

PROFESSIONAL CRICKETERS' ASSOCIATION

STATEMENT TO MEMBERS

12 MONTHS ENDED 31 DECEMBER 2019

PROFESSIONAL CRICKETERS' ASSOCIATION

STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2019

PLAYERS' COMMITTEE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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 27 February 2020 and received final approval by the Players' Committee at the Annual General Meeting of the Association on 27 February 2020.

A Irish
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 2019

Opinion

We have audited the financial statements of The Professional Cricketers' Association ("the Association") for the year ended 31 December 2019 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 2019 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 2019 (CONTINUED)

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

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.

**PROFESSIONAL CRICKETERS' ASSOCIATION
STATEMENT TO MEMBERS**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PROFESSIONAL
CRICKETERS' ASSOCIATION FOR THE YEAR ENDED 31 DECEMBER 2019 (CONTINUED)**

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.

Use of our report

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.

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 2019**

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.

Notes	Year to 31 Dec 2019	Year to 31 Dec 2018
Income		
ECB Contracted Funding	1,500,000	1,464,400
Member Subscriptions & Insurance Contributions	51,878	52,002
Contribution from Professional Cricketers' Trust	120,129	108,050
Other Donations	5,000	22,748
Interest	1,019	1,011
Dividends	16,161	14,399
	<u>1,694,187</u>	<u>1,662,610</u>
Overheads and Administrative Expenses		
Service Delivery Costs 4	246,479	209,722
Audit and Accountancy Fees	13,697	11,960
Incidental Expenses	15,426	17,279
Bank Charges	6,457	6,152
	<u>(282,059)</u>	<u>(245,113)</u>
Surplus on Disposal of Investments	1,695	7,932
	<u>1,413,823</u>	<u>1,425,429</u>
Surplus before Taxation		
Corporation tax	(194)	(3,273)
Taxation	(194)	(3,273)
	<u>1,413,629</u>	<u>1,422,156</u>
Surplus after Taxation		
Annual Payments for the Benefit of the Membership		
Communications 5	156,435	160,460
Personal Development 6	700,489	650,326
Insurance 7	167,463	160,098
Legal & Advisory 8	256,782	273,891
Welfare 9	88,392	110,921
	<u>(1,369,561)</u>	<u>(1,355,696)</u>
Surplus of Income over Expenditure	44,068	66,460
Other Comprehensive Income/(Loss)		
Change in market value of investment	94,390	(45,010)
Deferred tax	<u>(18,312)</u>	<u>10,975</u>
	76,078	(34,035)
Accumulated Surplus as at 1 January 2019	293,882	304,668
Transfer to Insurance Fund	(90,000)	(90,000)
Transfer from Reserve Fund	90,000	-
Transfer from (to) Market Value Reserve	(78,068)	46,789
	<u>£335,960</u>	<u>£293,882</u>
Accumulated Surplus as at 31 December 2019		

PROFESSIONAL CRICKETERS' ASSOCIATION

STATEMENT TO MEMBERS

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

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

	Notes	31 Dec 2019	31 Dec 2018
Fixed Assets			
Quoted Investments	10	700,976	584,043
Long Term Investments	11	4	4
		<hr/>	<hr/>
		700,980	584,047
Current Assets			
Debtors and Prepayments	113,232	5,170	
Cash at Bank and in Hand	300,390	181,126	
	<hr/>	<hr/>	
	413,622	186,296	
Current Liabilities			
Creditors and Accruals	123,870	163,139	
Amounts owed to Related Parties	12 309,877	64,807	
Deferred Tax	13 31,330	13,018	
	<hr/>	<hr/>	
	465,077	240,964	
	<hr/>	<hr/>	
		(51,455)	(54,668)
		<hr/>	<hr/>
Net Assets		£649,525	£529,379
		<hr/>	<hr/>
General Fund	14	335,960	293,882
Insurance Fund	14	90,000	90,000
Reserve Fund	14	90,000	90,000
Market Value Reserve	14	133,565	55,497
		<hr/>	<hr/>
		£649,525	£529,379
		<hr/>	<hr/>

The Financial Statements were approved by the Players' Committee on 27 February 2020.

A Irish
Chief Executive Officer

PROFESSIONAL CRICKETERS' ASSOCIATION

STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2019

NOTES TO THE ACCOUNTS

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 Limited 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 2019

NOTES TO THE ACCOUNTS

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 2019, was as follows:

	D Leatherdale Chief Executive
Gross Salary	£140,000
Social Security Costs	£17,032
Healthcare	£8,541

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.

4 SERVICE DELIVERY COSTS	2019	2018
Staff Remuneration	213,344	176,989
Travel and Motor Expenses	13,839	14,584
Office Premises and Service Charges	16,822	16,094
Telephone Charges	2,474	2,055
	<hr/>	<hr/>
	£246,479	£209,722
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PROFESSIONAL CRICKETERS' ASSOCIATION

STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2019

NOTES TO THE ACCOUNTS

5	COMMUNICATIONS	2019	2018
	AGM	8,790	3,047
	Membership Meetings and Miscellaneous Costs	43,640	42,012
	Literature and Communication Costs	84,144	96,106
	Membership Scheme and Data Management	12,621	12,715
	Beneficiary Functions	7,240	6,580
		<hr/>	<hr/>
		£156,435	£160,460
		<hr/> <hr/>	<hr/> <hr/>
6	PERSONAL DEVELOPMENT	2019	2018
	Rookie Camp/Futures Conference	19,251	18,581
	Member Education Claims	58,536	44,670
	Driving	1,000	1,000
	Coaching	26,174	11,360
	PCA Courses and Workshops	9,334	10,248
	Personal Development Managers	586,194	564,467
		<hr/>	<hr/>
		£700,489	£650,326
		<hr/> <hr/>	<hr/> <hr/>
7	INSURANCE	2019	2018
	Permanent Insurance	109,150	104,510
	Travel Insurance	58,313	55,588
		<hr/>	<hr/>
		£167,463	£160,098
		<hr/> <hr/>	<hr/> <hr/>
8	LEGAL AND ADVISORY	2019	2018
	Legal	171,095	190,311
	Advisory Service	85,687	83,580
		<hr/>	<hr/>
		£256,782	£273,891
		<hr/> <hr/>	<hr/> <hr/>
9	WELFARE	2019	2018
	Confidential Helpline	80,129	108,050
	Other	8,263	2,871
		<hr/>	<hr/>
		£88,392	£110,921
		<hr/> <hr/>	<hr/> <hr/>

PROFESSIONAL CRICKETERS' ASSOCIATION

STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2019

NOTES TO THE ACCOUNTS

10	QUOTED INVESTMENTS	2019	2018
	Fair value brought forward	584,043	606,072
	Plus additions in year	95,004	104,875
	Less disposals in year	(72,461)	(81,894)
		<u>606,586</u>	<u>629,053</u>
	Change in valuation during the year	94,390	(45,010)
		<u>£700,976</u>	<u>£584,043</u>

A profit of £1,695 (2018: £7,932) 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. The net liabilities of PCA Management Limited as at 31st December 2018 were £305,285. No impairment provisions have been made.

12 RELATED PARTY TRANSACTIONS

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

	2019	2018
PCA Management Limited	309,849	64,757
Professional Cricketers' Trust	28	50
	<u>£309,877</u>	<u>£64,807</u>

The balances are interest free and repayable on demand.

During the year PCA Management Limited recharged £893,093 (2018: £819,545) to the Association representing salaries, rent and other administration costs.

During the year Professional Cricketers' Trust contributed £120,129 (2018: £108,050) towards the costs of the activities of the Association.

13 DEFERRED TAXATION

Deferred taxation provided for at 19% (2018: 19%) is set out below.

	2019	2018
Unrealised gain on quoted investments	£31,330	£13,018
	<u>£31,330</u>	<u>£13,018</u>

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

PROFESSIONAL CRICKETERS' ASSOCIATION

STATEMENT TO MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2019

NOTES TO THE ACCOUNTS

14 MOVEMENTS ON FUNDS

	General Fund	Insurance Fund	Reserve Fund	Market Value Reserve	Totals
As at 1 January 2019	293,882	90,000	90,000	55,497	529,379
Surplus of Income over Expenditure	44,068	-	-	-	44,068
Other Comprehensive Income	76,078	-	-	-	76,078
Transfer from General Fund	(166,456)	90,000	-	76,456	-
Transfer of Realised Profits	(1,612)	-	-	1,612	-
Transfer from Insurance Fund	-	(90,000)	90,000	-	-
Transfer from Reserve Fund	90,000	-	(90,000)	-	-
As at 31 December 2019	<u>335,960</u>	<u>90,000</u>	<u>90,000</u>	<u>133,565</u>	<u>649,525</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 2019.

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 2019

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.