

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

(REGISTERED CHARITY NO: 1126863)

(REGISTERED CHARITY NO: SC041947)

(COMPANY REGISTRATION NO: 06483060)

ANNUAL REPORT AND
FINANCIAL STATEMENTS

Year ended 31 July 2016

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

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British Universities & Colleges Sport Limited

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LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NAME	:	British Universities and Colleges Sport Limited
PATRON	:	Her Royal Highness The Princess Royal
PRESIDENT	:	John Inverdale
CHAIRMAN	:	Professor Sir Ian Diamond
DIRECTORS	:	Mr Steven Falk Mr Andrew Westlake Mr Stephen Egan Ms Susan Foster-Lloyd Mr Benedict Moorhead Ms Lil Rae Miss Zena Wooldridge Mr Mathew Nicholson
CHIEF EXECUTIVE	:	Karen Rothery (until 21 August 2015) Vince Mayne (from 5 January 2016)
INTERIM CHIEF EXECUTIVE	:	Mark Brian (from 21 August 2015 to 5 January 2016)
COMPANY SECRETARY	:	Timothy Nicholls (resigned 11 December 2015) Claire Livesey (appointed 11 December 2015)
REGISTERED OFFICE	:	20-24 King's Bench Street London SE1 0QX
WEBSITE, TWITTER AND FACEBOOK	:	www.bucs.org.uk https://twitter.com/bucssport https://www.facebook.com/BUCS
PRINCIPAL BANKERS	:	Royal Bank of Scotland London City Office 62-63 Threadneedle Street London EC2R 8LA
INDEPENDENT AUDITOR	:	RSM UK Audit LLP Davidson House, Forbury Square Reading, Berkshire, RG1 3EU
SOLICITORS	:	Sport and Recreation Alliance Legal Panel Framework Burwood House 14-16 Caxton Street London SW1H 0QT
INVESTMENT MANAGERS	:	CCLA Investment Management Limited 80 Cheapside London EC2Y 6DZ
COMPANY NUMBER	:	06483060 (England & Wales)
CHARITY NUMBER	:	1126863 (England & Wales) SC041947 (Scotland)

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

for the year ended 31 July 2016

The trustees of the charity are also directors under company law and throughout this report are referred to as directors.

The directors present their annual report and the audited financial statements for the period ended 31 July 2016.

Reference and Administrative details of the Charity, its Directors and Advisors

Details of the Charity's addresses, its directors and advisors are given on page 1.

Objective of the Charitable Group and Principal Activities

The Group's objective is the advancement for the public benefit of physical education among students in Universities and Colleges by promoting standards in sports administration and coaching.

In furtherance of this objective the Group develops and arranges for members the following:

- Sporting Activities and the organisation of league competitions and events between members
- United Kingdom Representative Championships
- United Kingdom Fixtures and Tours at home and abroad
- British team events organised by the Federation Internationale Du Sport Universitaire (FISU)

The key objectives of the charitable group are:

- The promotion of Higher Education Sport in the UK
- The professional development of Higher Education sport staff in the UK
- Improving the quality of the student experience through sport
- Opportunities for more students to play sport

The principal activity of BUCS Trading Limited during the year was to provide support to British Universities & Colleges Sport Limited through commercial activities. Under the terms of its Articles of Association, the whole taxable profit made by the company is paid to the charity.

Governing Documentation

British Universities & Colleges Sport Limited is a company limited by guarantee (Company number 06483060) and has charitable status charity number 1126863 and SC041947. The charitable company is governed in accordance with the Memorandum and Articles of Association dated 13 June 2008 and updated 12 July 2014. British Universities & Colleges Sport Limited has a 100% subsidiary, BUCS Trading Limited (Company number 07125529).

Directors

The following Directors have held office during the period:

Professor Sir Ian Diamond	(Chairman)
Professor John Brewer	(Resigned 10 December 2015)
Ms Anne Coleman	(Resigned 10 December 2015)
Mrs Susan Maughan	(Resigned 10 December 2015)
Mr Stephen Egan	
Miss Zena Wooldridge	
Mr Benedict Moorhead	
Mr Alexander Reilly-Cooper	(Student Director) (Resigned 14 July 2016)
Mr Steven Falk	(Appointed 10 December 2015)
Mr Andrew Westlake	(Appointed 10 December 2015)
Ms Susan Foster-Lloyd	(Appointed 10 December 2015)
Ms Lil Rae	(Appointed 10 December 2015)
Mr Mathew Nicholson	(Student Director) (Appointed 25 July 2016)

British Universities & Colleges Sport Limited

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for the year ended 31 July 2016

Directors' attendance at Board Meetings during the financial period

Professor Sir Ian Diamond
Professor John Brewer
Ms Anne Coleman
Mr Stephen Egan
Mrs Susan Maughan
Mr Benedict Moorhead
Mr Alexander Reilly-Cooper
Miss Zena Wooldridge
Mr Steven Falk
Mr Andrew Westlake
Ms Susan Foster-Lloyd
Ms Lil Rae
Mr Mathew Nicholson

Recruitment and Appointment of Directors

The Memorandum and Articles state that the maximum number of Directors is eight and the minimum number four. The Directors shall comprise a Chairman, the Student Director and up to six persons with specific responsibilities which are determined by a Nominations Committee prior to advertising the vacancies. Directors are appointed for a term of two years and may be reappointed after serving one term. The term of office as a director for the Chairman is 3 years and may serve a maximum of two terms in office. The term of office as a director for the Student Director shall be one year as it is subject to annual election.

The Directors' appointment and re-election, if appropriate, is subject to ratification at the Annual General Meeting by ordinary resolution.

Director Induction and Training

The Directors are made aware of and acknowledge annually a Code of Conduct based on the model code developed by the National Council of Voluntary Organisations. The Directors are made aware of the strategies and activities of the company during their induction.

All Directors receive summary information and reports covering all areas of the operation of the company on a quarterly basis. They are given a copy of the Charity Commission's booklet on the responsibility of the trustees and the previous year's accounts.

Organisational Structure

The strategic direction is decided by the Board in their quarterly meetings, the day to day decision making process has been delegated to the Chief Executive Officer within specific parameters; Ms Karen Rothery resigned from this role on 21 August 2015 and Mr Mark Brian took over as Interim Chief Executive Officer on the same date. Mr Vince Mayne was appointed as permanent Chief Executive Officer on 5 January 2016.

The CEO is supported by a management committee comprising managers of Corporate Services, Marketing and Sponsorship, Sports Programmes, International Development, Sport Development and Regions and Professional Development.

The Company prepares an annual budget which is approved by the Board and performance throughout the year is monitored against management accounts and forecasts.

The Board and CEO are advised by the Advisory Group comprising representatives from each region in England and Home Nations (Scotland, Wales & Northern Ireland), in addition to 4 elected non students and 4 elected students.

British Universities & Colleges Sport Limited

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REPORT OF THE TRUSTEES

for the year ended 31 July 2016

Review of the year

Every four years the Olympics and Paralympics bring a wave of excitement and publicity for sport of all types. The brilliant exhibitions of skill, speed and stamina allow us to celebrate the wonderful achievements of our sportspeople; they are the culmination of years of effort and sacrifice in training, often at unsocial hours and for many, doing so while juggling training with university study. Many of our Olympians and Paralympians are either graduates or current students, and they demonstrate the maxim that great sportspeople can make great students – there are many reasons for this, but one key reason is that they understand excellence and what it is to achieve it.

But no sportsperson or indeed student achieves excellence without the support of many people. For top sportspeople, the commitment of families and coaches goes without saying, but also note the increasing role of universities in showing flexibility to top students to enable them to scale the twin peaks of excellence in both sport and study.

And BUCS also plays a role by providing the competition and pathways through which sporting careers can flourish; and there are still sportspeople whose competitive journey really began in university. In the past year BUCS has provided sporting pathways for competition at all levels through to international.

In celebrating sporting competition and excellence, we cannot ignore the critical role that sport plays in many aspects of the student experience and in promoting well-being across all campuses of higher education in the UK. Sport development is an important part of BUCS activity and will become increasingly important over the next few years as higher education becomes ever more cognisant of the importance of the student experience and of promoting well-being.

Alongside the celebrations of success our hearts also feel sadness and our thoughts and prayers are with the family and friends of Ailish Sheehan, a Goldsmiths' student, who sadly died in an accident hours after medalling at World University Rowing Championships.

Major events

BUCS Big Wednesday

- 14 sports
- 100 teams from 45 universities
- 50 finals
- 112 volunteers assisting 31 BUCS staff
- 1 city: Sheffield

BUCS Nationals

- 10 sports
- 6235 competitors representing over 120 universities
- Across 7 venues in Sheffield
- 13 BUCS records broken

BUCS Conference

- 537 delegates
- Over 30 speakers including Mark Sampson and Dr Paul Hawkins OBE
- Hosted by the University of Warwick
- Special guest BUCS Patron HRH Princess Anne
- 92% of delegates described the keynote speakers as 'Good' or 'Excellent'

British Universities & Colleges Sport Limited

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REPORT OF THE TRUSTEES

for the year ended 31 July 2016

Sport Programmes

- 5,715 team entries
- 33,249 Individual entries
- 481 men's football teams
- 550 hockey teams
- 423 netball teams
- 13% increase in women's water polo team entries
- 40% increase in men's futsal team entries
- 4.3% increase in female team entries

- 857 BUCS Leagues
- 203 BUCS knockout competitions
- 53 LUSL leagues
- 10 LUSL knockout competitions

- 9 BUCS records broken at Short Course champs
- 9 BUCS records, 1 British, 1 (Guest) IPC at Long Course champs which formed part of BUCS Nationals
- 4 BUCS records broken at indoor athletics champs
- 3 BUCS records broken at outdoor athletics champs

- Record number of Cross Country competitors: 1,799

International Programmes

FISU World University Championships 2016

World University Championships are held in even-numbered years and the Championships were a key focus of the season in 2016 with the 20 events entered representing a 50% increase from 2014. Some key statistics are shown below:

- GB competed in 20 international Championships
- Hosted in 16 Countries across the globe
- More than 150 Student-athletes took part
- From in excess of 50 BUCS universities
- Supported by 48 highly-qualified support staff
- Winning 16 Medals for GB
- 4x Gold – Orienteering (Kristian Jones - Ulster University – Sprint), 2x Rowing (M8+ & M4-), Triathlon (Grant Sheldon - Stirling University)
- 1x Silver – Men's Rugby 7s
- 8x Bronze – Canoe, 2x Karate, 2x Rowing, Shooting, 2x Squash
- Triathlon Men's Team - Gold
- Orienteering Sprint Team - Gold
- XC Women's Team - Silver
- FISU Rugby 7s World University Championship 2016

FISU Rugby 7s World University Championship 2016

A World University Championship hosted in the UK at Swansea University, in collaboration with the Welsh Rugby Union, Sports Wales, and the City of Swansea.

- 1st FISU Championship in the UK for 14 years
- With 19 international teams and 225 athletes taking part
- Over 3 days of top-quality action
- Silver medal won by GB men
- 1st BUCS international broadcast on Eurosport

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for the year ended 31 July 2016

European Universities Sports Association (EUSA)

Championships for universities that qualify from domestic competition, that allows the top Universities in BUCS to compete against the best Universities in Europe. The EUSA Games 2016 took place in Zagreb and Rijeka, Croatia.

- 5,000 students from over 40 countries took part
- 401 students and support staff from the UK (up over 350% on the previous event)
- Representing 51 BUCS institutions
- Taking part in 28 entries across 14 different sports
- Winning 46 medals in total – 17 gold, 12 silver and 17 bronze
- To finish 3rd overall in the medal table

Sport Development

It has been another successful year for the BUCS Development Department (previously Sport Development) with the profile of the team increasing with members and the sector's profile increasing with key landscape partners. The new strategies developed by both DCMS and Sport England look set to increase further the importance of the HE sector within a sporting context, giving higher education a platform from which to demonstrate its expertise and value across the broad spectrum of sporting delivery in the UK. Some key BUCS highlights are listed below:

BUCS Development Events:

- 526 BUCS Development event delegates, representing 87 universities & 23 NGBs
- Over 95% of delegates would attend another future event
- Over 820 delegate networking hours were delivered through the events programme

Take A Stand Campaign

- BUCS presented the campaign to over 5,000 stakeholders & members
- 1,600 student athletes wore the TakeAStand patch over 2015/16
- The launch video reached over 35,000 students via social media

This BUCS Girl Can Campaign

- 46 HEIs took part in the week of action.
- More than 800 tweets through #ThisBUCSGirlCan with more than 5000 across the Week via HEI specific hashtags, and comment from Tracey Crouch on the importance of getting involved in sport at university.

Mental Health in Sport Project

- 47 members of staff from 27 HEIs through the 'Train the Trainer' program across 2015/16 academic year.
- More than 380 student leaders trained via committee training pre-August 2016, with 93% of those who attended Student Minds' training programme finding the training useful or very useful.

Football

- Girls' Football Week:
 - 51 Universities Engaged (189% increase on the previous year)
 - 2,250 female students engaged
 - Featured on SkySportsNewsHD, Sky Sportswomen show and SkySport.com
- WeCanPlay:
 - Women's Football video series highlighting the pathways in Higher Education in 10 short films
 - Views – 101,249
 - Reach – 497,639
 - Engagements/Reactions – 3,758
- University Football Activators:
 - 110 activators

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for the year ended 31 July 2016

Football (continued)

- Overall engagement – 19,621 (M: 17,265 F: 2356)
- Overall impact so far after 3 years – 44,844
- FA return on investment so far (£190,000 over 3 years) - £4.26
- 69,600 hours invested over the past 3 years from students equating to an estimated economic return of over £400,000

- University Community Football Hubs:
 - The FA in partnership with BUCS have in 2015/16 invested £117,000 into 17 University Community Football Hubs, it has this year generated 7,858 adult players, 4,366 youth players and created 986 new youth volunteers
 - The success of this programme has led to FA to invest a further £450,000 into 81 University Community Football Hubs for the 2016-17 academic year.

Regions and Professional Development

Professional & Regional Development

In the majority of areas we have continued to build on the foundations established in previous years while in other areas such as the Ratings Project progress has been constrained while we've waited for the results of the analysis of the HESPSS data. However, so much of what is achieved is dependent on member engagement and support from those who take on roles as Chair at regional and national levels.

Regions and Nations

BUCS members operate under nine English Regions, Scotland, Wales and Northern Ireland and during the 2014-15 season member engagement has again continued to increase. This in part has been influenced by the effective management of the Competitions and Advisory Group and a refined consultation process, but the presence of BUCS office staff has been another contributory factor, and one which is strengthening links between the office and the members and with that a better understanding of HE sport centrally and institutionally. The value and effectiveness of the Advisory Group for BUCS office and members is directly influenced by the engagement at this level so institutional representation from both student and staff representatives is important

Advisory Group

The Advisory Group is one of the key links between the BUCS office and members, comprising of the elected staff and student officers and the staff and student chairs from each of the regions and Home Nations. This year it has been used effectively to; engage members with the BUCS Strategy Review; discuss proposals for establishing English Universities; update members on data capture and social tracking and review the calculation of Affiliation Fees.

Senior Managers Network

2014 started with a newly-elected Representative Group reflecting members according to bands within the BUCS points table (1-20, 21-60, 60-150) and complemented with open and Home Nation representatives. Neil Mosely, Head of Sport Imperial was elected Chair of the group and was invited to join the BUCS Board as an observer. This year the agenda of this group has mainly focused on the Ratings Project and BUCS Strategy Review but other outcomes have included the establishment of the Fitness & Active Lifestyles Network and with plans to launch a Marketing & Communications Network in 2015.

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BUCS Ratings Project

This project was supported by members as part of the BUCS Strategy 2013-2017, work began on a scoping exercise in January 2013 to develop a ratings system that would complement the existing BUCS points ranking and recognise the broad contribution made by sport and associated activity to the student experience. Work has progressed slowly over the past year as we sought to identify a valid and independent measure of the student opinion of the sporting experience. Work in this contentious will now continue in earnest with the aim of taking the proposal to AGM in December.

Marketing and Sponsorship

BUCS recognised the need for digital marketing activities in FY 15/16. Please see below to show some of the statistics from the successful campaign.

Social media followers/Website hits

- Facebook: 41,881, annual post reach: 3,472,036
- Twitter: 25,659—up 6,422, 14.3m annual impressions
- 2,500 snapchat followers
- 3,942 Instagram followers
- Website hits: 16,451,221

BUCS successfully raised £330k from Sponsorship. There were:

- 13 recognised partners
- 4 renewed partnership agreements
- 2 new partnerships
- 6 BUCS Deloitte Leadership Academy (BDLA) events, 480 student leaders impacting a further 18,000 students

BUCS in Brazil Campaign

Prior to the 2016 Olympic and Paralympic Games, BUCS caught up with a number of university students and alumni travelling to Rio de Janeiro, Brazil as part of Team GB. The profiles of the aforementioned athletes were distributed to British media and promoted via BUCS' social media channels.

Coverage:

- AVE: £501,000
- Total pieces of coverage: 1,987
- Total readership: 32.83 million
- 872,000 tweet impressions

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for the year ended 31 July 2016

Plans for the future

BUCS is now implementing its strategy initiated in 2015 but which will now run until 2020. This has broadened the scope of delivery to include Physical Activity and Health, Social and Informal Sport, localised sports leagues, a national inter-varsity competition as we have at present and an extended area of work around Performance Sport at the top of the continuum. These new areas of work will require financial resourcing which needs to be explored and confirmed and will probably entail a re-structuring of existing staff resources.

The office location of BUCS whilst at times is advantageous does not provide the quality and quantity of office space for the business as it develops. A project is being undertaken to look at alternative accommodation which includes the geographical location and as such may result in a move outside of London which would enable a “better” office to be acquired which would be more “fit for purpose” and which would also benefit from reducing the staffing costs of the organisation. Deloitte have been helpful in providing some initial scoping of this project and advising on the cost savings and location requirements of any move.

A review of procurement of all support services which are currently outsourced will be undertaken once the new Head of Operations is in post (1st December 2016). This will ensure best value is derived across all areas of the operation. Additionally a review of procedures and processes will take place alongside this to streamline the work of the organisation and free up both time and money from heavy processes.

Additional commercial partners will be sought to bolster the financial situation driven by a development in recording and utilising students’ data. Partners in fields such as finance, telecoms, travel etc will be identified where there is a fit with the demographic of our student participants. This will require investment into the IT infrastructure and systems which we use which will also assist in streamlining our processes by making them more personalised and automated.

BUCS as a central office needs to think and do things differently in order to maintain its level of service delivery across a broader range of areas and have started on this cultural change process.

Volunteers

BUCS events could not take place without the support and expertise of our volunteers. Thousands of officials, referees and Sports Advisory Group volunteers give up their time to support the BUCS office in delivering high quality events and sporting experiences for student athletes studying at BUCS’ member institutions.

Value in kind

Donated services were received by BUCS during the period and, where these can be reasonably quantified they have been included in the Statement of Financial activities.

Financial Review

Total incoming resources for the group for the period were £3,934,478 (2015: £3,546,532). Funding is obtained from a wide range of sources reflecting the diversity of the organisation. The principal funding sources are affiliation fees from participating universities and colleges and entry fees for events, in addition to grants from Sport England, The FA Youth Trust, Sport Wales, ECB and R&A and income from a number of partners, including Kukri, HUDL, Deloitte, Endsleigh, RedBull and others.

Expenditure for the group for the period totalled £4,029,176 (2015: £3,557,220) and was fully applied in accordance with the organisation’s primary objective of wide range sport development and participation in higher education.

Funds employed at the balance sheet totalled 1,900,856 (2015: £1,981,130). Of these funds, 668,557 (2015: £675,824) are held in a designated property fund with a further £20,079 (2015: £20,079) held in restricted funds. The remaining funds are in general reserves.

British Universities & Colleges Sport Limited

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Risk management

A risk management strategy in place to review risks and the establishment of systems and procedures to mitigate those risks identified. The Directors are therefore able to report that any major strategic business or operational risks to which the company could be exposed were identified, reviewed and action taken to ensure that these risks are minimised.

Investment Policy and Performance

There is no restriction on the company's power to invest. The directors set the investment strategy after considering income requirements, risk profile and the investment manager's view of the market prospects when determining market strategy. Currently the company's stock and shares are held in income units with the CCLA or COIF, the Charities Organisation Investment Fund, with a policy of low to medium risk with a short to medium term.

Reserves policy

The underlying reserve policy is linked with the organisation's overall strategic plan and ensuring financial commitments are cleared when due. Based on current activity levels minimum reserves of £1,050,000 are considered prudent as the company's policy is to continue to maintain reserves which will permit the company to operate for a period of 6 and 12 months in the absence of any further income. The level of funds at 31 July 2016 was £1,900,856 (2015: £1,981,130) with the level of unrestricted general funds at the same date being £507,392 (2015: £580,399).

Related Part Interests

During the period BUCS had financial transactions with the following related parties where BUCS Directors were part of these organisations:

Aberdeen University: Professor Sir Ian Diamond, the Chair of BUCS - Principle and Vice Chancellor

Birmingham University: Zena Wooldridge - Director of Sport.

Bench Freehold Limited: Timothy Nicholls, the Head of Corporate Services and Company Secretary of BUCS - Director at Bench Freehold

St Mary's University, Twickenham: Professor John Brewer -Head of School of Sport, Health and Applied Science

British Ski Board: Professor John Brewer - Director.

University of Bath: Steve Egan - Vice-President (Implementation)

Nottingham Trent University: Matt Nicholson - Sabbatical Officer.

Royal Holloway, University of London: Alex Reilly-Cooper - Sabbatical Officer

Moorhead James LLP: Benedict Moorhead – Partner

University of Manchester: Susan Foster-Lloyd - Head of Sport & Active Lifestyle

Star Sports: Steven Falk – Director

European Sponsorship Association: Andy Westlake - Board Director.

Public Benefit

From the review of activities the trustees feel that they have demonstrated how they have complied with the duty in the Charities Act 2011 to have regard to guidance published by the Charity Commission on the operation of the Charity for the Public Benefit.

Campaigning

As a non-political organisation, BUCS does not campaign in the political arena.

Statement as to the disclosure of information to Auditor

The Directors who were in office on the date of the approval of these financial statements have confirmed that as far as they are aware there is relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

British Universities & Colleges Sport Limited
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for the year ended 31 July 2016

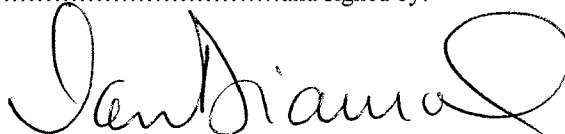
Auditor

The auditor, RSM UK Audit LLP, Chartered Accountants has indicated its willingness to continue in office.

This report is prepared in accordance with the provisions applicable to companies entitled to the small companies exemptions.

Approved by the directors on8.12.16.....and signed by:

Professor Sir Ian Diamond
Chairman



British Universities & Colleges Sport Limited

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

for the year ended 31 July 2016

The trustees (who are also directors of British Universities & Colleges Sport Limited for the purposes of company law) are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing those financial statements, the trustees are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. observe the methods and principles in the Charities SORP;
- c. make judgements and accounting estimates that are reasonable and prudent;
- d. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BRITISH UNIVERSITIES AND COLLEGES SPORT LIMITED

Opinion on financial statements

We have audited the financial statements of British Universities and Colleges Sport Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2016 which comprise the Group and Parent Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 July 2016; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, 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, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept sufficient, proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 12 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 152 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BRITISH UNIVERSITIES AND COLLEGES SPORT LIMITED *(continued)*

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the members and the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

KERRY GALLAGHER (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square
Reading, Berkshire
RG1 3EU

10 January 2017
RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 July 2016

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Year ended 31 July 2016 £	Total Year ended 31 July 2015 £
INCOMING RESOURCES						
Incoming:						
<i>Donations and legacies:</i>						
Value in kind	1	135,600	-	-	135,600	115,293
<i>Income from charitable activities:</i>						
Grants	2	-	-	496,246	496,246	426,506
Subscriptions		1,012,375	-	44,386	1,056,761	1,026,322
Team entry fees and fines		1,504,238	-	-	1,504,238	1,351,078
International Representation	3	190,041	-	-	190,041	123,146
Members' Conferences		201,607	-	-	201,607	199,208
Sundry income		3,572	-	-	3,572	7,171
<i>Income from other trading activities:</i>						
Commercial activities	4	330,039	-	-	330,039	271,374
Investment activities	5	16,374	-	-	16,374	26,434
Total income		3,393,846	-	540,632	3,934,478	3,546,532
Expenditure:						
Expenditure on charitable activities	6	3,477,946	7,267	540,632	4,025,845	3,578,082
Total expenditure		3,477,946	7,267	540,632	4,025,845	3,578,082
Gains on investments	12a	14,424	-	-	14,424	27,814
Net (expenditure)/income and net movement in funds in the year		(69,676)	(7,267)	-	(76,943)	(3,736)
Reconciliation of funds:						
Total funds brought forward		1,234,993	675,824	20,079	1,930,896	1,934,632
Total funds carried forward	20	1,165,317	668,557	20,079	1,853,953	1,930,896

This Statement of Financial Activities includes all gains and losses recognised in the year.

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

CHARITY STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 July 2016

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Year ended 31 July 2016 £	Total Year ended 31 July 2015 £
INCOMING RESOURCES						
Income:						
<i>Donations and legacies:</i>						
Value in kind	1	135,600	-	-	135,600	115,293
Gift Aid donation from subsidiary		166,490	-	-	166,490	78,822
<i>Income from charitable activities:</i>						
Grants	2	-	-	496,246	496,246	426,505
Subscriptions		1,012,375	-	44,386	1,056,761	1,026,322
Entry fees and fines		1,504,238	-	-	1,504,238	1,351,078
International	3	190,041	-	-	190,041	123,146
Conferences		201,607	-	-	201,607	199,208
Sundry income		3,572	-	-	3,572	7,170
<i>Income from other trading activities:</i>						
Investment activities	5	16,374	-	-	16,374	26,434
Total income		<u>3,230,297</u>	<u>-</u>	<u>540,632</u>	<u>3,770,929</u>	<u>3,353,978</u>
Expenditure:						
Expenditure on charitable activities	6	3,303,493	7,267	540,632	3,851,392	3,403,239
Total expenditure		<u>3,303,493</u>	<u>7,267</u>	<u>540,632</u>	<u>3,851,392</u>	<u>3,403,239</u>
Gains on investments	12a	14,424	-	-	14,424	27,814
Net expenditure and net movement in funds in the year		<u>(58,772)</u>	<u>(7,267)</u>	<u>-</u>	<u>(66,039)</u>	<u>(21,446)</u>
Reconciliation of funds:						
Total funds brought forward		1,188,070	675,824	20,079	1,883,973	1,905,419
Total funds carried forward	20	<u>1,129,298</u>	<u>668,557</u>	<u>20,079</u>	<u>1,817,934</u>	<u>1,883,973</u>

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET

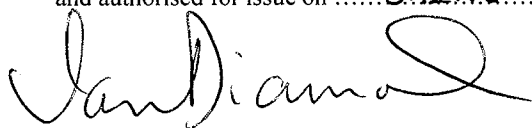
for the year ended 31 July 2016

Company number 06483060

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible fixed assets	10	1,337,392	1,350,465
Intangible assets	11	82,778	111,336
Investments	12	390,580	376,156
Trophies	13	36,109	36,936
		<u>1,846,859</u>	<u>1,874,893</u>
CURRENT ASSETS			
Debtors	14	474,508	217,217
Cash at bank and in hand		190,910	255,807
		<u>665,418</u>	<u>473,024</u>
CREDITORS: amounts falling due within one year	15	(611,421)	(366,787)
NET CURRENT ASSETS		<u>53,997</u>	<u>106,237</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,900,856</u>	<u>1,981,130</u>
PROVISION FOR LIABILITIES	16	(46,903)	(50,234)
NET ASSETS		<u>1,853,953</u>	<u>1,930,896</u>
FUNDS			
Restricted funds	17	20,079	20,079
Unrestricted funds:			
General – other	18	474,147	536,994
General – revaluation reserve	18	691,170	697,999
Designated	19	668,557	675,824
TOTAL FUNDS		<u>1,853,953</u>	<u>1,930,896</u>

These accounts have been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The financial statements on pages 15 to 44 were approved by the board and authorised for issue on8.12.16..... and signed on its behalf by:



Professor Sir Ian Diamond
Chairman

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

CHARITY BALANCE SHEET

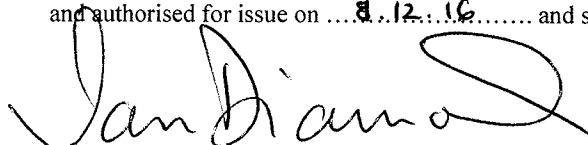
at 31 July 2016

Company number 06483060

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible fixed assets	10	1,337,393	1,350,466
Intangible assets	11	26,344	39,516
Investments	12	390,680	376,256
Trophies	13	36,109	36,936
		<u>1,790,526</u>	<u>1,803,174</u>
CURRENT ASSETS			
Debtors	14	467,248	263,977
Cash at bank and in hand		190,435	201,375
		<u>657,683</u>	<u>465,352</u>
CREDITORS: amounts falling due within one year	15	(583,372)	(334,320)
NET CURRENT ASSETS		<u>74,311</u>	<u>131,033</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,864,837</u>	<u>1,934,207</u>
PROVISION FOR LIABILITIES	16	(46,903)	(50,234)
NET ASSETS		<u>1,817,934</u>	<u>1,883,973</u>
FUNDS			
Restricted funds	17	20,079	20,079
Unrestricted funds:			
General – other	18	438,128	490,071
General – revaluation reserve	18	691,170	697,999
Designated	19	668,557	675,824
TOTAL FUNDS		<u>1,817,934</u>	<u>1,883,973</u>

These accounts have been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The financial statements on pages 15 to 44 were approved by the board and authorised for issue on ~~8.12.16~~ 8.12.16 and signed on its behalf by:



Professor Sir Ian Diamond
Chairman

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS

at 31 July 2016

	<i>Notes</i>	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
Cash used in operating activities	25a	(50,693)	3,264	15,167	70,476
Cash used in investing activities					
Dividends, interest and rents from investments		16,374	16,374	26,434	26,434
Purchase of property, plant and equipment		(30,579)	(30,579)	(82,452)	(54,822)
Net cash used in investing activities		<u>(14,205)</u>	<u>(14,205)</u>	<u>(56,018)</u>	<u>(28,388)</u>
(Decrease)/increase in cash and cash equivalents in the year		(64,898)	(10,941)	(40,851)	42,088
Cash and cash equivalents at beginning of year		255,808	201,376	296,659	159,288
Cash and cash equivalents at end of year	25b	<u>190,910</u>	<u>190,435</u>	<u>255,808</u>	<u>201,376</u>

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

ACCOUNTING POLICIES

LEGAL STATUS

The Charity is limited by guarantee and has no share capital. The registered office is 20-24 King's Bench Street, London SE1 0QX. The Charity is registered under the following: Charity number 1126863, Company number 06483060, Scottish Charity number SC041947.

BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015 and the Companies Act 2006.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING PRACTICE

In preparing the accounts, the trustees have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, a restatement of comparative items was needed. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short term compensated absence arising from employee entitlement of the parent charity to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £20,448 and was amended to £30,224 by the end of 2015.

The charity took advantage of the transitional arrangements on adoption of FRS102 and revalued the land and buildings at the transition date. This revalued balance has been treated as deemed cost in the financial statements at the transition date and hence resulted in additional depreciation in the year to 31 July 2015.

In accordance with the requirements of FRS102, a reconciliation of opening balances is provided:

	Group 1 August 2014 £	Group 31 July 2015 £	Charity 1 August 2014 £	Charity 31 July 2015 £
<i>RECONCILIATION OF FUNDS</i>				
Fund balances as previously stated	1,342,542	1,376,273	1,313,329	1,329,350
Holiday pay accrual	(20,448)	(20,448)	(20,448)	(20,448)
Holiday pay movement 2015	-	(9,776)	-	(9,776)
Revaluation of land and buildings	641,910	641,910	641,910	641,910
2015 Depreciation on land and buildings	-	(6,829)	-	(6,829)
Provision for pension scheme deficit	(29,372)	(50,234)	(29,372)	(50,234)
	<u>1,934,632</u>	<u>1,930,896</u>	<u>1,905,419</u>	<u>1,883,973</u>

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

RECONCILIATION OF REPORTED NET INCOME

	Group 2015 £	Charity 2015 £
Net income as previously stated	33,731	16,021
Holiday pay movement 2015	(9,776)	(9,776)
Additional depreciation on land and buildings 2015	(6,829)	(6,829)
Provision for pension deficit movement 2015	(20,862)	(20,862)
2015 net income as restated	<u>(3,736)</u>	<u>(21,446)</u>

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of British Universities & Colleges Sport Limited and its subsidiary undertaking, BUCS Trading Limited for the year. All financial statements consist of the year to 31 July 2016.

FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charitable company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

INCOMING RESOURCES

All incoming resources, including government grants, are included in the statement of financial activities when the charitable company is legally entitled to the income it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Fines are recognised in the year that they are calculated.

Interest on funds held on deposit included when receivable and the amount can be measured reliably by the Charity; this is usually upon notification of the interest paid or payable by the bank.

RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. It includes any VAT which cannot be fully recovered. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

Charitable expenditure comprises those costs in the delivery of activities and services for its beneficiaries and include directly allocated costs and an apportionment of support costs.

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's activities.

These costs have been allocated based on direct costs, as set out in Note 6.

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 July 2016

ACCOUNTING POLICIES (continued)

OPERATING LEASE

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at historical cost. The costs of minor additions or those costing below £1,000 are not capitalised.

Depreciation is provided on all tangible fixed assets using the following rates to reduce by annual instalments the cost of the tangible assets over their estimated useful lives:-

Leasehold Buildings	-	over the life of the lease
Fixtures and equipment	-	15% - 33 $\frac{1}{3}$ % straight line
Assets under construction	-	No depreciation

The Charity has taken advantage of the transitional arrangements on adoption of FRS 102 and have revalued the land and buildings at that date to become deemed cost under FRS 102.

TROPHIES

Trophies are items which are in the possession of the charitable company and were created for use in sporting activities and continue to be used for this purpose. The charitable company maintains stewardship by keeping a full inventory and has no intention of disposing of any of the trophies so long as this use continues. The trophies are valued at cost less accumulated depreciation. The trophies are considered for impairment on a regular basis and any impairment is charged to the SOFA. Depreciation has been applied over a period of 50 years.

INVESTMENTS

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investment in subsidiary is held at cost and is reviewed for impairment annually, with any impairment taken to the SOFA.

LEASED ASSETS

Rentals payable under operating leases are taken to the Statement of Financial Activities on a straight line basis over the lease term.

FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are included at the rate of exchange prevailing at the date they occurred. All differences are taken to the Statement of Financial Activities.

PENSION COSTS

The charitable company contributes to employees' individual personal pension schemes, a variable group pension plan with the National Provident Institution on a defined contribution basis and to the Universities Superannuation Scheme ("USS"), which is a defined benefit scheme.

Contributions to all schemes are charged on the basis of the amount the charitable company has agreed to contribute in the year.

The institution participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

ACCOUNTING POLICIES (continued)

PENSION COSTS (*Continued*)

Ordinarily, the contributions to the USS Scheme are determined by qualified actuaries on the basis of quinquennial valuations, using a prospective benefit method for the USS. The USS operates as a pooled arrangement. As of 1 August 2008 the Charitable Company was formed following a merger between British Universities Sports Association ("BUSA") and Universities & Colleges Sport. Prior to the formation of the Charitable Company, BUSA was a participating employer of the USS. At the date of the merger BUSA's share of the debt within the USS was crystallised. The Charitable Company has become a participating employer within the USS and three universities have guaranteed both the past and future liabilities within BUSA and BUCS. The deficit within BUSA was estimated to be £300,000 at 31 July 2010. Contributions to the USS are accounted for as paid on the basis that no share of the underlying assets and liabilities can be directly attributed to the charitable company. Under the terms of FRS102, and in these circumstances, contributions are accounted for as if the Scheme is a defined contribution scheme based on actual contributions paid through the year.

DEBTORS

Trade and other debtors are recognised as the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CREDITORS

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are usually recognised at their settlement amount.

VALUATION OF DONATED SERVICES

Pro bono services received are recorded as income at estimated market value and included under the relevant expense heading in the Statement of Financial Activities. These are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from these by the Charity of the item is probable and economic benefit can be measured reliably. On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain the services or facilities of equivalent economic benefit on the open market, a corresponding amount is then recognised in expenditure in the period of receipt.

FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities which qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and are subsequently measured at their settlement value.

GOING CONCERN

The directors have considered the group and charity's cash flow requirements for the 12 month period from the date of approval of these financial statements and believe that they will be able to pay their debts as they fall due for at least that period. Therefore these accounts have been prepared on the going concern basis.

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

1	VALUE IN KIND	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Sports equipment	69,154	69,154	69,154	69,154
	Sports Venues	66,446	46,139	66,446	46,139
		<u>135,600</u>	<u>115,293</u>	<u>135,600</u>	<u>115,293</u>
2	GRANTS RECEIVED	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	GRANTS TOWARDS DOMESTIC SPORT:				
	The FA Youth Trust (restricted)	120,497	89,770	120,497	89,770
	Royal & Ancient Golf Club	20,000	16,000	20,000	16,000
	England Boxing	-	1,500	-	1,500
	England and Wales Cricket Board	30,000	40,798	30,000	40,798
	GRANTS TOWARDS SPECIFIC PROJECTS				
	Sport England – Sport Development	107,999	112,000	107,999	112,000
	Sport Wales – Sport Development	18,667	29,333	18,667	29,333
	Sport England – Hockey 5s	163,052	20,500	163,052	20,500
	Sport England – Rowing	36,031	-	36,031	-
	GRANTS TOWARDS WORLD UNIVERSITY GAMES				
	British Curling	-	4,950	-	4,950
	British Fencing	-	3,910	-	3,910
	British Gymnastics	-	8,645	-	8,645
	British Shooting	-	1,450	-	1,450
	British Ski and Snowboard	-	350	-	350
	British Swimming	-	10,515	-	10,515
	GB Taekwondo	-	10,089	-	10,089
	Royal and Ancient Golf Club	-	4,000	-	4,000
	Scottish Shooting	-	1,450	-	1,450
	Table Tennis England	-	1,450	-	1,450
	Tennis Foundation	-	16,000	-	16,000
	Welsh Target Shooting Federation	-	1,450	-	1,450
	Carried forward	<u>496,246</u>	<u>374,160</u>	<u>496,246</u>	<u>374,160</u>

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

2	GRANTS RECEIVED <i>(continued)</i>	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Brought forward	496,246	374,160	496,246	374,160
	GRANTS TOWARDS WORLD UNIVERSITY CHAMPIONSHIPS				
	British Orienteering	-	4,750	-	4,750
	English Squash and Racketball	-	4,900	-	4,900
	English Target Shooting Federation	-	1,100	-	1,100
	GB Canoeing	-	7,450	-	7,450
	GB Rowing	-	5,000	-	5,000
	Rugby Football Union	-	3,361	-	3,361
	Rugby Football Union for Women	-	19,535	-	19,535
	Wales Squash and Racketball	-	5,150	-	5,150
	Welsh Target Shooting Federation	-	1,100	-	1,100
	Total grants income	496,246	426,506	496,246	426,506

2b GOVERNMENT GRANTS

Included within the above grants received are the following grants received from government related sources:

	GROUP		CHARITY	
	Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
Sport England	325,749	132,500	325,749	132,500
Sport Wales	18,667	29,333	18,667	29,333
	344,416	161,833	344,416	161,833

All of the above grants were received to support sporting activities and there were no unfulfilled conditions relating to these grants at 31 July 2016 (2015: None).

3	INTERNATIONAL REPRESENTATION INCOME	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	World University Games:	218	78,366	218	78,366
	World University Championships:	150,967	44,780	150,967	44,780
	Rugby 7s	9,701	-	9,701	-
	FISU	2,445	-	2,445	-
	EUSA	26,710	-	26,710	-
		190,041	123,146	190,041	123,146

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

4	COMMERCIAL ACTIVITIES	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Deloitte	100,000	100,000	-	-
	Endsleigh	19,900	15,125	-	-
	Kukri	104,440	104,340	-	-
	Redbull	35,000	12,500	-	-
	Sparx	20,000	-	-	-
	Other	50,699	39,409	-	-
		<u>330,039</u>	<u>271,374</u>	<u>-</u>	<u>-</u>
5	INVESTMENT ACTIVITIES	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Bank interest receivable	1,574	3,057	1,574	3,057
	Dividends and other investment income	14,800	23,377	14,800	23,377
		<u>16,374</u>	<u>26,434</u>	<u>16,374</u>	<u>26,434</u>

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

6	TOTAL RESOURCES EXPENDED GROUP	Basis of Allocation £	International Events £	Championships £	Projects £	Year ended 31 July 2016	Year ended 31 July 2015
Costs directly allocated to activities:							
Venue hire and equipment	Direct	-	442,711	-	-	442,711	394,368
Accommodation and travel	Direct	311,216	307,026	-	-	618,242	667,651
Committee expenditure	Direct	17,965	7,888	-	-	25,853	19,933
Miscellaneous expenditure	Direct	-	678,158	282,377	-	960,535	714,459
Staff Costs	Direct	90,756	437,778	230,851	-	759,385	725,830
Marketing and promotion	Direct	-	40,945	-	-	40,945	23,451
		419,937	1,914,506	513,228	-	2,847,671	2,545,692
Support costs allocated to activities:							
Staff costs	Direct costs	43,747	395,968	91,712	-	531,427	484,750
Establishment costs	Direct costs	9,331	48,745	19,561	-	77,637	71,973
Administrative expenses	Direct costs	33,752	200,402	54,162	-	288,316	265,371
Membership Communications and Meetings	Direct costs	15,132	123,534	31,723	-	170,389	134,669
Depreciation and Amortisation	Direct costs	6,477	52,035	13,698	-	72,210	58,467
Governance and bad debts	Direct costs	3,392	27,691	7,112	-	38,195	17,160
		531,768	2,762,881	731,196	-	4,025,845	3,578,082
Total Resources Expended							

Within governance costs is an amount of £18,150 relating to the audit fees of British Universities & Colleges Sport Limited and BUCS Trading Limited (2015: £14,100).

British Universities & Colleges Sport Limited
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for the year ended 31 July 2016

6	TOTAL RESOURCES EXPENDED CHARITY	Basis of Allocation £	International Events £	Championships £	Projects £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Costs directly allocated to activities:						
	Venue hire and equipment	Direct	-	442,711	-	442,711	394,368
	Accommodation and travel	Direct	311,216	307,026	-	618,242	667,651
	Committee expenditure	Direct	17,965	7,888	-	25,853	19,933
	Miscellaneous expenditure	Direct	-	678,158	282,377	960,535	714,460
	Staff Costs	Direct	90,756	437,778	230,851	759,385	725,830
	Marketing and promotion	Direct	-	40,945	-	40,945	23,450
			419,937	1,914,506	513,228	2,847,671	2,545,692
	Support costs allocated to activities:						
	Staff costs	Direct costs	44,759	392,831	93,837	531,427	484,750
	Management costs recharged to subsidiary	Direct costs	(11,494)	(93,838)	(24,100)	(129,432)	(133,606)
	Establishment costs	Direct costs	9,331	48,745	19,561	77,637	71,973
	Administrative expenses	Direct costs	30,370	184,191	47,070	261,631	242,470
	Membership Communications and Meetings	Direct costs	15,132	123,534	31,723	170,389	134,668
	Depreciation and Amortisation	Direct costs	5,126	40,951	10,747	56,824	43,082
	Governance and bad debts	Direct costs	3,130	25,552	6,563	35,245	14,210
			516,291	2,636,472	698,629	3,851,392	3,403,239

Within governance costs is an amount of £15,200 relating to the audit fees of British Universities & Colleges Sport Limited (2015: £11,150).

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for the year ended 31 July 2016

7	STAFF COSTS	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Total staff costs comprise the following:				
	Wages and salaries	1,104,377	1,051,464	1,104,377	1,051,464
	Social security costs	110,888	90,423	110,888	90,423
	Pension costs	40,047	47,831	40,047	47,831
	Total	<u>1,255,312</u>	<u>1,189,718</u>	<u>1,255,312</u>	<u>1,189,718</u>
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	The monthly average number of employees in the period was:				
	Administration and management	<u>33</u>	<u>31</u>	<u>33</u>	<u>31</u>

The number of employees whose emoluments for the year (including benefits in kind but excluding pension contributions) were more than £60,000.

	GROUP		CHARITY	
	Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
Between £90,001 - £100,000	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>

Pension contributions of £Nil (2015: £13,599) were made in relation to the above employees. No trustees received remuneration during either year.

The key management personnel of the parent charity comprise the trustees, the chief executive officer, the heads of Regional and Professional Development, Sports Programme, Sports Development, Sponsorship and Marketing and International. The total employee benefits of the key management personnel of the charity were £376,223 (2015: £433,190) and the Employers national insurance contribution in relation to these employees were £40,235 (2015: £43,647)

The key management personnel of the group are those of the charity and the key management personnel of its wholly owned subsidiary BUCS Trading Limited. There are no additional staff within BUCS Trading Limited.

The Charity's trustees were not paid and did not receive any other benefits from the Charity, neither were they reimbursed expenses during the year (2015: £Nil).

British Universities & Colleges Sport Limited

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

8	TAXATION	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Current tax:				
	UK corporation tax on results of the year	-	-	-	-
	Factors affecting tax charge for the year:				
	The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 20% (2015: 21%) . The differences are explained below:				
	Profit on ordinary activities before tax	(76,943)	(3,736)	(66,039)	(21,446)
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015: 21%)	(15,387)	(747)	(13,208)	(4,289)
	Effects of:				
	Non taxable charitable activities	53,166	21,018	(13,208)	(4,289)
	Capital allowances	(4,481)	(3,542)	-	-
	Gift Aid	(33,298)	(16,729)	-	-
	Current tax charge for the period	-	-	-	-

Tax has been charged on the trading activities of British Universities & Colleges Sport Limited and BUCS Trading Limited.

9	NET (EXPENDITURE)/INCOME FOR THE YEAR	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	This is stated after charging:		
	Operating leases – equipment	1,770	4,193
	Depreciation	72,210	50,810
	Auditor's remuneration	18,150	14,100

British Universities & Colleges Sport Limited

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for the year ended 31 July 2016

10	TANGIBLE FIXED ASSETS				
	<i>GROUP</i>	Assets under construction £	Long Leasehold Property £	Fixtures and Equipment £	Total £
	COST				
	Opening balance 1 August 2015	6,928	1,368,602	421,490	1,797,020
	Additions	-	-	30,579	30,579
	Disposals	-	-	(28,551)	(28,551)
	Transfer	(6,928)	-	6,928	-
	31 July 2016	-	1,368,602	430,446	1,799,048
	DEPRECIATION				
	Opening balance 1 August 2015	-	57,697	388,858	446,555
	Charge for the period	-	14,095	29,557	43,652
	Disposals	-	-	(28,551)	(28,551)
	At 31 July 2016	-	71,792	389,864	461,656
	NET BOOK VALUE				
	At 31 July 2016	-	1,296,810	40,582	1,337,392
	At 31 July 2015	6,928	1,310,905	32,632	1,350,465
	TANGIBLE FIXED ASSETS				
	<i>CHARITY</i>	Assets under construction £	Long Leasehold Property £	Fixtures and Equipment £	Total £
	COST				
	Opening balance 1 August 2015	6,928	1,368,602	256,303	1,631,833
	Additions	-	-	30,579	30,579
	Disposals	-	-	(28,551)	(28,551)
	Transfer	(6,928)	-	6,928	-
	31 July 2016	-	1,368,602	265,259	1,633,861
	DEPRECIATION				
	Opening balance 1 August 2015	-	57,697	223,670	281,367
	Charge for the period	-	14,095	29,557	43,652
	Disposals	-	-	(28,551)	(28,551)
	At 31 July 2016	-	71,792	224,676	296,468
	NET BOOK VALUE				
	At 31 July 2016	-	1,296,810	40,582	1,337,393
	At 31 July 2015	6,928	1,310,905	32,633	1,350,466

The long leasehold property has been revalued at 1 August 2014 by TSP to a value of £1,325,000 and will be treated as deemed cost from this date under the transitional rules of FRS 102.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

11	INTANGIBLE ASSETS		Assets under construction £	Software £	Total £
	<i>GROUP</i>				
	Cost				
	Opening balance 1 August 2015		39,516	254,057	293,573
	Additions		-	-	-
	Transfer		(39,516)	39,516	-
	31 July 2016		-	293,573	293,573
	Amortisation				
	Opening balance 1 August 2015		-	182,237	182,237
	Charge for the period		-	28,558	28,558
	31 July 2016		-	210,795	210,795
	NET BOOK VALUE				
	At 31 July 2016		-	82,778	82,778
	At 31 July 2015		39,516	71,820	111,336
	<i>CHARITY</i>				
	Cost				
	Opening balance 1 August 2015		39,516	-	39,516
	Additions		-	-	-
	Transfer		(39,516)	39,516	-
	31 July 2016		-	39,516	39,516
	Amortisation				
	Opening balance 1 August 2015		-	-	-
	Charge for the period		-	13,172	13,172
	31 July 2016		-	13,172	13,172
	NET BOOK VALUE				
	At 31 July 2016		-	26,344	26,344
	At 31 July 2015		39,516	-	39,516
12	FIXED ASSET INVESTMENTS	Group Year ended 31 July 2016 £	Group Year ended 31 July 2015 £	Charity Year ended 31 July 2016 £	Charity Year ended 31 July 2015 £
	Listed Investments (note 12a)	375,580	361,156	375,580	361,156
	Investment in subsidiary (note 12b)	-	-	100	100
	Unlisted Investment (note 12c)	15,000	15,000	15,000	15,000
		390,580	376,156	390,680	376,256

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for the year ended 31 July 2016

12a		Year ended 31 July 2016 Total £	Year ended 31 July 2015 Total £
	<i>GROUP AND CHARITY</i>		
	LISTED INVESTMENTS AT MARKET VALUE		
	Opening balance 1 August 2015	361,156	333,342
	Unrealised investment gain	14,424	27,814
	At 31 July 2016	375,580	361,156
	Historical cost at 31 July 2016	298,238	298,238

Investments are UK investments and are held in COIF Charities Investment Fund Income Units, primarily to provide an investment return.

12b	INVESTMENT IN SUBSIDIARY	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	BUCS Trading Limited	-	-	100	100

BUCS Trading Limited was incorporated in England in January 2010 and BUCS owns 100% of the issued share capital. The purpose of the company is to develop commercial opportunities and income.

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12c

UNLISTED INVESTMENTS <i>GROUP AND CHARITY</i>	GROUP		CHARITY	
	Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
Bench Freehold Limited	15,000	15,000	15,000	15,000

Bench Freehold Ltd acquired the Freehold title to 20-24 King's Bench Street during the year to 31 July 2010. BUCS, in common with other tenants of the building, hold ordinary shares in proportion to their leasehold interest: this company collects ground rents, builds reserves and distributes dividends.

BUCS holds 23% (2015: 23%) of the shares of Bench Freehold Limited but Bench Freehold Limited has not been treated as an associate in these accounts. Accounting for this as an associate would not have a material effect on the holding as Bench Freehold Limited had very limited trading in the year.

13	TROPHIES	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Opening balance at 1 August 2015	36,936	37,764	36,936	37,764
	Depreciation charge	(827)	(828)	(827)	(828)
	31 July 2016	36,109	36,936	36,109	36,936

14	DEBTORS	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Trade debtors	257,192	106,791	93,300	73,393
	Other debtors	87,980	69,599	94,648	70,935
	Prepayments and accrued income	129,336	40,827	129,336	40,827
	Amounts due from subsidiary	-	-	149,964	78,822
		474,508	217,217	467,248	263,977

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for the year ended 31 July 2016

15	CREDITORS: amounts falling due within one year	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
	Trade creditors	305,654	224,874	305,555	224,874
	Other taxation and social security costs	30,071	32,613	30,071	28,096
	Accruals and deferred income	262,032	99,788	234,082	71,838
	Other creditors	13,664	9,512	13,664	9,512
		<u>611,421</u>	<u>366,787</u>	<u>583,372</u>	<u>334,320</u>
	Deferred income comprises:				
	Balance at 31 July 2015	46,500	162,535	21,500	80,660
	Deferred in the year	107,667	46,500	82,667	21,500
	Released in the year	(46,500)	(162,535)	(21,500)	(80,660)
	Deferred income at 31 July 2016	<u>107,667</u>	<u>46,500</u>	<u>82,667</u>	<u>21,500</u>

Deferred income relates to grants and sponsorship income.

16	PROVISION FOR PENSION FUND DEFICIT GROUP AND COMPANY	£
	As at 1 August 2015	50,234
	(Credited)/charged to Statement of Financial Activities	(3,331)
	As at 31 July 2016	<u>46,903</u>
	Payable by instalments:	
	Within one year	3,751
	One to two years	3,565
	Two to five years	10,285
	After five years	29,303
		<u>46,903</u>

British Universities & Colleges Sport Limited has been notified by Universities Superannuation Scheme (USS) of their allocation of the overall deficit of the USS pension scheme (see Note 21).

As required by Charities SORP FRS 102, a provision has been recognised at the transition date, 1 August 2014, which was amended following plan updates at 31 July 2015.

Contributions of 2.1% are being made towards the scheme deficit for 15 years to March 2031.

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17 RESTRICTED FUNDS

The funds of the Association include restricted funds comprising the following unexpended balances of donations and grants held in trusts to be applied for specific purposes:

	1 August 2015 £	Incoming resources £	Outgoing resources £	31 July 2016 £
<i>GROUP</i>				
Chris Potter Award Fund	5,650	-	1,347	4,303
FA Youth Trust	-	127,424	127,424	-
Volleyball	14,429	10,798	9,451	15,776
Golf	-	20,000	20,000	-
Cricket	-	30,000	30,000	-
Sport Wales	-	18,667	18,667	-
Sport England	-	134,660	134,660	-
Sport England – Sports programme	-	199,083	199,083	-
Total	20,079	540,632	540,632	20,079
	1 August 2015 £	Incoming resources £	Outgoing resources £	31 July 2016 £
<i>CHARITY</i>				
Chris Potter Award Fund	5,650	-	1,347	4,303
FA Youth Trust	-	127,424	127,424	-
Volleyball	14,429	10,798	9,451	15,776
Golf	-	20,000	20,000	-
Cricket	-	30,000	30,000	-
Sport Wales	-	18,667	18,667	-
Sport England	-	134,660	134,660	-
Sport England – Sports programme	-	199,083	199,083	-
Total	20,079	540,632	540,632	20,079

- (i) The Chris Potter Award Fund was transferred from British Universities Sports Association to provide an annual award of £500 and associated costs to one or more students during undergraduate and postgraduate study. The student should be selected each year by the executive board based on the student's commitments to BUCS activities.
- (ii) The FA Youth Trust is a grant specifically for the development of football within universities and higher education.
- (iii) Volleyball funds represent a proportion of the affiliation fees which is retained by BUCS for expenditure relating to volleyball within further education.
- (iv) The Royal & Ancient Golf Club provide a grant to BUCS to develop golf within the Higher Education Sector.
- (v) The England and Wales Cricket Board provide a grant to BUCS towards the cost of running cricket fixtures with the Higher Education Sector.
- (vi) Sport Wales has entered a three year agreement with BUCS and provided a grant to enable the Sports Development work to be extended to Wales.
- (vii) Sport England have provided funding to support sport in England.

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18	UNRESTRICTED FUNDS – GENERAL FUNDS		Incoming resources (including investment gains)		
	<i>GROUP</i>	1 August 2015 £	£	Outgoing resources £	31 July 2016 £
	General Funds – other	536,994	3,408,270	(3,471,117)	474,147
	General Funds – revaluation reserve	697,999	-	(6,829)	691,170
		<u>1,234,993</u>	<u>3,408,270</u>	<u>(3,477,946)</u>	<u>1,165,317</u>
	<i>CHARITY</i>	1 August 2015 £	£	Outgoing resources £	31 July 2016 £
	General Funds – other	490,071	3,244,721	(3,296,664)	438,128
	General Funds – revaluation reserve	697,999	-	(6,829)	691,170
		<u>1,188,070</u>	<u>3,244,721</u>	<u>(3,303,493)</u>	<u>1,129,298</u>

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charitable company.

19 UNRESTRICTED FUNDS - DESIGNATED FUNDS

The funds of the charitable company include the following designated funds which have been set aside out of unrestricted funds by the directors for specific purposes:

<i>GROUP</i>	1 August 2015 £	Incoming resources (including investment gains) £	Outgoing resources £	31 July 2016 £
Property Fund	675,824	-	(7,267)	668,557
Total	<u>675,824</u>	<u>-</u>	<u>(7,267)</u>	<u>668,557</u>

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for the year ended 31 July 2016

<i>CHARITY</i>	1 August 2015 £	Incoming resources (including investment gains) £	Outgoing resources £	31 July 2016 £
Property Fund	675,824	-	(7,267)	668,557
Total	<u>675,824</u>	<u>-</u>	<u>(7,267)</u>	<u>668,557</u>

	Unrestricted funds			
	General	Designated	Restricted	Total
	£	£	£	£
20 ANALYSIS OF NET ASSETS BETWEEN FUNDS GROUP				
Fund balances at 31 July 2016 are represented by:				
Intangible fixed assets	82,778	-	-	82,778
Tangible fixed assets	668,835	668,557	-	1,337,392
Investments	390,680	-	-	390,680
Trophies	36,109	-	-	36,109
Net current assets	33,818	-	20,079	53,897
Provision for pension scheme deficit	(46,903)	-	-	(46,903)
Total	1,165,317	668,557	20,079	1,853,953

	Unrestricted funds		Restricted	Total
	General	Designated		
	£	£	£	£
<i>CHARITY</i>				
Fund balances at 31 July 2016 are represented by:				
Intangible fixed assets	26,344	-	-	26,344
Tangible fixed assets	668,836	668,557	-	1,337,393
Investments	390,680	-	-	390,680
Trophies	36,109	-	-	36,109
Net current assets	54,232	-	20,079	74,311
Provision for pension scheme deficit	(46,903)	-	-	(46,903)
Total	1,129,298	668,557	20,079	1,817,934

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21 PENSION COMMITMENTS

The institution participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited.

The appointment of directors to the board of the trustee is determined by the trustee company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; and a minimum of three and a maximum of five are independent directors appointed by the board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

The latest triennial actuarial valuation of the scheme was at 31 March 2011. This was the second valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. The actuary also carries out regular reviews of the funding levels. In particular, he carries out a review of the funding level each year between triennial valuations and details of his estimate of the funding level at 31 March 2013 are also included in this note.

The triennial valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (ie the valuation rate of interest) the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An "inflation risk premium" adjustment was also included by deducting 0.3% from the market-implied inflation on account of the determined rates or amounts, the shortfall at 31 March 2014 is estimated to be £2.2 billion, equivalent to a funding level of 95%. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions but the allowance for promotional salary increases was not as high. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve has been included, in addition, on account of the variability mentioned above.

As at the valuation date the Scheme was still a fully Final Salary Scheme for future accruals and the prevailing employer contribution rate was 16% of Salaries.

Following UK government legislation, from 2011 statutory pension increases or revaluations are based on the Consumer Prices Index measure of price inflation. Historically these increases had been based on the Retail Prices Index measure of price inflation.

Since the previous valuation as at 31 March 2011 there have been a number of changes to the benefits provided by the scheme although these became effective from October 2011. These include:

New Entrants

Other than in specific, limited circumstances, new entrants are now provided on a Career Revalued Benefits (CRB) basis rather than a Final Salary (FS) basis.

Normal pension age

The Normal pension age was increased for future service and new entrants, to age 65.

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Flexible Retirement

Flexible retirement options were introduced.

Member contributions increased

Contributions were uplifted to 7.5% p.a. and 6.5% p.a. for FS Section members and CRB Section members respectively.

Cost sharing

If the total contribution level exceeds 23.5% of Salaries per annum, the employers will pay 65% of the excess over 23.5% and members would pay the remaining 35% to the fund as additional contributions.

Pension increase cap

For service derived after 30 September 2011, USS will match increases in official pensions for the first 5%. If official pensions increase by more than 5% then USS will pay half of the difference up to a maximum increase of 10%, whilst maintaining a prudent approach to meeting the fund's liabilities. Before deciding what degree of investment risk to take relative to the liabilities, the trustee receives advice from its internal investment team, its investment consultant and the scheme actuary, and importantly considers the ability of the sponsoring employers to support the scheme if the investment strategy does not deliver the expected returns.

The positive cash flow of the scheme means that it is not necessary to realise investments to meet liabilities, and the scheme actuary has confirmed that this is likely to remain the position for the next ten years or more. The trustee believes that this, together with the ongoing flow of new entrants into the scheme and most critically the ability of the employers to provide additional support to the scheme should additional contributions be required, enables it to take a longer-term view of its investments. Some short-term volatility in returns can be tolerated and need not feed through immediately to the contribution rate. However, the trustee is mindful of the difficult economic climate which exists for defined benefit pension schemes currently, and the need to be clear about the responses that are available should the deficits persist and a revised recovery plan becomes necessary following the next actuarial valuation of the scheme as at March 2014. The trustee is making preparations ahead of the next valuation to compile a formal financial management plan, which will bring together – in an integrated form – the various funding strands of covenant strength, investment strategy and funding assumptions, in line with the latest guidance from the Pensions Regulator.

At 31 March 2013, USS had over 148,000 active members and the institution had 3 active members participating in the scheme.

The total pension cost for the institution was £40,046 (2015: £47,635) and £15,704 (2015: £18,210) for employee's individual personal pension scheme. The contribution rate payable by the institution was 16% of pensionable salaries.

The unpaid pension contributions at the period end were £Nil (2015: £Nil).

Following the formation of BUCS from the merger of BUSA and UCS, a Section 75 pension liability was created. BUCS has taken membership of the USS pension scheme and the liability has been deferred, subject to letters of comfort from a group of members.

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22 OPERATING LEASE COMMITMENTS

At the year end the Group had annual commitments relating to non cancellable operating leases expiring in the following periods:	Plant and equipment 31 July 2016 £	Plant and equipment 31 July 2015 £
Within one year	1,757	1,821
One to two years	1,798	1,307
Two to five years	225	-
	<u>3,780</u>	<u>3,128</u>

23 RELATED PARTY TRANSACTIONS

During the period the group had the following transactions with related parties:

The group made sales of £23,624 (2015: £20,817) to Aberdeen University, in which Professor Sir Ian Diamond, the Chair of BUCS is the Principle and Vice Chancellor. At 31 July 2016 £750 (2015: £Nil) was due from this University. The group also made purchases of £876 (2015: £368) from this University.

The group made sales of £27,000 (2015: £56,893) to Birmingham University, in which Zena Wooldridge is Director of Sport. At 31 July 2016 £49 (2015: £1,179) was due to this University. The group also made purchases of £4,008 (2015: £8,585) from this University.

The group purchased 23% of the share capital of Bench Freehold Limited for £15,000 during the year to 31 July 2011. BUCS paid £600 (2015: £600) in ground rent to Bench Freehold Limited during the year to July 2015. This was in respect of the leasehold property for which Bench Freehold Limited own the freehold.

The group made sales of £17,586 (2015: £13,078) to St Mary's University, Twickenham, in which Professor John Brewer is Head of School of Sport, Health and Applied Science. At 31 July 2016 £352 (2015: £2,140) was due from this University. In the prior year Professor John Brewer was Director of Sport at University of Bedfordshire, and sales of £47,615 were made to this entity in 2015. £Nil was due at the year end in 2015.

The group made sales of £22,502 (2015: £44,710) to University of Bath in which Steve Egan is Vice-President (Implementation). The group also made purchases of £2,390 (2015: £276) from this University. At the year end £290 was due from this University (2015: £Nil).

The group made sales of £26,443 (2015: £17,830) to Royal Holloway, University of London in which Alex Reilly-Cooper, a Student Director of BUCS is Sabbatical Officer. At the year end £2,577 (2015: £Nil) was due from this University. Purchases of £810 (2015: £Nil) were also made in the year.

The group made purchases of £Nil (2015: £2,800) from Moorhead James LLP where Benedict Moorhead is a partner.

The group made sales of £Nil (2015: £350) to British Ski & Snowboard Limited, a company in which Professor John Brewer is a director. Purchases of £Nil (2015: £420) were also made. At the year end there is no balance (2015: £Nil) due or receivable.

During the year, BUCS Trading Limited, a 100% subsidiary of the Charity made a gift aid distribution of £166,490 (2015: £78,822) to the charity. There were management recharges of £129,432 (2015: £133,606) from the charity to BUCS Trading Limited. At the year end, BUCS Trading Limited owed the charity £149,964 (2015: £78,822).

British Universities & Colleges Sport Limited

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

24 SUBSIDIARY UNDERTAKING

	Year ended 31 July 2016 £	Year ended 31 July 2015 £
Profit and loss account extract:		
Turnover	330,039	271,374
Cost of sales	(26,536)	(22,751)
Gross profit	303,503	248,623
Operating costs	(147,918)	(152,092)
Operating profit	155,585	96,531
Amount of covenant of Gift Aid to BUCS	(166,490)	(78,822)
Retained in subsidiary	(10,905)	17,709
Assets	226,899	159,649
Liabilities	(190,779)	(112,625)
Funds	36,120	47,025

The above results of BUCS Trading Limited have been consolidated into these accounts.

BUCS Trading Limited is incorporated in England, Company number 07125529.

25	NOTES TO STATEMENT OF CASH FLOWS	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
a	Reconciliation of net income/(expenditure) to net cash flow from operating activities				
	Net income/(expenditure for the period as per SOFA	(76,943)	(3,736)	(66,039)	(21,446)
	Adjustments for:				
	Depreciation charges	72,210	58,467	56,824	43,082
	Gains on investments	(14,424)	(27,814)	(14,424)	(27,814)
	Dividends, interest and rents from investments	(16,374)	(26,434)	(16,374)	(26,434)
	(Increase)/decrease in debtors	(257,705)	121,581	(203,685)	133,152
	Increase/(decrease) in creditors	245,874	(127,760)	250,293	(50,926)
	Increase/(decrease) in provisions	(3,331)	20,862	(3,331)	20,862
	Net cash provided by/(used in) operating activities	(50,693)	15,167	3,264	70,476

British Universities & Colleges Sport Limited

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

25	NOTES TO STATEMENT OF CASH FLOWS <i>(continued)</i>	GROUP		CHARITY	
		Year ended 31 July 2016 £	Year ended 31 July 2015 £	Year ended 31 July 2016 £	Year ended 31 July 2015 £
b	Analysis of cash and cash equivalents:				
	Cash in hand	190,910	190,435	255,807	201,375
	Total cash and cash equivalents	<u>190,910</u>	<u>190,435</u>	<u>255,807</u>	<u>201,375</u>
26	2015 STATEMENT OF FINANCIAL ACTIVITIES - CHARITY				
					Total Year ended 31 July 2015 £
	INCOMING RESOURCES	Unrestricted Funds £	Designated Funds £	Restricted Funds £	
	Income:				
	<i>Donations and legacies:</i>				
	Value in kind	115,293	-	-	115,293
	Gift Aid donation from subsidiary	78,822	-	-	78,822
	<i>Income from charitable activities:</i>				
	Grants	246,605	-	179,901	426,505
	Subscriptions	1,016,574	-	9,748	1,026,322
	Entry fees and fines	1,351,078	-	-	1,351,078
	International	123,146	-	-	123,146
	Conferences	199,208	-	-	199,208
	Sundry income	7,170	-	-	7,170
	<i>Income from other trading activities:</i>				
	Sponsorship and commercial	-	-	-	-
	Investment activities	26,434	-	-	26,434
	Total income	<u>3,164,330</u>	<u>-</u>	<u>189,648</u>	<u>3,353,978</u>
	Expenditure:				
	Expenditure on charitable activities	3,195,255	14,096	193,888	3,403,239
	Total expenditure	<u>3,195,255</u>	<u>14,096</u>	<u>193,888</u>	<u>3,403,239</u>
	Gains on investments	27,815	-	-	27,815
	Net income/(expenditure) and net movement in funds in the year	<u>(3,110)</u>	<u>(14,096)</u>	<u>(4,239)</u>	<u>(21,446)</u>
	Reconciliation of funds:				
	Total funds brought forward	556,100	1,325,001	24,318	1,905,419
	Total funds carried forward	<u>552,990</u>	<u>1,310,905</u>	<u>20,079</u>	<u>1,883,973</u>

British Universities & Colleges Sport Limited

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2016

26 2015 STATEMENT OF FINANCIAL ACTIVITIES - GROUP

				Total Year ended 31 July 2015 £
INCOMING RESOURCES	Unrestricted Funds £	Designated Funds £	Restricted Funds £	
Income:				
<i>Donations and legacies:</i>				
Value in kind	115,293	-	-	115,293
<i>Income from charitable activities:</i>				
Grants	246,605	-	179,901	426,506
Subscriptions	1,016,574	-	9,748	1,026,322
Entry fees and fines	1,351,078	-	-	1,351,078
International	123,146	-	-	123,146
Conferences	199,208	-	-	199,208
Sundry income	7,171	-	-	7,171
<i>Income from other trading activities:</i>				
Sponsorship and commercial	271,374	-	-	271,374
Investment activities	26,434	-	-	26,434
Total income	3,356,883	-	189,649	3,546,532
Expenditure:				
Expenditure on charitable activities	3,376,927	7,267	193,888	3,578,082
Total expenditure	3,376,927	7,267	193,888	3,578,082
Gains on investments	27,814	-	-	27,814
Net income/(expenditure) and net movement in funds in the year	7,770	(7,267)	(4,240)	(3,736)
Reconciliation of funds:				
Total funds brought forward	1,227,222	683,091	24,319	1,934,632
Total funds carried forward	1,234,993	675,824	20,079	1,930,896