



ENGLISH LACROSSE ASSOCIATION Ltd.

Minutes of Board Conference Call held on 2nd August 2016 at 6pm.

Present: Sue Livock (SL) – Chair, Neil Edgar (NE), Mark Coups (MC) Sallie Barker (SB), David Marsden (DM) Polly McGivern (PM), Melanie Steel (MS), Denise McGlinchey (DMc) – Minutes.

1. Apologies for absence: Ron Balls (RB), Clare Stoot (CS), Hamish McInnes (HM).

2. Conflict of Interest Declarations

None additional conflicts of interest declared at this time.

3. Review of Q1 Finance Update

Management Accounts for the years to date – 1st April – 30th June 2016

NE informed the board that the management accounts had been reviewed and approved by FARC prior to this meeting and he thanks FARC for their input.

NE noted that the deficit of £79k was £14k better than the budgeted deficit of £93k.

NE provided clarification that a £6k charge in Participation was the result of an under accrual from 2015 which was not budgeted in 2016. This charge related to costs for Umpires from RNLSC16. NE confirmed that processes had been put in place to ensure that this does not reoccur.

NE explained the budget in Foreign Nationals/P & C Coaches (P & C's) included £66k cost (3 months at £22k per month) due to Foreign Nationals finishing their existing contracts. UKVI required Foreign Nationals/P & C's to leave by 29th May 2016. A number of contracts finished prior to the 29th of May date and this generated a saving of £37k for the quarter. This saving was offset by P & C's that were employed to cover vacancies created by the departure of Foreign Nationals at a cost of £7k resulting in a final net saving of £30K.

NE advised the Board that FARC are considering how to account for revenue/cost of Foreign Nationals/P & C'S in the future, adding that the current cost centre may become redundant.

NE confirmed that further progress had been made with the performance budget with the individual squad managers but more needed to be done. NE indicated that in Q1 there had been one tour this quarter and there are three major tours in the second quarter. NE highlighted that to cover the outgoing tours there is £121K of player deposits in the balance sheet that have not been

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invoiced yet but are due to be released in July. NE added that FARC have requested evidence of an increased control in covering costs for tours and players in the future.

PM pointed out that player deposits are identified as a currently liability and asked where the money is that's owed to ELA for tours. NE noted that players have not been invoiced yet but once they have and payment has come in, it will go to the P & L.

PM asked what is owed to ELA for tours (old and current) and money that has been paid to ELA for tours that have not yet happened. PM highlighted that placing player deposits under liabilities but not under assets looked inconsistent. NE confirmed that old figures is in debtors adding that he included figures for player deposits on the balance sheet for the three current tours in order to give a realistic overview.

NE highlighted that in July £198k is to be taken from pre payments and £195k will come out of deferred income and player deposits, cancelling each other out.

NE confirmed that a meeting with team managers is planned to obtain updates on payment from tours. NE added that cheques are no longer being accepted and that all payments are being made via direct bank transfer, quoting a code related to a tour/players name providing better cashflow and monitoring.

NE highlighted that within Playing Committee there are outstanding claims to be made for Regional administration and development grants. NE noted that some regions are better at claiming than others adding that a process is in place that makes the Regions accountable for what they are claiming. Results against the forecast outcomes go through the NLC.

NE noted that FARC has taken note of the Board's comments with respect to Value in Kind (ViK). The Board agreed that ViK information should be kept as a simple footnote when feeding information back to the board. NE to action.

Forecast:

NE highlighted that the forecast has taken Q1 actuals and added the 9 months budget except for any known under/over spends for the YTD. NE confirmed that the budget of £113k is down largely due to over estimating figures on Individual Registration.

PM asked if the incorrect forecast was due to an over estimation in membership figures. NE confirmed that the number of girls that attended NS was revised and the lower end age bracket was moved from 10yrs to 12yrs through regional advice via NLC.

PM highlighted the need to be in touch with player and the need for an early consultation before the forecast decision was made. NE clarified that all figures were done with the information available at the time. MC concluded that NLC was created to assist/inform on budget decisions like this by bringing the regional groups together for discussion.

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NE added that September is a critical month for Individual Registration as 3,500 people (£81k) are expected to sign up, giving a clear indication of performance versus forecast. NE to feedback information to the board before next meeting.

NE confirmed that the figures are not consolidated and does not include 2017 & 2018 expenditures and costs. He added that Cashflow shows a small amount of 2017 and 2018 costs in management charges. There are no other figures included as 2017 & 2018 are expected to self-finance.

NE highlighted that for 2017 Women's World Cup, 18 teams have paid the initial deposits (around £90K) and ELA have a good relationship with the main supplier SSP. MC added that Rathbones have already paid some sponsorship money upfront.

NE noted that 2018 Men's World Championship has one major supplier, Manchester University who expect early payment. NE and MC will further discuss payment structures with MU in a future meeting. NE confirmed that 2018 Cashflow will be provided at the next quarterly meeting.

MC acknowledged that the decision has been made that no payments is made for 2017 & 2018 until ELA finances are sufficient.

Cashflow:

NE confirmed that the main item on Cashflow is £81K expected from Individual Registration in September adding that Cashflow will be under strain if we do not recoup the figures expected.

NE highlighted that ELA are currently better placed then original estimation of £228k, actually have £382k included 90k from 2017 that was not in the original estimation.

NE added that in October the Sport England money will ease cashflow pressure for 3 to 4 months.

Balance Sheet:

NE confirmed that the main movement in the Balance Sheet relates to tours and the costs/revenues related to them.

NE replied to two questions received via email from RB (not present):

1. *Is a summary available showing the projected numbers for Individual Registration (people not) in each category related to the projected position?* NE confirmed that figures will be put together as soon as possible.

And

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2. *Should the reserves to Operating costs (months) be shown?* NE confirmed that this will be flagged up.

The board thanked NE for the useful commentary that accompanied the financial papers.

Meeting closed at 7pm.

Distribution: Mark Coups, Ron Balls, David Marsden, Sallie Barker, Clare Stoot, Hamish McInnes, Polly McGivern, Melanie Steel, Sue Livock, Neil Edgar.

Future Meetings:

2016:

September 6th (London)

AGM and Board October 2nd (Warwick Hilton)

November 10th

December 6th (Christmas Lunch)

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