



ECB Report and Financial Statement 2003



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Report and Financial Statements 2003

Contents	Pages
1- Officers and professional advisers	3
2- Directors' report	4
3- Statement of directors' responsibilities	5
4- Independent auditors' report	6
5- Profit and loss account	7
6- Balance sheet	8
7- Cash flow statement	9
8- Notes to the accounts	10

Report and Financial Statements 2003

01/Officers and professional advisers

BANKERS

Barclays Bank PLC

50 Pall Mall
PO Box 15161
London
SW1A 1QA

SOLICITORS

Slaughter and May

35 Basinghall Street
London
EC2V 5DB

Denton Wilde Sapte

Five Chancery Lane
Clifford's Inn
London
EC4A 1BU

REGISTERED OFFICE

Lord's Cricket Ground
St John's Wood
London
NW8 8QZ

AUDITORS

Deloitte & Touche LLP

Chartered Accountants
Hill House
1 Little New Street
London
EC4A 3TR

Report and Financial Statements 2003

02/ Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

In the opinion of the directors, all the company's turnover is derived solely from cricket related activities carried out in the UK and in respect of the England Cricket Team Tours.

Turnover in 2003 amounted to £73,529,000 (2002 - £67,066,000).

Cost of sales in 2003 amounted to £10,197,000 (2002 - £14,576,000).

FUTURE PROSPECTS

The international programme should be similar to the format that took place in 2003. There are scheduled to be seven npower Test Matches, three against New Zealand and four against West Indies. The ten match One Day International NatWest Series is scheduled to involve England, New Zealand and West Indies. In addition, there are to be three One Day International NatWest Challenge Matches with India.

RESULTS AND DIVIDENDS

The company made a loss on ordinary activities before taxation of £177,000 (2002 - losses of £299,000).

Retained losses of £240,000 (2002 - losses of £323,000) have been transferred from reserves. No dividend was declared in the year (2002 - £nil).

DIRECTORS AND THEIR INTERESTS

The following directors have served the company during the year and since the year end:

Members of the management board

F D Morgan

D L Acfield

D L Amiss

R G Bransgrove

D G Collier

S P Coverdale *(resigned 31 December 2003)*

D E East

P H Edmonds *(elected 1 January 2004)*

P W Gooden

H M V Gray *(resigned 25 April 2003)*

R Jackson

R D V Knight

R Moylan-Jones

J B Pickup

M J Soper

D P Stewart

D Wilson *(appointed 23 June 2003)*

No directors had, at any time during the year, any material interest in a contract with the company.

Report and Financial Statements 2003

CHARITABLE DONATIONS

Total charitable donations amounted to £5,400,000 (2002 - £2,450,000) being amounts paid to the Cricket Foundation as disclosed in note 4 of the financial statements.

AUDITORS

On 1 August 2003, Deloitte & Touche transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP under the provisions of section 26(5) of the Companies Act 1989. A resolution to re-appoint Deloitte & Touche LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors on 24th March 2004 and signed on behalf of the Board of Directors

Brian W Havill

Company Secretary

03/ Statement of Directors' Responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report and Financial Statements 2003

04/ Independent Auditors' Report to the Members of the England and Wales Cricket Board Limited

(A company limited by guarantee)

We have audited the financial statements of England and Wales Cricket Board Limited for the year ended 31 December 2003 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London - 29th March 2004

Report and Financial Statements 2003

05/ Profit and Loss Account

For the year ended 31 December 2003

	Note	2003 £'000	2002 £'000
TURNOVER	1	73,529	67,066
Cost of sales		(10,197)	(14,576)
Gross profit		63,332	52,490
Selling and distribution costs		(53,032)	(43,851)
Administration expenses		(11,061)	(9,342)
OPERATING LOSS		(761)	(703)
Interest receivable and similar income	7	584	404
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(177)	(299)
Tax charge on loss on ordinary activities	8	(63)	(24)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR TRANSFERRED FROM RESERVES		(240)	(323)

All activities arise from continuing operations.

Movements in members' funds and on reserves are shown in note 15.

There are no recognised gains or losses for the current year or preceding year or movements in reserves other than as stated in the profit and loss account.

Report and Financial Statements 2003

06/ Balance Sheet

31 December 2003

	Note	2003 £'000	2002 £'000
FIXED ASSETS			
Tangible fixed assets	9	<u>954</u>	<u>826</u>
CURRENT ASSETS			
Stocks	10	51	115
Debtors: amounts falling due within one year	11	9,074	6,122
Debtors: amounts falling due after more than one year	11	1,093	1,900
Investments	12	10,548	20,124
Cash at bank and in hand		<u>101</u>	<u>1,586</u>
		20,867	29,847
CREDITORS: amounts falling due within one year	13	<u>(13,393)</u>	<u>(15,656)</u>
NET CURRENT ASSETS		<u>7,474</u>	<u>14,191</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,428</u>	<u>15,017</u>
RESERVES			
Profit and loss account	15	<u>(950)</u>	<u>(710)</u>
MEMBERS' DEFICIT	15	(950)	(710)
CREDITORS: amounts falling due after more than one year	14	<u>9,378</u>	<u>15,727</u>
		<u>8,428</u>	<u>15,017</u>

These financial statements were approved by the Board of Directors on 24th March 2004.

Signed on behalf of the Board of Directors

F D Morgan
Chairman

Report and Financial Statements 2003

07/ Cash Flow Statement

for the year ended 31 December 2003

	Note	2003 £'000	2002 £'000
NET CASH FLOW FROM OPERATING ACTIVITIES	16	<u>(11,000)</u>	<u>14,891</u>
Returns on investments and servicing of finance			
Interest received		<u>584</u>	<u>404</u>
NET CASH FLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE		<u>584</u>	<u>404</u>
TAX PAID		<u>(75)</u>	<u>-</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets	9	<u>(571)</u>	<u>(76)</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		<u>(571)</u>	<u>(76)</u>
NET CASH (OUTFLOW)/INFLOW BEFORE USE OF LIQUID RESOURCES AND FINANCING		(11,062)	15,219
Management of liquid resources			
Increase/(decrease) in short term deposits		<u>9,575</u>	<u>(13,873)</u>
MANAGEMENT OF LIQUID RESOURCES		<u>9,575</u>	<u>(13,873)</u>
(DECREASE)/INCREASE IN CASH DURING THE YEAR		<u>(1,487)</u>	<u>1,346</u>
ANALYSIS OF MOVEMENT IN NET FUNDS			
		2002 £'000	2003 £'000
(Decrease)/increase in cash during the year		(1,487)	1,346
Opening cash at bank at 1 January		<u>1,588</u>	<u>242</u>
Closing cash at bank at 31 December		<u>101</u>	<u>1,588</u>

Report and Financial Statements 2003

08/ NOTES TO THE ACCOUNTS

for the year ended 31 December 2003

01) ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

The amount reported as turnover represents revenue from gross ticket income, sponsorship, television and radio, perimeter advertising, software licensing income, promotions and sundry income after deduction of value added tax.

Tangible fixed assets

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

Leasehold improvements	10% per annum
Fixtures, fittings and office equipment	20% - 33 1/3% per annum
Software	33 1/3% per annum

Stocks

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

Investments

Investments held are stated at cost less provision for any impairment in value.

Translation of foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Exchange gains and losses, arising on both settled and unsettled foreign currency transactions, are included in the results on ordinary activities before taxation.

Leases

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the period of the leases.

Deferred Tax

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

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

Report and Financial Statements 2003

Pensions

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

The amount charged to the profit and loss account in respect of the defined benefit pension scheme is calculated in accordance with SSAP 24 so as to produce a substantially level percentage of the current and future pensionable payroll. Variations from the regular cost so calculated are allocated to the profit and loss account over the average remaining lives of employees. Contributions to the defined contribution scheme are charged to the profit and loss account in the period in which they become payable.

Additional disclosures in respect of the defined benefit pension scheme have been provided in accordance with FRS17 "Retirement benefits", see note 18.

Grants

Non-recourse grants are credited to the profit and loss account when received.

02) LIABILITY OF MEMBERS

England and Wales Cricket Board Limited is a company limited by guarantee and has no share capital. Each member has guaranteed to contribute a sum not exceeding £10 for payment of the company's debts and liabilities should the company be wound up. There were 39 members as at 31 December 2003 and 2002.

03) LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

	2003	2002
	£'000	£'000
Loss on ordinary activities before taxation is stated after charging/(crediting):		
Gain on foreign currency exchange	(21)	(73)
Operating leases:		
Land and buildings	294	236
Other equipment	326	274
Auditors' remuneration:		
Audit fees	42	34
Other services	55	22
Depreciation of tangible fixed assets (note 9)	443	102

4) DONATIONS TO THE CRICKET FOUNDATION

A donation of £5,400,000 (2002 - £2,450,000) was paid to the Cricket Foundation during the year.

Report and Financial Statements 2003

05) EMPLOYEES

All staff are employed in cricket related activities. The average number of persons employed by the company during the year was:

	2003	2002
	No.	No.
Cricketers	28	23
Umpires	16	18
Development staff	45	41
Coaching staff	26	25
Administration	54	51
	<u>169</u>	<u>158</u>
	£'000	£'000
Aggregate costs:		
Wages and salaries	9,722	7,254
Social security	1,334	922
Other pension costs	1,705	1,210
	<u>12,761</u>	<u>9,386</u>
	£'000	£'000
Wages and salaries:		
Cricketers*	4,769	2,917
Umpires	792	758
Development staff**	1,105	1,073
Coaching staff	706	609
Administration	2,350	1,897
	<u>9,722</u>	<u>7,254</u>

* Costs exclude amounts paid to First Class Counties for the services of players. Such payments totalled £408,000 (2002 - £933,000).

** Costs are gross costs borne by the ECB before deduction for grants and awards received from Sport England and The Cricket Foundation. Such grants and awards totalled £880,000 (2002 - £857,000).

06) DIRECTORS' EMOLUMENTS

Directors' emoluments, including pension contributions, are £nil (2002 - £nil, pension contributions £nil). No director is a member of the pension schemes described in note 18.

07) INTEREST RECEIVABLE AND SIMILAR INCOME

	2003	2002
	£'000	£'000
Interest receivable	<u>584</u>	<u>404</u>

Report and Financial Statements 2003

08) TAX CHARGE ON LOSS ON ORDINARY ACTIVITIES

i) Analysis of tax charge on ordinary activities

	2003	2002
	£'000	£'000
UK Corporation Tax at 30% (2002 - 30%) based on the taxable profit for the year	(43)	(17)
Adjustment in respect of prior years	(19)	14
Double taxation relief	43	17
	<u>(19)</u>	<u>14</u>
Foreign tax for current period	(44)	(38)
	<u>(63)</u>	<u>(24)</u>

ii) Factors affecting tax charge for the current period

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK - 30% (2001 - 30%)

The differences are explained below:

	2003	2002
	£'000	£'000
Loss on ordinary activities before tax	<u>(177)</u>	<u>(299)</u>
Tax credit at 30% thereon	53	90
Effects of:		
Expenses not deductible for tax purposes	(50)	(30)
Depreciation in excess of capital allowances	(62)	(30)
Other deferred tax movements not recognised	-	(55)
Difference in tax rates	15	8
Unrelieved foreign tax	-	(21)
Adjustments in respect of prior years	<u>(19)</u>	<u>14</u>
Current tax charge for period	<u>(63)</u>	<u>(24)</u>

iii) Factors that may affect the future tax charge

A deferred tax asset of £259,000 (2002 - £197,000) has not been recognised in respect of timing differences relating to capital allowances in excess of depreciation and a pension accrual as it is not certain that the asset will be recovered.

Report and Financial Statements 2003

09) FIXED ASSETS

Tangible fixed assets	Leasehold improvements £'000	Fixtures fittings and equipment £'000	Software £'000	Total £'000
Cost				
At 1 January 2003	55	774	675	1,504
Additions	4	567	-	571
Disposals	-	(206)	(22)	(228)
At 31 December 2003	59	1,135	653	1,847
Accumulated depreciation				
At 1 January 2003	26	652	-	678
Charge for the year	3	215	225	443
Disposals	-	(206)	(22)	(228)
At 31 December 2003	29	661	203	893
Net book value				
At 31 December 2003	30	474	450	954
At 31 December 2002	29	122	675	826

Software in respect of the PlayCricket.Com venture was purchased in November 2002. Consideration is being paid in accordance with an agreed payment plan between 2003 and 2006. The project has generated revenues during the year and depreciation was charged from 1 January 2003.

Investments

ECB and Marylebone Cricket Club ("MCC") are both £50 guarantors of Lords.org Limited, a company limited by guarantee. This investment is held at £nil cost in the balance sheet. Lords.org Limited is incorporated in Great Britain and its principal activity is to produce and develop the official website of the ECB and MCC. During the year, Lords.org Limited recorded turnover of £180,500 (2002- £195,000) and a profit before and after tax of £166,000 (2002 - £43,000 profit). As at 31 December 2003, it had net liabilities of £235,000 (2002 - £380,000) including amounts due to ECB of £405,000 (2002 - £450,000).

10) STOCKS

	2003 £'000	2002 £'000
Goods held for resale	51	115

Report and Financial Statements 2003

11) DEBTORS

	2003 £'000	2002 £'000
Amounts falling due within one year:		
Trade debtors	2,577	689
Other debtors	4,774	4,018
Prepayments and accrued income	1,701	1,381
Overseas tax recoverable	22	34
	<u>9,074</u>	<u>6,122</u>
Amounts falling due after more than one year:		
Other debtors	1,093	1,900
Total debtors	<u>10,167</u>	<u>8,022</u>

12) INVESTMENTS

	2003 £'000	2002 £'000
Cash deposits with terms less than 90 days	10,548	20,124
On 5 January 2004, these investments were converted to cash.	<u> </u>	<u> </u>

13) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003 £'000	2002 £'000
Trade creditors	689	996
Other creditors	1,485	1,161
Corporation tax payable	19	7
Deferred income	9,470	10,045
Accruals	1,730	3,447
	<u>13,393</u>	<u>15,656</u>

14) CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2003 £'000	2002 £'000
Other creditor	238	394
Deferred income	9,140	15,333
	<u>9,378</u>	<u>15,727</u>

Report and Financial Statements 2003

15) COMBINED STATEMENT OF MOVEMENTS IN MEMBERS' FUNDS

AND STATEMENT OF MOVEMENT IN RESERVES

	Profit and loss account £'000	Members' funds £'000
At 1 January 2003	(710)	(710)
Retained loss for the year	(240)	(240)
	<u>(950)</u>	<u>(950)</u>
At 31 December 2003	<u>(950)</u>	<u>(950)</u>

16) RECONCILIATION OF OPERATING LOSS TO NET CASH (OUTFLOW)/

INFLOW FROM OPERATING ACTIVITIES

	2003 £'000	2002 £'000
Operating loss	(761)	(703)
Depreciation of tangible fixed assets	443	102
Decrease/(increase) in stocks	64	(33)
Increase in debtors	(2,123)	(404)
(Decrease)/increase in creditors	(8,623)	15,929
	<u>(11,000)</u>	<u>14,891</u>
Net cash (outflow)/inflow from operating activities	<u>(11,000)</u>	<u>14,891</u>

17) OPERATING LEASE COMMITMENTS

The company has the following commitments to make payments in the next year, under operating leases analysed between those where the commitment expires:

	2003			2002		
	Land and buildings £'000	Other £'000	Total £'000	Land and buildings £'000	Other £'000	Total £'000
Within one year	13	273	286	-	10	10
Between one and two years	-	168	168	13	16	29
Between two and- five years	55	55	-	125	125	
After five years	183	-	183	183	-	183
	<u>196</u>	<u>496</u>	<u>692</u>	<u>196</u>	<u>151</u>	<u>347</u>

Report and Financial Statements 2003

18) PENSIONS

The company operates a defined benefit pension scheme, the ECB Retirement and Death Benefits Scheme ("the Scheme"), whose assets are held in independent trustee administered funds. Contributions payable during the year were £1,177,000 (2002 - £404,000). Contributions are determined by a qualified actuary on the basis of triennial valuations using the attained age method. The most recent valuation of the Scheme was carried out as at 1 July 2002.

The principal actuarial assumptions used were a rate of return on investments of 7.5% per annum, salary increases of 5.5% per annum and an allowance for pensions to increase at a rate in accordance with the Scheme's rules, depending on the benefits.

At the valuation date the actuarial value of the assets on this basis was sufficient to cover 75% of the benefits that had accrued to members in the Scheme. The market value of the scheme's assets was £6,592,000 as at 1 July 2002.

The company also made contributions to the ECB Group Pension Plan for Professional Cricketers and the ECB Group Pension Plan, both defined contributions schemes, amounting to £231,000 (2002 - £300,000) and £340,000 (2002 - £154,000) respectively.

ECB currently accounts for pensions under SSAP24. Under the transitional arrangements for FRS17 "Retirement benefits", issued by the Accounting Standards Board in November 2000, ECB is required to provide additional disclosures relating to its defined benefit pension scheme. These are provided below.

FRS 17 Disclosures

The figures below have been based on full actuarial valuations as at 1 July 2003, updated to the 31 December 2003 by an independent professional actuary.

The liabilities of the Scheme at 31 December 2003 were calculated on the following bases as required under FRS17:

Assumption	2003	2002	2001
Discount rate	5.5%	5.5%	6.0%
Rate of increase in salaries	3.0%	3.0%	3.5%
Rate of increase in pensions in payment	2.0%	2.0%	2.5%
Inflation assumption	2.0%	2.0%	2.5%

Report and Financial Statements 2003

18) PENSIONS (continued)

The assets and liabilities in the Scheme on an FRS17 basis, along with the expected rate of return as at 31 December 2003 were:

Asset	Long term rate of return expected	2003 £'000	Long term rate of return expected	2002 £'000	Long term rate of return expected	2001 £'000
Equities	7.5%p.a.	4,076	7.5%p.a.	4,306	8%p.a.	4,863
Bonds	4.5%p.a.	3,286	4.5%p.a.	1,507	5%p.a.	1,236
Property	5.5%p.a.	418	5.5%p.a.	273	6%p.a.	402
Cash	3%p.a.	208	3%p.a.	179	3%p.a.	347
Total market value of assets		7,988		6,265		6,848
Present value of scheme liabilities		(11,292)		(10,292)		(8,340)
Deficit in the scheme		(3,304)		(4,027)		(1,492)

The balance sheet position for the Scheme as calculated under FRS17 as at 31 December 2003 would have been as follows:

	2003 £'000	2002 £'000
Fair value of assets	7,988	6,265
Present value of the Scheme liabilities	(11,292)	(10,292)
Deficit in the Scheme	(3,304)	(4,027)
Related deferred tax asset at 30%	991	1,208
Net deficit in the Scheme	(2,313)	(2,819)

Had the ECB adopted FRS 17 early, the profit and loss reserves would have been stated as follows:

	2003 £'000	2002 £'000
Profit and loss reserve in the financial statements as at 31 December	(950)	(710)
Add back SSAP 24 accrual	100	100
Less Net deficit in the Scheme under FRS 17	(2,313)	(2,819)
Profit and loss reserve as adjusted	(3,163)	(3,429)

Report and Financial Statements 2003

18) PENSIONS (continued)

	2003	2002
	£'000	£'000
Analysis of the amount charged to operating profit		
Current service cost	(505)	(569)
Past service charge	-	-
Total operating charge	<u>(505)</u>	<u>(569)</u>
Analysis of the amount (charged)/credited to other finance costs	2003	2002
	£'000	£'000
Expected return on pension scheme assets	445	490
Interest on pension scheme liabilities	<u>(562)</u>	<u>(524)</u>
Net return	<u>(117)</u>	<u>(34)</u>
Analysis of amount recognised in statement of total recognised gains and losses (STRGL)	2003	2002
	£'000	£'000
Actual return less expected return on pension scheme assets	247	(1,197)
Experience gains and losses arising on the scheme assets	(79)	(611)
Changes in assumptions underlying the present value of the scheme liabilities	-	(528)
Net return	<u>168</u>	<u>(2,336)</u>
Movement in deficit during the year	2003	2002
	£'000	£'000
Deficit in scheme at beginning of the year	(4,027)	(1,492)
Movement in the year:		
Current service cost	(505)	(569)
Contributions paid	1,177	404
Other financial income	(117)	(34)
Actuarial loss	<u>168</u>	<u>(2,336)</u>
Deficit in scheme at end of the year	<u>(3,304)</u>	<u>(4,027)</u>

Report and Financial Statements 2003

18) PENSIONS (continued)

FRS 17 - 'five year history'

The following disclosures will be built up over time as a five year history

	2003 % of scheme assets/ liabilities	2003 £'000	2002 % of scheme assets/ liabilities	2002 £'000
Difference between expected and actual return on scheme assets	3	247	(19)	(1,197)
Experience gains and losses on scheme liabilities	1	(79)	6	(611)
Total amount recognised in statement of total recognised gains and losses	(1)	168	23	(2,336)

19) RELATED PARTY TRANSACTIONS

The directors have identified a number of cricketing organisations for which payments and receipts by the ECB represents a significant source of income.

- The eighteen First Class Counties, MCC, the Minor Counties Cricket Association ("MCCA"), the Minor County Clubs and County Cricket Boards have charged ECB amounts totalling £31,751,000 (2002 - £33,445,000), in respect of fees for the provision of ground facilities and cricketers for matches under the control of ECB, and amounts payable under the terms of licence fees and other commercial agreements. As at 31 December 2003 ECB owed these parties £ 965,000 (2002 - £2,187,000) of unpaid fees.
- ECB has loans of £2,197,500 (2002 - £3,730,000) in aggregate due from the eighteen First Class Counties, the Professional Cricketers' Association and the County Cricket Boards.
- The directors have identified Cambridge University Cricket Club, Irish Cricket Union, Koninklijke Cricket Bond, Danish Cricket Association, Oxford University Cricket Club, Professional Cricketers' Association, Lords.org Limited, and Scottish Cricket Union as also being related and to which ECB has made payments. During the period, amounts totalling £1,024,000 (2002 - £1,046,000) were paid to these organisations.
- ECB paid £183,000 (2002 - £183,000) of commercial rent to MCC in respect of the leasehold property.
- ECB paid premiums of £ 866,250 (2002 - £283,418) to Reigndei Limited, an insurance company beneficially owned by the eighteen first class counties, MCC and the MCCA.
- ECB made donations amounting to £5,400,000 (2002 - £2,450,000) to the Cricket Foundation during the year. Income of £666,000 (2002 - £600,000) was received by ECB from the Cricket Foundation in respect of development activities.



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