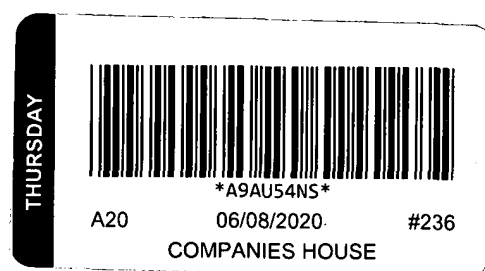


England and Wales Cricket Board Limited

Annual report and consolidated
financial statements

Registered number 3251364

Year ended 31 January 2020



Contents

Strategic Report	3
Directors' Report	7
Statement of directors' responsibilities in respect of the annual report, the director's report and the financial statements	8
Independent auditor's report to the members of England and Wales Cricket Board Limited	9
Consolidated Profit and Loss Account and Other Comprehensive Income	12
Consolidated Balance Sheet	13
Company Balance Sheet	14
Consolidated Statement of Changes in Equity	15
Company Statement of Changes in Equity	16
Consolidated Cash Flow Statement	17
Notes	18

Strategic report

The directors present their annual report and the audited financial statements for the year ended 31 January 2020.

In preparing this report, the directors have complied with s414c of the Companies Act 2006.

Principal activities, review of operations and future prospects

The group's turnover is derived primarily from cricket related activities carried out in England and Wales and in respect of participation by England teams in international events run by the International Cricket Council (ICC).

In addition to having a highly seasonal business, with the vast majority of income being earned in the summer, the business is also cyclical – with annual revenues varying significantly year on year – as a result of the occurrence of ICC international events and the scheduling of overseas teams touring England and Wales.

During the year ECB incorporated 8 new wholly owned subsidiaries in preparation for the inaugural season of The Hundred (a new domestic cricket format / competition) due to commence in July 2020.

In the year ended 31st January 2020, turnover was £228m, significantly higher than the prior year due to the Men's Cricket World Cup that was held in both England & Wales in 2019, and the associated additional broadcast revenue the ECB received from hosting the men's and women's Ashes series. In the year ended 31st January 2020, profit on ordinary activities before taxation was £6.5m.

In the year ended 31st January 2020, ECB continued with the high levels of contributions to our cricket network and stakeholders. A special fee distribution relating to Men's Cricket World Cup 2019 of £1m was made to each First Class County, paid in either 2018 or 2019. This follows the previous special fee distribution relating to the 2018 home India series of £1.3m that was paid to each First Class County in either 2016 or 2017.

ECB made a donation to the England and Wales Cricket Trust of £15.7m during the year ended 31st January 2020. The objectives of the England and Wales Cricket Trust are to: (i) promote community participation in healthy recreation by providing facilities for playing cricket; and (ii) promote all purposes as recognised as charitable under the laws of England and Wales through an association with cricket.

ECB's main areas of administrative expenditure are:

- Fee payments to First Class Counties and other costs to reflect their role in leading and supporting the growth of cricket in their county and providing a pathway for our most talented players to prepare for international cricket;
- Costs incurred to support England teams across our senior men's, women's, disability and Lions teams in the talent Pathway as well as Performance Centre;
- Recreational and grassroots costs including National County and County Board cricket, Premier Leagues and capital and revenue grants to County Cricket Boards;
- Men's Cricket World Cup host nation costs;
- The Hundred start-up and development costs; and
- Administration costs incurred by ECB in its role to lead and support the growth of cricket in England and Wales.

At the time of writing this report the impact of the COVID-19 pandemic is expected to be significant across all cricket related activities. The uncertainty over when the season might start has led to the modelling of a number of alternative scenarios with a revised schedule being explored and the probable revenue deficit being mitigated through budget savings in 2020 and a significant reshaping of the strategy and re-looking at our key principles and priorities over the following 4 years. More detail of this is included in the Going Concern section 1.2 of the Notes.

Currently in 2020, there are scheduled to be six men's Test matches, three against West Indies and three against Pakistan; six Royal London One Day International Matches, three against Australia and three against Ireland and six Vitality IT20 matches, three against Australia and three against Pakistan. England Women host India and South Africa in four Royal London One-Day International matches and two Vitality IT20's respectively.

Strategic report (continued)

Looking further forward, ECB has secured significantly increased broadcast revenues for the period 2020-24. These increased revenues can support the growth of the game and sustainability of the First Class Counties, with investment linked to a new strategy for the game for the period 2020-24.

Group Financial results and reserves

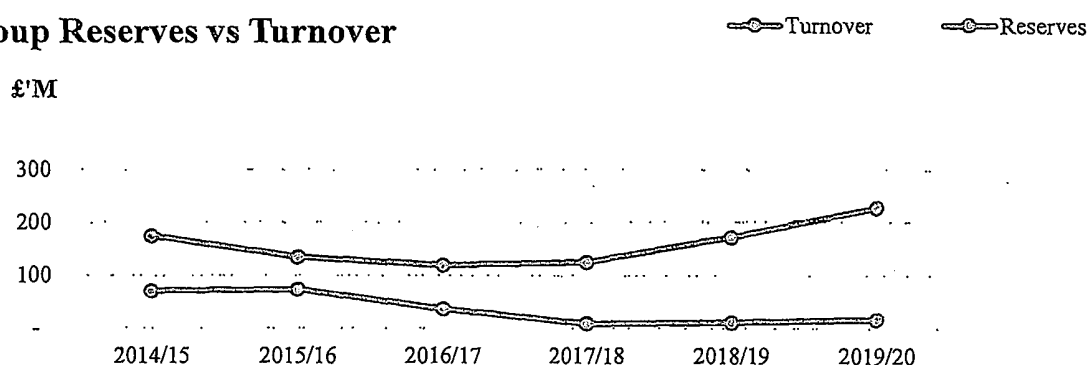
Turnover in the year ended 31/01/2020 amounted to £228.0m (*year ended 31/01/2019: £172.3m*). Cost of sales in the year amounted to £58.0m (*year ended 31/1/2019: £25.7m*), significantly higher than prior year due to the additional costs associated with hosting the Cricket World Cup 2019.

The group's administrative expenditure at £164m was an increase of £22m as compared to the prior year at £142m, this increase was largely due to the £1m paid to each of the Counties in respect of CWC 19

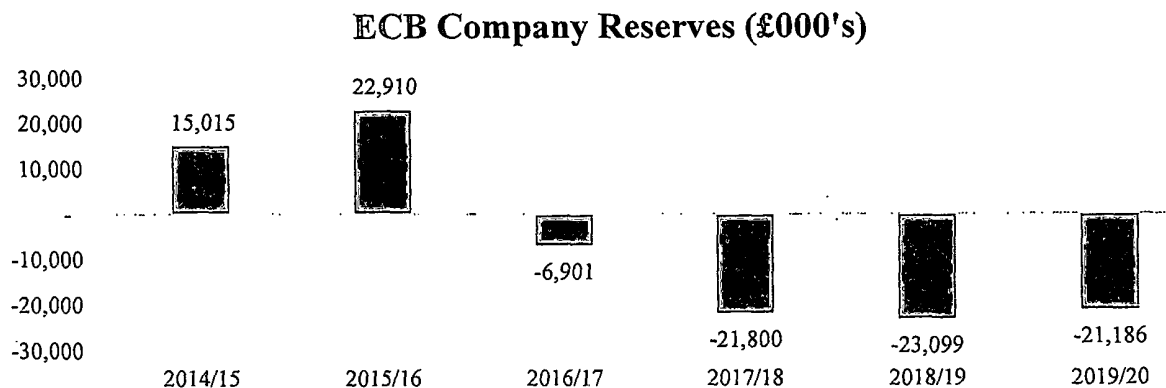
The group made a profit on ordinary activities before taxation of £6.5m (*year ended 31/1/2019: profit of £5.0m*). The retained profit of £6.5m (*year ended 31/1/2019: profit of £5.0m*) has been transferred to reserves.

The overall group reserves at year end increased to £17.1m up from prior year reserves of £11.2m. The Board continues to assess the appropriate level of group reserves, taking into account group revenue levels, principal business risks and uncertainties in the short, medium and long term, along with the requirements of the cricket network within England and Wales. Equity reserves in the short term are scheduled to remain below the desired 40% of turnover; this is however partly offset by significant cash holdings in the short term and increasing reserves in the medium term.

Group Reserves vs Turnover



Strategic report (continued)



KPI's

- Turnover up £55.7m as compared to 2019.
- Consolidated profit before taxation was £1.5m higher than 2019.
- ECB made distributions to the eighteen First Class Counties, the Marylebone Cricket Club ("MCC"), the National Counties Cricket Association ("NCCA"), the National County Clubs and the County Cricket Boards totalling £53.7m

Supplier payment policy

- The company's policy, which is also applied by the group, is to settle terms of payment with suppliers when agreeing the terms of each transaction, and to ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. Trade creditors of the group at 31 January 2020 were equivalent to 25 days (2019: 42 days) of purchases, based on the average daily amount invoiced by suppliers during the year.

Principal risks and uncertainties

During the period, the Audit & Risk Committee and Board reviewed on a quarterly basis the current Risk Register which:

- identifies risks faced;
- estimates the impact of these risks on the business (including financial and reputation impact); and
- considers how major risks can be managed/mitigated.

Major risks identified include:

- loss of cricket due to events outside cricket's control, including the threat of terrorist attack, communicable disease and national mourning;
- the status of Test cricket;
- reliance on core income streams;
- integrity, including safeguarding, anti-doping and anti-corruption;

Significant breakdown in relations with overseas governing bodies

Strategic report *(continued)*

Financial risk management objective and policies

The group has a policy whereby there are maximum limits that can be invested with any single financial institution. All of the financial institutions that hold cash deposits have 'A' ratings.

The group's credit risk is primarily attributable to its trade receivables and amounts receivable from First Class Counties, International Cricket Boards and other International Cricket Organisations. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence in a reduction in the recoverability of cash flows. The company holds contracts that expose it to the financial risks of changes in foreign currency exchange rates. The group uses foreign exchange forward contracts to hedge these exposures where appropriate.

Not included in original stats – amended as per J Russell on 29.05.20

Directors' section 172(1) statement

The directors have sought, collectively and individually, to conduct themselves at all times honestly, fairly, impartially and in accordance with the highest ethical standards. These behaviours are considered central to promoting the success of the company, and in exhibiting them the Board have had careful regard to the matters set out in section 172(1)(a-f) of the Companies Act 2006. Examples of how the directors have had regard to each of these matters is set out below, with reference (where relevant) to information found elsewhere in this Strategic Report.

• Making Decisions in the Long Term

Securing the long term health of cricket in England and Wales, at all levels, is vital to the success of the company and is therefore central to the decision making processes of the Board. As a result, consideration of the likely consequences of a decision in the long term permeates the Board's thinking on all issues. Whilst day-to-day management is delegated to the executive management team, the Board retains oversight of matters of strategic importance, including the long term objectives and overall strategic policy of the company. The company's strategy for the period 2020-2024 is set out above under Principal activities, review of operations and future prospects

• Considering Employees

In addition to the matters set out under Employee Engagement below, new directors maintain a close regard for the interests of the company's employees by spending time meeting with senior employees to understand and discuss their areas. The new directors provide feedback as a result of those meetings and use the knowledge gained when making relevant decisions.

• Fostering Relationships with Suppliers, Customers and Stakeholders In addition to the matters set out under Stakeholders Participants, Fans and Suppliers and Supplier payment policy, the Board is very conscious of the importance of lasting relationships with participants, fans and other stakeholder groups. Board members discuss the feedback received from the First Class County or County Cricket Board which they are the contact for. In addition, the ECB executive provide relevant updates to the Board where appropriate on matters connected to these groups. This enables the Board to consider that information when making decisions.

• Community and Environment

Contributing to the community is a key part of the company's activities, especially with regard to cricket at recreational and grassroots levels. The company runs various projects and initiatives to support the community and provides funding or donations. The ECB works with Members to mitigate the impact of cricket on the environment. This has included the ECB reviewing all of the first class cricket venues' energy and waste efficiency and creating a fund which includes as part of its aim to improve in this area.

• Maintaining a Reputation for High Standards of Conduct

The Board aspires to the highest ethical standards in its management of the company. The Board achieves this internally by strict adherence to (for example) the company's codes of conduct, conflict of interest and anti-bribery policies and by prioritising the integrity of the company in each decision it makes. The Board considers that the

reputation of the company and operating it in accordance with high standards of conduct is of paramount importance to safeguarding cricket in the long-term in England and Wales.

- **Acting fairly between Members**

The Board is always aware of the importance of acting fairly between its Members and this is considered whenever a decision is being made which affects one or more of the Members. The Board engages with its Members including as set out under Stakeholders,

Participants, Fans and Suppliers to ensure that it is aware of Members' views and to assist it in complying with its duty to act fairly between them. Stakeholders, Participants, Fans and Suppliers

The directors believe it is of great importance to continue to foster good relationships with important groups such as stakeholders, participants, fans and suppliers.

- **Stakeholders**

The company regularly engages with stakeholders through a variety of means. These include through each First Class County or County Cricket Board having an individual ECB director as their Board contact to ensure that such First Class Counties or County Cricket Board have access to Board members on matters of significance. A Professional Game Group was set up which has representatives from the company (including two directors), the First Class Counties and the Professional Cricketers' Association. Feedback from these groups can influence matters in the professional game such as providing the optimum schedule for the forthcoming season. Meetings are also had with the Recreational Assembly where stakeholders from recreational cricket are represented, enabling the company to inform those groups of developments and seek their views and feedback.

- **Participants and Fans**

Growing the game is a key priority for the company and therefore there is strong engagement with participants and fans to help achieve this. Annual player surveys take place as well as feedback relating to players from meetings with leagues and clubs through the Recreational Assembly. This feedback influences amongst other matters recreational cricket formats and competitions. A customer survey is also sent to fans attending professional matches and the feedback helps the ECB to improve the experience both at the matches and on digital channels.

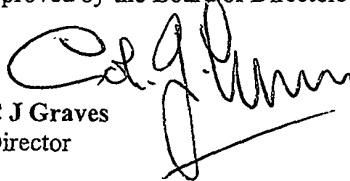
- **Suppliers**

The ECB runs tender processes for the provision of certain goods and services during which meetings are held with prospective suppliers to give them more information but also for the ECB to understand more about what can be offered. This can shape the tender process and improve the service which is then provided. Regular meetings take place with some existing suppliers and with prospective suppliers to ensure that they are able to meet the requirements of the ECB and for the ECB to understand any challenges facing the suppliers or their industry. Such feedback and good relations enable the ECB to make decisions knowing any supplier related risks and to put in place plans to mitigate them.

Employee Engagement

Engagement with staff continues through all staff meetings (sometimes hosted by an executive director) where updates on business matters are provided as well as regular internal staff email updates containing information on the latest developments within the organisation. In addition to this, business updates and financial review information is shared through our internal communications. Various regular forums are held to communicate and cascade information to the business. This includes regular team meetings, where colleagues are encouraged to and do provide feedback to our senior management teams. Feedback from staff was a factor in the organisation introducing a new performance management tool to further improve manager and colleague interactions in this area and as part of that try to link personal with overall business objectives. An update on staff matters is provided to the Board at quarterly Board meetings which allows the directors to input into any such matters and take them into consideration when making decisions.

Approved by the Board of Directors and signed on behalf of the Board by:


C J Graves
Director

April 2020

Directors' report

The following directors, together with where applicable the positions they hold with related parties, have served the company during the year and since the year end.

Members of the Board

Colin Graves
Kater Bickerstaffe (appointed 14.08.19)
Delia Bushell
Martin Darlow
Alan Dickinson
Tom Harrison
Barry O'Brien
Professor Lord Patel of Bradford OBE
Lucy Pearson
Scott Smith
Jane Stichbury CBE QPM DL (resigned 06.05.19)
Brenda Trenowden
James Wood

Position with related parties

Going concern

At the time of writing this report the impact of the COVID-19 pandemic is expected to be significant across all cricket related activities. The uncertainty over when the season might start has led to the modelling of a number of alternative scenarios with a revised schedule being explored and the probable revenue deficit being mitigated through budget savings in 2020 and a significant reshaping of the strategy and re-looking at our key principles and priorities over the following 4 years. More detail of this is included in the Going Concern section 1.2 of the Notes.

In consideration of the above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group and the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

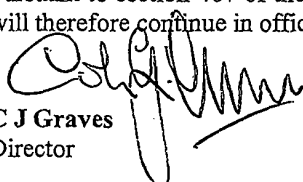
Auditor

Each of the persons who is a director at the date of approval of this report confirm that:

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

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

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.


C J Graves
Director

April 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law and Trade Union and Labour Relations law as it applies to employer's association requires the directors to prepare financial statements for each financial year. Under those laws they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate and proper accounting records that are sufficient to give a true and fair view of the state of the affairs of the parent employer's association and to explain its transactions, to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, for establishing and maintaining a satisfactory system of control of its accounting records, its cash holdings and all its receipts and remittances, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLAND AND WALES CRICKET BOARD LIMITED

Opinion

We have audited the financial statements of England and Wales Cricket Board Limited ("the company") for the year ended 31 January 2020 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and Consolidated Cash Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 January 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Trade Union and Labour Relations (Consolidation) Act 1992.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model, including the impact of Brexit, and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLAND AND WALES CRICKET BOARD LIMITED *(continued)*

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 and the Trade Union and Labour Relations (Consolidation) Act 1992 ("the Act") as it applies to employer's associations, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company has not kept proper accounting records in accordance with the requirements of section 28 of the Act; or
- the parent company has not maintained a satisfactory system of control over its transactions in accordance with the requirements of section 28 of the Act;
- the parent company 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 8, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent 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 they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

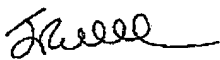
A fuller description of our responsibilities is provided on the FRC's website at

www.frc.org.uk/auditorsresponsibilities

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGLAND AND WALES
CRICKET BOARD LIMITED** *(continued)*

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company and its members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the company and its 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.



Jonathan Russell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

Date: 14th April 2020

Consolidated Profit and Loss Account and Other Comprehensive Income
for the year ended 31 January 2020

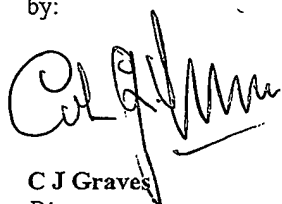
	<i>Note</i>	2020 £000	2019 £000
Turnover	1,2	227,993	172,319
Cost of sales		(58,096)	(25,690)
Gross profit		169,897	146,629
Administrative expenses		(164,182)	(142,376)
Group operating profit		5,715	4,253
Other interest receivable and similar income	6	822	730
Interest payable and similar expenses	7	-	-
Profit before taxation		6,537	4,983
Tax on profit	8	-	-
Profit for the financial year		6,537	4,983
Other comprehensive income			
Remeasurement of the net defined benefit surplus not recognised		-	-
Effective portion of changes in fair value of cash flow hedges		25	(2,315)
Hedge reserve recycled for matured hedges		(713)	-
Other comprehensive income for the year net of income tax		(688)	(2,315)
Total comprehensive income for the year		5,849	2,668

The notes on pages 18 to 34 form an integral part of the financial statements.


Consolidated Balance Sheet

	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	9	195	664
Tangible assets	10	682	801
		<u>877</u>	<u>1,465</u>
Current assets			
Stocks	12	614	940
Debtors (including £3,787,000 (2019: £3,809,000) due after more than one year)	13	58,813	23,142
Financial Instruments (including nil due after more than one year) (2019: nil due after more than one year)	14	409	713
Investments	15	67,968	53,956
Cash at bank and in hand		35,298	40,641
		<u>163,102</u>	<u>119,392</u>
Creditors: amounts falling due within one year	16	(57,782)	(33,649)
Net current assets		<u>105,320</u>	<u>85,743</u>
Total assets less current liabilities		<u>106,197</u>	<u>87,208</u>
Creditors: amounts falling due after more than one year	14,17	(89,100)	(75,960)
		<u>(89,100)</u>	<u>(75,960)</u>
Net assets		<u><u>17,097</u></u>	<u><u>11,248</u></u>
Reserves			
Profit and loss account		17,072	10,535
Cash flow hedging reserve		25	713
Members' funds		<u><u>17,097</u></u>	<u><u>11,248</u></u>

These financial statements were approved by the board of directors on 9th April 2020 and were signed on its behalf by:



C J Graves
Director



A Dickinson
Director

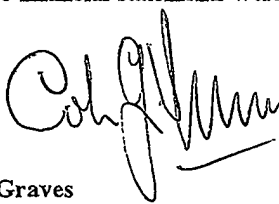
Company registered number: 3251364


The notes on pages 18 to 34 form an integral part of the financial statements.

Company Balance Sheet
at 31 January 2020

	Note	2020	2019
		£000	£000
Fixed assets			
Intangible assets	9	195	664
Tangible assets	10	682	801
		<u>877</u>	<u>1,465</u>
Current assets			
Stocks	12	614	940
Debtors including (£1,726,000 (2019:1,726,000) due after more than one year)	13	55,024	20,246
Financial Instruments (including nil due after more than one year) (2019 – nil due after more than one year)	14	409	713
Investments	15	35,494	45,199
Cash at bank and in hand		<u>32,053</u>	<u>16,662</u>
		123,594	83,760
Creditors: amounts falling due within one year	16	(56,557)	(32,364)
Net current assets		<u>67,037</u>	<u>51,396</u>
Total assets less current liabilities		<u>67,914</u>	<u>52,861</u>
Creditors: amounts falling due after more than one year	17	(89,100)	(75,960)
		<u>(89,100)</u>	<u>(75,960)</u>
Net liabilities		<u>(21,186)</u>	<u>(23,099)</u>
Reserves			
Profit and loss account		(21,211)	(23,812)
Cash flow hedging reserve		25	713
Members' funds		<u>(21,186)</u>	<u>(23,099)</u>

These financial statements were approved by the board of directors on 9th April 2020 and were signed on its behalf by:


C J Graves
Director


A Dickinson
Director

Company registered number: 3251364

The notes on pages 18 to 34 form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

	Cash flow hedging reserve £000	Profit and loss account £000	Total reserves £000
Balance at 1 February 2018	3,028	5,552	8,580
Total comprehensive income for the period			
Profit	-	4,983	4,983
Other comprehensive income	(2,315)	-	(2,315)
Total comprehensive income for the period	(2,315)	4,983	2,668
Balance at 31 January 2019	713	10,535	11,248

	Cash flow hedging reserve £000	Profit and loss account £000	Total reserves £000
Balance at 1 February 2019	713	10,535	11,248
Total comprehensive income for the period			
Profit	-	6,537	6,537
Other comprehensive income	(688)	-	(688)
Total comprehensive income for the period	(688)	6,537	5,849
Balance at 31 January 2020	25	17,072	17,097

The notes on pages 18 to 34 form an integral part of the financial statements.

Company Statement of Changes in Equity

	Cash flow hedging reserve £000	Profit and loss account £000	Total reserves £000
Balance at 1 February 2018	3,028	(24,828)	(21,800)
Total comprehensive income for the period			
Profit	-	1,016	1,016
Other comprehensive income	(2,315)	-	(2,315)
Total comprehensive income for the period	(2,315)	1,016	(1,299)
Balance at 31 January 2019	713	(23,812)	(23,099)

	Cash flow hedging reserve £000	Profit and loss account £000	Total reserves £000
Balance at 1 February 2019	713	(23,812)	(23,099)
Total comprehensive income for the period			
Profit	-	2,601	2,601
Other comprehensive income	(688)	-	(688)
Total comprehensive income for the period	(688)	2,601	1,913
Balance at 31 January 2020	25	(21,211)	(21,186)

The notes on pages 18 to 34 form an integral part of the financial statements.

Consolidated Cash Flow Statement

for year ended 31 January 2020

	<i>Notes</i>	2020 £000	2019 £000
Cash flows from operating activities			
Profit/(loss) for the year		6,537	4,983
<i>Adjustments for:</i>			
Depreciation, amortisation and impairment		588	567
Foreign exchange gains		(134)	15
Interest receivable and similar income		(822)	(730)
Interest payable and similar charges		-	-
Pension scheme charges		105	115
Pension contributions paid	18	(110)	(130)
Taxation		-	-
 Decrease/(increase) in trade and other debtors	13	(35,671)	3,619
Decrease/(increase) in stocks	12	326	412
Increase in trade and other creditors	16	37,028	30,796
 Interest paid		-	-
Tax paid		-	-
 Net cash from operating activities		7,847	39,647
 Cash flows from investing activities			
Interest received		822	730
Acquisition of tangible fixed assets	10	-	(35)
Acquisition of other intangible assets	9	-	-
 Net cash from investing activities		822	695
 Net increase/(decrease) in cash and cash equivalents		8,669	40,342
Cash and cash equivalents at 1 February		94,597	54,255
 Cash and cash equivalents at 31 January		103,266	94,597
		2020 £000	2019 £000
 The cash and equivalents at 31 January is made up as follows:			
Investments		67,968	53,956
Cash at bank and in hand		35,298	40,641
 Cash and cash equivalents at 31 January		103,266	94,597

The notes on pages 18 to 34 form an integral part of the financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

England and Wales Cricket Board Limited (the “Company”) is a private company limited by guarantee and incorporated, domiciled and registered in England, in the UK. The registered address is Lord’s Cricket Ground, St John’s Wood, London, NW8 8QZ.

These Group and parent company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

Per FRS 102, a public benefit entity (PBE) is an entity whose primary purpose is for public and social benefit and not to provide a financial return to its members. The directors have assessed that the Group and Company meet this definition, thus have accounted for any interest free loans as concessionary loans under section PBE34 of FRS 102 for the purposes of these financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that financial instruments classified at fair value through the profit or loss are stated at their fair value.

1.2 Going concern

At the balance sheet date the Group had net current assets of £105.3 million (2019: £85.8 million), including deferred income balances of £123.0 million (2019 : £95 million), and was holding combined cash and investments (including accrued interest) of £103.3 million (2019 : £94.6 million). At the balance sheet date the Company had net current assets of £67.0 million (2019: £52.9 million), including deferred income balances of £122.9 million (2019: £95.0 million), and was holding combined cash and investments (including accrued interest) of £67.5 million (2019: £61.9 million). The difference in cash and investments between Group and Company reflects the balances held in the England and Wales Cricket Trust, which cannot be accessed by the Company, having been donated previously. The Group and Company continue to have strong visibility of its broadcasting and sponsorship income for the period 2020-2024.

The Directors have assessed the possible impact of COVID-19 on the business, with significant uncertainty and multiple scenarios possible across the professional and recreational game. The assessment has been modelled on a worst-case basis whereby the entire 2020 cricket season is lost, and the resultant revenues from broadcasters and sponsors are not delivered.

Under this scenario the possible revenue deficit that would be sustained through the loss of all match day revenues, broadcast and sponsorship income would amount to approximately £252m. The reduction of 2020 season dependant variable costs and budgeted 2020 strategic investments totalling £98m would reduce this to a net reduction in revenues of approximately £154m.

The Group and Company have significant cash balances on hand at the commencement of the COVID-19 pandemic, following substantial receipts recorded in February 2020, therefore even in the worst case scenario the Group and Company would have sufficient cash to continue operating. The Group and Company also have significant deferred income balances reflecting upfront payments received in relation to their broadcasting and sponsorship agreements for the years 2020-2024.

In consideration of the above, and having made appropriate enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources with particular reference to cash to continue in existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the accounts.

Notes (continued)

1.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings, made up to 31 January 2020.

Under section 408 of the Companies Act 2016 the company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries, are carried at cost less impairment.

1.4 Foreign currency

Transactions in foreign currencies are translated to the Group companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

The allocation of deferred revenue between falling due within one year and falling due after one year is determined on the planned fixture list for the upcoming season and associated allocation of revenue to be recognised. The Directors have taken the judgement that the impact of Covid-19 on the planned fixtures occurring in 2020 is considered a non-adjusting post balance sheet event and have therefore not adjusted the allocation of deferred revenue as at 31 January 2020. This judgement has been made in consideration of the fact that as at the reporting date the virus had not reached pandemic status and was having minimal impact in the UK.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Investments

Cash deposits are stated at cost.

Fixed asset investments are shown at cost less provision for impairment.

1.6 Other Financial Instruments

Derivative financial instruments and cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income. Any ineffective portion of the hedge is recognised immediately in profit or loss.

Notes (continued)

1.7 Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its useful economic life on the straight-line method. The estimated useful lives are as follows:

- Leasehold improvements 10 years
- Fixtures, fittings and office equipment 3 – 5 years

1.8 Intangible fixed assets

Intangible fixed assets represent the purchase of perimeter advertising rights from certain First Class Counties covering the period from 2011 to 2019 and are stated at amortised cost. At the time of purchase, cost was split by year and amortisation is charged based on this split, subject to an increase if any impairment loss is recognised.

In addition to the perimeter advertising rights the Intangible fixed assets included the ECB website that was completed in October 2016.

The company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

1.9 Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.11 Employee Benefits

The Group operates both a defined contribution pension scheme and a defined benefit pension scheme.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The entity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The entity determines the net interest expense (income) on the net defined benefit asset for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit asset taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of Pound Sterling, and having maturity dates approximating to the terms of the entity's obligations. A valuation is performed triennially by a qualified actuary using the projected unit credit method, and updated at the balance sheet date. The entity recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Notes (continued)

1.11 Employee Benefits (continued)

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in profit or loss.

Remeasurement of the net defined benefit liability/asset is recognised in other comprehensive income in the period in which it occurs.

Long Term Incentive Plan

Long Term Incentive Plan accrues annual contributions under which become payable after five years provided that the employee remains in full time employment.

1.12 Turnover

The group's turnover is derived primarily from cricket related activities carried out in the UK and in respect of England Cricket Team tours, after deduction of value added tax. Revenue recognition policies for specific revenue streams are as follows:

Broadcasting revenue – turnover from broadcasting contracts is recognised in line with the contractual terms and period, which reflect the value of the rights provided in any given year to the broadcaster.

Sponsorship revenue – turnover from sponsorship agreements is recognised in line with the contractual terms and period, which reflect the value of the rights provided.

Match returns – turnover from staging agreements with grounds is recognised once matches have taken place, and in line with contractual terms.

Value in kind – turnover is recognised on a gross basis in respect of significant goods or services received from sponsors in return for sponsorship benefits, based on the fair value of the goods and services received by the ECB. The related costs are also shown gross to reflect the value of such goods and services.

Royalties – the ECB receives royalties from a number of partners with particular reference to the sales of products. Royalties are recognised in the period in which they are earned.

1.13 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.14 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax assets and liabilities are not discounted.

Notes (continued)

2 Turnover

	2020 £000	2019 £000
Rendering of services	227,993	172,319
Total turnover	227,993	172,319
	2020 £000	2019 £000
By geographical market:		
UK	214,170	118,503
Overseas	13,823	53,816
	227,993	172,319

In accordance with the Companies Act 2006, paragraph 68, schedule 1, the directors consider that the disclosure of turnover by activity would be seriously prejudicial to the interests of the company, and as such, has not been disclosed.

3 Expenses and auditor's remuneration

Included in loss are the following:

	2020 £000	2019 £000
Profit on foreign currency exchange	(134)	15
Operating lease rentals:		
Land & Buildings	457	336
Other Equipment	624	648
Depreciation of tangible fixed assets (note 10)	119	135
Amortisation of intangible fixed assets (note 9)	469	432

Auditor's remuneration:

	2020 £000	2019 £000
Audit of these financial statements	95	70
<i>Disclosures below based on amounts receivable in respect of other services to the company and its subsidiaries</i>		
<i>Amounts receivable by the company's auditor and its associates in respect of:</i>		
Audit of financial statements of subsidiaries of the company	39	5
Taxation compliance services	30	17
Tax advisory services	43	9
Other assurance services	15	70

Notes (continued)

4 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2020	2019
Cricketers	39	37
Umpires	30	28
Development Staff	101	96
Coaching Staff	55	56
Business Administration	54	44
Commercial, Communications & Events	57	39
Game Support	43	42
	<hr/>	<hr/>
	379	342
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2020	2019
	£000	£000
Wages and salaries	30,386	25,823
Social security costs	3,725	3,768
Other pension costs	2,363	2,155
	<hr/>	<hr/>
	36,474	31,746
	<hr/>	<hr/>

5 Directors' remuneration

	2020	2019
	£000	£000
Directors' remuneration	940	992
Company contributions to money purchase pension plans	57	21
	<hr/>	<hr/>

The aggregate of remuneration of the highest paid director was £580,459 (2019:£ 719,175), and company pension contributions of £10,000 (2019:£ 10,000) were made to a money purchase scheme on his behalf.

As from May 2018, the Board was restructured and now includes fully independent directors along with executive directors (CEO & CFO). Non Executive Directors from 2018 are now remunerated, however no director is a member of the defined benefit pension scheme described in note 18.

6 Other interest receivable and similar income

	2020	2019
	£000	£000
Investment income	822	730
	<hr/>	<hr/>
Total interest receivable and similar income	822	730
	<hr/>	<hr/>

Notes (continued)

7 Interest Payable and similar expenses

	2020 £000	2019 £000
Total interest payable and similar expenses	-	-

8 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2020 £000	2019 £000
<i>Current tax</i>		
Current tax on income for the period	-	-
Total current tax	-	-
Total tax	-	-

Analysis of current tax recognised in profit and loss

	2020 £000	2019 £000
UK corporation tax	-	-
Foreign tax	-	-
Total current tax recognised in profit and loss	-	-

A deferred tax asset has not been recognised in respect of tax losses carried forward and other timing differences, as in the opinion of the directors, it is not possible to conclude that it is more likely than not that any deferred tax asset would be recovered in the foreseeable future.

Reconciliation of effective tax rate

	2020 £000	2019 £000
Profit/(loss) for the year	6,537	4,983
Total tax expense	-	-
Profit excluding taxation	6,537	4,983
Tax using the UK corporation tax rate of 19% (2019: 19 %)	1,242	947
Non-deductible expenses	131	73
Tax exempt revenues	(744)	(754)
Deferred tax not provided – other timing differences	(193)	244
Deferred tax previously unrecognised on losses	(436)	(510)
Total tax expense included in profit or loss	-	-

Reductions in the UK corporation tax rate from 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was subsequently enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Notes (continued)

9

Intangible fixed assets

Group and company

	Software £000	Perimeter Advertising £000	Total £000
Cost			
Balance at 1 February 2019	585	3,449	4,034
	<hr/>	<hr/>	<hr/>
Amortisation and impairment			
Balance at 1 February 2019	273	3,097	3,370
Amortisation for the year	117	352	469
	<hr/>	<hr/>	<hr/>
Balance at 31 January 2020	390	3,449	3,839
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 January 2020	195	-	195
	<hr/>	<hr/>	<hr/>
At 31 January 2019	312	352	664
	<hr/>	<hr/>	<hr/>

Amortisation and impairment charge

The amortisation and impairment charge are recognised in the following line item in the profit and loss account:

	2020 £000	2019 £000
Administrative Expenses	469	432
	<hr/>	<hr/>

10

Tangible fixed assets

Group and Company

	Leasehold improvements £000	Fixtures, fittings & equipment £000	Total £000
Cost			
Balance at 1 February 2019	983	465	1,448
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 January 2020	983	465	1,448
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
Balance at 1 February 2019	253	394	647
Depreciation charge for the year	98	21	119
	<hr/>	<hr/>	<hr/>
Balance at 31 January 2020	351	415	766
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 January 2020	632	50	682
	<hr/>	<hr/>	<hr/>
At 31 January 2019	730	71	801
	<hr/>	<hr/>	<hr/>

Notes (continued)

11 Fixed asset investments

Fixed asset investments – Company

During 2005 the ECB became a £1 guarantor of the England and Wales Cricket Trust Limited, a company limited by guarantee and a registered charity, which was incorporated on 17 June 2005. The investment is held at cost in the company balance sheet and is treated as a wholly owned subsidiary for the purpose of the group accounts. The England and Wales Cricket Trust Limited is incorporated in England and Wales and its principal activity is to promote community participation in healthy recreation by providing facilities for playing cricket through charitable donations and interest free loans to amateur cricket clubs.

During 2019 the ECB became a shareholder of the eight Hundred Team companies, the companies are private companies limited by shares, which were incorporated on the 10 May 2019. The investment is held at cost in the company balance sheet and is treated as a wholly owned subsidiary for the purpose of the group accounts. The Hundred Team Companies are incorporated in England and Wales and their principal activity is to oversee the delivery of all on-field activities for their Men's and Women's team competing in the Hundred.

Company	Shares in group undertakings £	Total £
Cost		
At beginning of year	-	-
Additions	8	8
Disposals	-	-
Transfers between items	-	-
	<hr/>	<hr/>
At end of year	8	8
Net book value		
At 31 January 2020	8	8
At 31 January 2019	-	-

The undertakings in which the Group's and Company's interest at the year-end is more than 20% are as follows.

Name of Undertaking	Country of Incorporation	Registered number	Principal activity	Class and percentage of shares held
England & Wales Cricket Trust Limited*	United Kingdom	1112540	Charity	£1 guarantor
Cricket World Cup 2019 Limited*	United Kingdom	09856949	Dormant	100% held Ordinary Shares
Birmingham Phoenix Limited*	United Kingdom	11988999	Sports activities	100% held Ordinary Shares
Northern Superchargers Limited*	United Kingdom	11989383	Sports activities	100% held Ordinary Shares
Manchester Originals Limited*	United Kingdom	11989075	Sports activities	100% held Ordinary Shares
London Spirit (The Hundred) Limited*	United Kingdom	11988484	Sports activities	100% held Ordinary Shares

Welsh Fire Limited*	United Kingdom	11989021	Sports activities	100% held Ordinary Shares
Southern Brave Limited*	United Kingdom	11989083	Sports activities	100% held Ordinary Shares
Oval Invincibles Limited*	United Kingdom	11988519	Sports activities	100% held Ordinary Shares
Trent Rockets Limited*	United Kingdom	11988532	Sports activities	100% held Ordinary Shares

*Registered address for England & Wales Cricket Trust Limited, Cricket World Cup 2019 Limited and the eight Hundred Subsidiaries is Lord's Cricket Ground, St John's Wood London, NW8 8QZ.

12 Stocks

Group and Company	2020 £000	2019 £000
Finished goods	614	940

13 Debtors

	Group 2020 £000	2019 £000	Company 2020 £000	2019 £000
Trade debtors	37,741	5,988	34,900	3,091
Other debtors	11,614	10,074	11,043	10,075
Prepayments and accrued income	9,458	7,080	9,081	7,080
	<u>58,813</u>	<u>23,142</u>	<u>55,024</u>	<u>20,246</u>
Due within one year	55,026	19,333	53,298	18,520
Due after more than one year	3,787	3,809	1,726	1,726
	<u>58,813</u>	<u>23,142</u>	<u>55,024</u>	<u>20,246</u>

Notes (continued)

14 Financial instruments

14 (a) Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	Group		Company	
	2020	2019	2020	2019
	£000	£000	£000	£000
Assets measured at fair value through profit or loss	409	713	409	713
Liabilities measured at fair value through profit or loss	(245)	-	(245)	=

14 (b) Financial instruments measured at fair value

Derivative financial instruments and cash flow hedges

The group and company have entered eight forward contracts exchanging US\$ 66,000,000 for pounds sterling, due to be settled on the following dates:

8 th April 2021	7,500,000
8 th June 2021	7,500,000
22 nd July 2021	7,500,000
3 rd September 2021	7,500,000
8 th April 2022	9,000,000
8 th June 2022	9,000,000
22 nd July 2022	9,000,000
7 th October 2022	9,000,000

These forward contracts are to hedge future cash flows contracted for years 2020 & 2021. Cash flow hedge accounting has been applied to this hedging instrument with profits associated with the effective portion being recognised in other comprehensive income of £25,000.

The open FX forward contract as per 2019 has matured during the year with the full balance of £713,000 being recycled to the statement of profit & loss through other comprehensive income. A new FX swap has been entered in the year exchanging US\$36,000,000 for pounds sterling which is due to be settled on 28th February 2020. This FX swap is a continuation of the prior year forward contract in order to hedge future cash flows expected to be received in 2020. The closing balance of this swap is an asset of £139,000 which has been recognised through the statement of profit and loss.

The amounts for all financial assets and financial liabilities are carried at fair value based on their listed market price, as follows:

	Group		Company	
	Fair Value	Fair Value	Fair Value	Fair Value
	2020	2019	2020	2019
	£000	£000	£000	£000
Forward Contracts Assets	270	-	270	-
Forward Contract Liabilities	(245)	-	(245)	-
FX Swaps Assets	139	713	139	713

Notes (continued)

15 Investments

	Group 2020 £000	2019 £000	Company 2020 £000	2019 £000
Cash deposits with terms less than one year	67,968	53,956	34,594	45,199

The England & Wales Cricket has a treasury policy whereby only £50m can be retained in any one bank and thus funds have been invested in 'A' rated banks which have maturity periods ranging from 30 days to 95 days.

16 Creditors: amounts falling due within one year

	Group 2020 £000	2019 £000	Company 2020 £000	2019 £000
Trade creditors	7,867	6,533	7,066	5,253
Taxation and social security	2,076	1,136	1,938	1,136
Other creditors	607	292	561	292
Accruals and deferred income	47,232	25,688	46,992	25,683
	<u>57,782</u>	<u>33,649</u>	<u>56,557</u>	<u>32,364</u>

17 Creditors: amounts falling due after one year

	Group 2020 £000	2019 £000	Company 2020 £000	2019 £000
Accruals and deferred income	88,855	75,960	88,855	75,960
Financial Instruments	245	-	245	-
	<u>89,100</u>	<u>75,960</u>	<u>89,100</u>	<u>75,960</u>

Notes (continued)

18 Employee benefits

Defined benefit plans

Group and Company

The group operates a defined benefit pension scheme, the ECB Retirement and Death Benefits Scheme ("the Scheme"). Assets are held in independent trustee administered funds. Standard contributions are determined by a qualified actuary on the basis of triennial valuations using the attained age method. The most recent full valuation of the Scheme is underway as at 30 September 2019. The information below has been updated to 31 January 2020 by an independent professional actuary.

The standard monthly contributions made to the Scheme by the group were 34.2% of pensionable earnings, as per a contribution statement that came into force at the end of 2011. In total, contributions paid to the Scheme were £110,000 (2019: £130,000).

The surplus has been treated as irrecoverable for the purposes of the financial statements. FRS102 is not prescriptive in this area, as such the directors have reverted to the principles as set out in IFRIC14. Per the Scheme rules, there is a unilateral power for the Trustees to wind up the Scheme, which prevents recognition of the surplus on the grounds of a future refund. Furthermore, the value of the contributions due under the current funding agreement towards the accrual of benefits for active members exceeds the corresponding value of those benefits on the FRS102 basis (i.e. the service cost). Under IFRIC14, we consider it suitable to assume the current rate of contributions persists beyond the end of the period covered by the Schedule of Contributions. As such, this prevents the recognition of the surplus on the grounds of future contribution reductions.

The information disclosed below is in respect of the whole of the plans of the Group, for which the parent Company is legally responsible.

The opening balance differs from the closing balance of the previous year's accounts in that this has been adjusted to include Insured annuities of £6.6m (2019 £6.9m)

Net pension asset

	2020 £000
Defined benefit obligation	(27,120)
Plan assets	29,909
	<hr/>
Pension surplus	2,789
Related deferred tax asset	-
Irrecoverable surplus	2,789
	<hr/>
Net pension asset	-
	<hr/> <hr/>

Movements in present value of defined benefit obligation

	2020 £000
At 1 February 2019	25,077
Current service cost	107
Interest expense	643
Remeasurement actuarial losses	2,079
Benefits paid	(786)
	<hr/>
At 31 January 2020	27,120
	<hr/> <hr/>

Notes *(continued)*

18 Employee benefits *(continued)*

Movements in fair value of plan assets

	2020 £000
At 1 February 2019	27,954
Interest income	643
Remeasurement: return on plan assets less interest income	1,988
Contributions by employer	110
Benefits paid	(786)
	<hr/>
At 31 January 2020	29,909
	<hr/> <hr/>

Expense recognised in the profit and loss account

	2020 £000	2019 £000
Current service cost	105	115
Net interest on net defined benefit asset not recognised	-	-
	<hr/>	<hr/>
Total expense recognised in profit or (loss)	105	115
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

18 Employee benefits (continued)

The fair value of the plan assets and the return on those assets were as follows:

	2020	2019
	Fair value	Fair value
	£000	£000
Asset class		
Equities	7,880	7,717
Government debt	1,679	1,777
Corporate bonds	10,308	9,364
Property	3,309	2,207
Insured annuities	6,604	6,621
Cash and Deposits	129	268
	<hr/>	<hr/>
	29,909	27,954
	<hr/>	<hr/>
Actual return on plan assets	2,631	192
	<hr/>	<hr/>

Principal actuarial assumptions (expressed as weighted averages) at the year-end were as follows:

	2020	2019
	%	%
Discount rate	1.70	2.60
Future pensionable salary increases	3.10	3.30
Inflation assumption (RPI)	3.10	3.30
	<hr/>	<hr/>

Last full actuarial valuation was performed on 30 September 2019. To measure the defined benefit obligation as at 31 January 2020, the Company employed an independent professional actuary to update the full actuarial valuation.

In valuing the liabilities of the pension fund at 31 January 2020, mortality assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year old to live for a number of years as follows:

- Current pensioner aged 65: 23.1 years (male), 25.0 years (female).
- Future retiree upon reaching 65: 23.9 years (male), 26.0 years (female).

Defined contribution plans

Group and Company

The group has made contributions to the ECB Group Pension Plan and the ECB Group Pension Plan for Professional Cricketers, both defined contributions schemes, amounting to £2,179,000 (2019: £1,997,000) and £184,000 (2019: £158,000) respectively.

Long term incentive plan

Included within accruals falling due after one year is an amount of £1,254,852 (2019: £960,478) relating to a Long Term Incentive Plan. As at 31 January 2020 the fair value of the plan obligation, which will be cash settled in 2022, is calculated to be £2,114,682 (2019: £2,493,452).

Notes (continued)

19 Operating leases

Group and Company

Non-cancellable operating lease rentals are payable as follows:

	2020			2019		
	Land and buildings	Other	Total	Land and buildings	Other	Total
	£000	£000	£000	£000	£000	£000
Less than one year	442	537	979	336	597	933
Between one and five years	399	392	791	525	663	1,188
More than five years	-	-	-	34	-	34
	<u>841</u>	<u>929</u>	<u>1,770</u>	<u>895</u>	<u>1,260</u>	<u>2,155</u>

During the year £1,082,000 was recognised as an expense in the profit and loss account in respect of operating leases (2019: £984,000).

20 Related parties

Group and Company

Identity of related parties with which the Group has transacted

The directors have identified a number of cricketing organisations for which payments and receipts by the group represent a significant transaction.

1. The eighteen First Class Counties, the Marylebone Cricket Club ("MCC"), the Minor Counties Cricket Association ("MCCA"), the Minor County Clubs and the County Cricket Boards have charged the ECB amounts totalling £53,720,000 (2019: £40,591,000) in respect of fees for the provision of ground facilities and cricketers for matches under the control of ECB, amounts payable under the terms of memorandums of understanding, licence fees and other commercial agreements. As at 31 January 2020 the ECB owed these parties nil (2019: £nil) of unpaid fees. Such charges and fees include amounts in relation to the staging of international and domestic matches. The ECB has received income in relation to these matches of £14,998,096 (2019: £10,152,766). In addition, the EWCT paid grants totalling £5,484,944 (2019: £7,605,995) to the County Cricket Boards.
2. ECB has loans of £2,830,500 (2019: £3,999,000) in aggregate due from the eighteen First Class Counties and the Professional Cricketers' Association. Interest is charged on the loans at varying rates ranging from zero for short-term loan to base rate plus 2%.
3. The directors have identified the Cricket Ireland, Cricket Scotland and the Professional Cricketers' Association as also being related and to which ECB has made payments. During the period, amounts totalling £1,943,000 (2019: £1,814,000) were paid to these organisations.
4. Premiums payable by ECB to Reigndei Limited, an insurance company beneficially owned by the eighteen first class counties, MCC and the MCCA, were £2,594,816 (2019: £2,145,082). Claims receivable during the year from Reigndei Limited amounted to £1,677,347 (2019: £1,583,016). As at 31 January 2020 the ECB was owed nil from Reigndei Limited £nil (2019: £nil).
5. The group made donations amounting to £3,360,000 (2019: £3,408,000) to Chance to Shine during the year.

Notes (continued)

20 Related parties (continued)

6. During the year ended 31st January 2020, the ECB made payments to:
- Birmingham Phoenix Ltd of £72,880 of which £45,466 was owed to ECB at year end,
 - London Spirit Ltd of £50,116 of which £18,308 was owed to ECB at year end,
 - Manchester Originals Ltd of £65,418 of which £29,995 was owed to ECB at year end,
 - Northern Superchargers Ltd of £69,717 of which £41,315 was owed to ECB at year end,
 - Oval Invincibles Ltd of £56,856 of which £11,482 was owed to ECB at year end,
 - Southern Brave Ltd of £68,928 of which £35,511 was owed to ECB at year end,
 - Trent Rockets Ltd of £74,007 of which £41,139 was owed to ECB at year end,
 - Welsh Fire Ltd of £41,671 of which £11,612 was owed to ECB at year end.

Transactions with key management personnel

Total compensation of key management personnel (including the directors) in the year amounted to £2,684,763 (2019: £2,785,072).

21 Liability of members

England and Wales Cricket Board Limited is a company limited by guarantee and has no share capital. Each member has guaranteed to contribute a sum not exceeding £10 for payment of the company's debts and liabilities should the company be wound up. There were 41 members as at 31 January 2019 and 31 January 2020.

22 Sports Governance Code

The England & Wales Cricket Board received the following funding from public investors:

	2020 £000	2019 £000
ESC Lottery Fund	2,585	2,354
Skills Funding Agency	69	199
	<hr/>	<hr/>
Total Received	2,654	2,553
	<hr/>	<hr/>

The ESC Lottery funding was used in the following areas:

	2020 £000	2019 £000
Participation & Growth	500	500
South Asian Community	500	650
Women Pathway	149	241
Women Talent Management	-	73
More Play	53	90
Capital funding	800	800
South Asian City Programmes	578	-
Disabilities	5	-
	<hr/>	<hr/>
Total Spent	2,585	2,354
	<hr/>	<hr/>

Skills Funding Agency

The total amount received was used to run the Apprenticeship Scheme for young cricketers.