

**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS**

**12 MONTHS ENDED 31 DECEMBER 2018**

**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018**

**PLAYERS' COMMITTEE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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Trade Union rules require the Players' Committee to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing those Financial Statements the Players' Committee is required to:

- 1 Select suitable accounting policies and apply them consistently;
- 2 Make judgements and estimates that are reasonable and prudent;
- 3 Prepare Financial Statements on the going concern basis unless it is inappropriate to presume that the Association will continue to operate.

The Players' Committee is also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the Financial Statements comply with the Trade Union and Labour Relations (Consolidation) Act 1992. It is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement has been approved by the PCA Management Board at its meeting on 25 February 2019 and received final approval by the Players' Committee at the Annual General Meeting of the Association on 26 February 2019.

**D Leatherdale**  
Chief Executive Officer

## **PROFESSIONAL CRICKETERS' ASSOCIATION**

### **STATEMENT TO MEMBERS**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PROFESSIONAL CRICKETERS' ASSOCIATION FOR THE YEAR ENDED 31 DECEMBER 2018**

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#### **Opinion**

We have audited the financial statements of The Professional Cricketers' Association ("the Association") for the year ended 31 December 2018 which comprise the income statement, the statement of financial position 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 December 2018 and of its surplus 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 Trade Union and Labour Relations (Consolidation) Act 1992.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the Players' Committee use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the Players' Committee have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the PCA's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The Officers are responsible for the other information. The other information comprises the information included in the Financial report, other than the financial statements and our auditor's report thereon.

## **PROFESSIONAL CRICKETERS' ASSOCIATION**

### **STATEMENT TO MEMBERS**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PROFESSIONAL**

### **CRICKETERS' ASSOCIATION FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)**

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Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Association and its environment obtained in the course of the audit, we have not identified material misstatements in the Financial report.

We have nothing to report in respect of the following matters in relation to which the Trade Union and Labour Relations (Consolidation) Act 1992 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Union has not maintained a satisfactory system of controls over transactions; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Officers**

As explained more fully in the Statement of Officers' responsibilities, the Officers are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Officers determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Officers are responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Officers either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

This report is made solely to the Association's members, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992. Our audit work has been undertaken so that we might state to the Association's members 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 Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PROFESSIONAL**

**CRICKETERS' ASSOCIATION FOR THE YEAR ENDED 31 DECEMBER 2018 (CONTINUED)**

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BDO LLP  
Statutory auditor  
London

Date

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**PROFESSIONAL CRICKETERS' ASSOCIATION****STATEMENT TO MEMBERS****INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018**

The following statement to members conforms with the Trade Union and Labour Relations (Consolidation) Act 1992. The information is consistent with the Association's Annual Return to the Certification Office.

<b>Notes</b>	<b>Year to 31 Dec 2018</b>	<b>Year to 31 Dec 2017</b>
<b>Income</b>		
ECB Contracted Funding	1,464,400	1,429,400
Member Subscriptions & Insurance Contributions	52,002	50,059
Contribution from Professional Cricketers' Trust	108,050	99,309
Other Donations	22,748	14,920
Interest	1,011	1,173
Dividends	14,399	13,645
	<u>1,662,610</u>	<u>1,608,506</u>
<b>Overheads and Administrative Expenses</b>		
Service Delivery Costs 4	209,722	238,596
Audit and Accountancy Fees	11,960	11,474
Incidental Expenses	17,279	3,910
Bank Charges	6,152	5,982
	<u>(245,113)</u>	<u>(259,962)</u>
Surplus on Disposal of Investments	7,932	3,479
	<u>1,425,429</u>	<u>1,352,023</u>
<b>Operating Surplus</b>	<b>1,425,429</b>	<b>1,352,023</b>
Change in market value of investments	(45,010)	50,494
	<u>1,380,419</u>	<u>1,402,517</u>
<b>Surplus before Taxation</b>	<b>1,380,419</b>	<b>1,402,517</b>
Corporation tax	(3,273)	(1,684)
Deferred tax	10,975	(7,915)
	<u>7,702</u>	<u>(9,599)</u>
Taxation	7,702	(9,599)
<b>Surplus after Taxation</b>	<b>1,388,121</b>	<b>1,392,918</b>
<b>Annual Payments for the Benefit of the Membership</b>		
Communications 5	160,460	149,824
Personal Development 6	650,326	634,388
Insurance 7	160,098	144,925
Legal & Advisory 8	273,891	141,979
Welfare 9	110,921	112,041
	<u>(1,355,696)</u>	<u>(1,183,157)</u>
<b>Surplus of Income over Expenditure</b>	<b>32,425</b>	<b>209,761</b>
Accumulated Surplus as at 1 January 2018	304,668	152,883
Transfer to Insurance Fund	(90,000)	(90,000)
Transfer from Reserve Fund	-	70,000
Transfer from (to) Market Value Reserve	46,789	(37,976)
	<u>£293,882</u>	<u>£304,668</u>
<b>Accumulated Surplus as at 31 December 2018</b>	<b>£293,882</b>	<b>£304,668</b>

**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS**

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018**

The following statement to members conforms with the Trade Union and Labour Relations (Consolidation) Act 1992. The information is consistent with the Association's Annual Return to the Certification Office

	<b>Notes</b>	<b>31 Dec 2018</b>	<b>31 Dec 2017</b>
<b>Fixed Assets</b>			
Quoted Investments	10	584,043	606,072
Long Term Investments	11	4	4
		<hr/>	<hr/>
		584,047	606,076
<b>Current Assets</b>			
Debtors and Prepayments		5,170	2,643
Cash at Bank and in Hand		181,126	593,095
		<hr/>	<hr/>
		186,296	595,738
<b>Current Liabilities</b>			
Creditors and Accruals		163,139	174,701
Amounts owed to Related Parties	12	64,807	506,166
Deferred Tax	13	13,018	23,993
		<hr/>	<hr/>
		240,964	704,860
		<hr/>	<hr/>
		(54,668)	(109,122)
		<hr/>	<hr/>
<b>Net Assets</b>		<b>£529,379</b>	<b>£496,954</b>
		<hr/>	<hr/>
<b>General Fund</b>	14	293,882	304,668
<b>Insurance Fund</b>	14	90,000	90,000
<b>Reserve Fund</b>	14	90,000	-
<b>Market Value Reserve</b>	14	55,497	102,286
		<hr/>	<hr/>
		<b>£529,379</b>	<b>£496,954</b>
		<hr/>	<hr/>

The Financial Statements were approved by the Players' Committee on 26 February 2019.

**D Leatherdale**  
Chief Executive Officer

**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018**

**NOTES TO THE ACCOUNTS**

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**1 ACCOUNTING POLICIES**

The Financial Statements have been prepared in accordance with applicable UK accounting standards and the following accounting policies:

**a Basis of Accounting**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom And Republic of Ireland' (FRS 102). The financial statements have been prepared under the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

**b Investments**

Quoted investments are measured at fair value based on published data at the Balance Sheet date. Changes in fair value are recognised in the Income Statement.

The investment in PCA Management Ltd. is accounted for at cost less impairment in these financial statements.

**c General Fund**

The Association operates a general fund which reflects the annual surplus for the year.

**d Insurance Fund and Reserve Fund**

The Association maintains an insurance fund for the purpose of meeting members' claims under limits specified in certain insurance policies taken out by the Association. Any surplus, above any claims settled, remaining at the completion of the annual insurance cover period is transferred to the reserve fund up to a maximum of one years aggregate deductible under the terms specified in certain insurance policies.

**e Market Value Reserve**

The market value reserve represents accumulated recognised but unrealised gains in quoted investments less deferred tax thereon.

**f Corporation Taxation**

The Association is liable to Corporation Tax on its investment income and realised gains on investments.

**g Deferred Tax**

Deferred tax is provided on all material reversing timing differences which arise from transactions reflected through the Income Statement.

**h FRS102 Reduced Disclosure**

The Association has not produced a Statement of Cash Flows as permitted by FRS102.



**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018**

**NOTES TO THE ACCOUNTS**

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**1 ACCOUNTING POLICIES (cont.)**

**i Critical Accounting Assumptions and Judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and judgements are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable. Revision to accounting estimates are recognised in the period in which the estimates are revised and any future period affected.

The only significant judgement is to provide the full insurance deductible of £90,000, in the policy year, as set out in note 14. Payment of the deductible is dependent on the claims experience in the subsequent year.

**2 POLITICAL FUND**

The Association does not make political contributions.

**3 OFFICER REMUNERATION**

With effect from 1 April 2006 staff costs have formed an integral part of a service delivery charge from PCA Management Limited to the Professional Cricketers' Association. Total remuneration paid by PCA Management Limited, relating to members of the Players' Committee in the year to 31 December 2018, was as follows:

	<b>D Leatherdale Chief Executive</b>
Gross Salary	£126,209
Social Security Costs	£16,263
Healthcare	£8,075

The Chief Executive's salary and benefits, as stated above, are associated with all aspects of the PCA Group and not just the trade union, with 25% of the stated costs forming part of the service delivery charge to the Professional Cricketers' Association.

<b>4 SERVICE DELIVERY COSTS</b>	<b>2018</b>	<b>2017</b>
Staff Remuneration	176,989	209,812
Travel and Motor Expenses	14,584	11,092
Office Premises and Service Charges	16,094	16,093
Telephone Charges	2,055	1,599
	<hr/>	<hr/>
	£209,722	£238,596
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**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018**

**NOTES TO THE ACCOUNTS**

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<b>5</b>	<b>COMMUNICATIONS</b>	<b>2018</b>	<b>2017</b>
	AGM	3,047	3,459
	Membership Meetings and Miscellaneous Costs	42,012	39,314
	Literature and Communication Costs	96,106	89,486
	Membership Scheme and Data Management	12,715	10,895
	Beneficiary Functions	6,580	6,670
		<hr/>	<hr/>
		£160,460	£149,824
		<hr/> <hr/>	<hr/> <hr/>
<b>6</b>	<b>PERSONAL DEVELOPMENT</b>	<b>2018</b>	<b>2017</b>
	Rookie Camp/Transition Week	18,581	11,040
	Member Education Claims	44,670	59,078
	Driving	1,000	250
	Coaching	11,360	16,017
	PCA Courses and Workshops	10,248	15,598
	Personal Development Managers	564,467	532,405
		<hr/>	<hr/>
		£650,326	£634,388
		<hr/> <hr/>	<hr/> <hr/>
<b>7</b>	<b>INSURANCE</b>	<b>2018</b>	<b>2017</b>
	Permanent Insurance	104,510	88,110
	Travel Insurance	55,588	56,815
		<hr/>	<hr/>
		£160,098	£144,925
		<hr/> <hr/>	<hr/> <hr/>
<b>8</b>	<b>LEGAL AND ADVISORY</b>	<b>2018</b>	<b>2017</b>
	Legal	190,311	94,585
	Advisory Service	83,580	47,394
		<hr/>	<hr/>
		£273,891	£141,979
		<hr/> <hr/>	<hr/> <hr/>
<b>9</b>	<b>WELFARE</b>	<b>2018</b>	<b>2017</b>
	Confidential Helpline	108,050	110,891
	Other	2,871	1,150
		<hr/>	<hr/>
		£110,921	£112,041
		<hr/> <hr/>	<hr/> <hr/>

**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018**

**NOTES TO THE ACCOUNTS**

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10	<b>QUOTED INVESTMENTS</b>	<b>2018</b>	<b>2017</b>
	Fair value brought forward	606,072	535,223
	Plus additions in year	104,875	77,237
	Less disposals in year	(81,894)	(56,882)
		<u>629,053</u>	<u>555,578</u>
	Change in valuation during the year	(45,010)	50,494
		<u>£584,043</u>	<u>£606,072</u>

A profit of £7,932 (2017: £3,479) arose on the disposals in the period.

**11 LONG TERM INVESTMENTS**

Long term investments are represented by a holding of 4 ordinary shares of £1 each comprising a 100% interest in PCA Management Limited. No impairment provisions have been made.

**12 RELATED PARTY TRANSACTIONS**

At the year end, creditors include amounts due to related parties as follows:

	<b>2018</b>	<b>2017</b>
PCA Management Limited	64,757	501,040
Professional Cricketers' Trust	50	5,126
	<u>£64,807</u>	<u>£506,166</u>

The balances are interest free and repayable on demand.

During the year PCA Management Limited recharged £819,545 (2017: £738,097) to the Association representing salaries, rent and other administration costs.

During the year Professional Cricketers' Trust contributed £108,050 (2017: £99,309) towards the costs of the activities of the Association.

**13 DEFERRED TAXATION**

Deferred taxation provided for at 19% (2017: 19.25%) is set out below.

	<b>2018</b>	<b>2017</b>
Unrealised gain on quoted investments	£13,018	£23,993
	<u>£13,018</u>	<u>£23,993</u>

The amount of the net reversal expected to reverse next year is unknown.

**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018**

**NOTES TO THE ACCOUNTS**

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**14 MOVEMENTS ON FUNDS**

	<b>General Fund</b>	<b>Insurance Fund</b>	<b>Reserve Fund</b>	<b>Market Value Reserve</b>	<b>Totals</b>
As at 1 January 2018	304,668	90,000	-	102,286	496,954
Surplus of Income over Expenditure	32,425	-	-	-	32,425
Transfer from General Fund	(55,965)	90,000	-	(34,035)	-
Transfer of Realised Profits	12,754	-	-	(12,754)	-
Transfer from Insurance Fund	-	(90,000)	90,000	-	-
As at 31 December 2018	<u>293,882</u>	<u>90,000</u>	<u>90,000</u>	<u>55,497</u>	<u>529,379</u>

In April 2010, the Association entered into a stop loss arrangement for its personal accident insurance policy for its members. This is an annual agreement and the Association has set aside £90,000 in relation to the balance aggregate deductible under this policy which, with the Reserve Fund (which represents the unused deductible of the prior year) is included in cash at bank and quoted investments in the Balance Sheet as at 31 December 2018.

The market value reserve represents recognised but unrealised gains in quoted investments less deferred tax thereon.

**PROFESSIONAL CRICKETERS' ASSOCIATION**

**STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018**

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A member who is concerned that some irregularity may be occurring, or has occurred, in the conduct of the financial affairs of the PCA may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concern with one or more of the following as it seems appropriate to raise it with the Chairman of the Association; the Chief Executive, the Chair of the PCA Management Board, the Auditor or Auditors of the Association, the Certification Officer (who is an independent Officer appointed by the Secretary of State) and the Police.

Where a member believes that the financial affairs of the PCA have been or are being conducted in breach of the law or in breach of rules of the Union and contemplates bringing civil proceedings against the Association or Responsible Officials or Trustees, he should consider obtaining independent legal advice.