

# Annual Report 2020/21

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## **From the President**

Welcome to the Annual Report for 2020/21.

What a year this has been! Sport is one of those things that we can lose ourselves in, set worries aside and forget many things that are not too important. But not so this past season.

Firstly, I would like to begin by asking that we all spare a few thoughts for those who have sadly been so affected by this terrible disease, particularly those who have lost friends and loved ones.

The top players will be in our thoughts during these uncertain times in trying to regain their strength and their mindset to commence training and competition after such a long break. I hope that one or two may have kept a record of their experiences in returning to play for us to understand how they have coped with such an ordeal that has been thrust upon them.

How hard will it be for all of us to move forward into the difficulties that we will all need to address in order to return to some form of normality? We will all need to be patient and help one another. I am sure that by helping one another we can achieve success and bring our great game back to some form of normality.

When the lockdown is lifted, this will be the time for everyone to pull together; clubs, counties and Badminton England. I am certain that the badminton family will do that.

When life returns to normal let us all work together for badminton to achieve our aims for the game that we all love. We are a strong Association. All of our members love their sport, and this is so much stronger when everyone travels in the same direction so, please help one another to achieve our aims and ambitions for the game, that we all love, and make it even greater after these most unusual times.

Remember to keep safe, help each other and spare a thought for the 1000s of people that have lost their loved ones and remember that we are the fortunate ones.

Let's look forward to better times for everyone and hope for a return to normality next season.

Diana Troke  
**President**

## **From the Chairman**

With little domestic play possible and a severely restricted international calendar, it has been a seriously difficult (and exhausting) year on which to attempt to report.

## **Review of the Year**

As I said last year, the Board were planning to complete a review of future strategy, in anticipation of the new funding cycle. Instead, our focus shifted to the suspension of activities, saving cost and protecting the organisation, followed by the preparation and communication of Return to Training and Return to Play guidelines and protocols, in anticipation of (several attempts at) a restart.

As Autumn turned to Winter, there was a realisation that ongoing restrictions would continue to prevent much badminton taking place and that our financial position would continue to deteriorate. Our attention necessarily switched to generating funds and making other savings that would help secure the future.

The Board was compelled to approve a restructuring of our operations and we were sorry to see a number of staff leave the organisation.

On a more positive note, we were pleased to be able to secure additional funding:

- Sport England provided both additional direct funding and greater flexibility in the way in which we were able to use their recurrent grant funding
- UK Sport confirmed their future support of the GB Olympic and Paralympic programmes for Paris, subject to review post Tokyo and provided some transition funding for the Tokyo games
- The Winter Sport Winter Survival package allowed us to stage the Yonex All England Championships behind closed doors in March and this has provided a financial return that will be reinvested back into the game during the coming year
- A BWF support package for World Tour events and other partners accepted some renegotiation of contracts that together also benefited the YONEX All England Championships.

I would like to thank all of these organisations for their support in these unprecedented times.

## **Governance**

During the year, Malcolm Smith stepped down from the Board and I would like to thank Malcolm for his enormous contribution to badminton over the years. His commitment to junior competition, in particular, along with his wise counsel and dry wit in the Boardroom, will be missed by us all.

Peter Emptage, well known to many as a Masters player, was elected to the Board in his place. In January, Tosin Akinluyi joined the Board as a co-opted director and she will help us, in particular, to formulate our Equality, Diversity & Inclusion strategy. They are both great new additions to the team.

The Board is committed to maintaining the highest standards of governance and we remain compliant with the Code for Sports Governance. Consistent with the requirements of the Code, we undertook an independent evaluation of the Board's performance, and we are now implementing a number of recommendations to improve the effectiveness of the organisation.

### **Looking Ahead**

Despite the 2020/21 season being pretty much a washout, we have emerged in good shape. We are looking forward to the new season with great anticipation, coupled with some sense of trepidation as to what the landscape will look like, after so much time away.

This will be a year of transition, as we seek to support and encourage players, coaches and volunteers back into the game and we collectively start to rebuild the clubs and their places to play, our development pathways and coaching strategy and the competition structure.

The Board will now return to strategy, with a view first to rebuilding and then to investing in the game, particularly in player and coach development. During the year, we will submit our application for funding to Sport England, which will enable us to invest further in grassroots development and the funding of our most talented players.

### **Thanks**

Finally, my thanks to my fellow Directors for their support and guidance, to all of our staff for their huge contribution to keeping us going and for the resilience they have shown and to the many volunteers, sponsors, funding partners and other stakeholders for their support during this incredibly difficult year.

Mike Robinson  
**Chair**

## **From the Chief Executive**

During a speech at the Guildhall in 1992, Her Majesty The Queen described a series of events of her past year as her *annus horribilis*.

I would suggest that the past 12 months could be described in a similar way as the world sought to cope with the outbreak of a virus that has had unthinkable consequences for so many people.

At this time of the year, I have the privilege of sharing the growth and success of badminton in England when I report on the achievements of the past 12 months, which I had sincerely hoped to have looked back on the successes of the Tokyo 2020 Olympic and Paralympic Games. However, 2020 was far from a typical year and so my report is very different this time.

Sport plays a huge part in the lives of so many people but, along with many parts of society, badminton has been hugely affected as Government restrictions closed facilities and brought our sport to a stop while every attempt was made to control, and reduce, the spread of the virus.

At such an unprecedented time, it was critical that Badminton England provided leadership across the badminton community and I was immensely proud of our staff, coaches and players who immediately set about checking in with more than 2,000 clubs, coaches, County Badminton Associations, volunteers and officials to offer any immediate help.

I was also delighted to see so many players and coaches from across the country keep so many of you entertained with various online challenges and coaching tips – who would have thought ‘Zoom’ training sessions could become so popular!

We recognise the affect that the pandemic has had across our sport. Despite the fantastic support we received from Government, Sport England and UK Sport as we sought to get badminton back after the first lockdown, we saw a stop/start recovery at best throughout the year, with many of our clubs and coaches not able to return to badminton at all, and the abandonment of many leagues and competitions.

We recognised the challenges faced by many of the badminton community and we were pleased to establish a £100,000 ‘hardship fund’ to offer support to those in immediate need of financial help.

Considering the challenges faced by so many of the badminton community this past year, I would like to say a huge thank you to those who were able to continue to pay their membership subscriptions; your support has been invaluable.

I am also extremely grateful for the financial support we were able to secure from Government, Sport England and UK Sport. In my report last year, I predicted that the pandemic could cost Badminton England circa £1m in lost income; unfortunately, this was the case and such a ‘hit’ caused great concern to the financial stability of the organisation. But the help of various grant funds, including the Sport Winter Survival Package, established to help sports who are impacted by having to play major events behind closed doors, has not only been a financial lifeline but enabled the YONEX All England Championships 2021 to take place.

The YONEX All England Championships 2020 was the last International badminton tournament to be held until the Denmark Open in October and we were thrilled to see Marcus Ellis and Chris Langridge come away with the Men's Doubles title.

With numerous tournaments cancelled across junior, senior, masters and para players, it wasn't until January 2021 when we would compete again with the senior group travelling to Thailand for two Open tournaments before the HSBC BWF World Tour Finals and I am proud that every one of our senior group qualified for the Finals including Ben Lane and Sean Vendy who not only became our youngest players to ever qualify for a World Tour final but reached the semi-final stages.

In the most challenging of circumstances, I could not be prouder of the team of staff, volunteers, technical officials and event partners, brilliantly led by our Championship Director, Chris Miller, who delivered the YONEX All England Championships 2021. Our priority was, of course, to ensure the Championships were delivered safely and I would like to recognise the incredible support we had from a range of local, national and international partners to stage the tournament this year.

While there was so much to admire about the YONEX All England Championships 2021, the staging of the Championships presented challenges at a level that we have never seen before, and, I hope, never again.

But alongside the challenges, came new opportunities. Because of having to stage the YONEX All England Championships behind closed doors this year, our intention was to bring all the excitement to the fans, and I was delighted to launch BETV, our own online channel which, for the first time ever, broadcast every match, on every court, on every day of the tournament.

We also ensured that fans around the world were able to buy All England merchandise when we launched another 'first' – our own online shop.

From the YONEX All England Championships, many of our players moved immediately to France to compete in the Orleans Masters and we were all delighted to share the outstanding success of Ben Lane and Sean Vendy in winning the Men's Doubles title.

### **Looking Ahead**

While we look ahead to a number of exciting opportunities presented in our Business Plan for 2021/22, we know we do so with caution given that Covid-19 remains active across the world.

But as the vaccination programme gathers pace, and the Government roadmap points to a restart of badminton from mid May, we have much to look forward.

Our focus on the months ahead is to get badminton back up and running again as quickly, but as safely, as possible and as Government measures begin to relax, we are expecting a boom in participation as courts reopen just ahead of the Olympic and Paralympic light shining on sport in the summer months and inspiring the nation once again.

We continue to engage with public leisure and school facility providers to get as many players back on court as soon as possible and we are busy planning a return to competition

for all age groups as well as seeing many of you getting back to your clubs, coaching and local league badminton.

This summer sees the rescheduled Tokyo Olympic and Paralympic Games take place and we continue to do everything possible to ensure our players are best prepared to represent Great Britain. Because of the significant disruption to the international badminton calendar, the qualification deadline has been extended to 15 June 2021 with the team announced shortly after.

We are excited to launch a new coach development strategy, a critical part of our player development plans; without more, great coaches, we cannot expect our players to get better quicker, and so investment will be placed into creating more education and learning opportunities for coaches.

And we will, of course, ensure we remain very conscious of the financial performance of the organisation.

In conclusion, I would like to thank our Board of Directors, and those who contribute so much through the Advisory Boards, for your support, advice and encouragement throughout the year.

I would also like to pay tribute to my amazing team – everyone single one of them. This has been an incredibly tough year that, because of the pandemic, has seen a number of staff placed at risk and 20% of our team leave the organisation. Their professionalism is a credit to Badminton England and the membership and partners that we work so closely with.

I sincerely hope the worst is behind us and that everyone who takes part in badminton can look forward to a new season, to getting together once again with family and friends and that the badminton courts up the length and breadth of the country, once again become places where we can love our sport once again.

Adrian Christy  
**Chief Executive**



## **Governance Statement**

### **Equality, Diversity and Inclusion**

Badminton is recognised as a global sport and that worldwide appeal is reflected in those taking part in badminton in England. Badminton England also celebrates the inclusivity and diversity of its membership, being a sport played by those from primary school age to the older population and from all sections of society.

Badminton England strives to ensure that the diverse representation of those taking part in badminton is reflected across its governance structure and welcomes the Code and its requirement that “Organisations shall recruit and engage people with appropriate diversity, independence, skills, experience and knowledge to take effective decisions that further the organisation’s goals”.

Badminton England has made significant progress in recent years and remains committed to making further progress by ensuring that the organisation, and badminton in England, is accessible to everyone regardless of their gender, race, disability, sexual orientation, background, or financial circumstances.

The Board has established an Equality, Diversity and Inclusion Working Group and looks forward to publishing its Strategy in the summer.

Ahead of that publication, the Board continues to work towards greater diversity on the Board and to ensure its composition better reflects those taking part in the sport in England.

### **Risk management and internal controls**

The Board of Directors ("the Board") is responsible for establishing and maintaining the risk management framework and internal controls. The Chief Executive and the Corporate Management Team are responsible for identifying and reviewing the risks to Badminton England and reporting these to the appropriate Advisory Board, the Finance and Risk Board and the Board of Directors. Controls and suitable actions are put in place to mitigate these identified risks as far as is possible and practical. The Finance and Risk Board is responsible for assessing the adequacy and effectiveness of Badminton England’s internal control systems during the course of the year and for reporting its findings to the Board.

The Corporate Management Team have established a monthly risk review that focusses on all risks including Strategic, Operational and Financial risks.

The Board keeps appropriate and proportionate finance policies and procedures under regular review. The Board also conducts an annual review of the effectiveness of the organisation’s risk management and internal control systems and is satisfied that they continue to provide reasonable assurance.

## **Principal risks and uncertainties**

A key source of the organisation's self-generated revenue, and profit, is the Yonex All England Championships (YAE).

The risks to the income and profit of the YAE are mitigated by the title sponsorship contract being in place until 2025, a fixed rights fee guarantee from the International Federation (because the Championships are part of the HSBC BWF World Tour), the partnership with Birmingham City Council and other sponsorship agreements. This combined, contracted income is c£1.8m annually.

In addition, Badminton England has specific event insurance cover to protect itself against loss of revenue from the Championships. As with most insurance cover for events, sports and businesses, the Covid-19 situation exposed Badminton England to losses because event cancellation due to communicable disease was and is, excluded from our cover.

Badminton England continues to receive grant funding from Sport England to grow the game and develop talent and is required to comply with the Code for Sports Governance and meet certain KPIs agreed with Sport England. The Board believes the organisation has met those KPIs and is in good standing with Sport England.

Badminton England is also committed to winning World, Olympic and Paralympic medals. The Board recognises the risks associated with elite sport and in developing talented players for future years. Badminton England has policies in place to deal with these risks, along with programmes of player and coach education.

## **Financial Performance**

The audited accounts for the year ended 31 March 2021 show a surplus for the year of £774,000 (2020: deficit of £553,000).

These numbers include a restatement for the change in accounting policy for membership income recognition. The income is now recognised over the 12 month membership period, where previously it was recognised fully in the financial year received. The impact of this was an increase in the deficit in 2020 by £68k and an increase in the surplus in 2021 by £359k.

The Statement of Financial Position shows that we have net assets of £2,216,000 (2020: £1,442,000), The net asset position consists of fixed assets of £3,323,000 (2020: £3,473,000), net current assets of £1,564,000 (2020: £739,000) and long-term grant funding of £2,672,000 (2020: £2,770,000). Included within net current assets is cash at bank of £3,080,000 (2020: £2,412,000).

During the year we received four key income streams (2020: three):

- Income derived from Badminton England's own activities of £2,177,000 (2020: £4,550,000), which is down £2,373,000 on the prior year.
- Investment from Sport England of £4,027,000 (2020: £2,720,000), which includes capital grant funding, to support the growth in badminton participation and also grants awarded from the Sector Partner Fund. In addition, it includes investment from the Sport Winter Survival package, which is directly related to the impact of the loss of spectators at the Yonex All England Championships 2021.
- Investment from UK Sport of £561,000 (2020: £819,000) related to the GB World Class Performance Programme and also includes the award from the UK Sport Continuity Fund.
- Support from the Coronavirus Job Retention Scheme of £215,000 (2020: nil).

Badminton England set a financial plan outturn figure for the 4-year funding period 2017-21 of a deficit of £1,200,000, which was to predominantly support our ability to qualify players for the Tokyo Olympic Games. Badminton England concluded the four-year funding period to 31 March 2021 with a total deficit of £793,000.

Whilst Coronavirus had a material impact on the income of Badminton England, the receipt of significant additional grant funding has protected our balance sheet and allows us to support a return to play programme and prepare fully for the Olympic and Paralympics.

Our reserves position was under significant threat during the year, however, because of the mitigating actions and support, highlighted in this report, the balance sheet demonstrates that reserves are retained in order to ensure the continued financial strength of the organisation and that it has the resources necessary to pursue its ongoing strategic objectives.

#### **Financial key performance indicators**

Income - £6,765,000 (2020: £8,090,000); decrease 16% (2020: 6% increase)

Operating surplus - £774,000 (2020: £553,000 deficit)

Reserves - £2,216,000 (2020: £1,442,000).

## **In Memorium**

Badminton England pays tribute to the following friends who sadly passed away during the year:

- Dr John Alexander
- Mark Allen
- Peter Barlow
- John Hudson MBE
- Malcolm Lovatt
- Mark Males
- Roger Mills
- Peter Richardson
- Geoff Rofe BEM
- Nick Rogers
- Ronnie Rowan
- David Spencer