of governance from UKA Ltd., accounts have been more much more detailed. From 2007 to 2009 SA Ltd., received extra funding from UKA Ltd., as part of the distribution of legacy funds form UK Sport. Other than during this period, director costs and staff costs have been contained at near constant levels. In 2010 it reported the number of affiliated clubs and Associations at 158 down from a high of 173 in 2006.

England Athletics Ltd. Company number 5583713

Incorporated in 2005 EA Ltd., commenced operations on April 1st 2006. It initially set up a delivery structure with 9 Regions but these proved unwieldy and expensive to operate and were scrapped in 2008. EA Ltd., relies heavily on grant aid much of which is passed to it via UKA Ltd., although it has some independent grant aid.

Athletics Northern Ireland Ltd. Company number NI 059740

ANI Ltd., was incorporated in 2008 before which time the sport in Northern Ireland was controlled by the Northern Ireland Federation which formed in 1989. It only files an abbreviated balance sheet at Companies House and after its first year of operation recorded

net assets of £30,871. No information is available on income and expenditure. The website lists 60 affiliated clubs.

Welsh Athletics Ltd. Company number 06179841

Incorporated in March 2008 WA Ltd., has only filed an Annual return at Companies House and accounts are not publically available The WA Ltd., website lists 83 affiliated welsh clubs.

10 year Trend Statistics from published accounts – Income, grant aid, staff costs and numbers

In the main body of this document, we record the key data for the sport’s governing bodies. It is noted that the details in the various accounts are very variable with those of UKA Ltd., becoming more opaque in recent years. Notes annotate each of the following tables to explain where the audit trail has necessitated interpretation.

Table 1 gives income data for UKA Ltd., over the last 10 years together with equivalent data for EA Ltd., over the 4 years since its inception.

Table 1. UKA Ltd., Annual Total Income (including Grant Aid) since 2000. EA Ltd., since 2006.

Income and staff numbers	UK A Ltd			
	Financial Year	Total Income £	Grant Aid £	Staff Full (Part Time)
	2000 - 2001	13,608,306	715,238	26
	2001 - 2002	10,802,141	537,832	39
	2002 - 2003	16,382,423	4,738,519	91 (60)
	2003 - 2004	17,170,553	5,401,184	93 (108)
	2004 - 2005	18,563,590	5,870,019	94 (116)
	2005 - 2006	18,122,086	6,159,351	94
	2006 - 2007	21,975,676	7,492,478	119 (205)
		<i>2,932,175</i>		
	2007 - 2008	23,490,060	7,864,365	119 (141)
		<i>4,266,779</i>		
	2008 - 2009	24,833,297	9,086,037	113 (37)
		<i>6,336,444</i>		
	2009 - 2010	24,811,894	9,086,037*	102
		<i>7,289,083</i>		
Totals				
UKA Ltd(10 yrs)		£ 189,780,026	£ 56,951,061	
EA Ltd (4 yrs)		<u>£ 4,164,896**</u>		
Totals since 2000		£ 193,944,922		

England Athletics Ltd. figures shown in red

- Note. 1. The 2009-2010 Grant Aid figures are not detailed separately in the latest UKA Accounts . (In previous years they have been.) * This figure has been assumed to be the same as the previous year
2. England Athletics Accounts do not detail Grant Aid. Their 2008 – 2009 Summary of Accounts state that 80% of income is from Grant Aid, Most of this appears to be from UKA and therefore the Grant income to UKA and EA should not be aggregated.
3. **The aggregate income for England Athletics from new sources has been calculated on the basis that only 20% is generated from non grant sources.

Table 2 details staff costs and numbers for UKA Ltd and EA Ltd since 2000.

Table 2 Annual salary and staff costs for UKA Ltd and England Athletics Ltd

Financial Year	CEO Total Remuneration £	Total Staff costs£ (Full time numbers)	Average Salary £ Incl. Directors
2000 - 2001		754,147 (26)	29,005
2001 - 2002	88,982	971,690 (39)	24,915
2002 - 2003	92,700	2,944,204 (91)	32,353
2003 - 2004	95,481	3,360,330 (93)	36,133
2004 - 2005	98,345	3,636,948 (94)	38,691
2005 - 2006	109,753	4,027,164 (94)	42,842
2006 - 2007	116,786	5,350,862 (119)	44,965
		1,277,511 (37)	34,527
2007 - 2008	128,333	5,542,602 (119)	46,576
		1,681,754 (43)	39,110
2008 - 2009	169,301	5,190,161 (113)	45,930
		2,084,258 (53)	39,326
2009 - 2010	192,981	5,866,385 (102)	57,513
		2,100,675 (47)	44,695
Totals			
UKA Ltd (10 yrs)		32,293,631	
E A Ltd (4 yrs)		7,144,198	
Total Staff Costs since 2000		<u>39,437,829</u>	

England Athletics figures shown in Red.

- Note. 1. England Athletics accounts do not list the remuneration of the top paid Director.

2. David Moorcroft was CEO for UKA Ltd., from 1998 to Jan 2007. Neils de Vos was appointed CEO in May 2007 and remains in post.
3. CEO remuneration combines salary and contributions to a money purchase pension scheme.

Table 3 details income, grant aid and staff costs for Scottish Athletics since start up in 2001

Table 3. Annual Scottish Athletics costs

Income and staff costs			
Scottish Athletics Ltd			
Financial Year	Total Income £	Grant Aid £	Staff Costs £
2000 - 2001			
2001 - 2002	759,017	377,156	214,216
2002 - 2003	887,629	472,701	265,224
2003 - 2004	998,081	564,164	268,851
2004 - 2005	1,052,003	577,158	300,256
2005 - 2006	1,180,860	675,363	281,821
2006 - 2007	1,585,685	722,300	259,989
2007 - 2008	2,029,146	773,090	305,028
2008 - 2009	2,018,458	775,871	290,665
2009 - 2010	<u>1,841,508</u>	<u>823,624</u>	<u>348,438</u>
Nine Year Totals	£ 10,293,304	£5,761,427	£2,534,488

- Note
1. SA Ltd accounts only record total admin costs up to 2006. From 2006 to 2010 the accounts detail staff costs as well which average 60% of total admin costs. The staff costs up to 2006 are calculated as 60% of admin costs.
 2. Staff numbers have been calculated to be 10 full time equivalents.
 3. UKA grant aid is not included in the above grant aid figures to avoid double counting when the home countries data are combined. **UKA legacy grants** were as follows.
2007 –£ 126,713, 2008 – £278,744, 2009 – £176,962, 2010 – 0. **Total £582,419**

4. Total cash flows over the last 10 years

The amount of resources available to athletics' governing bodies over the last 10 years may be calculated from the foregoing tables. The totals are :

- 1. Total income from 2000 to 2010 was £195,786,430**
- 2. Total of prime grants received was £ 62,712,488**
- 3. Total spent on all staff during this period was £ 41,972,317**

5. Growth in governance.

The following data looks at 3 financial years (FY) in the last decade.

The first year covers FY 2000-2001 when UKA Ltd alone governed the whole sport in the UK.

The second looks at FY 2005-2006, the period when Scottish Athletics Ltd had assumed control of the sport in Scotland while UKA Ltd retained control of the sport in England Wales and Northern Ireland.

The third period covers FY 2009-2010 four years after UKA Ltd had devolved governance to England Athletics Ltd for the sport in England. No data is in the public domain for Wales and Northern Ireland governing bodies and this additional data is therefore not included.

	<u>FY 2000-2001</u>	<u>FY 2005-2006</u>	<u>FY 2009-2010</u>
Annual Income	£ 13,608,306	£ 19,302,946	£ 28,111,218
Prime Grant Income	£ 715,238	£ 6,834,714	£ 9,909,661
Annual staff costs	£ 754,147	£ 4,308,985	£ 8,315,498
No full time staff	26	104	159

6. Value for money

The growth in the size and cost of governing athletics in the UK is quantified here for the first time. The big question remains. Has the sport truly benefitted and had value for money? This question will become clear as we publish the **Performance Fact Files** which will be on the ABAC website soon.