

Registered number: 01979158

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	M W Robinson (Chairman) J R Thomas (appointed 25 June 2022) J A Dishman (nee Newcombe) J W M Church N J Cox (resigned 4 March 2023) M P McSweeney O O Akinluyi (resigned 11 May 2023) P R Emptage M A King S K Storey (appointed 31 May 2022)
COMPANY SECRETARY	S K Storey
REGISTERED NUMBER	01979158
REGISTERED OFFICE	National Badminton Centre Bradwell Road Loughton Lodge Milton Keynes MK8 9LA
INDEPENDENT AUDITORS	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
PRESIDENT	D Troke

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Strategic Report	1 - 3
Directors' Report	4 - 6
Independent Auditors' Report	7 - 10
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Statement of Cash Flows	14
Analysis of Net Debt	15
Notes to the Financial Statements	16 - 29

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Introduction

The Badminton Association of England Limited, trading as Badminton England, is the National Governing Body for the sport of badminton in England. Our vision at the start of the year was to be one of the nation's most popular sports and consistently win medals at World, Olympic and Paralympic level. During the year Badminton England started work to develop a new 10-year strategy, our draft aim is 'Badminton – the most inclusive and accessible sport in England. A sport for everyone'. Badminton England aim to launch the new strategy during the coming year.

A review of our progress in meeting the business objectives contained in the previous Strategic Plan, Discover Badminton (2017-2025), is set out in the Annual Report which can be obtained from the Company.

Business review

The management accounts for the year ended 31 March 2023 show a surplus for the year of £307,000 (2022: £68,000).

The Statement of Financial Position shows that we have net assets of £2,591,000 (2022: £2,284,000), The net asset position consists of fixed assets of £3,459,000 (2022: £3,265,000), net current assets of £1,608,000 (2022: £1,593,000) and long-term grant funding liability of £2,476,000 (2022: £2,574,000). Included within net current assets is cash at bank of £3,012,000 (2022: £3,438,000).

During the year we received the following income streams:

- Total revenue of £9,677,000 (£8,189,000 in 2022)
- Investment from Sport England of £2,996,000 (2022: £3,169,000 which included £180,000 winter survival package), supports the growth of badminton participation and includes grants awarded from the Sector Partner Fund
- Investment from UK Sport of £1,145,000 (2022: £1,131,000) related to the GB World Class Performance Programme and includes the award from the UK Sport Continuity Fund
- Sponsorship income totalled £1,726,000, (2022 £1,302,000)
- Membership income £457,000 (2022: £256,000)
- Other income £3,350,000 derived from Badminton England activities consisting of: Event income £1,926,000, National Badminton Centre £1,014,000, coaching £154,000 and other £256,000.

The 2022/23 financial saw continued recovery from the COVID pandemic, Additionally, we have seen inflationary pressures on cost and challenges presented by the conflict in Ukraine. However, we had an excellent spectator attendance at the YONEX All England Championships. We aim to capitalise on this success and drive more attendance and ticket sales in next year's event.

Following significant leadership challenges in 2021/2022, when a number of the senior team left the business, this last year has been a period of rebuilding. A new permanent senior leadership team is now in place, consisting of Chief Executive, Performance Director, Operations Director, Commercial Director, and Finance Director. This new team are working on consolidation and development of the new strategy, working closely with the Board.

The year was impacted by uncertainty around of the long-term impact of COVID on the sport. Much of the focus of Badminton England over the last two years has been on mitigating the negative effect, to ensure the sport recovers and thrives in the longer term.

The latest participation figures, published by Sport England, encouragingly show that badminton participation has returned to a level about those pre-Covid, with 733,200 adults playing twice in the past 28 days.

Whilst these numbers show an encouraging trend, there remains much work to do. Clubs are still struggling for players in many areas and there needs to be an ongoing focus on encouraging more young people to take up

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

badminton and addressing ongoing challenges around the cost of play and access to facilities.

Financial key performance indicators

Overall, Badminton England performed well in the year to return a surplus of £307,000. Largely driven by increased success of Yonex All England and cost saving actions in all departments.

Our balance sheet remains strong. Reserves are retained in order to ensure the continued financial strength of the organisation, as well as to provide adequate resources for the future development of the sport.

Income: £9,677,000 (2022: £8,189,000)
Operating surplus: £307,000 (2022: £68,000)
Reserves: £2,591,000 (2022: £2,284,000)

Risk management and internal controls

The Board of Directors ("the Board") is responsible for risk management and internal controls. The Chief Executive and the Senior Leadership Team are responsible for identifying and reviewing the risks to Badminton England and reporting these to the appropriate Advisory Board, the Board of Directors, and the Finance and Risk Committee. Controls and suitable actions are put in place to mitigate these identified risks as far as is possible and practical. The Finance and Risk Committee is responsible for assessing Badminton England's internal controls.

The Board of Directors is also required by the Code for Sports Governance to make an annual statement on the operation of our system of risk management and internal controls.

The Board has conducted a review of the effectiveness of the Company's risk management and internal control systems and is satisfied that the Company's risk management and internal control systems provide reasonable assurance.

Principal risks and uncertainties

Badminton England continues to comply with the Code for Sports Governance and has met the KPIs agreed with Sport England for the period to date; the organisation is in good standing with Sport England. The revised Code for Sports Governance is now in effect with significant changes and additions. Compliance needs to be demonstrated by December 2023 and we are on track to achieve this.

Future developments

Priorities moving forward include raising the profile of the game, increasing access to facilities and courts for all with a key strategic focus on young people. We aim to build a strong badminton community, including volunteers, Clubs, Coaches, and Counties, supported by recently launched Diversity and Inclusion strategy. We continue to drive increased professionalisation of badminton at club and national level, by developing player pathway, connecting performance and grassroots success. We will deliver national competition opportunities that meet the needs of players, recognising the strong appetite for national leagues.

A renewed focus on enhancing Badminton England's employee experience has also been commenced, with a 'People Plan' that will enhance staff training and development, motivation and organisational efficiency and effectiveness.

The Board remains committed to growing income from commercial sources to fund Badminton England's own activities and this will continue to be a strategic priority for the coming years.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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



S K Storey
Director

Date: 5 June 2023

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Directors present their report and the financial statements for the year ended 31 March 2023.

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 loss 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.

Directors

The Directors who served during the year were:

M W Robinson (Chairman)
J R Thomas (appointed 25 June 2022)
J A Dishman (nee Newcombe) (Senior Independent Non-Executive Director) (appointed from 28 July 2021)
J W M Church
N J Cox (resigned 4 March 2023)
P T Fitzboydon (resigned 9 May 2022)
M P McSweeney
O O Akinluyi (resigned 11 May 2023)
P R Emptage
M A King
S K Storey (appointed 31 May 2022)

Governance report

The Board believes Badminton England operates to an adequate standard of governance and as such are pleased to report continued compliance with the Code for Sports Governance.

Compliance with the Code is a requirement of future funding and the Board keeps this under regular review.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Equality, Diversity and Inclusion

Badminton is recognised as a global sport and that worldwide appeal is reflected in those taking part in badminton in England. Badminton England also celebrates the inclusivity and diversity of its membership, being a sport played by those from primary school age to the older population and from all sections of society.

Badminton England strives to ensure that the diverse representation of those taking part in badminton is reflected across its governance structure and welcomes the Code and its requirement that "Organisations shall recruit and engage people with appropriate diversity, independence, skills, experience and knowledge to take effective decisions that further the organisation's goals".

Badminton England has made significant progress in recent years and remains committed to making further progress by ensuring that the organisation, and badminton in England, is accessible to everyone regardless of their gender, race, disability, sexual orientation, background, or financial circumstances.

Badminton England launched the first Equality, Diversity & Inclusion (EDI) Strategy in July 2022, with a vision to be the nation's most accessible, diverse, and inclusive sport within an unrelenting focus on EDI.

Employee engagement

Badminton England is extremely proud of the talented, passionate, and resilient team that it employs and values their voice, and an employee engagement survey is conducted once a year.

Furthermore, a range of activities have been operating, organised by various members of the team, to ensure staff remain engaged; these activities have included wellbeing sessions.

We will resume the activity of the Staff Forum whereby members of the organisation across all departments come together to discuss matters raised by the employees.

Directors' indemnity insurance

Badminton England purchases directors' and officers' liability insurance in respect of itself and its directors.

Matters covered in the Strategic Report

Details of future developments are included in the Strategic Report, as permitted under Section 414C (11) of the Companies Act 2006.

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.

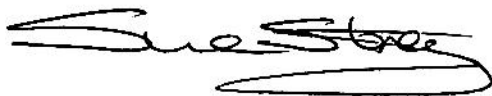
BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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.



S K Storey
Director

Date: 5 June 2023

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BADMINTON ASSOCIATION OF ENGLAND LIMITED

Opinion

We have audited the financial statements of Badminton Association of England Limited (the 'Company') for the year ended 31 March 2023, 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 March 2023 and of its profit 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.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BADMINTON ASSOCIATION OF ENGLAND LIMITED (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 4, 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.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BADMINTON ASSOCIATION OF ENGLAND LIMITED (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:

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

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 posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BADMINTON ASSOCIATION OF ENGLAND LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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, as a body, 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

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 06/06/23

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £000
Turnover	4	9,677	8,189
Administrative expenses		(9,376)	(8,233)
Other operating income	5	-	112
Operating surplus	6	<u>301</u>	<u>68</u>
Interest receivable and similar income	10	6	-
Surplus before tax		<u>307</u>	<u>68</u>
Tax on profit	11	-	-
Surplus for the financial year		<u><u>307</u></u>	<u><u>68</u></u>

There was no other comprehensive income for 2023 (2022:£NIL).

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

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01979158

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	12	5	12
Tangible assets	13	3,454	3,253
		<u>3,459</u>	<u>3,265</u>
Current assets			
Debtors: amounts falling due within one year	14	1,197	766
Cash at bank and in hand	15	3,012	3,438
		<u>4,209</u>	<u>4,204</u>
Creditors: amounts falling due within one year	16	(2,601)	(2,611)
Net current assets		<u>1,608</u>	<u>1,593</u>
Total assets less current liabilities		<u>5,067</u>	<u>4,858</u>
Creditors: amounts falling due after more than one year	17	(2,476)	(2,574)
Net assets		<u><u>2,591</u></u>	<u><u>2,284</u></u>
Reserves			
Income and expenditure account	19	2,591	2,284
		<u>2,591</u>	<u>2,284</u>

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

S K Storey
 Director



Date: **7 June 2023**

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

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Income and expenditure account £000	Total equity £000
At 1 April 2021	2,216	2,216
Comprehensive income for the year		
Surplus for the year	68	68
At 1 April 2022	<u>2,284</u>	<u>2,284</u>
Comprehensive income for the year		
Surplus for the year	307	307
At 31 March 2023	<u><u>2,591</u></u>	<u><u>2,591</u></u>

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

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £000	2022 £000
Cash flows from operating activities		
Profit for the financial year	307	68
Adjustments for:		
Amortisation of intangible assets	7	15
Depreciation of tangible assets	256	246
Interest received	(6)	-
(Increase) in debtors	(431)	(138)
(Decrease)/increase in creditors	(108)	369
Net cash generated from operating activities	<u>25</u>	<u>560</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(457)	(202)
Interest received	6	-
Net cash from investing activities	<u>(451)</u>	<u>(202)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(426)</u>	<u>358</u>
Cash and cash equivalents at beginning of year	3,438	3,080
Cash and cash equivalents at the end of year	<u><u>3,012</u></u>	<u><u>3,438</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,012	3,438
	<u><u>3,012</u></u>	<u><u>3,438</u></u>

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

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2023

	At 1 April 2022 £000	Cash flows £000	At 31 March 2023 £000
Cash at bank and in hand	3,438	(426)	3,012
	<u>3,438</u>	<u>(426)</u>	<u>3,012</u>

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

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Badminton Association of England Limited is a private company (registered number: 01979158), limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation. The number of members as at 31 March 2023 was 43 (2022: 43).

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

National Badminton Centre
Bradwell Road
Loughton Lodge
Milton Keynes
MK8 9LA

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.

Having reviewed the financial plan for the next funding cycle, the budget for the year ending 31 March 2023 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.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 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 are accounted for under the accruals model with the deferred element of grants being included in creditors as deferred income. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

Sponsorship revenue

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

TV broadcasting revenue

Income arising from TV broadcasting is recognised when a major televised event is aired and is recognised over the number of days of the televised event.

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 all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction, and;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Income from a contract to provide services is recognised in the period in which the services are provided in accordance with when all of the following conditions are satisfied:

- the amount of income can be measured reliably;
- the stage of completion of the contract at the end of the reporting period can be measured reliably,
- it is probable that the Company will receive the consideration due under the contract, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Income (continued)

Affiliation fees

Income from affiliation fees are recognised on a straight line basis over the period of the membership being from 1 November to 31 October.

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets consist of computer software and are amortised over their estimated useful lives of 5 years.

2.5 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:

Leasehold property	- Amortised over 50 years
Plant and machinery	- 5-33% on cost
Fixtures and fittings	- 20-50% on 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 the Statement of Comprehensive Income.

2.6 Debtors

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

2.7 Cash and cash equivalents

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

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.8 Financial instruments

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.8 Financial instruments (continued)

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

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 Comprehensive Income 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.

2.9 Creditors

Short term creditors are measured at the transaction price.

2.10 Operating leases: the Company as lessor

Rentals income from operating leases is credited to the Statement of Comprehensive Income on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.11 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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution pension plan for its employees. A defined contribution pension 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 the Statement of Comprehensive Income 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.

2.13 Interest income

Interest income is recognised in the Statement of Comprehensive using the effective interest method.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.14 Holiday pay accrual

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

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, judgments and assumptions that it believes are reasonable based on the information available. These judgments, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenditure 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 judgments the Company believes to have the most significant impact on the annual results under FRS 102.

Property, plant and equipment (PPE)

The estimated useful economic lives of PPE 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, that charge is adjusted prospectively. Due to the significance of PPE 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 PPE for impairment whenever circumstances indicate, in management's judgment, that the carrying value of such assets may not be recoverable. An impairment review requires management to make subjective judgments concerning the cash flows, growth rates and discount rates of the cash generating units under review.

Income recognition and allowance for doubtful debtors

The Company recognises income to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured. When the Company considers that the criteria for income recognition are not met for a transaction, income recognition is delayed until such time as collectability is reasonably assured. Payments received in advance of income recognition are recorded as deferred income. At each reporting date, the Company evaluates the recoverability of trade debtors and records allowances for doubtful debtors based on experience. These allowances are based on, amongst other things, a consideration of actual collection history. The actual level of debtors collected may differ from the estimated levels of recovery, which could impact operating results positively or negatively.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4. Analysis of income

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

	2023 £000	2022 £000
Grants receivable	4,154	4,300
Sponsorship and rights fees	2,336	1,827
Affiliation fees	457	256
Ticket sales	655	508
Other income from the sale of goods	40	52
Other income from the provision of services	2,034	1,246
	<u>9,676</u>	<u>8,189</u>

Further details regarding grants receivable and the expenditure that they have funded is provided in Note 25.

5. Other operating income

	2023 £000	2022 £000
Coronavirus Job Retention Scheme grants	-	12
Insurance claims receivable	-	100
	<u>-</u>	<u>112</u>

6. Operating profit

The operating profit is stated after charging:

	2023 £000	2022 £000
Depreciation of tangible fixed assets	256	246
Amortisation of intangible fixed assets	7	15
Defined contribution pension cost	164	169
	<u>427</u>	<u>430</u>

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors:

	2023 £000	2022 £000
Fees payable to the Company's auditors for the audit of the Company's financial statements	16	14
Other services relating to taxation	2	2
	<u>18</u>	<u>16</u>

8. Employees

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

	2023 £000	2022 £000
Wages and salaries	2,563	2,303
Social security costs	275	192
Cost of defined contribution scheme	126	170
	<u>2,964</u>	<u>2,665</u>

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

	2023 No.	2022 No.
	66	67
	<u>66</u>	<u>67</u>

9. Directors' remuneration

	2023 £000	2022 £000
Directors' emoluments	127	192
	<u>127</u>	<u>192</u>

During the year retirement benefits were accruing to 2 Directors (2022 - 2) in respect of defined contribution pension schemes. The total expense for the period was £7k (2022: £19k).

During the year an amount totalling £nil (2022: £50k) was paid relating to compensation for loss of office.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Interest receivable

	2023 £000	2022 £000
Other interest receivable	6	-
	<u>6</u>	<u>-</u>

11. Taxation

	2023 £000	2022 £000
Taxation on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2022 - higher than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £000	2022 £000
Profit on ordinary activities before tax	<u>307</u>	<u>68</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	58	22
Effects of:		
Non-taxable (income)/expenditure	(58)	(22)
Total tax charge for the year	<u>-</u>	<u>-</u>

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

12. Intangible assets

	Computer Software £000
Cost	
At 1 April 2022	83
At 31 March 2023	<u>83</u>
Amortisation	
At 1 April 2022	71
Charge for the year on owned assets	7
At 31 March 2023	<u>78</u>
Net book value	
At 31 March 2023	<u>5</u>
At 31 March 2022	<u>12</u>

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Tangible fixed assets

	Freehold property £000	Plant and machinery £000	Fixtures and fittings £000	Total £000
Cost or valuation				
At 1 April 2022	5,666	98	824	6,588
Additions	-	26	431	457
At 31 March 2023	<u>5,666</u>	<u>124</u>	<u>1,255</u>	<u>7,045</u>
Depreciation				
At 1 April 2022	2,719	84	532	3,335
Charge for the year on owned assets	109	7	140	256
At 31 March 2023	<u>2,828</u>	<u>91</u>	<u>672</u>	<u>3,591</u>
Net book value				
At 31 March 2023	<u>2,838</u>	<u>33</u>	<u>583</u>	<u>3,454</u>
At 31 March 2022	<u>2,947</u>	<u>14</u>	<u>292</u>	<u>3,253</u>

Sport England currently hold a Deed of Charge over the Sports Science Suite until 2024. The terms of this charge stipulate that should the facilities or part of the facilities be leased or otherwise disposed of, or cease to be used for the sports purposes approved by Sport England, an appropriate portion of the proceeds or value will be surrendered to Sport England unless otherwise agreed by them in writing in advance.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Debtors

	2023 £000	2022 £000
Trade debtors	928	490
Other debtors	13	52
Prepayments and accrued income	256	224
	<u>1,197</u>	<u>766</u>

15. Cash and cash equivalents

	2023 £000	2022 £000
Cash at bank and in hand	3,012	3,438
	<u>3,012</u>	<u>3,438</u>

16. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	536	839
Other taxation and social security	86	72
Other creditors	38	7
Accruals and deferred income	1,941	1,693
	<u>2,601</u>	<u>2,611</u>

17. Creditors: Amounts falling due after more than one year

	2023 £000	2022 £000
Accruals and deferred income	2,476	2,574

Accruals and deferred income due after more than one year relate to deferred capital grants that are released into the Income and Expenditure account over the useful economic lives of the tangible fixed assets to which they relate.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. Receivables under operating leases

At 31 March 2023 the Company had future minimum lease receivables in respect of non-cancellable operating leases as follows:

	2023 £000	2022 £000
Within one year	55	32
	<u>55</u>	<u>32</u>

19. Reserves

Income and expenditure account

The income and expenditure account includes all current and prior period retained surpluses and deficits.

20. Capital commitments

At 31 March 2023 the Company had capital commitments as follows:

	2023 £000	2022 £000
Contracted for but not provided in these financial statements	-	123
	<u>-</u>	<u>123</u>

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 £164,000 (2022: £169,000). Contributions totalling £40,000 (2022: £Nil) were payable to the fund at the year-end.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22. Commitments under operating leases

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £000	2022 £000
Not later than 1 year	22	21
Later than 1 year and not later than 5 years	42	29
	<u>64</u>	<u>50</u>

23. Related party transactions

The only related party transaction during the year was remuneration paid to key management personnel of £547,661 (2022: £648,000).

24. Controlling party

The Directors consider that there is no ultimate controlling party.

BADMINTON ASSOCIATION OF ENGLAND LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

25. Grant income and expenditure

	Sport England £000	UK Sport £000	Central Government £000	Other public investor £000	Non-public income £000	TOTAL £000
Revenue Grants	2,899	1,141	-	-	-	4,040
Capital Grants	98	4	-	-	-	102
Membership Income	-	-	-	-	459	459
Sponsorship Income	-	-	-	-	1,726	1,726
Other Income	-	-	-	-	3,350	3,350
Total Income	2,996	1,145	-	-	5,535	9,677
Overheads/Support Costs	759	450	-	-	1,496	2,704
Talent	304	-	-	-	-	304
Participation/Core Market	1,029	-	-	-	71	1,100
Performance	-	692	-	-	277	969
Capital facilities projects	-	-	-	-	-	-
Events & Courses	627	-	-	-	2,590	3,217
Marketing	40	-	-	-	186	226
Other Costs	140	3	0	0	713	856
Total Expenditure	2,899	1,145	-	-	5,333	9,376
Net Income	98	0	-	-	203	301

Cash and Deferred Grant Reconciliation

	Sport England £000	Uk Sport £000	Central Gov. £000	Total £000
Opening Balance	2,775	95	0	2,870
Cash Received	2,590	1,491	0	4,081
Release I&E (match expenditure)	(2,996)	(1,145)	0	(4,141)
Closing Grant Balance - Deferred Grants	2,369	441	-	2,810