

ENGLAND HOCKEY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

ENGLAND HOCKEY

(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors

Nick Pink
Kuldeep Kaur (appointed 12 October 2020)
Richard Beer
Richard Sykes
Andrew Hunt
Royston Hoggarth
Edward Barney
Kathryn Swann
Angela Durnin (appointed 15 September 2020)
Shelagh Everett (appointed 16 March 2021)
Simon Mantell (appointed 15 September 2020)

Company secretary

Kuldeep Kaur

Registered number

04623333

Registered office

Bisham Abbey
Bisham
Marlow
Buckinghamshire
SL7 1RR

Independent auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

ENGLAND HOCKEY
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ENGLAND HOCKEY
(A Company Limited by Guarantee)

STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Introduction

England Hockey is a company limited by guarantee, it has no share capital. The Members comprise the subscribers to the Memorandum, the eight Area Companies, the UK Armed Services Hockey Association, and the Counties and Affiliated Clubs as set out in the Articles of Association. These members each guarantee to contribute a maximum of £10 in the event of the Company being wound up.

Business review

The principal activity of England Hockey is to govern and further the game of hockey across England. The directors are not aware, at the date of this report, of any significant change to the principal activity of the organisation in the next year.

As shown in the Statement of Comprehensive Income on page 11, the turnover of the organisation has increased by 8%. Despite an increase on prior year due to one off increases in grant funding, commercial and events revenues have been significantly affected by Covid-19. The pandemic disrupted the newly formed FIH Hockey Pro League which has not been able to be run with spectators in 2020 or 2021. As a result revenue has been impacted in both years whilst England hockey have incurred direct costs. This has had a knock-on impact into reinvestment into the sport. The forward outlook for the FIH Hockey Pro League games remains impacted by the pandemic and a lack of southern hemisphere nations wanting to travel to play.

Vitality was onboarded as the new Women's title sponsor in January 2021. The equivalent men's category remains unfilled. Given the impact of the pandemic on NGBs, UK Sport invited England Hockey to apply for Continuity Funding in all three of their application windows. We were awarded grants totaling c.£0.5m.

Included in administrative expenses are the full staff costs. We maintained a number of vacancies throughout the year. Every decision to recruit was taken following a case-by-case review with a number of roles being held or opting for different roles given the emergency needs of the organisation. Staff worked remotely through lockdowns and hybrid working flexibility continues into 2021/22.

Commercial and events roles that were not funded through Sport England or UK Sport funding, were partially (50% or less) furloughed between March and June, equating to £34.9k in Coronavirus Job Retention Scheme operating income.

The portable pitch which was purchased for the Big Stadium Hockey project at the Stoop was sold in year with a small net gain of £56k.

Participation in hockey has been significantly affected by Covid-19. Whilst activity has resumed for the 2021-22 season the previous two seasons have seen huge disruption at local level for clubs with summer activity in 2020 and most of season 2020-21 lost.

The number of teams entering competitions in 2021-22 recovered to close to previous levels however there have been significantly more withdrawals and walkovers than normal due to player availability. Membership data will be updated in January 2022 which will allow the opportunity to fully assess participation levels in the first full season post-Covid-19.

England Hockey supported clubs through Covid-19 by issuing timely advice and guidance based on the latest government position. All clubs and organisations were required to have Covid Officers and England Hockey held regular forums and issued updates to the guidance via the England Hockey website and email. A significant operation was set up to deliver a track and trace system through clubs reporting all participant sessions attended, reporting cases and subsequent links back to Track and Trace. England Hockey also investigated breaches in guidance and regularly reminded clubs of their responsibilities.

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STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Note 25 sets out how England Hockey has used its UK Sport and Sport England grants. This is a requirement of the Code of Sports Governance ("the Code") and the Company is required to be compliant with the Code in order to receive continued public funding. Sport England and UK Sport regularly monitor England Hockey's compliance with 'A Code for Sports Governance' and have been close to new developments in the Code published in November 2021 so it is prepared to comply in future reporting.

Key financial performance indicators

The Board has a strategic aim to reduce its reliance on grant funding. In this financial year the percentage of total income that came from UK Sport and Sport England (adjusted for non-recurring items) increased from 65% to 68%. In the financial year to 31 August 2021 England Hockey incurred a deficit of £20k (2020: £382k) and reserves remained stable at £1.17m (2020: £1.19m).

Principal risks and uncertainties

The Company is subject to a number of risks and uncertainties which have been considered by the directors in forming their opinion that it is appropriate to prepare the financial statements of the Company on the going concern basis.

The Covid-19 pandemic continues to have significant impact particularly on commercial revenue streams which rely on matches being attended, played and broadcast.

We have prepared for, and run financial analysis on, a range of scenarios for unsecured government funding and the return of games. In addition, we have continued to take active and decisive steps to reduce variable expenditure and challenge fixed costs and will continue to do so to ensure the long-term viability of the NGB. The response to the pandemic is outlined in the going concern note 2.2 to the financial statements.

Our financial planning indicates that, under most likely scenarios, the Company will continue to operate as a going concern. However, we will continue to monitor any sensitivity, and as our view of company revenues and costs as a result of the crisis becomes more certain, we will set our investment plans in line with our new strategy.

The Board sub group set up to overview financial matters over Covid-19 remains in operation, meeting in advance of each Board meeting and more frequently when required.

Going concern impact of Covid-19

As disclosed previously, the Company faces significant challenges posed by the impact of Covid-19. The directors have concluded that it is appropriate for the financial statements to be prepared on a going concern basis. To date, we have outperformed our base/downside scenarios. This gives us confidence in our forward projections, and ability to react quickly to change and remain close to how the sports industry has been impacted and responded. Our member clubs remained a secure contributor to achieving our affiliation fee targets despite challenging circumstances. We have also been successful at applying for government support funds to both meet our financial target for the year and aid recovery in the next 12 months.

Results and transfers from reserves

The results of the year are set out in the Statement of Comprehensive Income on page 10. Revenues remain lower than pre-Covid-19 as a result of games being cancelled or postponed which directly impacted on the ability to earn ticket revenue, retail sales, deliver rights and the ability to attract and maintain sponsors.

Key Board decisions

During the year the Board made a number of key decisions which are deemed to be supportive of the strategic aims of the sport and success of the NGB. The decisions have impacts on certain stakeholder groups that have been reflected in the decision-making process and are considered appropriate by the Board.

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STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Resumption of activity

Close monitoring of government guidelines and collaboration across sport enabled the collation of guidelines at every stage of return to play. Health and Safety remained at the heart of decisions.

Equality, Diversity and Inclusion

During the period the Company has enhanced effort to raise awareness and education, both internally and externally, on equality, diversity and inclusion. Board training, a dedicated space on our new website charting progress and resources, independent research, the creation of an Equality, Diversity and Inclusion Advisory Group to support the Board in its ambitions in this area are all part of progress in the period. Over November 2021 the Company also hosted its first ED&I conference to bring together the work done so far and galvanise energy across the game to create an inclusive culture.

Member Insurance

The Company tendered corporate insurances at the same time as seeking an insurance product for the hockey market that would deliver savings and an enhanced minimum cover. Bluefin secured the contract and have been working on the incorporation of the insurance product into the membership plus offer from 21/22 onwards.

Area Governance

Area Governance changes continued despite Covid-19 and a significant volunteer network across hockey supported delivery of the new structure, including Area companies and Boards for the start of the 21 season in September.

Game Management System

A significant capital expenditure of £271k was approved in early 2021 to provide the game with a player registrations, fixtures and results system. The system went live on 6 August 2021 and whilst a little behind on delivery milestones, it remains on track to deliver its intended goals with undoubtedly subsequent investment required to enhance the system over time. Within 2020/21 £90k has been capitalised, with a further £180k to be capitalised in 2021/22.

Talent System Framework

A new talent strategy aimed at producing a greater breadth and depth in the talent pool also continued over Covid-19 and launched in September 2021. Solid commitments towards Equality, Diversity and Inclusion as well as International Performance are pillars of the new strategy.

Approval of 21/22 Budget

A range of income scenarios supported the creation of the 21/22 budget. Conservative revenue assumptions were used to set the breakeven budget.

Several applications for further funding from UK Sport and Sport England have been submitted. If successful, they will be incorporated at a later date.

Future Strategic Direction

Covid-19 has meant that there has been a compelling case to review our existing strategy as key performance indicators are severely impacted and our key strategic projects have changed to adapt to the external environment and available income. A board, staff, and investor consultation of strategy as well as continuous feedback from key strategic projects already running has been undertaken over the last 6 months with a refresh due to launch in 2022.

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**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The significant deliverables above would not have been possible without the enhanced volunteer support and delivery across the game and the continued commitment shown by staff in pressing Covid-19 circumstances. We give thanks to every contributor.

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

Kuldeep Kaur
Director

Date:

ENGLAND HOCKEY
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The directors present their report and the financial statements for the year ended 31 August 2021.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results

The deficit for the year, after taxation, amounted to £19,557 (2020 - deficit £382,474).

Directors

The directors who served during and after the year were:

Executive directors:

Nick Pink - Chief Executive
Kuldeep Kaur - Finance and Administration Director (appointed on 12 October 2020)
Edward Barney - Performance Director
Richard Beer - Development Director
Ian Wilson - Finance and Administration Director (resigned on 1 September 2020)

Non-executive directors:

Royston Hoggarth - Chair of the Board: independent
Angela Durnin: elected (appointed on 15 September 2020)
Shelagh Everett: elected (appointed on 16 March 2021)
Simon Mantell: elected (appointed on 15 September 2020)
Andrew Hunt: independent
Kathryn Swann: independent
Richard Sykes: independent
Katy Roberts: elected (resigned on 15 September 2020)
Andrew Tapley: elected (resigned on 16 March 2021)

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**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

Kuldeep Kaur
Director

Date:

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ENGLAND HOCKEY

Opinion

We have audited the financial statements of England Hockey (the 'Company') for the year ended 31 August 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2021 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ENGLAND HOCKEY (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 AUDITORS' REPORT TO THE SHAREHOLDERS OF ENGLAND HOCKEY (CONTINUED)

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

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

Based on our understanding of the Company and the environment in which it operates, we identified that the principal risk of non-compliance with laws and regulations related to the Code for Sports Governance, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, corporation tax and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to non-grant income being accounted for in the incorrect period and posting of inappropriate journal entries. Audit procedures by the engagement team included:

- Inspecting correspondence with the funding bodies, regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations, including the Code for Sports Governance, and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Reviewing non-grant income recognised both prior to and subsequent to the year-end to ensure that the income had been recognised in the correct period;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

ENGLAND HOCKEY

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ENGLAND HOCKEY (CONTINUED)

Use of our report

This report is made solely to the Company's members 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 directors those matters we are required to state to them in an Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Thomas Wilson (Senior Statutory Auditor)

for and on behalf of

Haysmacintyre LLP

10 Queen Street Place

London

EC4R 1AG

Date:

ENGLAND HOCKEY
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Income	4	8,978,587	8,306,010
Cost of activities		(4,588,851)	(3,777,909)
Gross surplus		<u>4,389,736</u>	<u>4,528,101</u>
Administrative expenses		(4,437,867)	(4,590,311)
Exceptional administrative expenses	12	-	(94,051)
Other operating income	5	90,529	-
Other operating charges	13	(60,977)	(235,108)
Operating deficit	6	<u>(18,579)</u>	<u>(391,369)</u>
Interest receivable and similar income	10	<u>3,022</u>	<u>10,982</u>
Deficit on ordinary activities before taxation		<u>(15,557)</u>	<u>(380,387)</u>
Tax on ordinary activities	11	(4,000)	(2,087)
Deficit on ordinary activities after taxation		<u><u>(19,557)</u></u>	<u><u>(382,474)</u></u>

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 16 to 29 form part of these financial statements.

ENGLAND HOCKEY**(A Company Limited by Guarantee)****REGISTERED NUMBER:04623333****STATEMENT OF FINANCIAL POSITION****AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	14	218,635	130,213
Tangible assets	15	199,843	373,135
		<u>418,478</u>	<u>503,348</u>
Current assets			
Stocks	16	157,303	102,387
Debtors: amounts falling due within one year	17	586,451	351,575
Cash at bank and in hand	18	2,199,200	2,540,609
		<u>2,942,954</u>	<u>2,994,571</u>
Creditors: amounts falling due within one year	19	(2,186,285)	(2,303,215)
Net current assets		<u>756,669</u>	<u>691,356</u>
Total assets less current liabilities		<u>1,175,147</u>	<u>1,194,704</u>
Net assets		<u><u>1,175,147</u></u>	<u><u>1,194,704</u></u>
Reserves			
Accumulated surplus	20	<u>1,175,147</u>	<u>1,194,704</u>
		<u><u>1,175,147</u></u>	<u><u>1,194,704</u></u>

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

Kuldeep Kaur

Director

Date:

The notes on pages 16 to 29 form part of these financial statements.

ENGLAND HOCKEY
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2021

	Accumulated surplus £	Total reserves £
At 1 September 2020	1,194,704	1,194,704
Deficit for the year	(19,557)	(19,557)
At 31 August 2021	1,175,147	1,175,147

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2020

	Accumulated surplus £	Total reserves £
At 1 September 2019	1,577,178	1,577,178
Deficit for the year	(382,474)	(382,474)
At 31 August 2020	1,194,704	1,194,704

The notes on pages 16 to 29 form part of these financial statements.

ENGLAND HOCKEY
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Cash flows from operating activities		
Deficit for the financial year	(19,557)	(382,474)
Adjustments for:		
Amortisation of intangible assets	50,450	40,487
Depreciation of tangible assets	149,767	162,764
Profit on disposal of tangible assets	(55,661)	(55)
Interest received	(3,022)	(10,982)
Taxation charge	4,000	2,087
(Increase)/decrease in stocks	(54,916)	36,822
(Increase)/decrease in debtors	(229,956)	740,292
(Increase) in amounts owed by groups	(4,920)	(1,740)
(Decrease) in creditors	(120,930)	(438,047)
Corporation tax received/(paid)	-	(1,891)
Net cash generated from operating activities	(284,745)	147,263
Cash flows from investing activities		
Purchase of intangible fixed assets	(138,872)	(50,700)
Purchase of tangible fixed assets	(28,810)	(168,169)
Sale of tangible fixed assets	107,996	875
Interest received	3,022	10,982
Net cash from investing activities	(56,664)	(207,012)
Net (decrease) in cash and cash equivalents	(341,409)	(59,749)
Cash and cash equivalents at beginning of year	2,540,609	2,600,358
Cash and cash equivalents at the end of year	2,199,200	2,540,609
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,199,200	2,540,609
	2,199,200	2,540,609

The notes on pages 16 to 29 form part of these financial statements.

ENGLAND HOCKEY
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ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 AUGUST 2021

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,540,609	(341,409)	2,199,200
	<u>2,540,609</u>	<u>(341,409)</u>	<u>2,199,200</u>

The notes on pages 16 to 29 form part of these financial statements.

ENGLAND HOCKEY

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

England Hockey is a private company (registered number: 04623333) limited by guarantee, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the Company in the event of liquidation.

The Company is incorporated in England and Wales. The registered office is:

Bisham Abbey
Bisham
Marlow
Buckinghamshire
SL7 1RR

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors assess whether the use of the going concern basis is appropriate for the preparation of the financial statements.

In both base and reasonable downside scenarios the Company is forecasting to remain cash positive with no borrowing commitments.

Should matches revert to closed door or restricted crowds, there would be some pressure on controlling costs and cash further to mitigate the loss and secure the targeted breakeven position. Given the performance over the last 18 months, the Board remains confident that this is manageable should it occur.

Notwithstanding the deficit for the year of £19,557, having reviewed the budget for the year ending 31 August 2022 and cash flow forecasts for twelve months from the date of these financial statements, the directors have concluded that there are sufficient resources available for the Company to meet its liabilities as they fall due.

These financial statements have, therefore, been prepared on a going concern basis. In making this assessment, Covid-19 related strategic and financial risks have also been analysed, including assurances as to the on-going support of its funding partners.

2.3 Exemption from preparing consolidated financial statements

England Hockey is the sole member of Hockey Futures, a charitable company limited by guarantee. Since both the Company and the Group it forms with Hockey Futures qualify as small, as set out in section 383 of the Companies Act 2006, the directors have taken the exemption from preparing consolidated financial statements permitted under section 399 of the Companies Act 2006.

ENGLAND HOCKEY

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.4 Income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before income is recognised:

Grants receivable

Grants of a revenue nature are credited to income so as to match them to the expenditure to which they relate. The Company will defer or accrue income accordingly to match the timing. Where grants are received on behalf of members and the Company only acts as an intermediary, those grants are not recognised through the Statement of Comprehensive Income until the member has met any conditions applying to the grant and it can be released.

UK Sport have agreed that their grant funding of performance hockey can be spent over the 4 year period of funding. Grants are deferred where they are needed to meet future budgeted expenditure.

The Company apportions its revenue grant from Sport England on a monthly basis and any grant received relating to a future period is deferred.

Affiliation fees

Income arising from affiliation fees is recognised over the period of affiliation.

Sponsorship income

Income arising from sponsorship is normally recognised over the period of the sponsorship term. When the sponsorship is linked to a particular event or condition, income is recognised when the specific event has taken place or the condition has been met.

Ticket sales

Income arising from event ticket sales is recognised when the event takes place.

Sale of goods

Income from the sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, and the receipt of the consideration due is probable and can be reliably measured.

Provision of services

Income from a contract to provide services is recognised in the period in which the services are provided when the receipt of the consideration due is probable and can be reliably measured. Such services include competition entry fees, course fees, workshops and coaching programmes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.5 Intangible assets

Intangible assets consist of development costs which are capitalised when certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured.

The capitalised development costs are subsequently amortised on a straight line basis over their estimated useful economic lives as follows:

- Website development: 10 years
- Development costs: 3 years

2.6 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Furniture and fittings	- 20% per annum of cost
Office Equipment	- between 14% and 33.3% per annum of cost
Equipment	- between 17% and 33.3% per annum of cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.11 Creditors

Short term creditors are measured at the transaction price.

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.14 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Accounting policies (continued)

2.15 Holiday pay accrual

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

2.16 Taxation

Tax is recognised in the Statement of Comprehensive Income, except where a charge is attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity. In such cases the charge is also recognised in other comprehensive income or directly in equity respectively.

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

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the process of applying its accounting policies, the Company is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented. On an ongoing basis, the Company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known. The following paragraphs detail the estimates and judgements the Company believes to have the most significant impact on the annual results under FRS 102.

Tangible and intangible fixed assets

The estimated useful economic lives of tangible and intangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation and amortisation, that charge is adjusted prospectively. Due to the significance of tangible and intangible fixed asset investment to the Company, variations between actual and estimated useful economic lives could impact operating results both positively and negatively, although historically few changes to estimated useful economic lives have been required. The Company is required to evaluate the carrying values of tangible and intangible fixed assets for impairment whenever circumstances indicate, in management's judgement, that the carrying value of such assets may not be recoverable. An impairment review requires management to make subjective judgements concerning the cash flows, growth rates and discount rates of the cash generating units under review.

ENGLAND HOCKEY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Income

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

	2021 £	2020 £
Grants receivable	6,868,626	5,648,397
Affiliation fees	765,185	779,314
Sponsorship	342,472	527,659
Ticket sales	4,227	159,176
Other income from the sale of goods	92,211	92,214
Other income from the provision of services	905,866	1,099,250
	<u>8,978,587</u>	<u>8,306,010</u>

See Note 25 for further details of grants receivable.

Other income from the provision of services includes amounts receivable in respect of competition entries, coaching & umpire courses and awards, commissions and events recharges.

All income arose within the United Kingdom.

5. Other operating income

	2021 £	2020 £
Coronavirus Job Retention Scheme grants (see Note 25)	34,868	-
Profit on disposal of tangible assets	55,661	-
	<u>90,529</u>	<u>-</u>

6. Operating deficit

The operating deficit is stated after charging:

	2021 £	2020 £
Exchange differences	5,877	3,566
Other operating lease rentals	271,462	288,356
	<u></u>	<u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	18,950	18,000
	<u>18,950</u>	<u>18,000</u>
Fees payable to the Company's auditor in respect of:		
Other services relating to taxation	950	900
All other services	1,250	1,250
	<u>2,200</u>	<u>2,150</u>

8. Employees

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

	2021 £	2020 £
Wages and salaries	3,001,198	3,004,013
Social security costs	348,701	349,503
Cost of defined contribution scheme	122,547	125,611
	<u>3,472,446</u>	<u>3,479,127</u>

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

	2021 No.	2020 No.
Performance Staff	12	12
Non Performance Staff	65	70
	<u>77</u>	<u>82</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	410,685	453,018
Company contributions to defined contribution pension schemes	22,946	24,488
	<u>433,631</u>	<u>477,506</u>

During the year retirement benefits were accruing to 5 directors (2020 - 6) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £135,400 (2020 - £116,495).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,432 (2020 - £8,629).

10. Interest receivable

	2021 £	2020 £
Other interest receivable	<u>3,022</u>	<u>10,982</u>

11. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on deficit for the year	4,000	2,087
Total current tax	<u>4,000</u>	<u>2,087</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before tax	(15,557)	(380,387)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(2,956)	(72,274)
Effects of:		
Non-taxable income less expenses not deductible for tax purposes	6,956	74,361
Total tax charge for the year	4,000	2,087

12. Exceptional administrative expenses

	2021 £	2020 £
Release of Lee Valley Hockey and Tennis Centre grant payment	-	79,508
Lee Valley security & point of sale huts and radios	-	14,543
	-	94,051

13. Other operating charges

Other operating charges relate to irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14. Intangible assets

	Website development £	Software development £	Development expenditure £	Total £
Cost				
At 1 September 2020	48,750	-	121,950	170,700
Additions	49,250	89,622	-	138,872
At 31 August 2021	98,000	89,622	121,950	309,572
Amortisation				
At 1 September 2020	-	-	40,487	40,487
Charge for the year on owned assets	9,800	-	40,650	50,450
At 31 August 2021	9,800	-	81,137	90,937
Net book value				
At 31 August 2021	88,200	89,622	40,813	218,635
At 31 August 2020	48,750	-	81,463	130,213

Development expenditure relates to the costs incurred in association with the development of portable artificial pitch technology for the purpose of allowing the Company to install a temporary artificial hockey pitch over the grass rugby pitch at Harlequins Rugby Club, Twickenham. Costs equal to the expected future economic benefits attributable to the asset have been capitalised as an intangible asset, whilst the remainder have been treated as expenditure in the Statement of Comprehensive Income in the year in which they were incurred.

Software development relates to the costs incurred in the development of a new game management system. As at 31 August 2021 it constitutes an asset under construction and so no amortisation has been charged during the year. The total cost to complete the game development system is £271,000, and therefore as at 31 August 2021 the Company is committed to incurring a further £181,378 of spend in respect of this asset.

In February 2021, the England and GB websites, to which the website development capitalised costs relate, went live and commenced amortisation from this date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Equipment £	Total £
Cost or valuation				
At 1 September 2020	77,892	613,206	503,937	1,195,035
Additions	-	28,810	-	28,810
Disposals	-	(60,962)	(99,163)	(160,125)
At 31 August 2021	<u>77,892</u>	<u>581,054</u>	<u>404,774</u>	<u>1,063,720</u>
Depreciation				
At 1 September 2020	75,514	398,738	347,648	821,900
Charge for the year on owned assets	1,269	86,876	61,622	149,767
Disposals	-	(60,962)	(46,828)	(107,790)
At 31 August 2021	<u>76,783</u>	<u>424,652</u>	<u>362,442</u>	<u>863,877</u>
Net book value				
At 31 August 2021	<u>1,109</u>	<u>156,402</u>	<u>42,332</u>	<u>199,843</u>
At 31 August 2020	<u>2,378</u>	<u>214,468</u>	<u>156,289</u>	<u>373,135</u>

16. Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>157,303</u>	<u>102,387</u>

17. Debtors

	2021 £	2020 £
Trade debtors	262,528	62,041
Amounts owed by group undertakings	7,166	2,246
Other debtors	84,695	21,855
Prepayments and accrued income	232,062	265,433
	<u>586,451</u>	<u>351,575</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	2,199,200	2,540,609

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	570,976	316,658
Corporation tax	6,086	2,087
Other taxation and social security	94,922	97,372
Other creditors	1,839	17,863
Accruals and deferred income	1,512,462	1,869,235
	2,186,285	2,303,215

Deferred income includes deferred grant income of £613,034 (2020: £1,666,966).

20. Reserves

Accumulated surplus

The accumulated surplus includes all current and prior period retained surpluses and deficits.

21. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension costs charge represents contributions payable by the Company to the fund and amounted to £89,986 (2020: £125,611). No contributions were payable to the fund at the Statement of Financial Position date (2020: £57).

22. Commitments under operating leases

At 31 August 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	65,752	158,393
Later than 1 year and not later than 5 years	50,782	68,693
	116,534	227,086

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

23. Related party transactions

Great Britain Hockey

Simon Mantell and Nick Pink are directors.

England Hockey acted as the nominated country by Great Britain Hockey Limited to act on its behalf to achieve success at the Olympic Games. England Hockey received grant funding from UK Sport to act on behalf of Great Britain Hockey Limited.

National Hockey Museum

Nick Pink is a trustee of The Hockey Museum but there is no common control. During 2020/21 England Hockey paid a charitable donation of £25,000 (2020: £42,200) to and paid salary costs of £37,261 (2020: £33,112) on behalf of The Hockey Museum. At the year end an amount of £29,374 was owed from The Hockey Museum (2020: £NIL).

Hockey Futures

England Hockey is the sole member of Hockey Futures. During 2020/21 England Hockey paid invoices totalling £4,920 (2020: £1,740) on behalf of Hockey Futures. At the year end an amount of £7,166 is owed by Hockey Futures and has been included within debtors (2020: £2,246).

Key management remuneration

The total remuneration paid to key management personnel during the year, which includes amounts paid to the Chairman of £25,000 (2020: £25,000), was £449,540 (2020: £518,845).

24. Company status

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

25. Grant income and expenditure

	Sport England	UK Sport	Other	Total		Sport England	UK Sport	Other	Total
	2020/21 (£)					2019/20 (£)			
Development & Talent grant	1,876,921	16,899	431,908	2,325,728		2,427,577	10,000	418,326	2,855,903
Continuity grant	-	458,500	-	458,500		-	-	-	-
Performance grant	-	4,074,598	-	4,074,598		11,946	2,810,548	-	2,822,494
Event grant	-	-	-	-		(30,000)	-	-	(30,000)
Capital grant	9,799	-	-	9,799		-	-	-	-
CJRS	-	-	34,868	34,868		-	-	-	-
Grants receivable	1,886,720	4,549,997	466,776	6,903,493		2,409,523	2,820,548	418,326	5,648,397
Development programmes	1,415,221	-	-	1,415,221		1,638,334	-	-	1,638,334
Talent programmes	320,411	-	105,237	425,648		252,531	-	151,638	404,169
Performance programmes	-	4,074,598	-	4,074,598		-	2,810,548	-	2,810,548
Strategic projects	-	194,500	-	194,500		-	-	-	-
Facilities	19,234	-	-	19,234		45,000	-	-	45,000
Events	-	-	-	-		(30,000)	-	-	(30,000)
Back office contribution	131,854	280,899	361,539	774,292		503,658	10,000	266,688	780,346
Total expenditure	1,886,720	4,549,997	466,776	6,903,493		2,409,523	2,820,548	418,326	5,648,397