



Report and Financial Statements

for the year ended 31 December 2004



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Report and Financial Statements

for the year ended 31 December 2004

England And Wales Cricket Board Limited (a company limited by guarantee)

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England And Wales Cricket Board Limited (a company limited by guarantee)

01: Officers and professional advisers

Bankers

Barclays Bank PLC
Business Banking Larger Business
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
London

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02: Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2004.

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 2004 amounted to £75,117,000 (2003 – £73,529,000).

Cost of sales in 2004 amounted to £9,276,000 (2003 – £10,197,000).

Future prospects

The international programme should be similar to the format that took place in 2004. There are scheduled to be seven npower Test Matches, two against Bangladesh and five against Australia. The ten match One Day International NatWest series is scheduled to involve England, Australia and Bangladesh. In addition, there are to be three One Day International NatWest Challenge Matches with Australia as well as a Twenty 20 International Match between Australia and England.

Results and dividends

The company made a profit on ordinary activities before taxation of £2,396,000 (2003 – losses of £177,000). Retained profit of £1,600,000 (2003 – losses of £240,000) have been transferred to reserves. No dividend was declared in the year (2003 – £nil).

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Directors and their interests

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

Members of the management board

F D Morgan
D L Acfield
D L Amiss
R G Bransgrove
C G Clarke (appointed 10.06.04)
D G Collier
D E East
P H Edmonds
P W Gooden
B W Havill (appointed 11.05.04)
R Jackson
R D V Knight
Sir William Morris (appointed 01.10.04)
R Moylan-Jones
J B Pickup
M J Soper
D P Stewart
D Wilson (resigned 20.04.04)

Position with related parties

Trustee, Glamorgan CCC
Chairman, Essex CB
Chief Executive, Warwickshire CCC
Chairman and majority shareholder, Hampshire Cricket Limited
Chairman, Somerset CCC
Chief Executive, Nottinghamshire CCC
Chief Executive, Essex CCC
Chairman, Middlesex CCC; Committee member, MCC
Treasurer, MCCA; Secretary, Cambridgeshire CCC
Director, Reigndei Limited; Director, Lord's.Org Limited
Director, Durham CCC; Secretary, Durham CB
Secretary & Chief Executive MCC; Director, Lord's.Org Limited

Chairman, Devon CCC
Chairman, MCCA; Secretary, Cheshire CCC
Vice President, Surrey CCC
Chairman, Surrey CCC

Other than as disclosed in Note 19 of the financial statements, no directors had at anytime during the year, any material interest in a contract with the company.

Charitable donations

Charitable donations to the Cricket Foundation amounted to £5,767,000 (2003 – £5,400,000).

Other charitable donations totalled £20,000 (2003 - £800).

As disclosed in note 4 of the financial statements.

Auditors

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors on March 29 2005
and signed on behalf of the Board of Directors.

Brian W Havill

Company Secretary

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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.

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04: Independent auditors' report

Independent auditors' report to the members of 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 2004 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.

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England And Wales Cricket Board Limited (a company limited by guarantee)

Basis of audit 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 2004 and of its profit 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

April 14 2005

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05: Profit and loss account

For the year ended 31 December 2004

	Note	2004 £'000	2003 £'000
Turnover	1	75,117	73,529
Cost of sales		(9,276)	(10,197)
		<hr/>	<hr/>
Gross profit		65,841	63,332
Selling and distribution costs		(52,891)	(53,032)
Administration expenses		(11,161)	(11,061)
		<hr/>	<hr/>
Operating profit/(loss)		1,789	(761)
Interest receivable and similar income	7	607	584
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation	3	2,396	(177)
Tax charge on loss on ordinary activities	8	(796)	(63)
		<hr/>	<hr/>
Profit/(Loss) on ordinary activities after taxation for the year transferred from reserves		1,600	(240)
		<hr/> <hr/>	<hr/> <hr/>

All activities arise from continuing operations.

Movements in members' funds and 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.

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06:Balance sheet

As at 31 December 2004

	Note	2004 £'000	2003 £'000
Fixed assets			
Tangible fixed assets	9	587	954
		<hr/>	<hr/>
Current assets			
Stocks	10	44	51
Debtors: amounts falling due within one year	11	5,152	9,074
Debtors: amounts falling due after more than one year	11	274	1,093
Investments	12	22,925	10,548
Cash at bank and in hand		171	101
		<hr/>	<hr/>
		28,566	20,867
Creditors: amounts falling due within one year	13	(17,291)	(13,393)
		<hr/>	<hr/>
Net current assets		11,275	7,474
		<hr/>	<hr/>
Total assets less current liabilities		11,862	8,428
		<hr/> <hr/>	<hr/> <hr/>
Reserves			
Profit and loss account	15	650	(950)
		<hr/>	<hr/>
Members' funds/(deficit)	15	650	(950)
		<hr/>	<hr/>
Creditors: amounts falling due after more than one year	14	11,212	9,378
		<hr/>	<hr/>
		11,862	8,428
		<hr/>	<hr/>

These financial statements were approved by the Board of Directors on March 29 2005.

Signed on behalf of the Board of Directors

F D Morgan
Chairman

B W Havill
Financial Director

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07: Cash flow statement

For the year ended 31 December 2004

	Note	2004 £'000	2003 £'000
Net cash inflow/(outflow) from operating activities	16	11,888	(11,000)
Returns on investments and servicing of finance			
Interest received		607	584
Net cash inflow from returns on investment and servicing of finance		607	584
Tax paid		-	(75)
Capital expenditure and financial investment			
Purchase of tangible fixed assets	9	(48)	(571)
Net cash outflow from capital expenditure and financial investment		(48)	(571)
Net cash inflow/(outflow) before management of liquid resources and financing		12,447	(11,062)
Management of liquid resources			
(Increase)/decrease in short term deposits		(12,377)	9,575
Management of liquid resources		(12,377)	9,575
Increase/(decrease) in cash during the year		70	(1,487)
Analysis of movement in net funds			
Increase/(decrease) in cash during the year		70	(1,487)
Opening cash at bank at 1 January		101	1,588
Closing cash at bank at 31 December		171	101

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08: Notes to the accounts

For the year ended 31 December 2004

1. 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 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.

Deferred tax assets & liabilities are not discounted.

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1. Accounting policies (continued)

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.

2. 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 2004 and 2003.

3. Profit/(loss) on ordinary activities before taxation

	2004 £'000	2003 £'000
Profit on ordinary activities before taxation is stated after charging/(crediting):		
Profit/(Loss) on foreign currency exchange	(8)	21
Operating leases:		
Land and buildings	196	196
Other equipment	316	424
Auditors' remuneration:		
Audit fees	51	42
Other services	42	55
Depreciation of tangible fixed assets (note 9)	415	443
	<u> </u>	<u> </u>

4. Donations to the Cricket Foundation and Other Charities

A donation of £5,767,000 (2003 – £5,400,000) was paid to the Cricket Foundation during the year.

Other Charitable Donations paid in 2004 were £20,000 (2003 - £800).

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5. Employees

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

	2004 No.	2003 No.
Cricketers	22	28
Umpires	16	16
Development staff	44	45
Coaching staff	24	26
Administration	49	54
	<hr/>	<hr/>
	155	169
	<hr/> <hr/>	<hr/> <hr/>
	£'000	£'000
Aggregate costs:		
Wages and salaries	8,953	9,733
Social security	1,286	1,334
Other pension costs	1,914	1,705
	<hr/>	<hr/>
	12,153	12,772
	<hr/> <hr/>	<hr/> <hr/>
	£'000	£'000
Wages and salaries:		
Cricketers*	3,830	4,620
Umpires	957	942
Development staff**	1,175	1,115
Coaching staff	639	706
Administration	2,352	2,350
	<hr/>	<hr/>
	8,953	9,733
	<hr/> <hr/>	<hr/> <hr/>

* Costs exclude amounts paid to First Class Counties for the services of players. Such payments totalled £ 500,000 (2003 – £408,000).

** 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 £960,000 (2003 – £824,000).

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6. Directors' emoluments

Directors' emoluments, including pension contributions, are £83,643 (2003 – £nil, pension contributions £nil).

No director is a member of the defined benefit pension scheme described in note 18.

7. Interest receivable and similar income

	2004 £'000	2003 £'000
Interest receivable	607	584

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8. Tax charge on loss on ordinary activities

i. Analysis of tax charge on ordinary activities

	2004 £'000	2003 £'000
UK Corporation Tax at 30% (2003 – 30%) based on the taxable profit for the year	(796)	(43)
Adjustment in respect of prior years	-	(19)
Double taxation relief	61	43
	<hr/>	<hr/>
	(735)	(19)
Foreign tax for current period	(61)	(44)
	<hr/>	<hr/>
	(796)	(63)
	<hr/> <hr/>	<hr/> <hr/>

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 % (2003 - 30%)

The differences are explained below:

	2004 £'000	2003 £'000
Profit/(loss) on ordinary activities before tax	2,396	(177)
	<hr/>	<hr/>
Tax (charge)/credit at 30% thereon	(719)	53
Effects of:		
Expenses not deductible for tax purposes	(65)	(50)
Depreciation in excess of capital allowances	(13)	(62)
Other deferred tax movements not recognised	-	-
Difference in tax rates	1	15
Unrelieved foreign tax	-	-
Adjustments in respect of prior years	-	(19)
	<hr/>	<hr/>
Current tax charge for period	(796)	(63)
	<hr/> <hr/>	<hr/> <hr/>

iii. Factors that may affect the future tax charge

A deferred tax asset of £257,000 (2003 – £243,000) has not been recognised in respect of timing differences relating to capital allowances in excess of depreciation and a pension accrual as there is not sufficient certainty that the asset will be recovered.

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9. Fixed assets

Tangible fixed assets	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Software £'000	Total £'000
Cost				
At 1 January 2004	59	1,135	653	1,847
Additions	2	46	-	48
Disposals	-	(5)	-	(5)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	61	1,176	653	1,890
	<hr/>	<hr/>	<hr/>	<hr/>
Accumulated depreciation				
At 1 January 2004	29	661	203	893
Charge for the year	6	184	225	415
Disposals	-	(5)	-	(5)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2004	35	840	428	1,303
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2004	26	336	225	587
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2003	30	474	450	954
	<hr/>	<hr/>	<hr/>	<hr/>

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

England & Wales Cricket Board ("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 a loss of £2,000 (2003 – £182,000 profit). As at 31 December 2004, it had net liabilities of £253,000 (2003 – £251,000) including amounts due to ECB of £225,000 (2003 – £405,000).

10. Stocks

	2004 £'000	2003 £'000
Goods held for resale	44	51
	<hr/>	<hr/>

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11. Debtors

	2004 £'000	2003 £'000
Amounts falling due within one year:		
Trade debtors	1,437	2,577
Other debtors	2,721	4,774
Prepayments and accrued income	988	1,701
Overseas tax recoverable	6	22
	<hr/>	<hr/>
	5,152	9,074
	<hr/>	<hr/>
Amounts falling due after more than one year:		
Other debtors	274	1,093
	<hr/>	<hr/>
Total debtors	5,426	10,167
	<hr/> <hr/>	<hr/> <hr/>

12. Investments

	2004 £'000	2003 £'000
Cash deposits with terms less than 90 days	22,925	10,548
	<hr/> <hr/>	<hr/> <hr/>

On 4 January 2005, £4,925,000 of these investments were converted to cash; £10,000,000 was converted on 8 January 2005; and £8,000,000 was converted on 17 January 2005.

13. Creditors: amounts falling due within one year

	2004 £'000	2003 £'000
Trade creditors	1,281	689
Other creditors	3,653	1,485
Corporation tax payable	798	19
Deferred income	10,287	9,470
Accruals	1,272	1,730
	<hr/>	<hr/>
	17,291	13,393
	<hr/> <hr/>	<hr/> <hr/>

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14. Creditors: amounts falling due after more than one year

	2004 £'000	2003 £'000
Other creditor	82	238
Deferred income	11,130	9,140
	<hr/>	<hr/>
	11,212	9,378
	<hr/> <hr/>	<hr/> <hr/>

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 2004	(950)	(950)
Retained profit for the year	1,600	1,600
	<hr/>	<hr/>
At 31 December 2004	650	650
	<hr/> <hr/>	<hr/> <hr/>

16. Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities

	2004 £'000	2003 £'000
Operating profit/ (loss)	1,789	(761)
Depreciation of tangible fixed assets	415	443
Decrease in stocks	7	64
Decrease/(increase) in debtors	4,741	(2,123)
Increase/(decrease) in creditors	4,936	(8,623)
	<hr/>	<hr/>
Net cash inflow/(outflow) from operating activities	11,888	(11,000)
	<hr/> <hr/>	<hr/> <hr/>

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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:

	2004			2003		
	Land and buildings £'000	Other £'000	Total £'000	Land and buildings £'000	Other £'000	Total £'000
Within one year	13	191	204	13	273	286
Between one and two years	-	75	75	-	168	168
Between two and five years	-	23	23	-	55	55
After five years	183	-	183	183	-	183
	<u>196</u>	<u>289</u>	<u>485</u>	<u>196</u>	<u>496</u>	<u>692</u>

18. Pensions

The company has made contributions to the ECB Group Pension Plan and the ECB Group Pension Plan for Professional Cricketers, both defined contributions schemes, amounting to £374,000 (2003 – £340,000) and £ 240,000 (2003 – £231,000) respectively.

The company also operates a defined benefit pension scheme, the ECB Retirement and Death Benefits Scheme (“the Scheme”), whose assets are held in independent trustee administered funds. Standard contributions are determined by a qualified actuary on the basis of triennial valuations using the attained age method. The most recent valuation of the Scheme was carried out as at 1 July 2002.

The standard contributions made to the Scheme by the company have been 41.7% of salaries which have totalled £657,000 (2003 - £677,000). There are no member contributions. Standard percentage contributions are not expected to change in the year to 31 December 2005.

In addition, the company has made special contributions into the scheme of £699,000 (2003 - £500,000). In total, contributions payable to the scheme were £1,356,000 (2003 - £1,177,000). The special contributions are made to help cover the deficit that has arisen.

As at the 1 July 2002 valuation, the market value of the scheme’s assets were £6,592,000. 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. The actuarial value of the assets on this basis was only sufficient to cover 75% of the benefits that had accrued to members as at 1 July 2002.

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18. Pensions (continued)

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 2002, updated to the 31 December 2004 by an independent professional actuary.

The liabilities of the Scheme at 31 December 2004 were calculated on the following bases as required under FRS17:

Assumption	2004	2003	2002
Discount rate	5.25%	5.50%	5.50%
Rate of increase in salaries	3.25%	3.00%	3.00%
Rate of increase in pensions in payment	5.00%	5.00%	5.00%
Inflation assumption	2.25%	2.00%	2.00%

The assets and liabilities in the Scheme on an FRS17 basis, along with the expected rate of return as at 31 December 2004 were:

	Long term rate of return expected	2004 £'000	Long term rate of return expected	2003 £'000	Long term rate of return expected	2002 £'000
Equities	7.50%p.a.	4,239	7.50%p.a.	4,076	7.50%p.a.	4,306
Bonds	4.50%p.a.	4,512	4.50%p.a.	3,286	4.50%p.a.	1,507
Property	5.50%p.a.	308	5.50%p.a.	418	5.50%p.a.	273
Cash	3.00%p.a.	553	3.00%p.a.	208	3.00%p.a.	179
		<hr/>		<hr/>		<hr/>
Total market value of assets		9,612		7,988		6,265
Present value of scheme liabilities		(13,034)		(11,292)		(10,292)
		<hr/>		<hr/>		<hr/>
Deficit in the scheme		(3,422)		(3,304)		(4,027)
		<hr/> <hr/>		<hr/> <hr/>		<hr/> <hr/>

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18. Pensions (continued)

The balance sheet position for the Scheme as calculated under FRS17 as at 31 December 2004 would have been as follows:

	2004 £'000	2003 £'000	2002 £,000
Fair value of assets	9,612	7,988	6,265
Present value of the Scheme liabilities	(13,034)	(11,292)	(10,292)
	<hr/>	<hr/>	<hr/>
Deficit in the Scheme	(3,422)	(3,304)	(4,027)
Related deferred tax asset at 30%	1,026	991	1,208
	<hr/>	<hr/>	<hr/>
Net deficit in the Scheme	(2,396)	(2,313)	(2,819)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	2004 £'000	2003 £'000	2002 £,000
Profit and loss reserve in the financial statements as at 31 December	826	(950)	(710)
Add back SSAP 24 accrual	100	100	100
Less Net deficit in the Scheme under FRS 17	(2,396)	(2,313)	(2,819)
	<hr/>	<hr/>	<hr/>
Profit and loss reserve as adjusted	(1,470)	(3,163)	(3,429)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Analysis of the amount that would have been (charged) to operating profit	2004 £'000	2003 £'000
Current service cost	(481)	(505)
Past service charge	(96)	-
	<hr/>	<hr/>
Total operating charge	(577)	(505)
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England And Wales Cricket Board Limited (a company limited by guarantee)

18. Pensions (continued)

Analysis of the amount that would have been (charged)/credited to other finance costs	2004 £'000	2003 £'000
Expected return on pension scheme assets	513	445
Interest on pension scheme liabilities	(612)	(562)
	<hr/>	<hr/>
Net return	(99)	(117)
	<hr/> <hr/>	<hr/> <hr/>

Analysis of amount that would have been recognised in statement of total recognised gains and losses (STRGL)	2004 £'000	2003 £'000
Actual return less expected return on pension scheme assets	120	247
Experience gains and losses arising on the scheme assets	(88)	(79)
Changes in assumptions underlying the present value of the scheme liabilities	(811)	-
	<hr/>	<hr/>
Net return	(779)	168
	<hr/> <hr/>	<hr/> <hr/>

Movement in deficit during the year (before deferred tax)	2004 £'000	2003 £'000
Deficit in scheme at beginning of the year	(3,304)	(4,027)
Movement in the year:		
Current service cost	(481)	(505)
Contributions paid	1,337	1,177
Past service cost	(96)	-
Other financial income	(99)	(117)
Actuarial (loss)/gain	(779)	168
	<hr/>	<hr/>
Deficit in scheme at end of the year	(3,422)	(3,304)
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England And Wales Cricket Board Limited (a company limited by guarantee)

18. Pensions (continued)

FRS 17 – ‘five year history’

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

	2004		2003		2002	
	% of scheme assets/ liabilities	£'000	% of scheme assets/ liabilities	£'000	% of scheme assets/ liabilities	£'000
Difference between expected and actual return on scheme assets	1	120	3	247	19	(1,197)
Experience gains and losses on scheme liabilities	1	(88)	1	(79)	6	(611)
Total amount recognised in statement of total recognised gains and losses	6	(779)	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 represent a significant source of income.

1. The eighteen first class counties, MCC, the Minor Counties Cricket Association (“MCCA”), the Minor County Clubs and Cricket Boards have charged the ECB amounts totalling £ 31,970,000 (2003 – £31,831,000), 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 2004 the ECB owed these parties £180,000 (2003 – £965,000) of unpaid fees. Such charges and fees include amounts in relation to the staging of international and domestic matches. The ECB has received income in relation to these matches of £9,040,000 (2003 - £9,340,000). As at 31 December 2004 the ECB was owed £59,000 (2003 - £335,000) from these parties.
2. ECB has loans of £200,000 (2003 – £2,197,500) in aggregate due from the eighteen first class counties, the Professional Cricketers’ Association and the thirty nine County Boards.
3. 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 £883,150 (2003 – £1,024,000) were paid to these organisations.
4. ECB paid £183,000 (2003 – £183,000) of commercial rent to MCC in respect of the leasehold property.

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England And Wales Cricket Board Limited (a company limited by guarantee)

19. Related party transactions (continued)

5. ECB paid premiums of £2,129,000 (2003 – £866,250) to Reigndei Limited, an insurance company beneficially owned by the eighteen first class counties, MCC and the MCCA.
6. ECB made donations amounting to £5,767,000 (2003 – £5,400,000) to the Cricket Foundation during the year. Income of £613,000 (2003 – £666,000) was received by ECB from the Cricket Foundation in respect of development activities.