

UK Anti-Doping Ltd
Annual Report and Accounts 2016/17



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2016/17

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The Team

Board

Trevor Pearce CBE QPM.....	(Chair from 23 February 2017) Chair
David Kenworthy QPM DL.....	(Chair to 22 February 2017) Chair
Michael Brace CBE	(Retired 23 April 2016) Member
John Brewer	Member
Pippa Britton	Member
Andrew Sellers	(Retired 23 June 2016) Member
Janice Shardlow.....	Member
Justin Turner QC	(Resigned 19 June 2017) Member
Sarah Winckless MBE	Member

Executive

Nicole Sapstead	Chief Executive
Philip Bunt.....	Director of Business Services
Matthew Johnson	Acting Director of Legal
Pat Myhill	Director of Operations
Emily Robinson	Director of Communications

Performance Report – Overview

Foreword by the Chair, Trevor Pearce CBE QPM



I was delighted to be appointed as Chair of UK Anti-Doping (UKAD) by the Secretary of State for the Department for Culture, Media and Sport (DCMS) in February.

Although I have only been in position as Chair for a short period, I initially joined the organisation at the beginning of 2016 as a Board member. Under the guidance of my now predecessor, David Kenworthy, I was able to gain an understanding of the anti-doping landscape and the considerable challenges that we face whilst seeing the organisation's impressive work under the leadership of our Chief Executive, Nicole Sapstead.

I would like to take this opportunity to thank David for his substantial contribution towards the establishment of UKAD as one of the world's leading National Anti-Doping Organisations (NADOs). I am under no illusion that filling David's shoes will be a challenge but I look forward to building on the firm foundations that he has helped put in place.

The terms of three founding UKAD Board members, Professor John Brewer, Janice Shardlow and Justin Turner, have been extended until September 2017. All three have brought a wealth of knowledge from the sporting landscape to the Board since its inception, playing their part in helping to guide and shape the organisation. Their commitment to keeping sport clean has been invaluable and I am delighted that they will remain with the Board for a further period.

Janice, Justin and John were initially scheduled to leave the organisation towards the end of 2016. However, DCMS has chosen to extend their terms for a second time to allow sufficient time for the recruitment of suitable replacements. Over the coming months this process will come to an end and four new Board members will be announced in due course.

My first official activity as UKAD Chair – awarding the University of Bath with 'elite' UKAD Accredited status – was a significant one. The Accreditation Programme recognises and enhances the anti-doping education work being conducted by universities, colleges and schools in the UK, in support of UKAD's prevention strategy and vision, and highlights the central role that prevention now plays within modern anti-doping.

NADOs such as UKAD have often been judged purely by the number of tests that they carry out in a year. However, whilst testing will always be integral to the protection of clean sport, we must now focus on combatting doping at the source of the problem by providing education at all levels of sport – from beginner to elite – and curbing the supply of illicit substances by working alongside our partners in law enforcement.

I feel extremely privileged to be at the helm of such a vital organisation. DCMS is conducting a Tailored Review of UKAD in 2017, which we are collaborating with fully. We look forward to the outcomes of the Review, which will inform our next three-year strategy. Clean Sport is a right that all athletes deserve and we look forward to working alongside the wider sporting community to ensure its protection.

Trevor Pearce
UK Anti-Doping Chair

Performance Report – Overview

Foreword by the Chief Executive, Nicole Sapstead



Last year the sporting landscape was dominated by the 2016 Olympic and Paralympic Games. UK Anti-Doping (UKAD) played an important role, providing over 700 Team GB and 400 ParalympicsGB athletes with anti-doping education and undertaking an extensive pre-Games testing programme. In addition, we also acted as the secretariat for the International Olympic Committee Pre-Rio Anti-Doping Taskforce, encouraging pre-Olympic Games testing programmes around the world to be targeted and effective.

I can say honestly that I look back on the performance of our UK athletes at both Games in Rio with pride. However, I can't help but think about all those who may have become slightly less enchanted with sport in general because of intense scrutiny from the media, governments and the public over the past 12 months.

I'm sure I don't need to remind you of the various analogies that relate to the power of sport. However, how can we expect athletes, support personnel, fans or those working in this industry to continue investing in these type of events if their very essence – fair and true competition – is being called into question?

The purpose and mandate of UKAD is quite straightforward – we are responsible for the protection of clean sport and clean athletes within this country. But we cannot do it alone. The sporting community must come together, take a collective responsibility for anti-doping and ensure the protection of sport for all.

At the end of January, I was called before a Culture, Media and Sport Select Committee to give evidence for the third time in just over a year which highlights the huge public interest in anti-doping. It was a good opportunity to publicly explain the decisions we regularly make within our existing resources. Part of a new three-year strategy that will come into place during 2017/2018 will look to ensure that the budget we receive from government is used both efficiently and effectively and we are working with the Department for Culture, Media and Sport, which is undertaking a Tailored Review of UKAD.

We currently work across nearly 50 Olympic, Paralympic, Commonwealth and professional sports, so we must utilise our resources by targeting those areas where the greatest risk of doping lies and focusing on prevention by working alongside partners in law enforcement and providing vital anti-doping education.

Whilst we continued attempting to identify and curb the supply of illicit substances, we also collaborated with bodies – such as Sport Wales and the Welsh Government – to raise awareness and tackle the health risks associated with performance enhancing drug use amongst amateur sports persons and the public.

Providing values-based anti-doping education at all levels – from beginner to elite – remained a priority for the organisation. We believe that giving athletes the tools to train, compete, and win clean at any age is key to limiting doping behaviours and were delighted to celebrate 10 years of delivering our flagship education programme, 100% me, at the School Games in Loughborough last September.

UKAD takes pride in its efforts when it comes to international influence and this year has seen us enter into partnership arrangements with members of the anti-doping community from countries such as Belarus, Brazil, Cyprus, Kenya, Russia and Sri Lanka. Some of these arrangements have the added benefit of generating commercial revenue with which to supplement our grant-in-aid budget.

Finally, I would like to take this opportunity to thank our former Chair, David Kenworthy, for his fantastic leadership over the past seven years. David leaves us as an organisation that continues to challenge itself and seek excellence throughout its delivery. I am confident that we will continue to do so under his successor, Trevor Pearce, who will provide UKAD with a wealth of experience and insight.

A handwritten signature in black ink, reading "Nicole Sapstead". The signature is written in a cursive, flowing style.

Nicole Sapstead
UK Anti-Doping Chief Executive

Performance Report – Overview

Strategic Report for the Year Ended 31 March 2017

Strategic Objectives

United Kingdom Anti-Doping (UK Anti-Doping) is the UK's National Anti-Doping Organisation (NADO). It is responsible for ensuring sports bodies in the UK comply with the National Anti-Doping Policy. The strategic objectives for 2014 – 2017 were to:

- Support and drive compliance with the National Anti-Doping Policy in the UK
- Deliver an integrated risk-based programme to prevent doping
- Promote a level playing field for athletes by influencing policy and practices

Review of the Business

UK Anti-Doping receives grant-in-aid from the Department for Culture, Media and Sport (DCMS). It also generates income from its contracted testing programme and other activities. UK Anti-Doping works at arm's length from Government and has the status of a Non-Departmental Public Body. It is regulated in accordance with the Management Agreement issued by the Secretary of State for Culture, Media and Sport and the financial statements are prepared in accordance with the Companies Act.

A review of UK Anti-Doping's business is set out on pages 2 to 4, reporting on activities during the year and setting out the focus for 2016/17.

Results

The net expenditure for the period was £5,903k (2015/16:£5,885k). Our Grant-in-Aid is recognised as financing in the statement of changes in taxpayers' equity. A review of financial performance set out on pages 7 and 8 provides details of the net expenditure for the year, income sources, the principal areas of expenditure, treasury policy, the investment in non-current assets and a summary of the staffing structure. An assessment of the going concern nature of the business is set out below. Achievement against our key performance indicators is set out in the performance report on page 8.

Key Issues and Risks Facing UK Anti-Doping

UK Anti-Doping reviews the principal risks and uncertainties to the business on a periodic basis, and considers necessary actions and controls in place to mitigate these. UK Anti-Doping has developed a risk management strategy which is fully embedded within its business planning and day-to-day operations. A brief description of the principal risks and uncertainties faced is set out in the Governance Statement on pages 11 to 14.

Going Concern

The financial statements have been prepared on a going concern basis. The going concern nature of the business was assessed by the Board at its meeting in March 2017. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of UK Anti-Doping to continue as a going concern. While we have been advised that baseline financing will be unchanged in 2017/18, we have been advised that financing will be increased in subsequent years and we have not received any indications from the Department for Culture, Media and Sport that financing will be withdrawn. The Board will take the steps necessary to ensure that UK Anti-Doping's income and expenditure remain in balance. The Statement of Financial Position at 31 March 2017 shows that UK Anti-Doping has an overall net liability of £2,446k (2015/16: £1,104k). This is a result of the actuarial valuation of the pension scheme, in accordance with International Accounting Standard (IAS) 19, which has seen an increase in the pension liabilities at 31 March 2017. The liability has increased because of market fluctuations and the way in which IAS19 requires the actuaries to measure the liabilities. The triennial valuation by the actuaries as at 31 March 2016 has confirmed that there are no current requirements to increase the employer contributions.

Employment and Training Policies and Staff Participation

UK Anti-Doping is committed to a policy of equality of opportunity in its employment practices and continues to develop a culturally diverse workforce. The organisation aims to ensure that no potential or actual employees receive more or less favourable treatment on the grounds of race, colour, ethnic or national origin, marital status, age, gender, sexual orientation, disability or religious beliefs. The organisation has established a training and development programme designed to encourage and support all employees in improving performance. UK Anti-Doping has developed a staff handbook which is a comprehensive guide to its employment policies and procedures. UK Anti-Doping ensures that there are arrangements to promote effective consultation and communications with all staff. All directorates have regular staff meetings at which matters relating to UK Anti-Doping activities are discussed and staff are regularly briefed on the matters discussed at management and Board meetings. Meetings of all staff are held regularly. During the year UK Anti-Doping retained Investors in People accreditation and was awarded Bronze status. UK Anti-Doping seeks to ensure that the requirements of health and safety legislation are met in the workplace.

By order of the Board



Trevor Pearce
Chair
20 June 2017



Nicole Sapstead
Chief Executive and Accounting Officer
20 June 2017

Performance Report – Performance Analysis

How Performance Is Measured and Monitored

UK Anti-Doping measures performance against the Key Performance Indicators agreed with the Department for Culture, Media and Sport, set out in the Management Agreement.

These Key Performance Indicators are also the strategic objectives of the organisation, and performance against them is measured monthly by an assessment of progress towards achieving the underlying Business Plan Objectives. The Board receives and reviews a report at each meeting highlighting those Business Plan Objectives which may not or will not be achieved.

Key Performance Indicators	Progress Made
To support and drive compliance with the National Anti-Doping Policy in the UK	Fully met. The policy was created with the central aim of eliminating doping in sport, and applies to all sports orientated bodies in the United Kingdom, including UK Anti-Doping, Home Country Sports Councils and National Governing Bodies for Sport. UK Anti-Doping has monitored compliance throughout the year.
To deliver an integrated risk-based programme to prevent doping	Fully met. During the year UK Anti-Doping reassessed the risks of doping in sports across the UK and designed and implemented a test distribution plan which took account of that reassessment.
To promote a level playing field for athletes by influencing international policy and practices	Fully met. UK Anti-Doping continues to have active engagement with EU Expert Group and Council of Europe, offering a significant opportunity to influence European and international anti-doping policy. UKAD worked with the World Anti-Doping Agency and several overseas NADOs to develop capacity and influence international standards.

Sustainability

UK Anti-Doping recognises that its activities have an impact on the environment and is committed to reducing this impact. A Corporate Social Responsibility policy has been developed which sets out the principles which aim to reduce environmental impact. All staff members are made aware of how their activities may adversely affect the environment and are encouraged to help to reduce our environmental impact. Because it has fewer than 250 full-time equivalent staff, UK Anti-Doping is exempt from preparing a full sustainability report.

Financial Performance

Summary of Results

UK Anti-Doping had net expenditure for the year of £5,903k (2015/16: £5,885k). Grant-in-aid is treated as financing rather than income, and as such is recognised in the Statement of Changes in Taxpayers' Equity.

Income Sources

The majority of the organisation's funding came from grant-in-aid, received from the Department for Culture, Media and Sport. This is recognised in the accounts as financing rather than income. In addition UK Anti-Doping generates income from testing, consultancy and other activities which in 2016/17 came to £3,027k (2015/16: £2,199k).

Treasury Policy

UK Anti-Doping does not hold any shares or other investments. UK Anti-Doping's cash policy is to draw down grant-in-aid on the basis of need, in accordance with Managing Public Money.

Investment in Non-Current Assets

The organisation spent £19k (2015/16: £44k) on non-current assets during the year. This all related to replacing information technology.

Future Non-Current Asset Investment

In 2017/18 UK Anti-Doping does not anticipate any significant spend on non-current assets.

Expenditure

Significant areas of expenditure included the following:

- UK Anti-Doping has a contract with the WADA-accredited laboratory, the Drug Control Centre, King's College London, which undertakes the analysis of the samples from the UK's athlete testing programme. Results analysis and legal work accounted for £1,832k (2015/16: £1,517k)
- £1,908k (2015/16: £1,757k) spent on the direct costs of the athlete testing programme and a further £305k on the related staff costs – a total of £2,213k. The costs of the athlete testing programme include the costs of Doping Control Personnel who collect samples for analysis
- £549k (2015/16: £490k) spent on the cost of the UK contribution to the World Anti-Doping Agency
- £304k (2015/16: £278k) spent on the direct costs of the education programme and a further £263k on the related staff costs – a total of £567k. A key part of UK Anti-Doping's prevention work involves the education of those in sport to deter them from doping. The costs of the education programme include the costs of the education trainers, who are field workers conducting education sessions for athletes and support personnel
- £93k (2015/16: £111k) spent on the direct costs of the Intelligence and Investigations programme and a further £332k on the related staff costs – a total of £425k.

Future Financial Risks

During 2012 UK Anti-Doping entered into a 10-year occupancy agreement on its premises at Fleetbank House. The agreement does not require UK Anti-Doping to restore the premises to its original condition and as such no dilapidations provision has been made in the accounts. There are financial risks regarding the collection of our commercial income but no provision for bad debts was required (2015/16: £nil).

Long-term Expenditure Trends

Operating expenditure over the last five years ended 31 March and projected expenditure over the next two years is set out below.

£'000	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Staff cost	2,279	2,424	2,362	2,682	2,960	2,748	2,775
Other expenditure	5,385	5,139	5,280	5,325	5,888	5,655	5,723
Depreciation & amortisation	249	115	81	77	82	86	86
Total operating expenditure	7,913	7,678	7,723	8,084	8,930	8,489	8,584

Accountability Report - Corporate Governance

Directors' Report for the Year Ended 31 March 2017

The Directors present their report and financial statements for the year ended 31 March 2017, in respect of United Kingdom Anti-Doping Limited, company number 6990867.

The Directors who served during the year are detailed in the Remuneration report (page 15).

Future Development and Events since the Reporting Period

There were no material events to report since the end of the reporting period. UK Anti-Doping will continue to ensure that a comprehensive anti-doping programme is in place in the UK and implement our programmes ahead of the winter Olympics and Paralympics and the Commonwealth Games. UK Anti-Doping will continue to work with overseas partners and will continue to work in partnership with the Doping Control Centre at King's College, London.

Better Payment Practice Code

UK Anti-Doping has a commitment to abide by the Better Payment Practice Code and in particular to settle bills in accordance with contract. Invoices are normally settled within our suppliers' standard terms. 76 per cent (2015/16: 73 per cent) of undisputed invoices were paid within 30 days of receipt.

Pension Liabilities

UK Anti-Doping has a defined benefit plan and the treatment of pension liabilities is set out in notes 1.6 and 13. The increase during the year in the pension scheme net liabilities is reflected in the Statement of Financial Position and Statement of Comprehensive Net Expenditure.

Sickness Data

Information concerning the number of days lost to sickness is set out in the Performance Report.

Gender Mix at the End of the Financial Year

Information concerning the gender mix is set out in the Accountability Report – Remuneration and staff.

Board Members' Company Directorships and Other Significant Interests

Information concerning the company directorships and other significant interests is set out in the Governance Statement within this report.

Personal Data

There were no personal data incidents to be reported in respect of the year under review.

Disclosure of Information to the Auditor

So far as each person who was a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Directors and company's auditor, each Director has taken all the steps that she/he is obliged to take as a Director in order to make her/himself aware of any relevant information and to establish that the auditor is aware of that information.

Auditors

UK Anti-Doping is required to have its accounts audited by the Comptroller and Auditor General.

By order of the Board



Trevor Pearce
Chair
20 June 2017

Accountability Report - Corporate Governance

Statement of Directors' and Accounting Officer's Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires UK Anti-Doping to prepare financial statements for each financial year. The financial statements are required by law to give a true and fair view of UK Anti-Doping's state of affairs at the year end and of its income and expenditure and cash flows for the financial year. In preparing these 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 International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that UK Anti-Doping will continue in business

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of UK Anti-Doping and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of UK Anti-Doping and to prevent and detect fraud and other irregularities.

The Accounting Officer of the Department for Culture, Media and Sport has designated the Chief Executive as Accounting Officer of UK Anti-Doping. The relevant responsibilities of an Accounting Officer, including her responsibility for the propriety and regularity of the public finances for which she is answerable and for keeping of proper records and the safeguarding of UK Anti-Doping's assets, are set out in Managing Public Money published by the Treasury. UK Anti-Doping complies with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Department for Culture, Media and Sport, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements

This report has been approved by the Board and is signed by the Chief Executive as Accounting Officer and the Chair on behalf of the Board.



Nicole Sapstead
Chief Executive and Accounting Officer
20 June 2017



Trevor Pearce
Chair
On behalf of the UK Anti-Doping Board
20 June 2017

Accountability Report - Corporate Governance

Governance Statement

Introduction

This Governance Statement sets out the governance, risk management and internal control arrangements for UK Anti-Doping. It applies to the financial year 1 April 2016 to 31 March 2017 and up to the date of approval of the Annual Report and Accounts.

UK Anti-Doping is a limited company which was incorporated on 14 August 2009 and became operational on 14 December 2009. UK Anti-Doping is also a Non-Departmental Public Body, funded by the Department for Culture, Media and Sport (DCMS). UK Anti-Doping is covered by the Government Resources and Accounts Act 2000, and as a result the Comptroller and Auditor General (C&AG) is the statutory auditor.

Governance Structure

Our governance process is led by the Board which, consists of the Chair and six other company Directors. The Board members were independently appointed by the Secretary of State for Culture, Media and Sport, through the Cabinet Office's public appointments procedure. Details of the appointments are included in the Remuneration Report. The Board provides independent scrutiny of the organisation and has met four times during 2016/17. The work of the Board is supported by two Committees – (1) Audit and (2) Remuneration and Human Resources. The remit of the Audit Committee covers the oversight of audit, financial and risk management. This Committee met five times during 2016/17. This Governance Statement was reviewed by the Audit Committee at its meetings in April and June 2017. The Remuneration and Human Resources Committee is responsible for determining and agreeing with the Board the framework and broad policy for the remuneration of staff. The Committee met twice in 2016/17.

In addition, the Board has established an Athlete Committee. The remit of this advisory Committee is to provide a forum for the exchange of information and opinions on anti-doping matters. The Committee is chaired by one of the company Directors and met twice in 2016/17.

During the year the Board reviewed the terms of reference for all of these Committees.

The Board and its committees use a range of management information to manage the performance of the organisation, including data on: the financial position, human resources; performance indicators; and data on its operations (e.g. testing, results management and education). There are a range of process controls in place that ensure the quality of the data is of the standard expected for reliable and informed decisions.

Board Performance and Compliance with the Corporate Governance Code

The Board has assessed its performance as a collective throughout the year. In addition, the Chair of the Board assesses the individual performance of each Board Director on a periodic basis. The assessment concluded that the Board has continued to be effective and it will focus on those areas where the function and contribution of the Board could be strengthened. At its meeting in March 2017 the Board reviewed its compliance with the Corporate Governance Code. It concluded that it is compliant with this Code.

Accounting Officer

My appointment as the Accounting Officer was made on 15 January 2015. As Accounting Officer I have personal responsibility for maintaining a sound system of internal control that supports the achievement of UK Anti-Doping's aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I am also accountable to Parliament for maintaining effective systems for identifying, evaluating, and managing the principal risks of UK Anti-Doping as detailed in the Management Agreement between UK Anti-Doping and DCMS.

Board and Committee Attendance

The table below summarises the attendance of the Board members at the meetings during the year.

	Board				Audit Committee				Remuneration and Human Resources Committee		Athlete Committee
	June 2016	Sept 2016	Dec 2016	Mar 2017	Apr 2016	June 2016	Nov 2016	Feb 2017	June 2016	Dec 2016	Nov 2016
David Kenworthy	✓	✓	✓	*	-	#	#	*	#	#	#
Andrew Sellers	✓	*	*	*	x	✓	*	*	-	-	-
Janice Shardlow	x	✓	✓	✓	✓	✓	✓	✓	-	-	-
John Brewer	✓	✓	✓	✓	-	-	-	-	✓	✓	-
Justin Turner	✓	x	✓	x	-	-	-	-	x	✓	-
Pippa Britton	✓	✓	✓	✓	✓	✓	✓	✓	-	-	-
Trevor Pearce	✓	✓	✓	✓	✓	✓	✓	✓	-	-	-
Sarah Winckless	✓	✓	✓	✓	-	-	-	-	x	✓	✓

Key: ✓ denotes a member of that meeting and attended, x denotes a member of that meeting and non-attendance, - denotes not a member of that meeting, # denotes not a member of that meeting but attended, * denotes meeting after the end of the Board member's term of office.

Board Members' Company Directorships and Significant Interests

Name	Entity	Role
Trevor Pearce	Gambling Commission	Commissioner
David Kenworthy	Institute of National Anti-Doping Organisations	-
Michael Brace	Nemisys Enterprises Limited	Chairman
John Brewer	-	-
Pippa Britton	Disability Sport Wales	Chair
Andrew Sellers	-	-
Janice Shardlow	British Equestrian Federation Fédération Equestre Internationale	General Counsel Audit and Compliance Committee member
Justin Turner	-	-
Sarah Winckless	British Bobsleigh and Skeleton British Olympic Association Commonwealth Games England	Non-executive Director Board member Chef de Mission

Approach to Risk Management and Internal Control

Our risk management approach is based on devolved accountability across the organisation so that risks are assigned to those senior managers best placed to manage them, with overall strategic direction on risk management set centrally.

The role of the Board is to determine UK Anti-Doping's strategy, as well as the risk management culture, an appropriate risk level of risk exposure, and to approve major decisions within the organisation's risk profile. It also has responsibility for monitoring management of strategic risks, for satisfying itself that risks are being actively managed and annually reviewing UK Anti-Doping's approach to risk management. The Audit Committee scrutinises the work of the senior management team in these areas and provides assurance to me and the Board.

UK Anti-Doping's relationship with its sponsor department, the Department for Culture Media and Sport, is defined in a Management Agreement. This document sets out the governance and accountability structures for the organisation. The relationship with DCMS is maintained through regular meetings with the sponsor team and meetings during the year with the Minister for Sport, Tourism and Heritage.

Our systems of internal control are designed to manage risk at a reasonable level, rather than eliminate all risk of failure to achieve aims and objectives. They can therefore only provide reasonable assurance of effectiveness. The system of internal control is designed to identify and prioritise the risks to the achievement of our aims and objectives, to evaluate the likelihood of those risks being realised and to manage them efficiently, effectively and economically.

Capacity to Handle Risk

UK Anti-Doping has developed an effective risk management strategy around four key principles:

- Clear ownership of roles and responsibilities
- Establishment of corporate systems to identify, report and evaluate risks and their potential impact
- Ensuring colleagues have the appropriate skills to identify and assess the potential for risks to arise in the delivery of UK Anti-Doping's remit
- Embedding a culture which supports well-managed risk-taking likely to lead to improvements in the delivery of our work

The Risk and Control Framework

Risk identification and assessment processes form an integral part of UK Anti-Doping's strategic and business planning and these have been further embedded during 2016/17. The process of risk assessment is led by the senior management team, with input from managers and staff. All strategic risks have a designated senior manager who is responsible for reporting the status of each identified risk. New risks which are identified during the year are added to the risk register. The organisation has developed strategic and operational level risk registers, involving all staff, to ensure that risk management is embedded throughout UK Anti-Doping. After taking mitigating action, the highest residual strategic risks which require continued vigilance have been identified as:

- Erroneous or misleading information produced by UK Anti-Doping
- Failure to act appropriately on information received
- Failure to maintain integrity of testing programme
- Insufficient funding to deliver the National Anti-Doping Policy
- Material damage occurs to UK Anti-Doping's reputation
- Negligent legal advice or practice received from in-house team
- Serious loss of personal data or breach of confidentiality
- UK Anti-Doping is unsuccessful in prosecuting an anti-doping rule violation

The senior management team reviews the risk registers on a frequent basis and the Audit Committee reviews the strategic risks at every meeting. The Audit Committee reports to the Board on the appropriateness and effectiveness of risk management in UK Anti-Doping.

Information Risk

UK Anti-Doping has developed effective information risk and data management policies to ensure compliance with the Cabinet Office's Security Policy Framework. The Director of Business Services has been appointed as the Senior Information Risk Officer in accordance with this framework. We have incorporated information data security management into our risk assessment framework. We had no incidents of inadvertent data disclosure during the year. We are constantly reviewing and

enhancing our data management processes. We gain independent assurance of the effectiveness of our data management procedures through our certification under ISO27001 Information Security Management.

Review of Effectiveness of the Systems of Internal Control

As Accounting Officer, I am responsible for reviewing the effectiveness of the system of internal control. My review is informed by the work of our internal and external auditors and UK Anti-Doping senior managers who have responsibility for the development and maintenance of the internal control framework. RSM continued its appointment to provide our internal audit services for a three-year period which ended on 31 March 2017, when Mazars was appointed as the new internal auditor. In addition, UK Anti-Doping has a quality management system in place, audited by ISOQAR, in accordance with the requirements of the ISO9001:2008 quality management standard, which provides me with further assurance over the effectiveness of the control environment. These independent reviews provide assurance to the Board that the data and information used for decision-making is reliable.

The effectiveness of the system of internal control will continue to be maintained by:

- active monitoring of the status of strategic risks by the senior management team, Audit Committee and Board
- review and approval by the Board of key policies which underpin internal control systems
- oversight of the status of all risks by the Audit Committee
- scrutiny of all internal and external audit reports by the Audit Committee, supported by follow-up reports on the management response
- twice-a-year receipt of the ISOQAR Report
- receipt of the Internal Auditor's Annual Report

RSM undertook [eight] reviews during the year, covering the areas of Asset management; Decreased testing income; Effective relationships; Integrity and Consistency of Information; Managing the media and negative publicity; and Risk management. In addition RSM followed up on the implementation of recommendations from prior years. In its Annual Report to the Audit Committee RSM concluded that 100 per cent of previous internal audit recommendations had either been implemented or superseded, and in its opinion good progress had been made. RSM also reported that UK Anti-Doping's arrangements for governance, risk management and internal control are effective.

Significant Internal Control Issues

My review of the effectiveness of the internal control system shows that in 2016/17 we made good progress in developing and maintaining our systems of internal control, and there were no significant control issues in the year. I am satisfied that, whilst further work will be undertaken to strengthen our systems, we have adequate risk management, control and governance processes to manage the achievement of our objectives.

Reporting of Wrongdoing

UKAD has in place procedures for the reporting of wrongdoing (whistleblowing) by its workforce as well as outsiders and staff are reminded about these periodically. The Audit Committee has oversight of these procedures and carries out an annual review.

Reporting of Suspicions about Doping

UKAD also encourages anyone with suspicions about doping to confidentially share their concerns either directly or anonymously through our Report Doping in Sport hotline.

Accounting Officer's Conclusion

I am heartened by the fact that considerable progress has been made in further developing and strengthening the control environment within our organisation in the past year. I confirm that the annual report and accounts as a whole is fair, balanced and understandable and I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.



Nicole Sapstead
Chief Executive and Accounting Officer
20 June 2017

Accountability Report - Remuneration and Staff

Remuneration Policy and Committee

The members of the Remuneration and Human Resources Committee were appointed by the Board. The role and responsibilities of the Remuneration and Human Resources Committee include:

- supporting the Board in its responsibilities for issues of remuneration and recruitment
- reviewing the comprehensiveness of policies and procedures in meeting the Board and Accounting Officer's governance needs
- reviewing the reliability and integrity of relevant management systems for UK Anti-Doping

During the year to 31 March 2017, the members of the Remuneration and Human Resources Committee were John Brewer (Chair), Justin Turner and Sarah Winckless.

Board members are appointed on merit on the basis of fair and open competition.

The following information has been subject to audit.

Remuneration of Board Members

Name	Salary/Fees £'000 2016/17	Salary/Fees £'000 2015/16
David Kenworthy	35-40	40-45
Michael Brace	0-5	5-10
John Brewer	5-10	5-10
Pippa Britton	5-10	-
Trevor Pearce	5-10	-
Andrew Sellers	0-5	5-10
Janice Shardlow	5-10	5-10
Justin Turner	0-5	-
Sarah Winckless	5-10	-

Contract information

Name	Date of Appointment	Length of Contract	Unexpired Term at 31 March 2017	Notice Period
David Kenworthy	23 February 2013	4 years	Nil	N/A
Michael Brace	24 December 2012	3 years 4 months	Nil	N/A
John Brewer	24 December 2012	4 years 9 months	6 months	3 months
Pippa Britton	23 March 2016	3 years	2 years	3 months
Trevor Pearce	23 March 2016	3 years	2 years	3 months
Andrew Sellers	24 December 2012	3 years 6 months	Nil	N/A
Janice Shardlow	23 November 2013	3 years 9 months	5 months	3 months
Justin Turner*	23 November 2013	3 years 9 months	5 months	3 months
Sarah Winckless	23 March 2016	3 years	2 years	3 months

*Resigned 19 June 2017

Salary/Fees

'Salary/Fees' includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. There are no pension entitlements for Board members.

Benefits in Kind

The monetary value of benefits in kind covers any benefits treated by HM Revenue and Customs as a taxable emolument. Benefits in kind are non-cash benefits and none were received or receivable by the Board in 2016/17 (2015/16 – zero). Tax on Board Members' expenses of £8k (2015/16 £8k) was paid by UK Anti-Doping during the year.

Single Total Figure of Remuneration of Chief Executive, Nicole Sapstead

£'000	Salary	Performance Related Pay	Pension Benefits (to the nearest £1,000)	Total
2016/17	95-100	5-10	30	130-135
2015/16	95-100	5-10	94	195-200

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. The Chief Executive is entitled under contract to receive a non-consolidated performance related payment of up to 10 per cent of salary subject to the achievement of specific targets. These targets and the attainment of them are determined by the Remuneration and Human Resources Committee.

Pension Benefits

The Chief Executive is a member of the Local Government Pension Scheme (LGPS), a tax-approved benefit occupational pension scheme set up under the Superannuation Act 1972. Benefits are based on career average revalued earnings and duration of membership. Members of the scheme accrued pension entitlement in the year at a rate of 1/49 of career average revalued earnings salary. Death in service cover is three years pay plus spouse's/civil partner's pension equal to 1/160 of the career average revalued earnings, times total membership. Financial disclosures in relation to the pension scheme are shown in Note 13 to the accounts. The table below shows the pension entitlement of the Chief Executive as at 31 March 2017.

Chief Executive Pension Entitlements

£'000	Real Increase in Pension	Real Increase in Lump Sum	Value of Accrued Pension	Value of Accrued Lump Sum	CETV	Real Increase in CETV
2016/17	0-2.5	0-2.5	20-25	10-15	220	24
2015/16	5.0-7.5	2.5-5.0	15-20	10-15	184	41

Accrued pension represents the amount payable if the Chief Executive had left on 31 March 2017. Cash-Equivalent Transfer Values (CETV) are not payable directly but represent the potential liability if the Chief Executive should leave the scheme and wish to transfer accrued benefits to another scheme. These are based on assumptions certified by a qualified actuary in accordance with guidance note GN11, published by the Institute of Faculty Actuaries, and do not take account of any reduction in benefits arising from Lifetime Allowance Tax that may be due when pension benefits are drawn.

The Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total Ministerial service, not just their current appointment as a Minister. CETVs are calculated in

accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The real increase in the value of the CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the Minister. It is worked out using common market valuation factors for the start and end of the period.

Benefits in Kind

Benefits in kind are non-cash benefits treated by HM Revenue and Customs as a taxable emoluments. There were none received or receivable by the Chief Executive in 2016/17 (2015/16 – nil).

Disclosure of Senior Management Team Remuneration

UK Anti-Doping has made the assessment that disclosures for the remuneration of senior executive staff are not required, with the exception of the Chief Executive. This is in accordance with the Financial Reporting Manual which requires disclosure of members with responsibility and influence over UK Anti-Doping as a whole, which rests with the Board. As required by the Code for Sports Governance the total senior management team remuneration is set out below:

Senior Management team Remuneration

£'000	Salary	Performance Related Pay	Pension Contributions	Total
2016/17	333	18	42	393

Our Staff

At the start of the year there were 46 people on full-time contracts, two on fixed-term contracts and nil on a part-time contract. By the end of 2016/17 there were 46 people on full-time contracts, ten on fixed-term contracts and nil on part-time contracts. Some 20 staff came across from UK Sport to UK Anti-Doping under the TUPE regulations in 2009/10, of whom seven remain in UK Anti-Doping's employment. UK Anti-Doping is organised into four directorates – Business Services, Communications, Legal and Operations. There were 211 days (2015/16: 107 days) lost due to sickness absence during the year, equivalent to 4.2 days per person (2015/16: 2.3 days per person). There was one exit package (not a compulsory redundancy) in the year amounting to £70k (2015/16 – nil).

Staff Costs

£'000	Permanent staff	Contract Personnel	Total 2016/17	Total 2015/16
Wages and salaries	2,114	190	2,304	1,951
Social Security costs	225	-	225	164
Net pension cost	199	-	199	351
Pension contributions	232	-	232	216
Total	2,770	190	2,960	2,682

Average Number of Staff

	Permanent staff	Contract Personnel	Total 2016/17	Total 2015/16
Directly employed	46	6	52	49
Other	-	2	2	1
Total	46	8	54	50

Contingent Labour, Consultancy and Off-Payroll Engagements

UK Anti-Doping spent £190k (2015/16: £40k) on contract personnel. No amounts were spent on consultants and there were no off-payroll engagements.

Hutton Fair Pay Disclosures

UK Anti-Doping is required to disclose the relationship between the remuneration of the highest paid member of staff in their organisation and the median remuneration of the organisation's workforce. During the period, the banded remuneration of the highest paid member of staff was £105k-110k (2015/16: £100k-105k). For 2016/17 this was 3.5 times (2015/16: 3.3 times) the median remuneration of the annualised workforce as at 31 March 2017, which equated to £30,946 (2015/16: £31,361). Total remuneration includes salary, allowances and non-consolidated performance related pay. It does not include employer pension contributions and the cash equivalent transfer value of pensions. There have been no changes to the structure of the remuneration of the highest paid member of staff or to the workforce in accordance with the public sector pay restrictions. The change in ratio is mainly due to changes in the structure of the workforce.

This is the end of the audited information.

Gender Mix at the End of the Financial Year

Name	Board	Senior Management	Other Staff
Males	3	2	24
Females	3	2	23

Employment of disabled persons

UK Anti-Doping has policies in place for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. As at 31 March 2017 UK Anti-Doping did not have any employees who had declared a disability but will arrange appropriate training, career development and promotion for employees who become disabled persons during their employment.

Promoting diversity

UK Anti-Doping embraces the spirit of all equalities legislation and is committed to eradicating any form of unfair discrimination. We will not tolerate discrimination either directly or indirectly, on the grounds of race, disability, class or social background, religious belief, sexual orientation, ethnic or national origins, gender, marital status, pregnancy, parental status, age, colour or political persuasion. We will take positive action to:

- eliminate individual and institutional discrimination
- comply with statutory/legislative obligations and, wherever possible, best practice
- meet the needs of our employees and partner organisations
- make equality and equal treatment a core issue in the development, delivery and refinement of our policies, initiatives and services and in the way we manage our employees.



Nicole Sapstead
Chief Executive and Accounting Officer
20 June 2017



Trevor Pearce
Chair
On behalf of the UK Anti-Doping Board
20 June 2017

The Independent Auditor's Report

The Certificate and Report of the Comptroller and Auditor General to the Members of United Kingdom Anti-Doping Limited

I certify that I have audited the financial statements of United Kingdom Anti-Doping Limited for the year ended 31 March 2017 under the Government Resources and Accounts Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union. I have also audited the information in the Remuneration and Staff Report and the Parliamentary Accountability disclosures that are described as having been audited.

Respective responsibilities of the directors and the auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Report accompanying the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2017 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- the financial statements have been prepared in accordance with the Companies Act 2006.

Opinion on other matters

In my opinion:

- the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the Government Financial Reporting Manual;
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and these reports have been prepared in accordance with the applicable legal requirements; and
- in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or Accountability Report.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas C E Morse

Comptroller and Auditor General

29 June 2017

National Audit Office

157-197 Buckingham Palace Road

Victoria

London SW1W 9SP

Statement of Comprehensive Net Expenditure

Year ended 31 March 2017

	Notes	2016/17 £'000	2015/16 £'000
Expenditure			
Staff costs	3	(2,960)	(2,682)
Other expenditure	4	(5,888)	(5,325)
Depreciation and amortisation	5	(82)	(77)
Total operating expenditure		(8,930)	(8,084)
Income			
Testing income	2	2,335	1,992
Consultancy income		579	149
Other income		113	58
Total income		3,027	2,199
Net expenditure before and after taxation for the year		(5,903)	(5,885)
Other comprehensive income/(expenditure)			
Remeasurements of pension liability	13	(1,535)	757
Total net comprehensive expenditure for the year		(7,438)	(5,128)

The Accounting Policies and Notes on pages 25 to 37 form part of these Financial Statements

All of the income and expenditure of UK Anti-Doping is in respect of continuing operations

There are no unrecognised gains and losses

Statement of Financial Position

As at 31 March 2017

	Notes	As at 31 March 2017 £'000	As at 31 March 2016 £'000
Non-current assets:			
Property, plant and equipment	6	160	181
Intangible assets	7	77	119
Total non-current assets		237	300
Current assets			
Trade and other receivables	8	1,023	955
Cash	9	712	234
Total current assets		1,735	1,189
Total assets		1,972	1,489
Current liabilities			
Trade and other payables	10	(1,241)	(1,150)
Total current liabilities		(1,241)	(1,150)
Total assets less current liabilities		731	339
Non-current liabilities			
Pension (liabilities)/assets	13	(3,177)	(1,443)
Total non-current liabilities		(3,177)	(1,443)
Assets less total liabilities		(2,446)	(1,104)
Taxpayers' equity			
General fund		(2,446)	(1,104)
Total taxpayers' equity		(2,446)	(1,104)

The Accounting Policies and Notes on pages 25 to 37 form part of these Financial Statements

Approved and authorised for issue



Nicole Sapstead
Chief Executive and Accounting Officer
UK Anti-Doping
20 June 2017



Trevor Pearce
Chair
On behalf of the UK Anti-Doping Board
20 June 2017

Statement of Changes in Taxpayers' Equity For the year ended 31 March 2017

	Notes	2016/17 £'000	2015/16 £'000
Reserves at 1 April 2016		(1,104)	(1,494)
Total net comprehensive expenditure for the period	2	(5,903)	(5,885)
Remeasurements of pension liability	13	(1,535)	757
Resource Grant-in-aid received	11	6,076	5,473
Capital Grant-in-aid received	11	20	45
Reserves at 31 March 2017		(2,446)	(1,104)

There is £1 of issued ordinary share capital and retained earnings are represented by Taxpayers' Equity.

The Accounting Policies and Notes on pages 25 to 37 form part of these Financial Statements

Statement of Cash Flows

For the year ended 31 March 2017

	Notes	2016/17 £'000	2015/16 £'000
Cash flows from operating activities			
Net expenditure		(5,903)	(5,885)
Depreciation and amortisation	6 & 7	82	77
(Increase)/decrease in trade and other receivables	8	(68)	(151)
Increase/(decrease) in trade and other payables	10	91	162
Increase/(decrease) in pension liability	13	1,734	(406)
Less movements relating to pension not passing through the net expenditure account	13	(1,535)	757
Net cash outflow from operating activities		(5,599)	(5,446)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(19)	(3)
Purchase of intangible assets	7	-	(41)
Net cash outflow from investing activities		(19)	(44)
Cash flows from financing activities			
Grant-in-aid received to fund current year activities	11	6,096	5,518
Net financing			
Net increase/(decrease) in cash in the year		478	28
Cash at the beginning of the year	9	234	206
Cash at the end of the year	9	712	234

Notes to the Financial Statements

General information

UK Anti-Doping is a limited liability company incorporated in England and Wales. The address of its registered office is Fleetbank House, 2-6 Salisbury Square, London, EC4Y 8AE. UK Anti-Doping was incorporated in 2009.

1 Statement of accounting policies

These financial statements have been prepared in accordance with the Companies Act 2006 and with the 2016-17 Government Financial Reporting Manual (FReM) issued by HM Treasury where disclosure requirements go beyond the Companies Act 2006. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of UK Anti-Doping for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items that are considered material to the accounts. With the exception of the pension valuation, there are no judgements or key sources of estimation uncertainty that have a significant effect on amounts recognised in the financial statements. The pension valuation is subject to significant estimation uncertainty. The assumptions made by the actuary in their valuation are detailed in Note 13.

These accounts have been prepared on a going concern basis, as detailed under the Financial Review of the Business, on page 5.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention.

1.2 Grant in Aid received

Grant in Aid received towards resource expenditure is regarded as a contribution from a controlling party. It is therefore treated as financing and credited to taxpayers' equity.

1.3 Doping Control Personnel

A key accounting judgement has been made in respect of the pay and associated costs relating to the doping control personnel of UK Anti-Doping. It was decided that these costs will be treated as other expenditure in note 4 and will not form part of UK Anti-Doping's staff costs. This is because UK Anti-Doping have made an assessment that doping control personnel are legally classified as workers rather than staff.

1.4 Non-current assets

1.4.1 Depreciation and amortisation

Depreciation and amortisation is provided on all non current assets at rates calculated to write off the cost or valuation of each asset, less any estimated residual value, evenly over its expected useful life. The following useful lives have been used:

Asset Type	Useful life
Information Technology	3 years
Office Refurbishment	10 years
Furniture and Fittings	5 years
Software licenses/ Information Technology (intangibles)	4 years

Notes to the Financial Statements continued

1.4.2 Recognition and capitalisation threshold

The threshold for capitalisation of non-current assets (either as a single or as a composite asset) is £2,500, or above, exclusive of irrecoverable VAT. Furniture and fittings (e.g. workstations, chairs, filing cabinets) and low value IT assets or equipment (e.g. printers) are capitalised on a pooled basis where batches of assets bought together exceed the capitalisation threshold. Disposals from asset pools are assumed to be on a first in/first out basis.

1.4.3 Property, plant and equipment

Property, plant and equipment is measured at historical cost less any accumulated depreciation less any accumulated impairment losses. Property, plant and equipment is held at cost as a proxy of valuation and not subject to a revaluation review as the change in the value of the assets would be immaterial to the accounts.

1.4.4 Intangible assets

Intangible assets comprise purchased software licences, applications software (not integrated into hardware) with a life of more than one year and information technology and are measured at cost less any accumulated amortisation less any accumulated impairment losses. Intangible assets are held at cost as a proxy of valuation and not subject to a revaluation review as the change in the value of the assets would be immaterial to the accounts.

1.5 Provisions

Provisions for dilapidations and legal claims are recognised when UK Anti-Doping has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation and the amount can be reliably estimated.

1.6 Pension obligations

UK Anti-Doping has a defined benefit plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets, as actuarially determined in accordance with the assumptions disclosed in note 13.

Remeasurements are charged or credited to other comprehensive income in the period in which they arise.

1.7 VAT

UK Anti-Doping is registered for VAT and makes supplies for both business and non-business purposes. Business supplies are subject to VAT at the standard rate. 35% of VAT paid in 2016-17 was treated as recoverable.

1.8 Corporation tax

UK Anti-Doping is registered to pay corporation tax, although its testing income is not considered to be trading income by HMRC, so not subject to corporation tax. A tax note has not been included because UK Anti-Doping is not liable for Corporation Tax in the current period and it does not envisage that it will be liable in future years due to the nature of activities undertaken.

Notes to the Financial Statements continued

1.9 Testing income

Testing income is recognised at the point at which a doping test is completed.

1.10 Operating leases

UK Anti-Doping entered into operating leases in respect of its office accommodation at Fleetbank House from September 2012. Rentals under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight line basis. Assets provided under operating leases are not recognised on UK Anti-Doping's Statement of Financial Position.

1.11 Foreign currency translations

Transactions in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rate of exchange ruling at that date. Foreign currency gains or losses arising from the translation of assets and liabilities at these rates of exchange, together with exchange differences arising from transactions settled during the year, are included in the income statement. Non-monetary assets and liabilities measured at historical cost are translated into sterling at the rate of exchange on the date of initial recognition.

2 Segmental reporting

	Contracted testing 2016/17 £'000	Consultancy 2016/17 £'000	Total 2016/17 £'000	Contracted testing 2015/16 £'000	Consultancy 2015/16 £'000	Total 2015/16 £'000
Non-staff costs expenditure *	(1,669)	(13)	(1,682)	(1,382)	-	(1,382)
Income	2,130	579	2,709	1,816	149	1,965
Net income (before staff costs)	461	566	1,027	434	149	583
Total assets	430	142	572	306	60	366
Total net expenditure for operating segments			1,027			583
Staff costs			(2,960)			(2,682)
Other expenditure *			(4,206)			(3,943)
Other income (including Major Games)			318			234
Depreciation and amortisation			(82)			(77)
Total net expenditure per the Statement of Comprehensive Net Expenditure			(5,903)			(5,885)
Total assets reported for operating segments			572			366
Non-current assets			237			300
Other receivables			451			589
Cash			712			234
Total assets			1,972			1,489

The activities and results for the identified segments, which both comprise more than 10% of income, are reported monthly to the relevant directors. Contracted testing comprises athlete testing, sample analysis and legal expenditure and forms part of the overall test distribution plan for the year undertaken by UK Anti-Doping, complementing the activity under its public interest programme. Consultancy income is generated via UK Anti-Doping's work with its International Partners, and includes testing in compliance with the International Standard for Testing and Investigations, training and education support. The items marked * have been restated to the relevant amounts for 2015/16.

Notes to the Financial Statements continued

3 Staff costs

	Permanent Staff	Contract Personnel	Total	
	£'000	£'000	2016/17 £'000	2015/16 £'000
Wages and salaries	2,114	190	2,304	1,951
Social security costs	225	-	225	164
Net pension cost	199	-	199	351
Pension contributions	232	-	232	216
Total staff costs	2,770	190	2,960	2,682

4 Other expenditure

	2016/17 £'000	2015/16 £'000
Operating activities		
Sample analysis and legal	1,832	1,517
Athlete testing *	1,908	1,757
Science and research	136	131
Intelligence	93	111
Education	304	278
Communications	74	101
WADA and iNADO expenditure	554	495
Major games	129	144
Other operating activities		
Rentals under operating leases	142	139
Rates and associated accommodation services	89	88
IT related costs	330	258
Board allowance	67	70
Other office costs	127	77
Training	29	60
Recruitment	16	9
Telephones	17	46
Auditors' remuneration		
External auditor **	21	21
Internal auditor	17	20
Quality assurance auditor	3	3
	5,888	5,325

* All costs related to doping control personnel have been included within this expenditure category.

** External auditors received no remuneration for non-audit work.

Notes to the Financial Statements continued

5 Depreciation and amortisation

	Notes	2016/17 £'000	2015/16 £'000
Depreciation and amortisation	6 & 7	82	77

6 Property, plant and equipment

	Information Technology £'000	Furniture and Fixtures £'000	Office Refurbishment £'000	Totals £'000
Cost				
At 31 March 2016	101	95	248	444
Additions	13	6	-	19
Disposals	-	(1)	-	(1)
At 31 March 2017	114	100	248	462
Depreciation				
At 31 March 2016	(92)	(88)	(83)	(263)
Provided during the year	(9)	(6)	(25)	(40)
Disposals	-	1	-	1
At 31 March 2017	(101)	(93)	(108)	(302)
Net book value				
At 31 March 2017	13	7	140	160
At 31 March 2016	9	7	165	181
Cost				
At 31 March 2015	253	95	248	596
Additions	3	-	-	3
Disposals	(155)	-	-	(155)
At 31 March 2016	101	95	248	444
Depreciation				
At 31 March 2015	(240)	(83)	(58)	(381)
Provided during the year	(7)	(5)	(25)	(37)
Disposals	155	-	-	155
At 31 March 2016	(92)	(88)	(83)	(263)
Net book value				
At 31 March 2016	9	7	165	181
At 31 March 2015	13	12	190	215

Notes to the Financial Statements continued

7 Intangibles

	Information Technology £'000	Software Licences £'000	Under construction £'000	Totals £'000
Cost				
At 31 March 2016	322	125	-	447
Additions	-	-	-	-
At 31 March 2017	322	125	-	447
Amortisation				
At 31 March 2016	(213)	(115)	-	(328)
Provided during the year	(35)	(7)	-	(42)
At 31 March 2017	(248)	(122)	-	(370)
Net book value				
At 31 March 2017	74	3	-	77
At 31 March 2016	109	10	-	119
Cost				
At 31 March 2015	181	135	100	416
Transfer	100	-	(100)	-
Additions	41	-	-	41
Disposals	-	(10)	-	(10)
At 31 March 2016	322	125	-	447
Amortisation				
At 31 March 2015	(163)	(135)	-	(298)
Transfer	(18)	18	-	-
Provided during the year	(32)	(8)	-	(40)
Disposals	-	10	-	10
At 31 March 2016	(213)	(115)	-	(328)
Net book value				
At 31 March 2016	109	10	-	119
At 31 March 2015	18	-	100	118

Notes to the Financial Statements continued

8 Trade receivables and other current assets

	As at 31 Mar 2017 £'000	As at 31 Mar 2016 £'000
Amounts falling due within one year:		
Trade receivables	572	366
Other receivables	229	-
Staff season ticket advances	10	7
Prepayments and accrued Income	212	582
Trade and other receivables	1,023	955

9 Cash and cash equivalents

	As at 31 Mar 2017 £'000	As at 31 Mar 2016 £'000
At 31 March 2016	234	206
Net change in cash and cash equivalent balances	478	28
At 31 March 2017	712	234
The balances at 31 March were held at:		
Commercial banks	712	234
	712	234

10 Trade payables and other current liabilities

	As at 31 Mar 2017 £'000	As at 31 Mar 2016 £'000
Amounts falling due within one year:		
Trade payables	(475)	(626)
Accruals	(615)	(407)
VAT payable	(49)	(43)
Other taxation, social security and pension contributions	(102)	(74)
Trade and other payables	(1,241)	(1,150)

Notes to the Financial Statements *continued*

11 Related party transactions

UK Anti-Doping is constituted as a company limited by guarantee, the sole guarantee of £1 is provided by the Secretary of State for Culture, Media and Sport, who is the owner of the £1 share capital.

DCMS is regarded as a related party, as are other bodies sponsored by DCMS.

	2016/17 £'000	2015/16 £'000
Resource and capital Grant in Aid received	5,696	5,518
Grant in Aid received to provide working capital	400	-
Total Grant in Aid in the year amounted to	6,096	5,518

In addition UK Anti-Doping has had dealings throughout the year with other Government Departments and other Central Government bodies, the amounts of which are not material.

The British Equestrian Federation (BEF) is considered to be a related party because Janice Shardlow (UK Anti-Doping Board member) is also the BEF General Counsel. During the year UK Anti-Doping paid to the BEF a £15k grant.

12 Obligations under operating leases

The total minimum lease payment commitments under operating leases for the following periods are:

	As at 31 Mar 2017 £'000	As at 31 Mar 2016 £'000
Property		
Within one year	145	142
Between two and five years	615	601
More than five years	67	159
	827	902

UK Anti-Doping occupies space at Fleetbank House for which it has entered into a 10 year agreement which commenced on 1 September 2012.

Notes to the Financial Statements continued

13 Superannuation scheme - UK Anti-Doping

The Local Government Pension Scheme (LGPS) is a tax approved, defined benefit occupational pension scheme set up under the Superannuation Act 1972 and is administered by the London Pension Fund Authority (LPFA). The benefits under the scheme are based on career average revalued salary and length of service on retirement.

Actuarial gains/ losses are recognised in full in the reserves during the year, in accordance with the FReM 2016/17.

The Pension Scheme is funded by employees and employers at actuarially determined rates.

Individual contribution rates vary depending on the level of superannuable pay as stated below:

Earnings	Employee contribution
Up to £13,700	5.50%
£13,701 - £21,400	5.80%
£21,401 - £34,700	6.50%
£34,701 - £43,900	6.80%
£43,901 - £61,300	8.50%
£61,301 - £86,800	9.90%
£86,801 - £102,200	10.50%

Every three years an independent review is undertaken to calculate employer contribution rates.

The employer contribution rate applicable to 2016/17 was 12%.

The employer's contribution for the year amounted to £232,000 (2015/16 £216,000). The projected employer's contribution for 2017/18 is £228,000.

The figures in this note have been prepared by Barnett Waddingham (the consulting actuaries to the LPFA) in accordance with International Accounting Standard 19 (IAS19 (2011)).

13.1 Pension commitments

Financial assumptions

	31 Mar 2017	31 Mar 2016
	% p.a.	% p.a.
RPI Increases	3.6%	3.4%
CPI Increases	2.7%	2.5%
Salary increases	4.2%	4.3%
Pension increases	2.7%	2.5%
Discount rate	2.8%	3.9%

Average future life expectancies at age 65 (years)

	31 Mar 2017	31 Mar 2016
Retiring today		
Males	22.0	22.5
Females	24.6	25.6
Retiring in 20 years		
Males	24.3	24.8
Females	26.8	27.9

Notes to the Financial Statements continued

13.2 Net pension liability

	31 Mar 2017	31 Mar 2016
	£'000	£'000
Present value of funded obligation	(7,289)	(4,437)
Fair value of Scheme assets (bid value)	4,112	2,994
Net liability in Statement of Financial Position	(3,177)	(1,443)

13.3 Amounts recognised in the Net Expenditure Account

	31 Mar 2017	31 Mar 2016
	£'000	£'000
Net interest on the defined liability	52	61
Administration expenses	4	4
Service cost	375	502
Total net expenditure per the Statement of Comprehensive Net Expenditure	431	567
Actual return on Scheme assets	652	(22)

13.4 Remeasurements in Other Comprehensive Income

	31 Mar 2017	31 Mar 2016
	£'000	£'000
Return on plan assets in excess of interest	528	(121)
Other actuarial gains/(losses) on assets	92	-
Change in financial assumptions	(2,572)	878
Change in demographic assumptions	14	-
Experience (loss)/gain on defined benefit obligation	403	-
Remeasurements	(1,535)	757

13.5 Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	31 Mar 2017	31 Mar 2016
	£'000	£'000
Opening defined benefit obligation as at 1 April 2016	4,437	4,514
Current service cost	375	502
Interest cost	176	160
Change in financial assumptions	2,572	(878)
Change in demographic assumptions	(14)	-
Experience loss/(gain) on defined benefit obligation	(403)	-
Estimated benefit paid	(2)	(17)
Contributions by scheme participants	148	156
Closing defined benefit obligation as at 31 March 2017	7,289	4,437

13.6 Reconciliation of the opening and closing balances of the fair value of Scheme assets

	31 Mar 2017	31 Mar 2016
	£'000	£'000
Opening fair value of Scheme assets as at 1 April 2016	2,994	2,665
Interest on assets	124	99
Return on assets less interest	528	(121)
Other actuarial gains/(losses)	92	-
Administration expenses	(4)	(4)
Contributions by employer including unfunded	232	216
Contributions by scheme participants	148	156
Estimated benefits paid plus unfunded net transfers in	(2)	(17)
Fair value of Scheme assets as at 31 March 2017	4,112	2,994

Notes to the Financial Statements continued

13.7 Reconciliation of opening and closing deficit

	31 Mar 2017	31 Mar 2016
	£'000	£'000
Deficit at the beginning of the year	(1,443)	(1,849)
Current Service Cost	(375)	(502)
Employer Contributions	232	216
Interest on assets	124	99
Interest on obligation	(176)	(160)
Return on assets less interest	528	(121)
Other actuarial gains/(losses)	92	-
Change in financial assumptions	(2,572)	878
Administration expenses	(4)	(4)
Experience loss/(gain) on defined benefit obligation	403	-
Change in demographic assumptions	14	-
Deficit at the end of the year	(3,177)	(1,443)

13.8 Employer Asset Share - Bid Value

	31 Mar 2017		31 Mar 2016	
	£'000	%	£'000	%
Equities	2,436	60%	1,390	47%
LDI/Cashflow matching	-	-	304	10%
Target Return Portfolio	869	21%	637	21%
Infrastructure	217	5%	164	5%
Commodities	-	-	13	0%
Property	210	5%	107	4%
Cash	380	9%	379	13%
Total	4,112	100%	2,994	100%

13.9 Expected Return on Assets

For the year to 31 March 2017, the expected return on assets was 21% per annum (2015/16: 0%), which has been used by the actuary to determine the profit and loss charge for the year ended 31 March 2017.

13.10 Sensitivity Analysis

	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	7,035	7,289	7,552
Projected Service Cost	703	729	756
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	7,320	7,289	7,258
Projected Service Cost	729	729	729
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	7,521	7,289	7,065
Projected Service Cost	756	729	703
Adjustment to mortality age rating assumption	+ 1 Year	None	- 1 Year
Present Value of Total Obligation	7,521	7,289	7,064
Projected Service Cost	752	729	706

Notes to the Financial Statements continued

13.11 Amounts for the Current and Previous Periods

	Year to 31 March 2017	Year to 31 March 2016	Year to 31 March 2015	Year to 31 March 2014	Year to 31 March 2013
	£'000	£'000	£'000	£'000	£'000
Defined Benefit Obligation	(7,289)	(4,437)	(4,514)	(2,911)	(2,135)
Scheme assets	4,112	2,994	2,665	2,222	1,639
Surplus (Deficit)	(3,177)	(1,443)	(1,849)	(689)	(496)
Experience adjustments on					
Scheme liabilities	403	-	(12)	-	-
Percentage of liabilities	5.5%	-	-0.3%	-	-
Experience adjustments on					
Scheme assets *	-	-	-	166	109
Percentage of assets *	-	-	-	7.5%	6.7%
Cumulative Actuarial Gains and Losses	195	(15)	(93)	(200)	52

The cumulative gains and losses in the table above start from 14 December 2009. The items marked * for 2013/14 have been restated to the correct amounts.

14 Capital commitments

There were no commitments for the purchase of non current assets at the year end.

15 Losses and special payments

There were no losses and special payments for the year ended 31 March 2017 (2015/16 £nil).

16 Financial instruments

UK Anti-Doping had no borrowings and relied on Grant in Aid income from DCMS for its cash requirement and was, therefore, not exposed to liquidity risk. It also had no investments other than cash held in bank accounts and was therefore, not exposed to significant interest rate risk. The majority of the financial instruments relate to trade payables, VAT and other taxation, social security and pension contributions which are exposed to little credit risk.

The majority of UK Anti-Doping's transactions are denominated in sterling, although some of the activities involve foreign currency transactions. The gains and losses arising from these transactions have not been disclosed but the amounts involved are not considered material. UK Anti-Doping is therefore not exposed to significant foreign exchange risk.

	As at 31 Mar 2017	As at 31 Mar 2016
	£'000	£'000
Financial assets		
Cash and cash equivalents	712	234
Trade receivables	572	366
Other receivables	229	-
	1,513	600
Financial liabilities		
Trade payables	(475)	(626)
VAT payable	(49)	(43)
Other taxation, social security and pension contributions	(102)	(74)
	(626)	(743)
Total	887	(143)

Notes to the Financial Statements continued

17 Contingent liabilities

There were no contingent liabilities at 31 March 2017.

18 Date Accounts authorised for issue

The accounts were authorised for issue on the date the Comptroller and Auditor General certified the accounts. The accounts do not reflect events after this date.

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