



RFU

**2013
Annual Report**

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Her Majesty The Queen, Patron
HRH Prince Harry, Vice Patron
Bob Reeves, President

Board of Directors 2013/14

Bill Beaumont, Chairman
Peter Baines
Rob Briers
Stephen Brown
Andrew Cosslett
John Douglas
Sophie Goldschmidt
Andrew Higginson
Ian Metcalfe
Bob Reeves
Ian Ritchie
John Spencer
Miles Templeman
Malcom Wharton
Peter Whiting

RFU Executive Directors

Rob Andrew
Steve Grainger
Richard Knight
Karena Vleck

Rugby union is played by a complete cross section of the community, with the RFU responsible for around

2.5

Million enjoying rugby at

2,000

Rugby Clubs,

3,200

Member Schools,

6,800

Non-affiliated Schools,

200

Colleges and

130

Universities.

Helped by a volunteer workforce of more than

60,000

In the past year the RFU invested

£63.7M

directly with clubs and in operating the English game at all levels. All profits made by the RFU are invested in the sport at every level.

OUR YEAR

President's Foreword

Bob Reeves President

I am most proud to be President of the RFU during the 2013/14 season and want to contribute in whatever way I can to delivering the strategic priorities and raising the profile of the game.

We all have this opportunity and I am confident that together we can make a real difference during as important a period as any in our history.

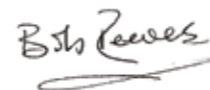
The new Strategic Plan frequently references our core values. This is most welcome and, having talked with RFU Council colleagues and professional staff, as well as the wider game, the promotion of the core values became my presidential theme. The President's Awards will see aspects directly related to rewarding those bringing rugby's values to life.

I believe our main messages are in keeping with the view that the connection running right through from the England team to grassroots rugby is our shared values. This sits well with the desire that Rugby World Cup 2015 will be a celebration of rugby and these unique values.

I am sure that everyone will do their very best to ensure that these goals are achieved and that the particular values of our sport are evident in our clubs, Constituent Bodies and educational establishments nationwide. This is especially important as they extend far beyond the rugby pitch and last a lifetime.

To all who work to secure and deliver these values, our paid and volunteer workforce, my sincere thanks for your unstinting hard work on behalf of the sport. The past season was a busy one and gratitude is due to my predecessor Paul Murphy and his wife Rita, as well as to those leaving Council: Alex Murphy, Willie Wildash and Roger Hackney.

It is also important that we remember all those who, having set fine examples for us to follow, died in the past year, among them Ollie Grieverson, Alec Lewis, John Motum and David Shaw. Their contribution remains fundamental as we seek to ensure a lasting legacy from Rugby World Cup 2015.



“The promotion of the core values became my presidential theme.”



Our Purpose and Core Values

Our Purpose

TO GROW RUGBY
IN ENGLAND
THROUGH OUR
VALUES AND
PERFORMANCE.

Our Core Values

TEAMWORK
RESPECT
ENJOYMENT
DISCIPLINE
SPORTSMANSHIP

Chairman of the Board

Bill Beaumont Chairman of the Board

The past season has been one of consulting, consolidating and modernising our organisation, while maintaining all that is best in rugby's values and traditions.

The CEO and I were on the road early in 2013 to hear members' thoughts on how best to update the RFU's constitution and present to the world a modern governing body that excels both on and off the pitch. Thirteen road shows saw many take part as the RFU sought to clarify a variety of matters: from the remit of the Board and the RFU Council, how they are made up and how long individuals can serve, through to the leadership of each part of the Union and how committees operate.

A consultation document was widely distributed in advance, representing the outcome of discussions of five Advisory Groups on which recommendations from the 2011 Slaughter & May Report to put forward for consultation and in what form. The main points were presented at each of the nationwide road shows, with feedback reported at the April Council meeting and proposals put to a special Council meeting in May.

Under the current rules, there is only one space for an Independent Non-Executive Director on the RFU's Board, a role currently held by Miles Templeman. However, the Board can co-opt others with the RFU Council's permission. The RFU used this power to co-opt Andrew Higginson and Andrew Cosslett to the Board as two further Independent Non-Executive Directors and, under the principles agreed at May's special Council meeting, the rules will be

rewritten ensuring that there are two Independent Non-Executives on the Board as of right, with a third co-opted for the purposes of Rugby World Cup 2015 and beyond as required.

A review was commissioned to assess the effectiveness of the Board and to make observations on how it operates. The review's conclusion that the Board functioned well was presented to the July meeting and recommendations as to improvements that might be made are being taken forward.

Work progressed on the necessary separation of the Union's dual disciplinary functions of prosecuting and making judgements on cases. Sir James Dingemans became the Union's first Head of Rugby Judiciary, ensuring absolute independence between prosecution and judgement. He brings to the post exceptional legal expertise, combined with an understanding and passion for the game and since August has led a team of experienced disciplinary panel members.

As a Union we take very seriously the responsibility we have to contribute to the development of the sport on an international basis. As well as playing an active role in debates about the future direction of rugby within key partner organisations such as the IRB and FIRA-AER, we have also this year launched the UNITY project, in partnership with the IRB, FIRA-AER and UK Sport. Through this programme, part of our Lead Up & Legacy Strategy, we and our Constituent Bodies will seek to contribute to the development of rugby in 17 nations across Europe: Belgium, Spain,



Poland, Portugal, Russia, Romania, Czech Republic, Hungary, Germany, Georgia, Switzerland, Ukraine, Netherlands, Sweden, Denmark, Norway and Serbia.

At whatever level or age group rugby is played there is no doubting the huge enjoyment involved. For me personally some of the season's most memorable times surround being in Argentina for England's two Test victories, presenting the Cup amid a fantastic crowd at the County Final at Twickenham and cheering on the victorious England U20 squad at the IRB Junior World Championship in France.

For the first time last season women's and girls' rugby operated as an integral part of the RFU and I am delighted to say continued to go from strength to strength. It was also pleasing to see Tracy Edmundson elected as our first female Council member serving one of our Constituent Bodies, Notts, Lincs & Derbyshire, and joining Deborah Griffin, Chair of the Women's and Girls' Rugby Integration Board. This represents women's important and growing contribution to rugby in our clubs and CBs.

The 2012/13 season has seen real stability achieved and a great deal of progress made which will stand us in good stead as we approach Rugby World Cup 2015.

Bill Beaumont

“Consulting, consolidating and modernising our organisation.”

The Board

 <p>Bill Beaumont Board Chairman & Six Nations Board Chairman & England representative on the International Rugby Board</p>	 <p>Peter Baines Hertfordshire RFU & Chairman of Governance</p>	 <p>Rob Briers Lancashire RFU</p>	 <p>Stephen Brown RFU and England Rugby 2015 Chief Financial Officer</p>	 <p>Andrew Cosslett Independent Non-Executive Director & Chairman of England Rugby 2015</p>
 <p>John Douglas Surrey RFU & Remuneration Committee member</p>	 <p>Sophie Goldschmidt Chief Commercial Officer</p>	 <p>Andrew Higginson Independent Non-Executive Director & Chairman Remuneration and Audit Committees</p>	 <p>Ian Metcalfe Cambridge University RFU & Professional Game Board Chairman</p>	 <p>Bob Reeves RFU President</p>
 <p>Ian Ritchie RFU Chief Executive Officer & England representative on the Six Nations Board</p>	 <p>John Spencer England representative on the International Rugby Board</p>	 <p>Miles Templeman Independent Non-Executive Director</p>	 <p>Malcolm Wharton England Colleges RFU & Chairman of the Community Game Board</p>	 <p>Peter Whiting RAF RFU</p>

Chief Executive Officer

Ian Ritchie

Chief Executive Officer

I am delighted to report on a year of progress and some significant success.

Record revenues allowed us to make £63.7m record investment directly with clubs and in operating the English game at all levels. This was an increase of 15% over the previous season. This level of investment in the grassroots and professional game will continue beyond Rugby World Cup 2015, thanks to our current reserves which enable us to comfortably meet all of our ongoing responsibilities and to our favourable financial forecasts.

The publication in May of our five-year Strategic Plan has provided a foundation for this most exciting period for rugby in England and I am confident that it clearly captures our ambition to seize the opportunity of our home Rugby World Cup.

We want to grow rugby through our values and performance and this Plan will help us to achieve our major goals and to operate effectively and efficiently as a world class governing body and business.

We have made significant strides across the board, with finances in line with our budget allowing us to invest an additional £3.5m in grassroots rugby during the season, thanks to a busy calendar of Twickenham events and our commercial partnerships. Significant progress has been made on this front, with partners now investing at all levels of the game and not just at England senior level.

The lead up to hosting the World Cup is very much a reality now. Last October Debbie Jevans, formerly Director of Sport for LOCOG, became England Rugby 2015 Chief Executive. We were extremely fortunate to secure one of the architects of the London 2012

Olympics to take charge. A very dynamic programme is well underway, with the full list of venues announced and the upgrading of Twickenham Stadium's water, power and IT services continuing on time and on budget.

With exactly three years to go until the final, we announced our World Cup Lead Up & Legacy plans. Putting in the infrastructure and investment in good time means that we can make the most of this once in a generation opportunity to grow our game. The six Regional Activation and Legacy Groups are already playing a crucial role in adding value and focusing on local ideas to combine with national priorities.

The England team is, of course, pivotal in engaging a widening audience with our sport. Rugby World Cup 2015 will place them and rugby union firmly in the spotlight and inspire the nation. Being pooled with Wales and Australia in the tournament and with the opening game potentially England v Fiji clearly presents a tough challenge but it is one that England Head Coach, Stuart Lancaster is hugely looking forward to.

Planning is already well advanced, Stuart now heading up the new International Performance Department, with Joe Lydon appointed Head of International Player Development, in the reorganisation of elite rugby. This sees Rob Andrew in the key role of Professional Rugby Department Director, managing relationships with the Premiership, Championship and the Rugby Players' Association and all professional rugby development and frameworks outside the England representative teams.

Twickenham welcomed almost 325,000 rugby fans to the inaugural QBE Internationals, with a full house for all four matches, including the Test against



Fiji. A huge highlight was, of course, England's men and women beating reigning World Champions, New Zealand, when the atmosphere at the Home of England Rugby was electric.

Connecting with the fans and grassroots game is very much part of Stuart's agenda, reinforced at the South Africa Test at Twickenham, when young players from the squad's formative clubs, decked out in their club colours, acted as team mascots.

After the grand finale to the autumn matches, England's second place in the RBS 6 Nations was a huge disappointment to the team and to us all. It was, however, clear that significant strides had been made. Subsequently, with experienced players on Lions' duty or rested, England secured our first victory in Argentina since the 1981 tour and won both matches of a series in Argentina for the first time.

The credentials of our coaches and management were highlighted when Andy Farrell and Graham Rowntree were appointed British & Irish Lions assistant coaches. Three other England management members were also appointed to the Lions: Physiotherapist Phil Pask, National Fitness Coach Paul Stridgeon and Media Manager Dave Barton, a credit to them, the England team and the RFU.

Very positive signs for the future lay in our younger teams' success, with England U18s crowned European champions for the second successive year and England U20s winning their

Six Nations Championship for an unprecedented third time in a row. This summer our U20s became Junior World Champions for the first time. The players, their coaches, Rob Hunter, Nick Walshe and John Fletcher, educational establishments and club academies all played their part and new support from BMW allowed for some excellent development work.

The second tier of elite rugby, essential in the development of up and coming players, saw revised RFU Championship funding, which means that, conditional on clubs participating in the English Qualified Player Scheme, our spending increases to reflect the competition's growth. An improved structure was introduced and the Championship's success was reflected in Greene King IPA becoming title sponsors. The season triple header and enhanced Sky coverage will add to the interest.

The season's launch of the LV= Cup saw the competition heralded by Lewis Moody as a catalyst in the development of the next generation of elite players in England and Wales. He was speaking at his original club, Royal Wootton Bassett RFC, where the launch took place.

Our grassroots clubs are, indeed, where all success begins and where the players inspired by Rugby World Cup 2015 will be heading. A great deal of time and finance is being invested in ensuring that we attract and keep more players, who will enjoy a quality experience in sustainable clubs.

At this time last year Sport England's Annual Active People Survey reported significant growth in participation and our goal was to sustain that, while Rugby Development Director Steve

Grainger injected a cautionary note, the figures having been measured against those of a very severe previous winter. Subsequently, our sport, like all others, was hit by more extreme weather conditions and we, in company with other outdoor sports, reverted to much the same point we were at two years earlier.

We do know that Sport England's annualised figures need to be taken in context, that our own data is being improved and that Sport England have every confidence in our performance. This was confirmed by their funding for 2013 - 2017, with an investment of £20m in rugby union, including in participation and growth.

Creating opportunities for young players to enjoy the game is hugely important and our All Schools programme is spreading schools rugby across the state secondary sector. Prince Harry, already the Union's Vice Patron and Patron of the RFU Injured Players Foundation (IPF), is our All Schools Patron, with Canterbury the Official Partner. Many of the school teams involved were on the Twickenham pitch at the RBS 6 Nations England v Italy match, resplendent in shirts they designed themselves, made by Canterbury.

At the same match, the IPF assisted by the Royal Marine Commando Display Team, put two seriously injured players up onto the stadium roof, to abseil down and deliver the match ball. It was an amazing display of our official charity's work in ensuring our 141 most seriously injured players can reach their potential. The IPF spent over £1.3m directly helping injured rugby players during the year. In addition, almost 400 clubs,

universities and schools were given first aid equipment and more research was undertaken to prevent catastrophic injuries. I believe that we can truly say that through the IPF we are supporting and protecting the whole rugby family.

I would like to thank my executive colleagues and all our staff for their expertise and commitment. Our Chairman, Bill Beaumont, has been tremendously supportive throughout the year and absolutely embodies rugby's core values. Paul Murphy has steered the Union as Chairman and President with style and integrity and we are all in his debt.

And I would like to thank all who work for the game, especially our magnificent army of volunteers, for the effort you continue to put in on behalf of this wonderful sport.

Ian Ritchie
Chief Executive Officer

Stephen Brown
Chief Financial Officer

Karena Vleck
Legal & Governance Director

Sophie Goldschmidt
Chief Commercial Officer

Rob Andrew
Professional Rugby Director

Steve Grainger
Rugby Development Director

Richard Knight
Stadium Director

“Our five-year Strategic Plan has provided a foundation for this most exciting period for rugby in England.”

ENG V NZ

38 - 21

TWICKENHAM



Professional Rugby

Rob Andrew

Professional Rugby Director

After a thorough review of the RFU's Professional Rugby Department, Sir Ian McGeechan and Peter Keen reported back to CEO Ian Ritchie, recommending that the department's activities be divided into two distinct areas: the Professional Rugby Department and the International Performance Department.

I will continue to lead the Professional Rugby Department which retains responsibility for the management of our relationships with the Premiership, the Championship and the Rugby Players' Association. The department will manage events and competition frameworks and lead in professional coach development, professional referee development and sports science and medicine.

The new International Performance Department will be responsible for the England men's and women's senior, Saxons, Sevens, U20, U18 and U16 teams, with a mission to develop and manage England teams capable of being consistently ranked number one in the world. England Head Coach Stuart Lancaster heads up this area, with a new Head of International Player Development reporting to him and leading the strategic direction for all but the senior men's team programmes. We are delighted to welcome Joe Lydon back to the RFU in this key role.

Through the Professional Game Board (PGB), under the capable chairmanship of **Ian Metcalfe**, we continued to ensure



the development and sustainability of the professional game in England. With the Rugby Players' Association, the PGB maintained a connection between the international teams and the Premiership and Championship clubs that continues to provide certainty for all and protect

the wellbeing of the professional game for players, clubs and country.

At the beginning of the 2012/13 season Andy Farrell joined the England men's coaching team as backs coach and Mike Catt as skills coach. Senior players continued to grow in international match experience, with a further 13 new caps awarded during the season. England had a challenging QBE International series at Twickenham, with a win against Fiji followed by narrow defeats against Australia and South Africa. The final match saw an outstanding, record 38-21 win against New Zealand in a match that will live long in the memory of all who witnessed it.

The RBS 6 Nations brought a home win against Scotland, an outstanding away win against Ireland and further home wins against France and Italy. A crushing defeat against Wales in the final game meant we missed out on the RBS 6 Nations Championship title, a Grand Slam and a Triple Crown and I am sure many lessons were learned from that painful night in Cardiff.

In the summer England travelled to South America for a challenging three match series, opening with a win against a CONSUR XV in Montevideo, Uruguay. Moving on to Argentina for test matches in Salta and Buenos Aires, England won both convincingly. Especially pleasing was that nine England players and six members of our coaching and support teams were selected for the British and Irish Lions tour to Australia and enjoyed the very special touring experience and a terrific series win.

For the men's England U20 team the main focus was the Junior World Championship. Our relationship with BMW is having a big impact on the programme. Paralympic champion, David Weir, and Olympian Mark Hunter, both BMW ambassadors, made a real



impression on players when imparting valuable lessons in performing under pressure. A tough Six Nations tournament, saw the U20s beat Scotland, then lose to Ireland away. Following wins against France and Italy, the team met Wales in Colwyn Bay for the Championship decider, bringing home the U20 6 Nations trophy for the third consecutive year.

Rob Hunter resigned as head coach to take up a coaching position with Exeter Chiefs and was succeeded by Nick Walshe and Ian Peel, attention turning immediately towards ensuring that the players were well prepared both physically and mentally for the Junior World Championships in France. We are absolutely delighted to report that England U20 won the tournament for the first time, securing a semi-final victory over New Zealand, the first in this age group. The players successfully handled all the pressures associated with taking part in a tournament at this level and they and the management team are due huge congratulations for this terrific achievement. It is also very pleasing to see so many U20 squad members now being selected for their club first 15s and pressing for selection into the Saxons squad.

A season of mixed fortunes for men's sevens saw England win the FIRA European grand prix series title during the summer, before injuries proved a major setback for our IRB World Sevens Series ambitions. With players returning to fitness in the latter part of the season, we finished in sixth position.



Professional Rugby continued

In June's IRB Sevens World Cup in Moscow, after a shaky start, we raised our performance significantly to reach the final, losing to New Zealand. Now running a full time programme with a squad of 21 contracted players, we are very aware of the need for improvements to remain a strong contender at world level. Ben Ryan stepped down as head coach in the summer, succeeded by former England Sevens captain, Simon Amor.

We continue to run strong programmes for younger age group teams under the guidance of John Fletcher and Peter Walton. England U18 had another successful summer tour to South Africa, retaining their FIRA title in Grenoble in the spring. The England U17 programme ran alongside the England U18 programme, their season culminating in winning games against France and Georgia. The coaches also continued to run U15 and U16 academy skills clinics and three academy competitions at U15, U16 and U18 level which all academies participated in.

A landmark season in the development of the regional academy network brought an academy performance review process and the alignment of performance related funding. This saw 40% of annual academy funding distributed on the attainment of stated performance standards, the additional funding stream rewarding high performance and encouraging best practice. The introduction of the Academy U18 competition brought six matches in the New Year and, despite some initial reservations, this was extremely well received by all stakeholders. These matches allow the best players to compete against each other and may contribute to a significant increase in players gaining academy contracts on leaving school.

The role of the Professional Player Educational Officer was expanded to facilitate the recruitment of a network of education advisors in the regional academies. These honorary roles will augment the work of the Rugby Players' Association and focus on supporting players of school age with educational choices. Support for players and parents was further enhanced by an Educational Guide for Talented Young Players, outlining different educational considerations and paths to professional rugby.

In January we welcomed Richard Shuttleworth as Professional Coach Development Manager, focusing on the development of coaches' knowledge of learning and principles of skill acquisition. Working alongside Kevin Bowring, he has added to the professional coach development programme which continues to work effectively with Premiership, Championship and academy coaches, as well as England representative team coaches. The RFU's Red Rose Programme continues to offer individual coach support. The introduction of the club support programme this year has also allowed coach and management team development to be offered in the club environment. The RFU's on-going support of professional rugby coaches is an important and valued service.

Among our team of professional referees Wayne Barnes continued to perform well at IRB tier one international matches. Greg Garner and JP Doyle received tier two international appointments and Luke Pearce was selected to referee at the IRB Junior World Cup, including a semi-final. Ian Tempest refereed at six tournaments in the IRB World Sevens Series. The number of RFU referee appointments is a credit to the support provided by Ed Morrison, Brian Campsall and Tony

Spreadbury. Chris White continues to work with the academy referees and Matthew Carley joining the Professional Referee Unit from the academy is a mark of the programme's success. Graham Hughes continued to receive Television Match Official (TMO) appointments at the three main IRB tournaments. A new TMO Protocol was introduced on a trial basis at the live Aviva Premiership games, proving a success and now available at all Premiership games for the 2013/14 season. At the time of writing, Ed Morrison has stepped down from leading the professional referee unit and we pay tribute to his outstanding service to officiating and the RFU over many years.

A number of sports medicine developments have been implemented. The RFU Player Safety and Welfare Board was created to provide a new and effective forum for player welfare and safety issues to be considered from a whole game perspective. RugbySquad Medical, a medical record database, was launched across the Premiership and England elite teams in July 2013, recording player medical notes to share in real-time between club and country medical staff. The Professional Rugby Injury Surveillance Project will be integrated into the system. We continue to focus on best practice in concussion research and management across the professional game. The introduction of the Pitch Side Suspected Concussion Assessment for the Aviva Premiership, QBE Internationals and England summer tour has been extended into 2013/14.

The introduction of an artificial pitch at Saracens' Allianz Park saw a co-ordinated and on-going evaluation of injury risk. On the research side, a second professional game injury risk PhD post at Bath University is focusing on injury prediction.

The university will also be home to the Schools and Academies Functional Movement Control PhD project, investigating the relationship between movement competency, injury risk and performance and to test an intervention to improve movement competency in the 14-18 age group. Dr Phil Batty joined the RFU from Manchester City FC to replace Dr Mike Bundy as England senior team doctor.

The RFU hosted a talent symposium at The Royal Society featuring 15 of the world's top experts in talent development and human performance. Their presentations and ensuing debate were recorded by science writer, Tim Radford, on behalf of a panel chaired by Professor Sir Leszek Borysiewicz. We have reached agreement with UK Anti Doping whereby they, rather than the Union, will hold case to answer responsibility going forward. The third annual report on anti-doping showed a sport in good health and players who are genuine advocates for the core values of the game, with no adverse results from testing for performance enhancing substances at the senior elite level in England. Two cases involving young players using steroids continued warning signals that the greatest doping risk is with development players. Education and deterrents continue at the senior elite level and an academy testing programme was implemented during the season. Research starts shortly investigating adolescent rugby players' attitudes towards and use of dietary supplements, including banned substances, to help shape anti-doping education and deterrents.

The RFU's rugby events and competitions team managed a very challenging season for all levels of the game due to a long, hard winter that included snowfalls in March.

As a result, it is not surprising that the percentage of matches played (96.75%) showed a slight dip compared with 2011/12 (97.4%). The fact that the league programme was completed is testimony to the sterling work of the many hundreds of volunteers and staff throughout the country.

The Championship enjoyed a successful first season with the revised play-off structure, Newcastle Falcons winning promotion to the Aviva Premiership. Leinster A won an entertaining British & Irish Cup final against Newcastle Falcons. Following successful negotiations with the other home unions, it was agreed to reduce the British & Irish Cup to a 24-team competition for 2013/14, opening up more opportunities for teams in the knockout stage.

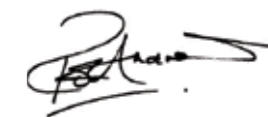
In line with our aim of reducing the burden on administrators, the existing competitions tool and player registration systems are being updated and improved. A new team builder tool will help team managers to select squads in the knowledge that they comply with competition regulations. The next phase is to integrate this into the match result sheets.

Two successful Daily Mail RBS Schools competition semi-final weekends were followed by a tremendous finals day watched by around 58,000 people online. This important competition has now become the NatWest Schools Cup, with the Daily Telegraph as media partner.

The 2013 Marriott London Sevens saw 73 games played on two pitches with three tournaments involving eight teams in a men's qualifying event, 12 men's teams in the main event and eight teams in a women's invitational competition.

This was the biggest ever IRB World Series Sevens event staged at Twickenham. Working with a wide range of stakeholders, matches at Twickenham Stadium included a Heineken Cup quarter and semi-final.

The new season will see the realignment of personnel and programmes to create the new International Performance team. We are confident that we have the right people on board to deliver the very best programmes across the professional game in England.



“Activities to be divided into two distinct areas: the Professional Rugby Department and the International Performance Department.”

Women's Performance

Nicola Ponsford

Head of Performance (Women)

The 2012/13 season, the first of complete integration of the women's game into the RFU, started in great style, England Women securing an unprecedented 3-0 series win against the World Champions New Zealand in November. Over the three games there were some really strong performances from an experienced squad, selected by Head Coach Gary Street, with the team capitalising on what they had learned from the previous series in 2012 and 2011, particularly in the attacking game. The highlight was taking a 32-23 win in the third Test at Twickenham Stadium in front of 13,000 people and shown live on Sky Sports immediately after England's men defeated the All Blacks in an historic fixture.

New challenges awaited in the New Year, however, as focus for the Elite Playing Squad (EPS) shifted to the sevens international programme. With 16 players selected into a Rugby World Cup Sevens training squad, ten players played Six Nations rugby for the first time and, inevitably, that made defending the Six Nations Grand Slam title difficult.

Ireland were crowned the winners in March, England finishing third, with a young side gaining invaluable international experience and showing real promise. A similar experimental squad was selected to compete in the Nations Cup in July. With 11 new caps, England finished second overall behind Canada, and again developed some real depth within the 15s squad, a number of younger players forcing their way into the EPS this season.

The Sevens RWC training squad included nine players who had been part of the 2009 RWC Sevens campaign and overall the squad was a very experienced one. This was also the first to have the opportunity to train part-time. From January through to the World Cup in June, they met for three days a week for an enhanced programme, including strength and conditioning, nutritional, lifestyle and sports psychologist support. In the inaugural IRB Sevens World Series highlights included winning round two in America and finishing second in China. England finished the series in second place behind New Zealand. England also competed in the FIRA European Grand Prix Series and finished fourth.

Expectations were therefore high, especially as England were the only team to have defeated favourites New Zealand twice in the build-up to the RWC, but the squad underperformed when it counted. A reasonable start was followed by losing to hosts Russia in the final pool game, handing England a quarter-final clash against eventual winners New Zealand. England had to settle for an eventual sixth place, after losing to Australia in the Plate Final.

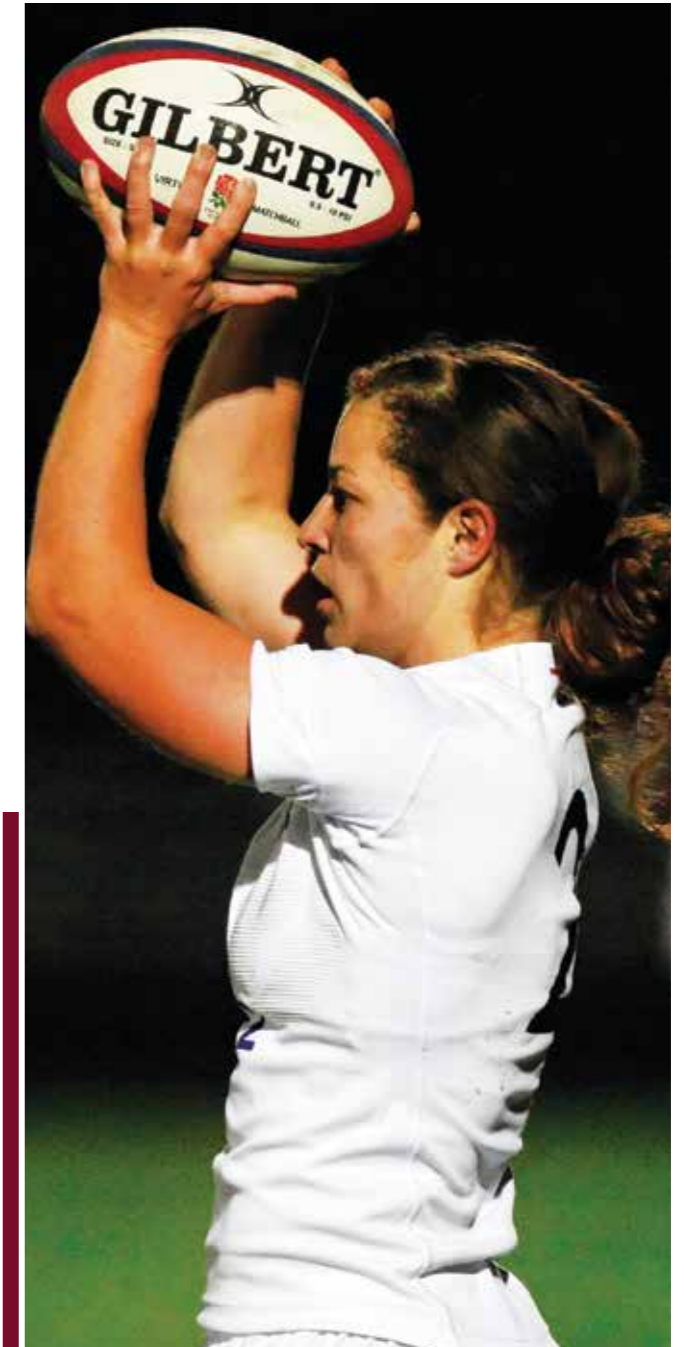
Five days after returning from Moscow the squad headed to New Zealand for the first tour on the Black Ferns' turf since 2005. England had never won in New Zealand and failed to break that deadlock, losing the Series 3-0. This was especially disappointing as there were opportunities in every game, particularly the second Test when England were winning until the last play of the game. The tour did, however, provide lessons learned and areas to work on.



For a young and inexperienced England U20s team it was a disappointing season, losing four out of five games, two against France and then against Canada, South Africa and the USA in the Nations Cup. Key performance indicators have been put in place to address player progression and a key area of focus for the squad will be skill development, together with improved strength and conditioning work. Winning games is important but at this stage in the squad's development is not the only key driver.

The English Institute of Sport has continued to play a significant role, with support for strength and conditioning, nutrition, sports analysis and sports medicine. The commitment of their staff to support the EPS has been outstanding.

The RFU Divisional Programme has again gone from strength to strength. At senior level 11 players went on to win caps for England at this year's Nations Cup, whilst for the Under 18s six players have moved into the 2013/14 U20s squad. For many of the U18s players, the culmination of the programme is to compete in the Sainsbury UK School Games in Sheffield in September. This year Scotland and Ireland joined Wales and the four English divisions in the sevens tournament. Wales were victors but England identified several players who will now join the sevens programme.



“The 2012-13 season, the first of complete integration of the women's game into the RFU.”

Rugby Development

Steve Grainger

Rugby Development Director

With Rugby World Cup 2015 presenting a huge opportunity to take the game to the widest possible group of players, volunteers and supporters, we have continued working in partnership with Constituent Bodies (CBs) in pursuit of our agreed Community Game Board core purpose of strengthening our clubs and growing the game in the communities around them.

Our Lead Up & Legacy work has seen us focus on building capacity and inspiring participation, with work beginning in earnest last October and our six Regional Activation and Legacy Groups now in place. These groups, together with our CBs and clubs, will play an increasingly crucial role over the next two years.

The Community Game Board (CGB), now ably chaired by **Malcolm Wharton**, after three years' sterling work by the former chairman Rob Udwin, works in partnership with the Union's professional staff, ensuring that we respond appropriately to the current needs of the grassroots game. The CGB sub committees provide invaluable guidance, insight and expertise, with members drawn from CB representatives nationwide.

Retaining and developing current 15-a-side players is a focus for all of us and has seen on-going work to create more playing opportunities and appropriate competition, while we have simultaneously expanded different formats to attract and retain players across the game.

These players will only stay with us if they enjoy a quality experience in clubs with modern facilities and to ensure this we have made a significant investment in financial and support terms over the year. Equally important is their playing experience and we have been working to recruit and develop high quality coaches, referees, medics and volunteers.

Organised participation over the season saw an increase compared with the previous 12 months as did club membership, despite a decrease in numbers and postponed and rearranged matches during a period of particularly bad winter weather. There is still work to be done in attracting and retaining young players. We are, however, working to keep the critical 16-24 year olds involved and I am happy to report that weekly participation for this group held flat, while there was a small increase among college and university students. Now providing a consistent talent identification and development process across the country, the England Rugby Developing Players Programme took over from Schools of Rugby.

Work has commenced with CBs to develop innovative solutions to retain more of this age group in the 15-a-side game, while Kids First rugby was successfully launched by Graham Rowntree and Ruckley, the RFU's new junior mascot. Kids First seeks to develop clubs, coaches and volunteers keen to provide a high quality, child-centred rugby experience for children aged 7 to 12.

Over the season, a record 29,000 attendances were recorded at coach, referee and medical training programmes with some 2,600 newly qualified referees; 2,200 newly qualified children's coaches and 1,700 newly qualified 15-a-side coaches.

A new three-tier referee training and education pathway now provides a consistent training process, incorporating qualifications and CPD, for all referees. This will be supported by newly trained and accredited rugby referee educators. The Young Whistlers programme, already highly successful in Warwickshire, will be rolled out across the country in 2013/14.

The new joint Coach & Referee Level 1 course for those working with U7s-U12s, and two new Level 2 courses for coaching



or refereeing the 15-a-side game, have been well received. The season also saw the first Director of Rugby Course delivered in partnership with the Ashridge Business School for 18 Level 3 coaches seeking to make an impact on playing and coaching within their clubs.

In conjunction with QBE, over 450 coaches were trained free of charge to Level 2 standard as part of QBE Coaching Club, which aims to provide 2,015 coaches for 2015. The introduction of new scrum laws saw some 120 training updates provided for more than 4,000 coaches, referees and players during the summer.

The medical department has been helping to inform coach and referee education. Training on important issues such as player safety and injury research was particularly apparent with the launch of the RFU's HEADCASE programme, aiming to prevent and manage concussion with tailored information and advice for players, parents, coaches, match officials and healthcare professionals. Whilst our research shows that the risk of injury decreases with playing level, we have also learnt that the awareness of concussion and the rare but potentially serious consequences it can have on a player's health are not widely understood. Everyone needs to know how to recognise signs and symptoms and how to help a player fully recover. By embedding information in existing RFU training courses and promoting the availability of information, we are spreading the message far and wide.

Our 50 Rugby Development Officers have engaged with clubs, highlighting and advising on available RFU support to help grow their membership. Our 120 Community Rugby Coaches have been

refocused on meeting clubs' needs and particularly on developing the 15-a-side game for players over the age of 14.

Our six University Development Officers have been focusing on the important delivery of the sport to undergraduates. A variety of formats are needed to keep them engaged and positive initiatives have included increasing local and intramural competitions and a significant take up of O2 Touch in universities.

The grassroots women's game is a source for optimism as our six Women's Rugby Development Officers (WRDOs) work to bolster girls' and women's provision at every development level. Our WRDOs have been delivering the first set of Local Rugby Partnership plans that will benefit 54 selected clubs in the coming year.

The under 13 girls' game continues to grow and, with the All Schools programme increasing the number of girls' schools playing contact rugby, this can only add dramatically to the number of opportunities for girls to play rugby.

Currently 15,000 females have registered to play rugby in some 300 clubs and developing the women's and girls' game is a key priority. Following a research study, a strategy for the future of the women's game has been developed and approved. This aims to grow the contact rugby player base by 10,000 by 2017 by creating a more welcoming environment in over 200 focus clubs, providing local options to access the game format women want, when and where they want it, introducing the game to girls in schools, colleges and universities and, essentially, making rugby a more relevant sporting option for women.

A touch rugby strategy was further developed to introduce the game to new adult markets, with the O2 Touch programme focused on delivering touch via club and university based Touch Centres and aiming to attract 15,000 new players by 2017. Currently, 55 clubs have become Touch Centres, with a further 70 to be recruited by July 2014; 13 universities have become Touch Centres, with 37 more to be recruited and 16 colleges trialling a touch programme currently play regularly, with a target of a further 85 by next July.

This July there were 3,420 players on the O2 Touch database, 19% of them female, against 2,500 players forecast, and that is projected to rise by another 3,500 players by the season end, with a focus on new and returning players. Over 160,000 have visited the O2 Touch website since its launch and working partnerships with In2Touch, and the English Touch Association are well underway.

In the Education Sector, new players are being brought into the game and many current players are playing more regularly. There are more than 130 universities, 200 colleges and 1,600 secondary schools playing regular rugby in a wider range of formats than ever before.

Work continues in partnership with the Students RFU, England Colleges RFU and England Rugby Football Schools Union, to keep in step with the changing educational landscape. The drive to create a return for rugby is simultaneously aligned to the objectives of head teachers, principals and vice-chancellors so that they see rugby as more than a sport.



Rugby Development continued

The RFU has responded to the government investment in primary schools by refining the support available to teachers to teach tag rugby and build rugby into other areas through new playground leader resources. Increased focus has been placed on the challenge of enthusing and retaining players and institutions in the 14 to 18 age bracket, which has resulted in some great headlines.

The successful launch of All Schools to 104 brand new rugby playing secondary state schools, plus another 100 coming on board from September 2013; more than 30 colleges introducing O2 Touch with a further 70+ signing up for 2013/14 and over 30 new university teams playing in intra-mural or inter-university competition shows many playing opportunities for players.

We continue to develop the expertise, tools, resources and structures that underpin education development work locally. There is now a particular focus on what helps young people currently playing to continue to do so in rugby clubs and through their educational transition from school to college, to university and beyond into work.

Community Rugby Coaches are working across clubs and education institutions to deliver a high quality coaching experience to players of both genders, as well as working with coaches to support their development.

The Area Managers have been leading teams working with Constituent Bodies to provide a good service to our clubs.

The broadest and highest ever turnout saw some 60 delegates from 24 CBs, plus members from the RFU Leadership Academy, attend the ninth CB Orientation Day. The Planning, Funding and Reporting programme for CBs also continued to evolve, CBs undertaking

both four-year and annual delivery planning, having been provided with an indicative four year budget through to 2016/17.

Council made 150 QBE International tickets available to reward volunteers, the centrepiece of a new recognition strategy, and 1,000 volunteers were hosted in Twickenham's West Car Park at international matches. The CB Volunteer Coordinator Conference also focused on volunteer recognition, as well as hosting RWC 2015 at clubs and the Young Rugby Ambassadors programme. Assistance in assessing RWC teams' training bases was provided for England Rugby 2015, more than 80 applications having been made.

Volunteer groundsmen benefitted from club visits from RFU Head Groundsman Keith Kent, who also produced short films on pitch maintenance for rfu.com and gave advice on Twitter. Agreement was also secured with Dennis Mowers/SISIS giving clubs a 20% discount on pitch maintenance equipment.

Club Accreditation status was gained by 420 clubs in the inaugural year, clubs gaining from good action planning. The NatWest RugbyForce weekend saw 400 clubs and over 70 staff volunteers involved. Funding was provided to 308 clubs and more than 8,000 volunteers took part, the Pride of the Nation competition won by North Hykeham RFC.

Supporting clubs' off field activity, non-matchday revenue generation workshops were delivered in Derbyshire, Middlesex and North Yorkshire/Durham. The RFU Leadership Academy was also run in Hampshire/Dorset & Wiltshire, Durham, Eastern Counties, NLD/Staffordshire and Middlesex.

Two investment programmes were added. Better Facilities focused on improving social spaces for the first

time, with more than 50 grants made totalling some £832,000, with a total investment of £1.67m, for new goalposts and grounds maintenance equipment.

Round One of the Lead Up & Legacy programme invested in changing rooms, floodlights and pitches, with almost 30 grants totalling £1.57m and total investment £4.26m, making a total RFU investment of £2.4m and overall value at £5.96m. Some 150 clubs were awarded grants or loans totalling £1.47m by the Rugby Football Foundation for projects with a total value of £6.37m and some 80 grants of £4.3m were made under Sport England's Protecting Playing Fields and Inspired Programmes.

Proposed changes to the eligibility rules for Community Amateur Sports Clubs saw the RFU coordinate a response, with detailed input from clubs, working with other national governing bodies to manage a consistent message and ensure the issues remain in the public domain.

A challenging year on a number of fronts, 2012/13 saw some great successes shine through, only possible thanks to a great partnership between professional staff and the army of volunteers in our game who offer so much time and make so much happen at local level in our CBs, clubs, schools, colleges and universities.

We offer huge thanks to them and look forward to continuing our relationship with them as the great opportunities presented by the 2015 Rugby World Cup get closer and closer.



“Great successes shine through thanks to a great partnership between professional staff and the army of volunteers in our game.”

Game Governance

Karena Vleck

Legal & Governance Director

The RFU Regulations underwent their annual review creating more clarity and reducing unnecessary regulations to facilitate compliance and enforcement. Work continued on developing a robust Anti-Corruption & Betting Strategy for the professional and semi-professional game, and the Union is working closely with the IRB, rugby stakeholders and other sports to minimise any potential threat to rugby's integrity.



The Governance Committee, under the chairmanship of **Peter Baines**, continued to advise the RFU on Rules and Regulations and to ensure good governance principles apply within the game.

In addition to providing legal support throughout the RFU, the Department advised on and supported the work on adopting good corporate governance principles from the Slaughter and May Report and the proposals to modernise and update the RFU's constitution.

Over the season the RFU worked with the IRFU, WRU and SRU to create a harmonised Home Unions Agents Registration Scheme to apply to all agents operating in any of the Home Unions. Once agents register and are admitted by one Home Union, they will automatically be entitled to operate in the others and the same regulations and procedures will apply.

A thorough review took place of Regulation 19 (Discipline) and the changes that were mandated by IRB 17 were incorporated, the most significant being an IRB core principle that if a player is ordered off the field of play at any level of the game (or cited in Levels 1 and 2) the player is provisionally suspended pending their disciplinary panel hearing.

Changes were also made to Regulation 19 as a result of the work around the separation of powers and independent adjudication, a core principle of IRB Regulation 17. As a result the RFU Council determined to separate disciplinary powers, specifically to establish an independent rugby judiciary. This work has been completed with Sir James Dingemans appointed Head of Independent Rugby Judiciary for a three-year term. All serving judicial panel members were appointed for a further one-year term from July 2013 and an appointments committee is to be established to manage future panel appointments. Gerard McEvilly, RFU Head of Discipline, is to be the focal point for discipline within the RFU and responsible for investigation and prosecution of all on and off-field issues. The role of RFU Disciplinary Officer was abolished and our thanks must go to those who have served in this role, Jeff Blackett, Robert Horner and Roy Maynock.

A number of safeguarding changes resulted from the introduction of the Disclosure and Barring Service (DBS) (previously known as CRB), in relation to the vetting of volunteers working in regulated activity and these have now been assimilated into RFU regulation and guidance for the 2013/2014 season.

Following the NSPCC Safeguarding Framework Review meeting in March we received a very positive report that will be forwarded by the NSPCC to Sport England. This acknowledges our commitment to maintaining standards and working to embed safeguards throughout the sport, our commitment to safeguarding at senior management level and the developments being made to strengthen safeguards at clubs.

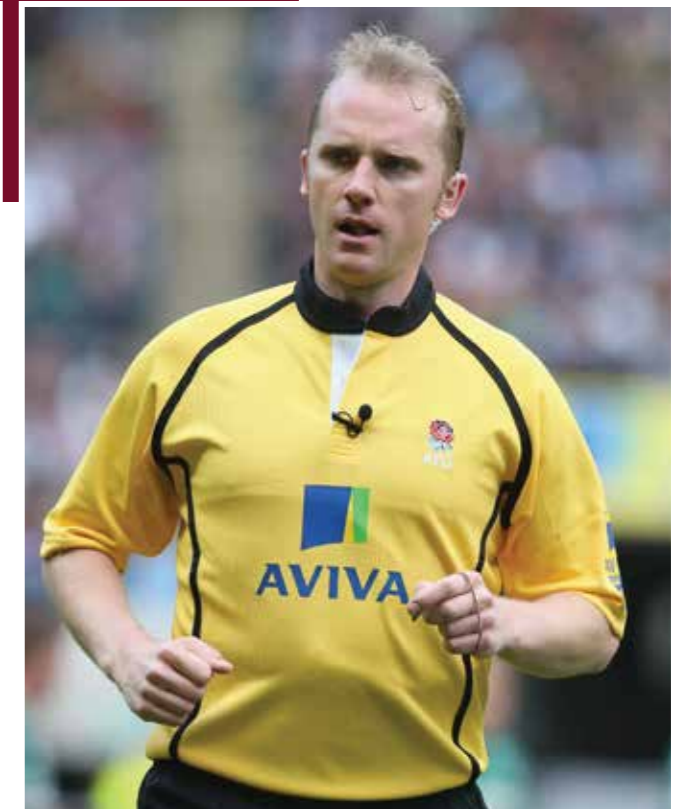


The conference for CB Safeguarding Managers and Tutors in April was well attended. Guest speakers included Dr Daniel Rhind from Brunel University, who reported on the initial findings from the research project on issues facing children with additional vulnerabilities who are participating in rugby union. We have since received the final report which will guide future best practice. Anne Tiivas, Director of the NSPCC Child Protection in Sport Unit, also gave an overview of current national trends at the event.

I would like to express my personal thanks to all those volunteers in the game, whether involved in safeguarding, discipline or governance generally, without whom we would not be able to effectively govern the game.

Karena Vleck

“Sir James Dingemans appointed Head of Independent Rugby Judiciary for a three-year term.”



Commercial

Sophie Goldschmidt

Chief Commercial Officer

The RFU's commercial objective of building enduring and valuable partnerships that use rugby to deliver success in business as well as success for the game have seen real progress in the past year.

Throughout the season we refined commercial partnerships, making them more meaningful across the game.

This was evident in such wide-ranging support as QBE facilitating increased numbers of Level 2 qualified coaches as well as their title sponsorship of the QBE Internationals; Canterbury's launch of the England kit at a community club and their support of our All Schools programme, which is significantly increasing the number of state secondary schools playing rugby and in the NatWest RugbyForce campaign, with more than 8,000 volunteers turning out to improve their club environment.

O2's new O2 Match Day app helped to enhance the experience for fans away from Twickenham, while there were a record 1.5m views of O2 Inside Line, with the popularity of O2 Touch and the O2 Touch Tour reaching right across the sport and the country. BMW were helping England drive the ultimate performance, kicking off with their BMW Junior Player of the Season awards, which 253 clubs entered. The BMW Sweet Chariot campaign during the QBE Internationals saw 445,000 viral views and simultaneously there were four full England capped graduates from the BMW Performance Academy in year one.

SSE Rugby Energy, launched during the season, helped clubs become more energy efficient and save an average £1,500, while the partnership also provided an initial 200 SSE Level 1 coaching courses. Quality coaching in a safe environment was also the focus for the Marsh Scrum Factory, which had another successful year with 4,332 players and coaches completing the programme.

Our relationship with fans has been an important focus, the emphasis being on creating a tremendous supporter experience at Twickenham Stadium and beyond. Various branding and commercial elements have been introduced in the stadium including mid-tier LED, the first 360 degree LED in a stadium in Europe.

In keeping with the Strategic Plan imperative, a great deal of work has gone into modernising our brand. We carried out extensive consultation with the entire game, as well as those not closely engaged with rugby, and a great deal of development work was carried out. By the summer we were ready to launch our new England Rugby brand which will help us to increase numbers of those watching, supporting and playing rugby. There has already been a noticeable impact, with the new look earning compliments from those within and beyond the sport. Bringing our brand to life on the page, on screen and within Twickenham Stadium has never been more important and, having put in place an in-house studio at Twickenham, we will be better able to ensure quality and consistency.

Leading sports organisations are now using a world class participant and fan experience to drive engagement, sponsorship and revenue and at the RFU we know that Customer Relationship Management is increasingly important. Work through the season led to a three-year plan to gain data in order to effectively manage and grow the game. We need to understand key trends and know when people disengage so that we can communicate with them and ultimately keep them in the game. This will allow us to focus investment appropriately and to pro-actively plan and support the game of rugby.

The IBM Try Tracker platform, launched during the RBS 6 Nations, to give fans access to real time insight into the England team's individual performances



on the pitch had 105,000 page views during the matches. We also had record levels of traffic to rfu.com during the Six Nations and throughout the entire year and the first ever live stream on twitter for the Championship. There was also record fan interaction across social media and work has commenced on a rebuild of the rfu.com website. Altogether a busy season for our Digital Team.

A record year for TV viewing in the UK saw Sky's coverage of rugby enhanced with more coverage of RFU Championship matches. The BBC's audiences for the RBS 6 Nations continued to see a steady increase and the atmosphere at Twickenham Stadium throughout the season was tremendous whether at England v New Zealand or the Army v Navy match.

With a total of 1,116,065 stadium seats sold for season 2012/13, our ticket office staff did a great job. The popularity of Twickenham matches was evident in growing attendances year on year for the likes of the Army v Navy match, now at an attendance of 72,471 against 65,302 of the previous season, and the Marriott London Sevens with another record breaking weekend and an increase of 10,000 fans at Twickenham.

The Marriott London Sevens also saw more fan engagement from partners than ever before. Marriott's joint production of a TV commercial, the avatars and Marriott Safari Drummers at Canary Wharf, the popular Marriott Safari Lodge at the event, as well as HSBC's Fan of the Series and the HSBC Lions Lodge all added to the success.

The Rugby Store retail sales held up both in store and online. Excellent distribution and a complete refurbishment ensured that the new Canterbury England kit was the Store's best selling kit in recent years. The England Is All campaign, shot by David Bailey, and the feel good factor surrounding Stuart Lancaster and the team, drove sales, with an autumn match record for the England v New Zealand QBE International match day.

London Marriott Hotel Twickenham

London Marriott Hotel Twickenham achieved 68% occupancy across the year, with the pitch view suites particularly popular. The hotel finished the year with revenue of £6.8m and an operating profit of £0.3m. Marriott Hotels & Resorts' partnership with the RFU also includes title sponsorship of the hugely popular Marriott London Sevens and being an Official Partner of England Rugby.

Virgin Active Classic Health Club

The Virgin Active Classic Health Club revenue improved marginally despite the economic climate, with an operating profit of £0.7m and turnover of £3.6m. Membership grew by 100 over the year, with the Twickenham Stadium club one of the top performers in Virgin's group. Twickenham members have reciprocal once-a-month use of any Classic Club in the UK and overseas.

England Rugby Travel

England Rugby Travel (ERT) continued to get fans close to the action with exclusive events and ticket-inclusive weekends for England's Six Nations home and away matches and the QBE Internationals. Their tours department offers experiences across the world and delivers festivals and tournaments for incoming teams. Turnover for the year was lower than the previous season's, given the packages for the Rugby World Cup in New Zealand. ERT still made an operating profit of £0.2m.

“Our relationship with fans has been an important focus, the emphasis being on creating a tremendous supporter experience at Twickenham Stadium and beyond.”



Twickenham Experience Ltd

Chris Morris
Managing Director

Twickenham Experience Limited (TEL) is the RFU's joint venture with Compass Group PLC, which provides match day catering, hospitality and bar services as well as non-match day catering, conference and event management services at Twickenham Stadium.

Whilst the UK corporate hospitality market remains flat, rugby as a sport and Twickenham as a venue has held its position at the forefront of corporate entertaining. Given the economic downturn and impact of the London 2012 Olympics, it is encouraging that TEL has continued to maintain its sales levels of hospitality packages through delivering a quality product and service in a unique environment. Over 52,000 hospitality covers were catered for on match days throughout the course of the season.

TEL's public bars and catering units served in excess of 1,300,000 event day guests at over 20 events in the 2012/13 season, which included several pop concerts. A range of food and drink offerings were available to enhance the customer's event experience and TEL has worked hard to provide variety, quality and choice.

TEL's non-match day Conference and Events business achieved revenues of £4.3m and utilised the world class conferencing facilities available at Twickenham Stadium. Events ranged from small lunch meetings to international conferences, product launches, weddings and awards dinners for 800+. Repeat customers included BP, BSkyB, Open Text, IBM and Kimberley-Clark with many clients using TEL's tiered seated auditorium that can host up to 550 delegates.



The year finished with total revenues of £32.6m and net profit to the RFU of £4.9m, the highest ever achieved, which is testament to the hard work and dedication of my whole team during a very busy season.

Chris Morris

“The year finished with total revenues of £32.6m and net profit to the RFU of £4.9m, the highest ever achieved.”



Twickenham Stadium

Richard Knight
Stadium Director

A busy schedule of work to refurbish Twickenham Stadium included: ongoing installation of the new mechanical and electrical infrastructure, including a new centralised energy centre; changing room refurbishment; replacement of seats in the North, East and West Stands lower bowl; additional public bars and toilets; replacement of the Members Lounge and President's Room glass façade as phase one of the area's upgrade; commencement of the IT backbone cabling to ensure full digital connection around the stadium and further upgrade of corporate box areas.

All of this work was carried out while more than 1.3m visitors continued to arrive at the stadium on event and non event days. The hosting of 25 event days, with nine completely sold out and two Heineken cup games added to the calendar, continued without impact from the project works. Temporary changing rooms were provided for teams at the World Club Sevens while the refurbishment of existing changing rooms took place.

While significant scoping of other projects continues, the benefit of last year's investment is evident, with the new pitch outstanding during the wettest autumn in 100 years and the coldest spring for 30. The mid-tier LED boards showed their flexibility in being able to both inform and provide excitement and atmosphere within the stadium.

Working with England Rugby 2015 colleagues, we have started to plan for the stadium hosting 10 games during the Rugby World Cup. With travel to the world event of great importance, we were part of a lobbying campaign for an improved Twickenham Station, much needed for the event and by our local community. This now has approval and, while providing aesthetic, operational and community use improvements, the extended platforms will also allow for longer trains and increased capacity.

During June we hosted three concerts, two nights of Rihanna and the charity concert Sound of Change, the latter shown to 150 countries worldwide, including prime time on NBC in the USA with an estimated global audience of 1 billion. These three concerts meant that for the first time we hosted five concerts during our financial year.

The quality of our stadium management and event day staff was again recognised when our management team was called upon for the Olympic Stadium's recent athletic events and during the year we also provided staff to assist with the NFL event at Wembley and at the Twickenham Stoop for Harlequins games.

Safety at the Stadium is of paramount importance and, having achieved the Occupational Health & Safety Management System accreditation, we



were re-evaluated during the season and again passed, testament to our work in ensuring that our health and safety record continues. We also won three Institute of Groundsmanship awards, for Best Rugby Groundsman, Overall Groundsman of the Year across all sports, and Stadium of the Year, which is indicative of the excellent work undertaken by everyone working at the stadium.

Richard Knight

“Hosting 25 event days, with nine completely sold out and two Heineken Cup games, continued without impact from the project works.”



England Rugby 2015 The Organising Committee for Rugby World Cup 2015

Debbie Jevans
Chief Executive Officer



England Rugby 2015 is now rounding off a busy year which has been spent planning and building towards the delivery of the world's third largest sporting event. The key priorities for 2013, including building the team, selecting match venues, finalising the competition schedule, setting the tournament vision and developing detailed delivery plans and timelines have all been completed. With the foundations now in place, we are on track to deliver a six-week celebration of rugby of which the whole country can be proud.

Rugby World Cup 2015 is a nationwide event that will be played in 10 cities in England, plus Cardiff. In May, after a thorough and extensive evaluation process, the Organising Committee confirmed the use of the following match venues:

- Brighton Community Stadium (Brighton)
- Elland Road (Leeds) - Kingsholm Stadium (Gloucester) - Leicester City Stadium (Leicester) - City of Manchester Stadium (Manchester) - Millennium Stadium (Cardiff) - Olympic Stadium (London) - Sandy Park (Exeter) - Stadium MK (Milton Keynes) - St James' Park (Newcastle) - Twickenham Stadium (London) - Villa Park (Birmingham) - Wembley Stadium (London).

Of the 48 matches, 25 will be hosted by dedicated rugby venues, seven in multi-event stadia and 16 in football grounds. This blend of stadia will provide a variety of different match day experiences, and taking the tournament outside of England's rugby-specific venues not only allows England Rugby 2015 to meet its financial commitment to the International Rugby Board through increased revenue from ticket sales, but also to connect with new audiences across the country. There will be over two million tickets available for fans to engage with one of the world's biggest sporting events.

The confirmed match schedule will see 20 nations play 48 matches over 44 days. This schedule has been praised for its fairness and balance. An equitable schedule is important, and gives all teams a level playing field in terms of match preparation, which will ultimately lead to a more competitive tournament.

The successful delivery of any major sporting tournament is supported by a strong network of partners and stakeholders, and Rugby World Cup 2015 is no exception. As well as the RFU and other unions, there has been a strong response from host city councils, match venues and the core external stakeholder group, including the Department

for Culture, Media and Sport, Visit England, the Greater London Authority, the London Legacy Development Corporation and London and Partners. All of these bodies will play an integral role in the build-up to, and delivery of the tournament. While England's iconic stadia will provide the big moments on the field, one of the roles of the Organising Committee is to help provide unforgettable memories off the field too. Whether that means buying a ticket for a match, going to a Fan Zone or joining in the Festival of Rugby, however fans choose to get involved, they will receive a first class spectator experience which enhances the reputation of England as a world-class host of international sporting events, and delivers a truly sustainable legacy for the RFU to build on.

September 18 marked two years to go until Rugby World Cup 2015, and the excitement generated around this milestone clearly indicates that England is set to embrace the build-up to the tournament.

Youngsters from host cities across the country joined in the launch of the RFU's Posts in the Park legacy initiative, aimed at inspiring more people to play and support the game; Leicester, Milton Keynes, Exeter, Manchester, Leeds, Newcastle, Birmingham, Gloucester and Newham all ran events to celebrate the installation of the first sets of posts. Elsewhere, Prime Minister David Cameron presented his New Zealand counterpart John Key with an exclusive 'Two Years To Go' rugby ball at Downing Street, and fans and players across the globe tweeted their excitement about the tournament coming to England in 2015.

In November an approved list of just over 60 Team Bases was submitted to representatives from the already-qualified unions. Over 80 institutions applied to be Team Bases, with the final confirmation of preferences set to be completed by spring next year. The Team Bases, which consist of indoor and outdoor training facilities, hotel, gym and pool, will provide England Rugby 2015 with another opportunity to connect with communities across the country. The Organising Committee has been fortunate enough to have an excellent range of sporting facilities to choose from, and is very grateful to all of the clubs and schools that submitted proposals to become Rugby World Cup 2015 Team Bases.

As we move into 2014, England Rugby 2015 will begin to fully engage and mobilise its plans with the launch of the volunteer programme, the delivery of the international Webb Ellis Cup tour, and tickets for the tournament going on sale.

The volunteering campaign will open in early 2014 with 75% of recruitment coming from the existing rugby volunteer network, rewarding and recognising those who help to deliver the game week in week out in their local communities.

In May we will launch the international Webb Ellis Cup tour with the support of various commercial partners and stakeholders. The tour will involve the Webb Ellis trophy travelling to many of the qualified nations, raising awareness of the tournament to an international audience, and promoting international ticket sales, before returning to England for the domestic trophy tour in 2015.

Tickets for the tournament will go on sale next year. England Rugby 2015 has worked hard to ensure that the tournament is as affordable and accessible as possible. The ticketing strategy and pricing will be announced by the end of 2013.

The Organising Committee will employ 70 people by the end of the year.

The senior leadership team has a wealth of experience of delivering major sporting events, underpinned by a strong understanding of rugby and its core values. Next year will be an important year for the Organising Committee as planning moves towards the delivery of key components of the tournament, including the launch of the volunteering campaign, and the launch of ticket sales. By the end of 2014, 140 people will be employed with us and the team will grow to around 300 staff by the time Rugby World Cup 2015 kicks off.

These are special times for rugby in England and the journey towards Rugby World Cup 2015 will be an exciting one. The role of the Organising Committee is to host and stage a tournament that not only delivers the best possible experience for spectators and players, but also one that delivers unprecedented benefits to the RFU in terms of a sustainable legacy which inspires the nation to play and support the game. The hard work over the last year has ensured that the Organising Committee is on course to achieve this.

“A busy year spent planning and building towards the delivery of the world's third largest sporting event.”



Social Responsibility

Recognising the difference rugby can make to people's lives, this year has seen the RFU deliver across its five strand social responsibility strategy. The five strands to this work are detailed below:

The Workplace – how our people make a difference

We believe that a diverse workforce will put English rugby in the best possible position and are working to achieve the National Equalities Standard (devised by Ernst and Young) that sets clear diversity objectives across the workforce. We also encourage our staff to be active in their communities through volunteering. NatWest RugbyForce weekend in June 2013 saw an unprecedented number of RFU staff give up their weekends to help clean and improve their local rugby club.

The Community Rugby Marketplace

The RFU wants to ensure that rugby and its core values can be used for wider societal gain. In 2013 we partnered with the Dallaglio Foundation Rugby for Change programme (DFR4C). The DFR4C programme engages young people to divert them from crime and stop them going through the criminal justice system. Together we will work with 1,200 new young people in 2013/14 to improve their lives.

The Local Community

The RFU wants to have a positive impact on the local Twickenham community. We therefore produce a quarterly community magazine which we distribute to 30,000 local homes and businesses. The RFU also manages the RFU Education Partnership with 20 local state schools and provides financial support for local community groups and charities and events including the Strawberry Hill music festival and the Richmond Borough Sports Day. Finally, the RFU provides a ballot for local residents to access 400 tickets per QBE International and RBS 6 Nations match at Twickenham and discounts for concerts held here.

Environment

The RFU seeks to demonstrate best practice environmental stewardship and share this with the rugby community so it too can minimise impact on the environment. This year we launched a pilot club energy audit scheme in Yorkshire, which will inform how we can build more energy efficient rugby club facilities in the future. We have also been working with colleagues across the sport sector to provide guidance for clubs wishing to reduce their impact on the environment. At Twickenham we have passed the first stage audits for Sustainable Events Standard.

Charity

The RFU seeks to make a difference through our work with charities. The Rugby Football Foundation exists to promote and develop community amateur rugby in England. The RFU Injured Players Foundation supports seriously injured players for life and helps prevent future injuries through research and education. Over the last year we have also set up a streamlined charity process to manage the requests we receive from other national and local charities, and we have supported more than 30 charities with fundraising through donations and matchday collections.

“The RFU Injured Players Foundation supports seriously injured players for life and helps prevent future injuries through research and education.”



Season 2012/13 Results

England

QBE Internationals
 England 54 - Fiji 12
 England 14 - Australia 20
 England 15 - South Africa 16
 England 38 - New Zealand 21

RBS 6 Nations Championship
 England 38 - Scotland 18
 Ireland 6 - England 12
 England 23 - France 13
 England 18 - Italy 11
 Wales 30 - England 3

England 40 - Barbarians 12

South America Tour
 Consur XV 21 - England 41
 Argentina 3 - England 32
 Argentina 26 - England 51

England Saxons

O2 Ireland Wolfhounds 10 -
 England Saxons 14
 England Saxons 9 - Scotland A 13

England Under 20s

RBS 6 Nations U20s Championship
 England U20s 15 - Scotland U20s 6
 Ireland U20s 16 - England U20s 15
 England U20s 40 - France U20s 10
 England U20s 52 - Italy U20s 7
 Wales U20s 15 - England U20s 28

IRB Junior World Championship Pool

England U20s 30 - France U20s 6
 England U20s 24 - South Africa U20s 31
 England U20s 109 - USA U20s 0

Semi-final

England U20s 33 - New Zealand U20s 21

Final

England U20s 23 - Wales U20s 15

England U18s

FIRA/AER Championship
 Qualifier
 England U18s 82 - Portugal U18s 8

Semi-final

England U18s 25 - Scotland U18s 12

Final

England U18s 27 - France U18s 22

Summer Tour - South Africa

South Africa Schools 19 - England U18s 14
 England U18s 17 - Wales U18s 15
 England U18s 12 - France U18s 8

England Sevens

HSBC Sevens World Series
 Sixth Overall
 Australia - Bowl finalists
 Dubai - Shield winners
 SA - Bowl semi finalists
 NZ - Winners
 USA - Bowl semi finalists
 Hong Kong - Bowl winners
 Japan - Bowl winners
 Scotland - Third place
 England - Third place

Rugby World Cup Sevens

Moscow - Finalists

FIRA/AER European GP Series

First overall
 Lyon - Winners
 Bucharest - Winners

England U16s

England U16s 20 - Italy U17s 24
 England U16s 32 - Wales U16s 26

Wellington Festival

England U16s South 22 - France U16s A 22
 France U16s B 26 - England U16s North 27
 England U16s North 18 - Netherlands U17s 8
 Scotland U16s 20 - England U16s South 26
 England U16s South 32 - USA U17s 25
 England U16s North 46 - Belgium U17s 12

England U18s Clubs and Schools

England U18s Clubs and Schools 15 -
 Ireland U18s Clubs 30

England Counties

Ireland Club XV 30 - England Counties 20
 England Counties 27 - France Fédérale 7

Summer Tour

Belgium A 0 - England Counties 78
 Belgium 5 - England Counties 57

England Counties U20

Georgia U20 Select XV 14 -
 England Counties U20 16
 Georgia U20 13 - England Counties U20 25

England Students

Portugal 20 - England Students 25
 England Students 18 - France Students 22

England Women

England Women 23 - France Women 13
 England Women 16 - New Zealand Women 13
 England Women 17 - New Zealand Women 8
 England Women 32 - New Zealand Women 23

Six Nations Championship

England Women 76 - Scotland Women 0
 Ireland Women 25 - England Women 0
 England Women 20 - France Women 30
 England Women 34 - Italy Women 0
 Wales Women 16 - England Women 20

Summer Tour - New Zealand

New Zealand Women 29 - England Women 10
 New Zealand Women 14 - England Women 9
 New Zealand Women 29 - England Women 8

Nations Cup

England Women 25 - Canada Women 29
 England Women 18 - South Africa Women 17
 England Women 36 - USA Women 21
 England Women 13 - Canada Women 27

England U20s Women

England U20s Women 5 -
 France U20s Women 17
 Canada U20s Women 15 -
 England Women U20s 3

U20s Nations Cup

England U20s Women 22 -
 South Africa U20s Women 24
 England U20s Women 15 -
 Canada U20s Women 43
 England U20s Women 17 -
 USA U20s Women 27
 England U20s Women 27 -
 South Africa U20s Women 3

England Women Sevens

WSWS (Women's Sevens World Series)
 Dubai - 7th
 WSWS USA - 1st
 WSWS China - 2nd
 WSWS Amsterdam - 4th
 WSWS overall series ranking - 2nd
 FIRA Euro GP leg 1 Spain - 1st
 FIRA Euro GP leg 2 France - 5th
 FIRA overall series ranking - 2nd
 RWC 7s Moscow - 6th

Aviva Premiership Rugby London Double Header

London Wasps 40 - Harlequins 42
 Saracens 40 - London Irish 3

The Nomura Varsity Match

Oxford University 26 -
 Cambridge University 19
 Oxford University U21 31 -
 Cambridge University U21 17

Aviva Premiership Rugby Big Game 5

Harlequins 26 - London Irish 15

Daily Mail RBS Schools' Day

U15 Vase Final
 Felsted School 13 - Royal Latin School 19

U15 Cup Final

Warwick School 12 - QEGS Wakefield 6

U18 Vase Final

Felsted School 15 - Yarm School 17

U18 Cup Final

Dulwich College 27 -
 Northampton School for Boys 17

British Universities & Colleges Finals

Women's Final
 Exeter 17 - Cardiff Met (UWIC) 15

Men's Final

Durham 26 - Cardiff Met (UWIC) 17

Heineken Cup Quarter Final

Saracens 27 - Ulster 16

Army v Navy for the Babcock Trophy

Royal Navy 26 - Army 43

Heineken Cup Semi Final

Saracens 12 - Toulon 24

RFU Cup Finals

RFU Junior Vase Final
 Newent RFC 58 - Baildon RUFC 29

RFU Senior Vase Final

Selby RUFC 29 - Drybrook RFC 25

RFU Intermediate Cup Final

Bridlington RUFC 22 - Brighton RFC 30

National U20 Championship Final

Cheshire U20 17 - Berkshire U20 30

Marriott London 7s

Cup Final
 New Zealand 47 - Australia 12

Third Place

Kenya 19 - England 26

Plate Final

Fiji 14 - United States 5

Bowl Final

Wales 19 - France 7

Aviva Premiership Rugby Final

Leicester Tigers 37 - Northampton Saints 17

Bill Beaumont Cup Final

Lancashire 35 - Cornwall 26

County Championship Shield Final

Cumbria 16 - Surrey 21

MORE THAN 1.3M
VISITORS TO TWICKENHAM STADIUM



Financial Review

Stephen Brown FCCA

Chief Financial Officer

The year 2012/13 has been one of significant success and record breaking achievement for the RFU. Group revenue reached over £150m for the first time in our history and investment in rugby as a whole rose to just under £64m, up 15% on 2011/12.

As we successfully conclude the first year of our new Strategic Plan (which was approved by the Board and Council during the year), we look forward to achieving our now clearly defined objectives, through sustained and growing investment in rugby, up to and beyond the Rugby World Cup in 2015.

The financial success of 2012/13 has been delivered through a full programme of home international matches and an expanded event portfolio throughout the year. The profit for the year of £3.8m was achieved after delivering record investment into both professional rugby (£37.4m, up 11% v 2011/12), and rugby development (£26.3m, up 21% v 2011/12).

The RFU Group's profit and loss reserve now stands at a very healthy £20m which, combined with our financial projections over the next three years, enable us to both manage the variability presented by the four-year Rugby World Cup match cycle as well as maintain growth in rugby investment at all levels of the game.

The financial strength of the RFU is further demonstrated by the granting of an unsecured £50m, five-year revolving credit facility by our new banking partner RBS in October 2012. This facility is being used to fund the Twickenham Stadium upgrade project in readiness for hosting the World Cup in 2015. As at the end of June 2013, £20m of this facility had been called down.

“The profit for the year of £3.8m was achieved after delivering record investment into both professional rugby (£37.4m, up 11% v 2011/12), and rugby development (£26.3m, up 21% v 2011/12).”



The Profit and Loss Account format has been changed slightly to more closely reflect formats presented in the annual budgeting cycle and the Strategic Plan and is intended to provide greater clarity around rugby investment and the performance of the business as a whole. The following commentary also reflects these changes.

Revenue

Total revenue increased by £42.9m, from £110.6m to £153.5m, predominantly driven by the full match programme effect on ticket, broadcasting and hospitality and catering revenue streams, together with increases in sponsorship revenues as new deals have been signed with QBE, Canterbury, BMW, IBM, Sports Revolution and Dove.

Ticket revenue increased by £20.6m, from £13.3m to £33.9m, due to the staging of four QBE Internationals against Fiji, South Africa, Australia and New Zealand and three home RBS 6 Nations matches against Scotland, France and Italy, compared to the 2011/12 Rugby World Cup year with no autumn internationals and only two home Six Nations matches against Wales and Ireland.

Broadcasting revenue (the majority of which is under fixed term contracts) increased by £9.0m, from £22.8m to £31.8m, mainly due to the match programme detailed above and the revenue sharing arrangements in 2011/12 for the World Cup warm-up matches.

Sponsorship revenue, whilst largely contracted in any given year, increased by £3.8m, from £15.3m to £19.1m, as new partners were attracted during the year.

Hospitality and catering, which remains our single largest Group revenue stream, increased by £9.9m, from £27.6m to

£37.5m, mainly due to the number of major international matches staged, general increases in attendances at other matches, plus additional concerts and other events.

Merchandising and licensing revenue increased marginally from £5.2m to £5.4m, with the increase coming directly from match day sales.

We have restated the results for our subsidiary travel business, England Rugby Travel Ltd (ERT) this year such that the revenue is the net commission earned on the travel services provided rather than the full value of the bookings made. The 2011/12 comparatives and five-year summary have been restated accordingly. Noting these reporting improvements, the commission earned by ERT has reduced by £0.5m from £0.9m to £0.4m, reflecting the impact of the packages sold for the Rugby World Cup in New Zealand in 2011/12.

Hotel revenue from the London Marriott Hotel Twickenham in the South Stand increased by £0.1m, from £6.4m to £6.5m. Health and Leisure revenue from the South Stand's Virgin Active Classic Health Club increased by £0.3m, from £3.3m to £3.6m.

Revenue from hosting Rugby World Cup 2015 is accrued in these statements to match the actual costs incurred in the year of £4.2m. Therefore no profit from Rugby World Cup 2015 is recognised during the year.

Other revenue comprises stadium rental income, revenue from hosting non-RFU events, income from Government and other public bodies and miscellaneous other categories. Total other revenue reduced by £2.9m, from £14.0m to £11.1m, primarily due to funding received from the International Rugby Board relating to our participation in the Rugby World Cup in 2011/12.

Cost of Sales

Cost of sales, equivalent to 2011/12 financial statements original categorisation of direct costs, increased by £14.0m, from £27.6m to £41.6m. These costs comprise those directly driving our revenue streams. The gross profit margin has reduced slightly from 2011/12 (75% to 73%) due to the differing match profile and associated impact on average ticket prices. However, it is 2% higher than the 71% recorded for 2008/9, which was the last year with a comparable match profile.

Overhead Expenses

Overhead expenses include administration and stadium costs. These have increased by £2.4m, from £37.5m to £39.9m. These increases relate to continued and planned investment in corporate modernisation, staff training and development, targeted headcount expansion, general investment in commercial areas, utility and wage inflation, as well as one time organisational change costs.

As the organisational changes of the last two years begin to stabilise, a series of cost efficiency programmes will be undertaken by management in 2013/14, aimed at delivering a relative reduction in overhead costs going forward. The outputs of these programmes will ensure that every penny made or saved by the RFU will be reinvested in rugby by a highly efficient corporate organisation.

“Ensure that every penny made or saved by the RFU will be reinvested in rugby by a highly efficient corporate organisation.”

Professional Rugby Investment

Professional Rugby Investment covers the costs of all England representative teams, as well as professional club funding. Overall, there has been an increase of £3.6m, from £33.8m to £37.4m. Of the increase £2.1m relates to new investment in senior headcount, the full year effect of women's rugby integration, growing performance in sevens, plus normal inflationary and other costs associated with the England teams. Of the remaining move, there was a £0.7m increase in Championship funding, £0.4m relates to the Elite Player Squad (EPS) payments to clubs for England senior team, Saxons and U20s, £0.5m for Academy funding and £0.2m in other fees. In addition, there were reductions in international match fee payments due to the Rugby World Cup in 2011 of £0.3m and £0.2m for England Qualified Player payments to clubs.

Rugby Development Investment

Rugby Development Investment increased by £4.5m, from £21.8m to £26.3m, in line with the RFU's commitment to grow rugby in England in the build up to and beyond Rugby World Cup 2015. A small increase in headcount and a full year of the completely reorganised Development Department have supported the additional grassroots rugby investment in areas such as retaining and developing current 15-a-side players, coaching initiatives, growth of the women's game, touch rugby and club investment. These have been discussed in more detail in Steve Grainger's report.

As noted in the previous Annual Report, there was an exceptional revenue item of £5.0m in 2011/12 reflecting the transfer of funds from Support Paraplegics in Rugby Enterprise (SPIRE) on 1 July 2011. On that date the RFU Injured Players Foundation became the sole trustee of SPIRE and assumed legal control of SPIRE's investments of £5.0m held under permanent endowment.

Net Result

Operating profit for the year, shown after the significant increase in rugby investment was £8.3m, an increase of £13.4m from the loss of £5.1m recorded in 2011/12, largely reflecting the match profile and sponsorship growth described previously. Net finance cost of £0.2m was incurred, which is broadly in line with the £0.3m in 2011/12 as the RBS loan draw down was similar to the previous Barclays loan. The impact of the above resulted in a profit before taxation of £8.1m, against a loss before taxation of £5.4m recorded in 2011/12. After taking account of taxation and the results of our subsidiaries attributable to minority shareholders, the profit for the year was £3.8m, compared to the loss of £6.3m in 2011/12 (noting the one time SPIRE impact in that year).

Financial Review continued

Balance Sheet and Cash Flow

Consolidated capital employed increased by £31.7m, from £170.1m to £201.8m, reflecting the profit for the year of £3.8m, the movement in minority interests' share in the undistributed profits of subsidiary businesses of £2.0m, a profit on revaluation of investments of £0.4m, a net actuarial gain on the pension scheme of £1.4m and the issue of new 75 year debentures of £24.1m.

Tangible fixed assets, which primarily comprise our investment in Twickenham Stadium, increased by £5.8m, from £184.9m to £190.7m, with capital expenditure of £16.8m, which includes £12.6m of the stadium upgrade project, offset by depreciation of £11.0m.

Investments held in the Injured Players Foundation (IPF) have increased by £0.6m, from £5.6m to £6.2m and include the investments transferred from SPIRE in 2011.

Debtors and prepayments within one year increased by £8.5m, from £15.0m to £23.5m. Of this increase, £6.0m relates to trade debtors whilst other receivables, including prepayments, accrued income and other debtors, increased by £2.5m.

Debtors and prepayments after one year increased by £4.2m, from £2.1m to £6.3m, due to the increase in accrued income attributable to Rugby World Cup 2015.

Creditors due within one year reduced by £18.3m, from £48.8m to £30.5m. £18.0m of the reduction reflects the repayment of the loan from Barclays in October 2012. This loan has been replaced by a new five-year facility with RBS expiring in October 2017 and represents the majority of the £19.3m increase in creditors due after more than one year, with the reduction in accruals for the Official Licensed Operators of £0.7m being the balance.

Debentures increased by £24.1m, from £116.4m to £140.5m, due to the issue at par of 3,276, 75-year debentures.

Cash increased in the year by £9.6m, from £4.1m at June 2012 to £13.7m at June 2013. The Group's operations continue to be strongly cash positive, with net cash inflow from operating activities of £2.3m. £24.1m was raised from the debentures issued in the current year and the drawdown on the loan increased by £2.0m. £16.8m was paid out for capital expenditure, £2.6m on dividends to minority interests and servicing of finance, net loans advanced to clubs increased by £0.7m, with taxation of £1.6m and other payments of £0.2m.

Corporate Governance

The RFU has previously stated that it aims to be managed to listed Plc standards, particularly regarding effective management and corporate governance. The Board of Directors (the Board) acknowledges the value of the principles of good governance as set out in the UK Corporate Governance Code, both in terms of ensuring integrity and accountability in the management of the RFU's affairs, and also in increasing the effectiveness and efficiency of the business. To that end the RFU has adopted certain principles associated with best practice in corporate governance. The following statements describe how these principles have been applied in the period under review.

The Board of Directors

The Board's powers are clearly defined in the Rules of the RFU, particularly Rule 12. The Board has defined procedures and the RFU's Rules also set out matters reserved to the RFU Council for approval.

The Board consists of three executive directors, three independent non-executive directors and nine (including the RFU President) other members who do not have executive responsibilities, representing a broad cross section of the rugby community. Other executive directors or individuals may be present during the meetings to ensure that the relevant knowledge and expertise is brought to bear on decisions.

There is a clear division of responsibility between the roles of the non-executive Chairman and the Chief Executive, and all executive directors have agreed job descriptions and limits of authority. The Board meets at least eight times each year and considers matters under its powers, which include the development of the RFU's Strategic Plan, allocation of financial resources, approval of annual budgets, monitoring of the performance of the RFU's subsidiary and associated companies and considering the recommendations of the Game Boards and the Standing Committees, whose responsibilities relate to policy development.

In the 2012/13 year the Board members were as follows:

P W Baines
Chairman of Governance Committee & Council representative - Hertfordshire

W B Beaumont
Chairman

R T J Briers
Council representative - Lancashire

S Brown
Chief Financial Officer

A Cosslett
Independent Non-Executive Director

J E Douglas
CGB and Remuneration Committee member & Council representative - Surrey

S Goldschmidt
Chief Commercial Officer

A Higginson
Independent Non-Executive Director & Audit Committee Chairman

I R Metcalfe
PGB Chairman & Council representative - Cambridge University

P E Murphy
President

I Ritchie
Chief Executive Officer

J S Spencer
Council representative - IRB

M Templeman
Independent Non-Executive Director

R F Udwin
Chairman of CGB & Council representative - Middlesex

P D Whiting
CGB member & Council representative - RAF

Risk Management

As part of the commitment to adopt relevant aspects of best practice in corporate governance, the RFU has implemented provisions for internal controls including those relating to risk management. Risk management is the responsibility of the Board of Directors and Executive Team under the overall direction of the Chief Financial Officer, assisted by the Union's risk management advisors. The overall process is supervised and monitored by the Audit Committee.

Risks continue to be evaluated and monitored against a number of criteria, including a risk tolerance level of £5m, which is regularly reviewed.

Audit Committee

The Group Audit Committee was chaired by Andrew Higginson (independent non-executive member of the Board of Directors) and comprised: Peter Baines (non-executive member of the Board of Directors), Chris Cuthbertson and Deborah Griffin (both members of RFU Council). The Committee met three times during the year.

The Audit Committee provides independent oversight on the following matters across the Group:

- External audit arrangements
- Internal audit arrangements
- Internal controls
- Risk management
- Financial reporting
- Fraud
- Whistleblowing

In accordance with its terms of reference the Committee:

- discussed with the external auditors (Mazars LLP) the nature and scope of the audit;
- reviewed the RFU's financial statements prior to their submission to the Board for approval;
- considered matters raised by the auditors and met separately with the RFU's auditors in accordance with good practice;
- reviewed the reports of the internal auditors (RSM Tenon, which was bought by Baker Tilly on 1st October 2013);
- reviewed and recommended improvements to the RFU's risk management processes;
- considered the matter of the appointment of independent auditors for 2012/13 and recommended Mazars LLP, who were duly appointed at the July 2013 AGM.

Remuneration Committee

The Remuneration Committee has the responsibility to advise the Board on the pay and terms and conditions of the RFU's Chief Executive, Executive Directors and other significant employees across the Group.

New terms of reference were approved in December 2012. The Committee consists of two non-executive members of the Board (one of whom is independent), the RFU Chairman of the Board (ex officio), one Council Member if co-opted by the Committee and one independent member. In the year the Committee's members were Andrew Higginson (Chairman - independent

non-executive member of the Board of Directors), Bill Beaumont (Chairman of the Board of Directors), Graham Thompson (RFU Council member), John Douglas (RFU Board member) and Sean O'Hare (independent appointee). The Committee met four times in the year and, in accordance with its terms of reference, considered and advised the Board on the Chief Executive's and other Executive Directors' and other significant employees' remuneration packages and terms and conditions of employment.

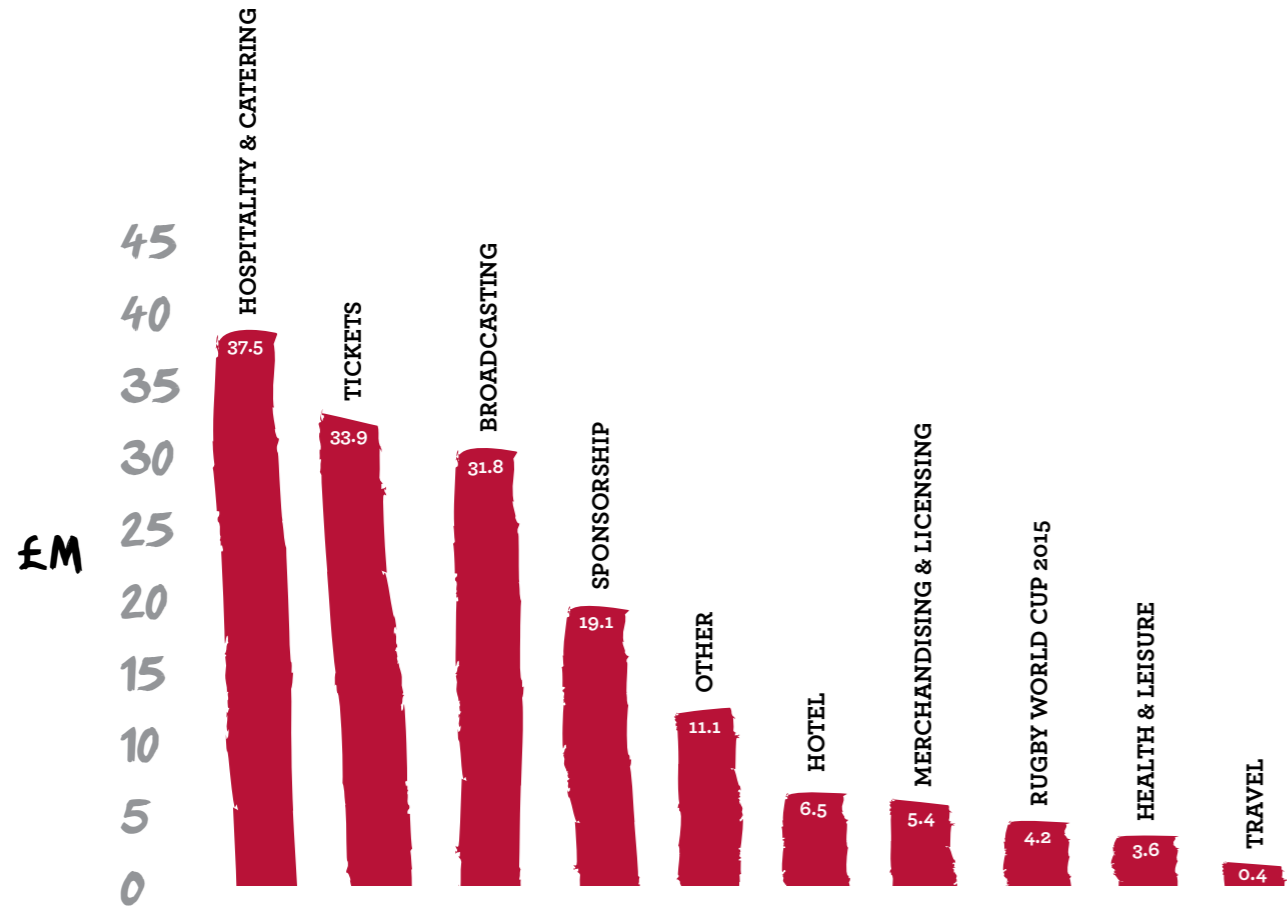
Nominations Committee

The Nominations Committee comprises five members elected from members of the RFU Council and Past Presidents. The Committee is responsible for drawing up each year a list of nominees for submission, in the case of officer appointments for endorsement by the Council and subsequent approval by the Annual General Meeting and, in the case of other appointments to the RFU Council for approval. For 2012/13 the members of the Panel were Geoff Simpson (Chairman), David Martin, Ivor Smith, Simon Collyer-Bristow and Jim Coulson.

“The financial strength of the RFU is further demonstrated by the granting of an unsecured £50m, five-year revolving credit facility by our new banking partners RBS in October 2012.”

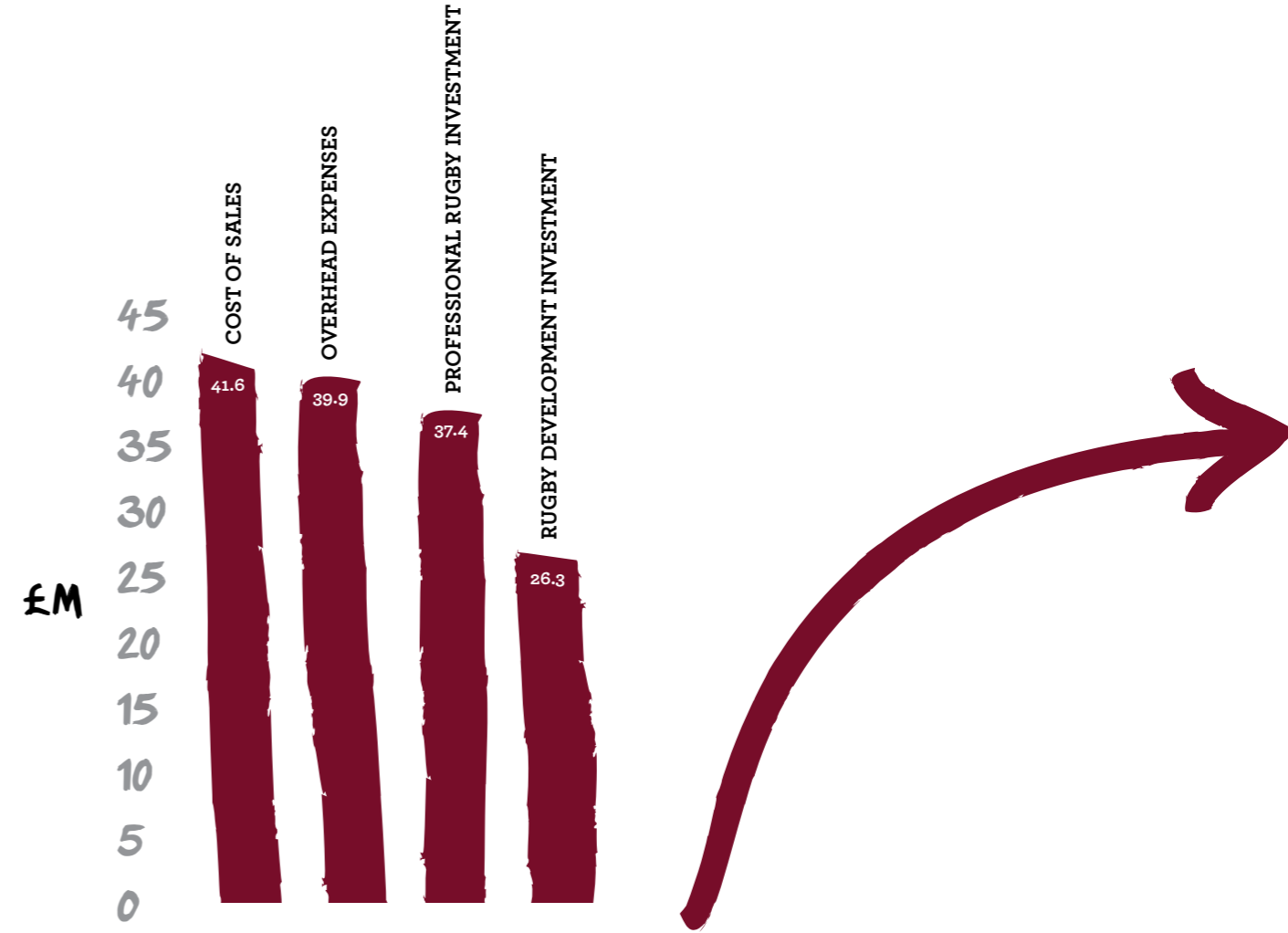


Financial Highlights



WHERE THE MONEY COMES FROM

TOTAL
£153.5M



WHERE THE MONEY GOES

TOTAL
£145.2M

Financial Statements

Statement of the Board of Directors' Responsibilities in Respect of the Financial Statements

The Friendly and Industrial and Provident Societies Act 1968 requires the Board of Directors to prepare financial statements for each financial year which give a true and fair view of the affairs of the Rugby Football Union and of its income and expenditure for that period. In preparing these financial statements, the Board of Directors is required to:

- select suitable accounting policies and apply them consistently;
- make the necessary judgements and estimates which are both reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Rugby Football Union will continue in business.

The Board of Directors is responsible for keeping proper books of account with respect to the transactions and assets and liabilities of the Union. Such books must enable a true and fair view to be given of its affairs and explain its transactions. The Board of Directors has a general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Union and to prevent fraud and other irregularities.

Provision of Information to Auditor

Each of the persons who are directors at the time when these financial statements are approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the group's auditor is unaware; and

- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the group's auditor in connection with preparing their report and to establish that the group's auditor is aware of that information.

Independent Auditor's Report to the Members of the Rugby Football Union

We have audited the financial statements of the Rugby Football Union for the year ended 30 June 2013 which comprise the Group Profit & Loss Account, the Statement of Group Total Recognised Gains & Losses, the Group and Parent Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of the Board of Directors and auditor

As explained more fully in the Statement of the Board of Directors Responsibilities in Respect of the Financial Statements, the board is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the Rugby Football Union's members, as a body, in accordance with section 9 of the Friendly and Industrial and Provident Societies Act 1968.

Our audit work has been undertaken so that we might state to the Rugby Football Union'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 Rugby Football Union and the Rugby Football Union's members as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent society's affairs as at 30 June 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Industrial and Provident Societies Acts, 1965 to 2002.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Industrial and Provident Societies Acts 1965 to 2002 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the Rugby Football Union has not kept proper books of account; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.



William Neale Bussey
(Senior Statutory Auditor)

For and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St. Katharine's Way
London E1W 1DD

Date: 30th October 2013

Group Profit and Loss Account for the year to 30 June 2013

	Notes	2013 £m	2012 £m
Trading activities			
Revenue			
Ticket	1(c)	33.9	13.3
Broadcasting		31.8	22.8
Sponsorship		19.1	15.3
Hospitality and catering		37.5	27.6
Merchandising and licensing		5.4	5.2
Travel		0.4	0.9
Hotel		6.5	6.4
Health and leisure		3.6	3.3
Rugby World Cup 2015		4.2	1.8
Other		11.1	14.0
Total revenue		153.5	110.6
Cost of sales		(41.6)	(27.6)
Gross profit		111.9	83.0
Overhead expenses		(39.9)	(37.5)
Profit for rugby investment		72.0	45.5
Rugby investment			
Professional rugby investment		(37.4)	(33.8)
Rugby development investment		(26.3)	(21.8)
Exceptional SPIRE funds transfer	2	-	5.0
Operating profit/(loss)	3	8.3	(5.1)
Net finance cost	6	(0.2)	(0.3)
Profit/(loss) on ordinary activities before taxation		8.1	(5.4)
Corporation tax credit on ordinary activities	7	0.2	1.9
Profit/(loss) on ordinary activities after taxation		8.3	(3.5)
Attributable to minority interests		(4.5)	(2.8)
Profit/(loss) for the year	21	3.8	(6.3)

There is no material difference between the profit on ordinary activities before taxation and the profit/(loss) reported in the Profit and Loss Account and the equivalent figures calculated on a historical cost basis.

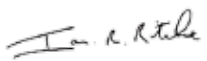
Group Statement of Total Recognised Gains and Losses for the year to 30 June 2013

	Notes	2013 £m	2012 £m
Profit/(loss) for the year		3.8	(6.3)
Actuarial gain/(loss) relating to the pension scheme	24	1.8	(3.1)
Deferred tax attributable to actuarial (gain)/loss		(0.4)	0.7
Gain/(loss) on revaluation of investments		0.4	(0.5)
Total recognised gains and (losses)		5.6	(9.2)

Balance Sheets at 30 June 2013

	Notes	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Fixed assets					
Tangible fixed assets	9	190.7	184.9	187.7	181.5
Loans to clubs	10	7.3	6.6	0.1	0.1
Investments	11	6.2	5.6	41.2	41.0
		204.2	197.1	229.0	222.6
Current assets					
Stock	12	1.1	1.1	0.9	0.9
Debtors and prepayments due within 1 year	13	23.5	15.0	18.4	11.7
Debtors and prepayments due after 1 year	13	6.3	2.1	7.0	2.2
Cash at bank and in hand		13.7	4.1	0.6	-
Deferred tax	17	4.5	2.6	3.7	2.5
		49.1	24.9	30.6	17.3
Creditors					
Amounts falling due within one year	14	(30.5)	(48.8)	(28.5)	(49.1)
Net current assets/(liabilities)		18.6	(23.9)	2.1	(31.8)
Total assets less current liabilities		222.8	173.2	231.1	190.8
Creditors					
Amounts falling due after one year	15	(20.2)	(0.9)	(20.2)	(0.9)
Net assets excluding pension liability		202.6	172.3	210.9	189.9
Pension liability	24	(0.8)	(2.2)	(0.8)	(2.2)
		201.8	170.1	210.1	187.7
Debtures					
	18	140.5	116.4	140.5	116.4
Capital and reserves					
Called up share capital	19	-	-	-	-
Other reserve	20	38.1	38.1	38.1	38.1
Profit and loss reserve	21	20.0	14.4	31.5	33.2
Total equity funds		58.1	52.5	69.6	71.3
Minority interests		3.2	1.2	-	-
Capital employed		201.8	170.1	210.1	187.7

The financial statements were approved by the Board of Directors on 30th October 2013 and signed on its behalf by:


Ian Ritchie
Chief Executive Officer


Bob Reeves
President


Stephen Brown
Chief Financial Officer


Bill Beaumont
Chairman of the
Board of Directors

Group Cash Flow Statement for the year to 30 June 2013

	Notes	2013 £m	2012 £m
Net cash inflow from operating activities	a	2.3	3.7
Returns on investments and servicing of finance			
Investment income		0.3	0.2
Interest paid		(0.5)	(0.5)
Dividends paid to minority shareholders		(2.4)	(5.5)
Net cash outflow from returns on investments and servicing of finance		(2.6)	(5.8)
Taxation			
		(1.6)	(1.0)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(16.8)	(5.2)
Purchase of investments		(0.2)	(0.1)
Loans advanced to clubs		(1.2)	(0.7)
Loans repaid by clubs		0.5	0.7
Net cash outflow from capital expenditure and financial investment		(17.7)	(5.3)
Financing			
Debentures issued		24.1	3.6
Advance/(repayment) of bank loan		2.0	(5.0)
Finance lease		-	(0.2)
Net cash inflow/(outflow) from financing		26.1	(1.6)
Increase/(decrease) in cash in the year		6.5	(10.0)
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash in the year		6.5	(10.0)
Issue of debentures		(24.1)	(1.7)
(Advance)/repayment of bank loan		(2.0)	5.0
Repayment of finance lease		-	0.2
Change in net debt		(19.6)	(6.5)
Net debt at beginning of year		(130.5)	(124.0)
Net debt at end of year	b	(150.1)	(130.5)

Group Cash Flow Statement continued for the year to 30 June 2013

	2013 £m	2012 £m
Notes		
a. Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit/(loss)	8.3	(5.1)
Depreciation	11.0	10.8
Loss on disposal of fixed assets	-	0.2
SPIRE negative goodwill	-	(5.0)
Increase in stock	-	(0.2)
(Increase)/decrease in debtors	(12.7)	2.9
(Decrease)/increase in creditors	(4.3)	0.1
Net cash inflow from operating activities	2.3	3.7

	1 July 2012 £m	Cash flows £m	30 June 2013 £m
b. Analysis of net debt			
Cash at bank and in hand	4.1	9.6	13.7
Overdraft	-	(3.1)	(3.1)
	4.1	6.5	10.6
Debt due after one year:			
Finance leases	(0.2)	-	(0.2)
Bank loan	(18.0)	(2.0)	(20.0)
Debentures	(116.4)	(24.1)	(140.5)
Net debt	(130.5)	(19.6)	(150.1)

Notes to the Financial Statements

1. Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments, and in accordance with applicable UK accounting standards. Certain items in the comparative years have been reclassified as, in the opinion of the directors, it makes the classification more indicative of their nature and ensures they are comparable with the current year. A summary of the significant Group accounting policies is set out below.

(a) Going concern

The financial statements have been prepared on a going concern basis. A significant proportion of the RFU's revenue relates to ticket, broadcasting and hospitality and catering income from the home international matches. The schedule of home international matches follows a four-year cycle, with fewer matches taking place in the years in which the Rugby World Cup is held overseas. The Directors manage the RFU's finances in anticipation of this cycle of fluctuating revenues and profitability, negotiating significant sponsorship, broadcasting and licensing agreements on a rolling basis and planning the RFU's cash flows over the four-year Rugby World Cup cycle.

The Directors have prepared financial projections that indicate that the RFU will be able to meet its liabilities as they fall due for the foreseeable future. The Directors have therefore prepared the financial statements on a going concern basis.

(b) Basis of consolidation

The Group financial statements consolidate the financial statements of the Rugby Football Union and its subsidiary undertakings up to 30 June 2013 and its share of the results and post acquisition reserves of associated undertakings.

The profits and losses of subsidiary and associated undertakings are

consolidated from the date of acquisition to the date of disposal. The Group's interests in associates are accounted for using the equity method. Subsidiary undertakings are fully consolidated line by line, with the minority shareholders' share of earnings and retained earnings shown separately.

The Rugby Football Foundation, a registered charity (charity no. 1100277 and Parent no. 4608134), is consolidated within these Group financial statements on the basis that it is a quasi-subsiary of the Rugby Football Union. Given the Rugby Football Foundation's status as a charity, separate disclosure of its activities is provided in note 27.

The RFU Injured Players Foundation, a registered charity (charity no. 1122139 and Parent no. 06438698), is consolidated within these Group financial statements on the basis that it is a quasi-subsiary of the Rugby Football Union. Given the Injured Players Foundation's status as a charity, separate disclosure of its activities is provided in note 28.

(c) Revenue

Revenue represents amounts invoiced, excluding value added tax, in respect of the sale of goods and services. Revenue recognition policies for specific revenue streams are as follows:

- ticket revenue and the sale of hospitality packages are recognised as revenue when the related event is staged;
- revenue determined by commercial contracts, which makes up the majority of broadcasting revenue, sponsorship revenue and the lease of hospitality boxes, is recognised in accordance with the terms and period of the contract;
- sponsorship revenue is shown gross of revenue received in kind whereby sponsors provide services and merchandise in return for

sponsorship benefits, valued based on the goods and services received. The related costs are also shown gross to reflect the value of such services and merchandise;

- subscription income relating to the England Rugby Supporters Club is recognised on a straight-line basis over the period to which the subscription relates;
- grant income is recognised when the respective grant conditions have been satisfied;
- travel revenue represents commission earned and is recognised on the commencement of the related tour, being the date of travel. Having revisited the commercial arrangements with the tour provider, the Directors have decided to present related revenue on a commission basis, resulting in a change to the comparative figures;
- hotel revenue is recognised at the point at which rooms are occupied and food and beverage is sold;
- health club revenue is recognised on a straight-line basis over the membership term with joining fees recognised at the point membership commences;
- the Rugby World Cup 2015 (RWC 2015) is accounted for as a long-term contract. Costs are recognised at the point they are incurred and revenue is recognised over the contract period in proportion to the percentage of total costs incurred, with provision made for any anticipated losses. Until the overall profitability of the contract can be estimated reliably, revenue is only recognised to the extent of contract costs incurred;
- fees from the staging of concerts at Twickenham Stadium are recognised at the date of the concert.

Notes to the Financial Statements continued

1. Accounting policies continued

(d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at original cost less accumulated depreciation and any provision for impairment in value. In the case of major stadium work which has been financed by borrowing, cost includes related interest capitalised for the period up to the completion of the stadium project. Depreciation is provided to write off the cost of the assets over their estimated useful lives on a straight-line basis as follows:

Freehold and long-term leasehold buildings	40-50 years
Stadium fittings and equipment	4-25 years
Ground and office equipment and vehicles	3-20 years
Assets held under finance leases	over the period of the lease

No depreciation is charged on freehold land.

Depreciation on assets under construction commences when the asset is first brought into use.

(e) Taxation and deferred taxation

The charge for taxation is based on the result for the year at the current rates of tax. It takes into account deferred taxation on all timing differences arising between the accounting treatment and corporation tax treatment of certain items that have originated but have not reversed by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are not discounted.

(f) Finance leases

Assets held under finance leases, which confer rights and obligations similar to those attached to owned assets, and the related lease obligations are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight-line basis over the shorter of the lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

(g) Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

(h) Investments

Investments in subsidiary and associate undertakings are held as fixed assets and stated at cost less provision for impairment. Other investments held for charitable purposes are held at market value.

(i) Stock

Stock, which represents goods held for resale, is stated at the lower of cost and net realisable value. Net realisable value is estimated to be the selling price less any further deductions considered necessary for obsolete or slow-moving stock.

(j) Debentures

Debentures issued with an original maturity of 75 years are shown in the balance sheet at cost.

(k) Translation of foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denoted in foreign currencies are translated at the rates ruling at the balance sheet date or, if appropriate, at the forward contract rate. Exchange gains and losses, arising on both settled and unsettled foreign currency transactions, are included in the profit and loss account.

(l) Loans to clubs

Loans to clubs are recorded at cost in the balance sheet. The loans are advanced to member clubs by the Rugby Football Foundation and by the RFU under the RFU club improvement loan scheme. They are secured by either mortgages or personal guarantees and are interest free subject to the loan terms and conditions.

(m) Financial instruments

The use by the Group of derivative financial instruments is limited to forward foreign exchange contracts used in respect of Six Nations Tournament income, receivable in Euros.

(n) Financial risk factors

The Group is exposed to financial risk from the interest bearing assets. These expose the Group to financial risks including foreign exchange risk, interest rate risk, credit risk and liquidity risk.

Foreign exchange risk

The Group is exposed to foreign exchange risk due to income from the Six Nations Tournament received in Euros. This is mitigated through the use of forward contracts to fix the rate up to a year in advance.

Interest rate risk

The Group has interest bearing assets, primarily cash, which are invested at differing interest rates. Interest rates on interest bearing assets are fixed for the term of the investment. Interest rates on operating accounts are variable at 0.5% lower than the fixed term rate as the cash is at call. The Group also has an interest bearing liability for which interest is payable at the variable rate applicable to the borrowed amount.

Credit risk

The Group has no significant concentration of credit risk. The Group has implemented policies that require appropriate credit checks on potential customers before sales commence. Interest bearing assets are only invested with financial institutions that have excellent credit ratings.

Liquidity risk

The Group invests surplus cash into interest bearing assets for various terms. Generally no more than 80% of cash is invested in fixed term interest bearing assets at any one time. Interest bearing assets are not invested for any term greater than three months.

(o) Pension costs and other post-retirement benefits

The Rugby Football Union operates a defined benefit scheme and a defined contribution scheme.

Defined benefit pension scheme current service costs and gains and losses on settlements are charged to the profit and loss account. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested, the costs are recognised over the period until vesting occurs. The interest cost and expected return on assets are shown as a net amount within net finance cost. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

The defined benefit scheme is funded with the assets of the scheme held separately from those of the Group, in separately administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet. The pension charge is calculated on the basis of actuarial advice.

Contributions payable to the defined contribution scheme are charged to the profit and loss account in the period to which they relate.

(p) Goodwill

Goodwill represents the excess of costs of acquisition over the fair value of the separable net assets of businesses acquired. Goodwill is amortised through the profit and loss account over its estimated useful life. Negative goodwill represents the excess of the fair value of the separable net assets acquired over costs of acquisition and is credited through the profit and loss account over its estimated useful life.

Notes to the Financial Statements continued

2. Exceptional SPIRE funds transfer

On 1 July 2011 the RFU Injured Players Foundation (IPF) became the sole trustee of Support Paraplegics In Rugby Enterprise (SPIRE) and therefore assumed legal control. On that date SPIRE had investments held under permanent endowment with a market value of £5.0m. Negative goodwill generated was credited to the profit and loss account in the prior year on the basis that the economic benefit had been gained.

3. Operating profit/(loss)	2013	2012
	£m	£m
Operating profit/(loss) is stated after charging:		
Costs of the RFU Council for administering the game	0.6	0.6
Depreciation of tangible fixed assets	11.0	10.8
Loss on disposal of tangible fixed assets	-	0.2
Operating property lease rentals	0.4	0.4
Auditor's remuneration – audit services	0.1	0.1
– non-audit services	0.1	0.1

4. Board Directors' remuneration	2013	2012
	£m	£m
Emoluments and benefits in kind	1.2	0.9
Pension payments	0.1	-
	1.3	0.9

There are two directors (2012: two) to whom retirement benefits are accruing under the money purchase pension scheme.

5. Staff costs	2013	2012
	£m	£m
Staff costs for the Group during the year		
Wages and salaries	29.7	24.1
Social security costs	3.0	2.4
Redundancy costs	0.4	0.6
Defined benefit pension costs	0.7	0.7
Defined contribution pension costs	0.9	0.9
	34.7	28.7

5. Staff costs continued

Average monthly number of people employed	2013	2012
	No.	No.
Stadium, Commercial and Administration	248	230
Professional Rugby	90	80
Rugby Development	253	245
	591	555

6. Net finance cost

	2013	2012
	£m	£m
Bank loans and overdrafts interest payable	(0.5)	(0.5)
Investment income	0.3	0.2
	(0.2)	(0.3)

7. Taxation

(a) Analysis of tax charge

	2013	2012
	£m	£m
United Kingdom taxation:		
Corporation tax in respect of current year	1.7	1.0
Deferred tax credit	(1.9)	(2.9)
Total tax credit	(0.2)	(1.9)

(b) Factors affecting tax charge

	2013	2012
	£m	£m
Profit/(loss) on ordinary activities before taxation	8.1	(5.4)
Profit/(loss) on ordinary activities at the average rate of corporation tax in the UK of 23.75% (2012: 25.5%)	1.9	(1.4)
Effects of:		
Expenses not deductible for tax purposes	2.3	2.1
Depreciation in excess of capital allowances	1.1	2.5
Net mutual trading income not taxable	(2.9)	(0.6)
Tax losses utilised	(0.1)	(0.1)
Charitable income not taxable	(0.6)	(1.5)
Current tax charge	1.7	1.0

8. Profit of Parent

The profit and loss account of the Parent is not presented as part of these financial statements as the Friends and Industrial Provident Societies Act 1968 includes no specific provision requiring its presentation. The Parent's loss for the year was £3.1m (2012: £12.3m loss).

Notes to the Financial Statements continued

9. Tangible fixed assets

Group	Freehold land, stadium, stadium fittings and equipment £m	Long term leasehold property £m	Ground and office equipment and vehicles £m	Assets in the course of construction £m	Total £m
Cost					
At 1 July 2012	205.2	0.5	77.1	3.1	285.9
Additions	1.6	-	4.6	10.6	16.8
At 30 June 2013	206.8	0.5	81.7	13.7	302.7
Depreciation					
At 1 July 2012	(71.1)	(0.2)	(29.7)	-	(101.0)
Charge for the year	(5.5)	(0.1)	(5.4)	-	(11.0)
At 30 June 2013	(76.6)	(0.3)	(35.1)	-	(112.0)
Net book value					
At 30 June 2013	130.2	0.2	46.6	13.7	190.7
At 30 June 2012	134.1	0.3	47.4	3.1	184.9
Parent Cost					
At 1 July 2012	205.2	0.5	66.3	3.1	275.1
Additions	1.6	-	3.7	10.6	15.9
At 30 June 2013	206.8	0.5	70.0	13.7	291.0
Depreciation					
At 1 July 2012	(71.1)	(0.2)	(22.3)	-	(93.6)
Charge for the year	(5.5)	(0.1)	(4.1)	-	(9.7)
At 30 June 2013	(76.6)	(0.3)	(26.4)	-	(103.3)
Net book value					
At 30 June 2013	130.2	0.2	43.6	13.7	187.7
At 30 June 2012	134.1	0.3	44.0	3.1	181.5

9. Tangible fixed assets continued

Group and Parent	2013 £m	2012 £m
Assets held under finance leases, capitalised and included in tangible fixed assets		
Cost	0.2	0.2
Accumulated depreciation	(0.1)	-
Net book value	0.1	0.2

Included in freehold land, stadium, stadium fittings and equipment of the Group and Parent is £4.5m (2012: £4.5m) in respect of freehold land which is not subject to depreciation.

The net book value of interest capitalised is £6.7m (2012: £6.7m).

Assets in the course of construction as at 30 June 2013 represent costs in respect of the on-going stadium upgrade project.

10. Loans to clubs

	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
At 1 July	6.6	6.6	0.1	0.1
Advances during the year	1.2	0.7	-	-
Repayments during the year	(0.5)	(0.7)	-	-
At 30 June	7.3	6.6	0.1	0.1

11. Investments

	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Shares in Group undertakings	-	-	31.4	31.4
Capitalised loans to Group undertakings				
At 1 July	-	-	9.5	-
Reclassification of loans to Group undertakings	-	-	-	9.5
Advances during the year	-	-	0.7	-
Repayments during the year	-	-	(0.5)	-
At 30 June	-	-	9.7	9.5
Investments in Group undertakings	-	-	41.1	40.9
Other investments				
Market value at 1 July	5.6	1.0	0.1	0.1
Additions at cost	0.2	5.1	-	-
Revaluations	0.4	(0.5)	-	-
Market value at 30 June	6.2	5.6	0.1	0.1
Total fixed asset investments	6.2	5.6	41.2	41.0

Notes to the Financial Statements continued

11. Investments continued

Included in other investments are:

- investments held by SPIRE of £5.0m (2012: £4.6m). These investments are held in permanent endowment and, as such, the capital amounts must remain invested, and the Group is able to use the investment income generated only in its related charitable activities;
- investments held by the RFU Injured Players Foundation of £1.1m (2012: £0.9m).

The investment portfolio is in the following proportions: bonds 41.32%, equities 50.73% and cash 7.95% (2012: 29.7%, 61.3% and 8.9% respectively).

Subsidiary, associated and other undertakings at 30 June 2013 were:

	Country of incorporation	% holding of ordinary shares	Year end	Principal activities
1) Twickenham Experience Limited	Great Britain	52.50%	30 June	Hospitality services
2) England Rugby Limited	Great Britain	100%	30 June	Elite rugby
3) England Rugby Travel Limited	Great Britain	51%	30 June	Sports travel agency
4) European Rugby Cup Limited	Rep of Ireland	19%	30 June	Competition management
5) Rugby Reflink Limited	Great Britain	60%	30 June	Radio equipment
6) Sports Link (UK) Limited	Great Britain	40%	30 June	Radio equipment
7) Rugby Football Foundation	Great Britain	n/a*	30 June	Community rugby
8) Rugby Football Development Limited	Great Britain	100%	30 June	Community rugby
9) RFU Hotel Limited	Great Britain	100%	30 June	Hospitality services
10) RFU Health and Leisure Limited	Great Britain	100%	30 June	Health club
11) Rugby Sure Limited	Isle of Man	100%	30 June	Insurance
12) RFU Injured Players Foundation	Great Britain	n/a*	30 June	Player welfare
13) Injured Players Foundation Trading Limited	Great Britain	100%	30 June	Player welfare
14) England Rugby 2015 Limited	Great Britain	100%	30 June	Hosting RWC 2015
15) Rugby Football Foundation Trading Limited	Great Britain	100%	30 June	Community rugby

*As charities, neither Rugby Football Foundation nor RFU Injured Players Foundation has share capital. The Rugby Football Union has control of these entities through representation on their Boards of Trustees and they are therefore considered to be quasi-subidiaries.

12. Stock

	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Goods held for resale	1.1	1.1	0.9	0.9

There is no material difference between the net book value of stock and its replacement cost.

13. Debtors and prepayments

	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Amounts falling due within one year				
Trade debtors	16.1	10.1	9.4	7.5
Amounts owed by Group undertakings	-	-	3.3	1.8
Corporation tax	-	0.1	-	-
Amounts due from debenture holders	0.1	0.1	0.1	0.1
Other debtors	2.5	0.7	2.3	0.5
Prepayments and accrued income	4.8	4.0	3.3	1.8
	23.5	15.0	18.4	11.7
Amounts falling due after one year				
Amounts owed by Group undertakings	-	-	6.7	1.9
Other debtors and accrued income	6.3	2.1	0.3	0.3
	6.3	2.1	7.0	2.2

Concentration of credit risk in respect of trade receivables is limited due to the Group's customer base being large and unrelated. Due to this, management believe that no credit risk provision is required for doubtful debts.

Other debtors and accrued income falling due after more than one year represent accrued income in respect of RWC 2015.

14. Creditors: amounts falling due within one year

	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Bank overdraft	3.1	-	2.4	0.5
Unsecured term loan	-	18.0	-	18.0
Trade creditors	12.2	15.4	8.6	12.1
Amounts owed to Group undertakings	-	-	9.6	5.7
Other creditors and deferred income	13.7	14.6	7.2	12.0
Corporation tax	0.8	-	-	-
Other taxes and social security	0.7	0.8	0.7	0.8
	30.5	48.8	28.5	49.1

Notes to the Financial Statements continued

15. Creditors: amounts falling due after one year	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Obligations under finance leases (see note 16)	0.2	0.2	0.2	0.2
Unsecured term loan (see note 26)	20.0	-	20.0	-
Deferred income	-	0.7	-	0.7
	20.2	0.9	20.2	0.9

The maturity profile of the carrying amount of non-current liabilities at 30 June 2013 was as follows:

	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Between one and two years	0.1	0.8	0.1	0.8
Between two and five years	20.1	0.1	20.1	0.1
	20.2	0.9	20.2	0.9

16. Finance leases	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Rentals payable:				
Between one and two years	0.1	0.2	0.1	0.2
Between two and five years	0.1	-	0.1	-
	0.2	0.2	0.2	0.2

17. Deferred tax	Group £m	Parent £m
Asset at 1 July 2012	2.6	2.5
Credit for the year	1.9	1.2
Asset at 30 June 2013	4.5	3.7

Deferred tax comprises:	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Depreciation in advance of capital allowances	3.9	2.2	3.3	2.1
Other timing differences	0.6	0.4	0.4	0.4
Deferred tax asset	4.5	2.6	3.7	2.5

Factors that may affect future tax charges:

Based on projected capital investment, the Group expects that depreciation will exceed capital allowances in future years.

18. Debentures

During the year, 3,276 debentures were issued at par, for a total value of £24.1m (2012: £1.7m). At the end of the year £0.1m (2012: £0.1m) remains receivable by the Group and is included within debtors. All debentures are interest free, unsecured and are repayable at par according to the schedule in the following table.

Analysis of debt maturity	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Debentures 2075	9.8	9.8	9.8	9.8
Debentures 2076	6.7	6.7	6.7	6.7
Debentures 2077	4.0	4.0	4.0	4.0
Debentures 2078	19.1	19.1	19.1	19.1
Debentures 2079	5.2	5.2	5.2	5.2
Debentures 2080	12.6	12.6	12.6	12.6
Debentures 2081	26.4	26.4	26.4	26.4
Debentures 2083	6.6	6.6	6.6	6.6
Debentures 2085	13.0	13.0	13.0	13.0
Debentures 2086	8.7	8.7	8.7	8.7
Debentures 2087	4.2	4.2	4.2	4.2
Debentures 2088	24.2	0.1	24.2	0.1
	140.5	116.4	140.5	116.4

19. Called up share capital

There are a total of 2,000 allotted, issued and fully paid up ordinary shares of £1 each as at 30 June 2012 and at 30 June 2013. Each member of the Rugby Football Union must hold one share which is subject to forfeiture on ceasing to be a member.

20. Other reserve	Group 2013 £m	Group 2012 £m	Parent 2013 £m	Parent 2012 £m
Other reserve	38.1	38.1	38.1	38.1

The other reserve comprises the accumulated gain on the sale of debentures issued prior to 2000.

21. Profit and loss reserve

	Group £m	Parent £m
At 1 July 2012	14.4	33.2
Profit/(loss) for the year	3.8	(3.1)
Actuarial gain on pension scheme (net of deferred tax)	1.4	1.4
Profit on revaluation of investments	0.4	-
At 30 June 2013	20.0	31.5

Notes to the Financial Statements continued

22. Operating lease commitments

The Group has annual commitments under operating leases at 30 June 2013, which expire as follows:

Properties Group and Parent	2013 £m	2012 £m
After five years	0.4	0.4

23. Capital and other commitments

Under the terms of an agreement between the RFU, Premier Rugby Limited and the Premiership clubs, the RFU is contracted to pay a total of £41.5m (2012: £51.2m) to the clubs over the remaining three year period from 2013/14 to 2015/16.

As part of the hosting agreement for RWC 2015 the RFU will be required to pay the IRB a minimum of £80m. This cost (and all other expected future costs) is expected to be covered by the revenue generated by the contract.

As part of the stadium refurbishment project to prepare for RWC 2015 the RFU Board has agreed total project costs of £76m of which £35.4m is committed but not spent.

24. Defined benefit pension scheme of Group and Parent

(a) Description of the scheme

The RFU operates a defined benefit scheme in the UK. The scheme is closed to new entrants. A full actuarial valuation was carried out at 30 April 2011 and updated to 30 June 2013 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The RFU currently pays contributions at the rate of 27.4% of pensionable pay plus £167,500 per annum. Member contributions are payable in addition at the rate of 5.0% of pensionable pay.

(b) Balance sheet impact	2013 £m	2012 £m
Fair value of scheme assets	29.1	26.4
Present value of scheme liabilities	(30.2)	(29.3)
Deficit in scheme	(1.1)	(2.9)
Deferred tax	0.3	0.7
Net liability to be recognised	(0.8)	(2.2)

(c) Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2013 £m	2012 £m
Scheme liabilities at 1 July	29.3	24.9
Current service cost	0.7	0.6
Interest cost	1.4	1.4
Contributions by scheme participants	0.1	0.1
Actuarial (gains)/losses	(0.5)	3.0
Benefits paid and death in service insurance premiums	(0.8)	(0.7)
Present value of scheme liabilities at 30 June	30.2	29.3

24. Defined benefit pension scheme continued

(d) Reconciliation of opening and closing balances of the fair value of scheme assets	2013 £m	2012 £m
Fair value of scheme assets at 1 July	26.4	24.8
Expected return on scheme assets	1.4	1.6
Actuarial gains/(losses)	1.3	(0.1)
Contributions by the RFU	0.7	0.7
Contributions by scheme participants	0.1	0.1
Benefits paid and death in service insurance premiums	(0.8)	(0.7)
Fair value of scheme assets at 30 June	29.1	26.4

The actual return on the scheme assets over the year ending 30 June 2013 was £2.7m.

(e) Total expense recognised in the Profit and Loss Account

	2013 £m	2012 £m
Current service cost	0.7	0.6
Interest cost	1.4	1.4
Expected return on scheme assets	(1.4)	(1.6)
Total expense recognised in profit and loss	0.7	0.4

(f) Analysis of amounts recognised in the Statement of Total Recognised Gains and Losses	2013 £m	2012 £m
Difference between expected and actual return on scheme assets: gain/(loss)	1.3	(0.1)
Experience gains and losses arising on the scheme liabilities: gain	0.1	1.6
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities: gain/(loss)	0.4	(4.6)
Total amount recognised in the Statement of Total Recognised Gains and Losses	1.8	(3.1)

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses since 2006 are losses of £1.5m.

(g) Fair value of assets	2013 £m	2012 £m
Annuity policies	13.1	13.2
Equities	13.3	11.0
Government bonds	0.4	0.5
Corporate bonds	1.6	1.2
Cash/other	0.6	0.4
Property	0.1	0.1
Total assets	29.1	26.4

None of the fair values of the assets shown above include any of the RFU's own financial instruments or any property occupied by, or other assets used by, the RFU.

Notes to the Financial Statements continued

24. Defined benefit pension scheme continued

(h) Principal assumptions

	2013 % per annum	2012 % per annum
Rate of discount	4.85%	4.60%
Inflation (RPI)	3.70%	3.20%
Salary increases	4.70%	4.70%
Allowance for revaluation of deferred pensions of RPI or 5% p.a. if less	3.70%	3.20%
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.70%	3.20%
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.70%	2.75%
Allowance for commutation of pension for cash at retirement	None	None

The mortality assumptions adopted at 30th June 2013 imply the following life expectancies:

Male retiring at age 65 in 2013	27.33
Female retiring at age 65 in 2012	29.88
Male retiring at age 65 in 2032	29.78
Female retiring at age 65 in 2032	32.36

(i) Expected long-term rates of return

The long-term expected rate of return on bonds is determined by reference to UK long dated government and corporate bond yields at the balance sheet date. The long-term expected rate of return on cash is determined by reference to the expected return on bonds. The long-term expected rate of return on equities is based on the rate of return on bonds with an allowance for out-performance.

The expected long term rates of return applicable for each year are as follows:

	Year commencing 1 July 2012 % per annum	Year commencing 1 July 2011 % per annum
Annuity policies	4.60%	5.50%
Equities	6.20%	7.30%
Government bonds	2.70%	4.30%
Corporate bonds	4.30%	5.50%
Cash/other	2.70%	4.30%
Property	5.70%	7.30%
Overall for scheme	5.20%	6.30%

(j) History of experience gains and losses

	2013 £m	2012 £m	2011 £m	2010 £m	2009 £m
Fair value of scheme assets	29.1	26.4	24.8	22.4	17.7
Present value of scheme liabilities	(30.2)	(29.3)	(24.9)	(25.0)	(20.2)
Deficit in scheme	(1.1)	(2.9)	(0.1)	(2.6)	(2.5)
Experience adjustment on scheme assets	1.3	(0.1)	0.7	2.8	(2.2)
Experience adjustment on scheme liabilities	0.1	1.6	(0.1)	0.2	(0.3)

The best estimate of contributions to be paid by the RFU to the scheme for the year commencing 1 July 2013 is £0.7m.

25. Related parties

In 2000 the RFU established a subsidiary company, Twickenham Experience Limited ('TEL'), and assigned to that company the rights to provide catering and hospitality services at Twickenham Stadium. The share capital of TEL at 30 June 2013 was held 52.5% RFU, 40.0% Compass Services (UK) Limited ('Compass') and 7.5% Hamsard Five Thousand and Eighteen Limited.

The RFU has leased certain areas of Twickenham Stadium for £0.1m (2012: £0.1m) per annum for 15 years to TEL.

During the year the RFU received £2.5m (2012: £0.9m) from TEL in respect of ticket revenue and royalties, and paid £1.8m (2012: £1.2m) in respect of catering services. The Group also paid £10.1 (2012: £7.8m) in respect of provisions, staff costs, royalties and other services to Compass and its subsidiary companies.

At 30 June 2013 a balance of £3.8m (2012: £2.6m) was owed to the RFU by TEL and is shown in amounts owed by Group undertakings in the Parent balance sheet; also, an amount of £1.3m (2012: £1.1m) was owed by the RFU to TEL and is shown in amounts owed to Group undertakings in the Parent balance sheet. At 30 June 2013 a balance of £nil (2012: £0.1m) was owed to the Group by Compass in respect of operating activities and is shown in trade debtors in the Group balance sheet.

During the year, the RFU paid £0.1m (2012: £0.1m) to its subsidiary England Rugby Travel Limited, in respect of travel expenses.

26. Financial instruments

The Group has defined financial assets and liabilities as those assets and liabilities of a financial nature, namely cash, borrowing and forward contracts. All the Group's financial assets and liabilities are denominated in sterling. The book value of the Group's financial assets and liabilities equate to their fair value.

The Group holds financial instruments to limit the risks involved in receiving revenue in foreign currencies. This policy is consistent with prior years. The Group receives revenue from the Six Nations Tournament in Euros and covers the resulting foreign exchange risk by using forward contracts to fix the rate up to a year in advance. The value of such contracts held at the year end was €2.5m (2012: €4.6m).

As the fair value directive has not been adopted it is not appropriate to recognise the fair value of a derivative in the financial statements.

Borrowing facilities

The Group has the following undrawn committed facilities available at year end in respect to which all conditions precedent had been met:

	2013 £m	2012 £m
Expiring within one year	-	7.0
Expiring between two and five years	30.0	-

Notes to the Financial Statements continued

27. Rugby Football Foundation

The financial results, position and cash flows of the Rugby Football Foundation, which are included in the Group financial statements, are provided below on the grounds that its funds may only be applied towards its charitable objects and therefore are material by nature. The Rugby Football Foundation's charitable objects are, for the benefit of the public: to promote community participation in healthy recreation, provide and assist in providing facilities for sport, recreation and leisure time and to advance the education of children and young people.

	2013 £m	2012 £m
Statement of financial activities		
Donations received	22.9	17.9
Direct charitable activities	(19.5)	(15.9)
Business and administration	(0.1)	(0.2)
Grants to clubs	(0.8)	(0.4)
Surplus for the year	2.5	1.4
Balance sheet		
Loans due from clubs	7.2	6.5
Cash at bank and in hand	1.2	1.7
Loans due to Group undertakings	(2.4)	(4.8)
Creditors falling due within one year	(0.3)	(0.2)
	5.7	3.2
Represented by:		
Unrestricted funds	2.0	1.6
Restricted funds	3.7	1.6
	5.7	3.2

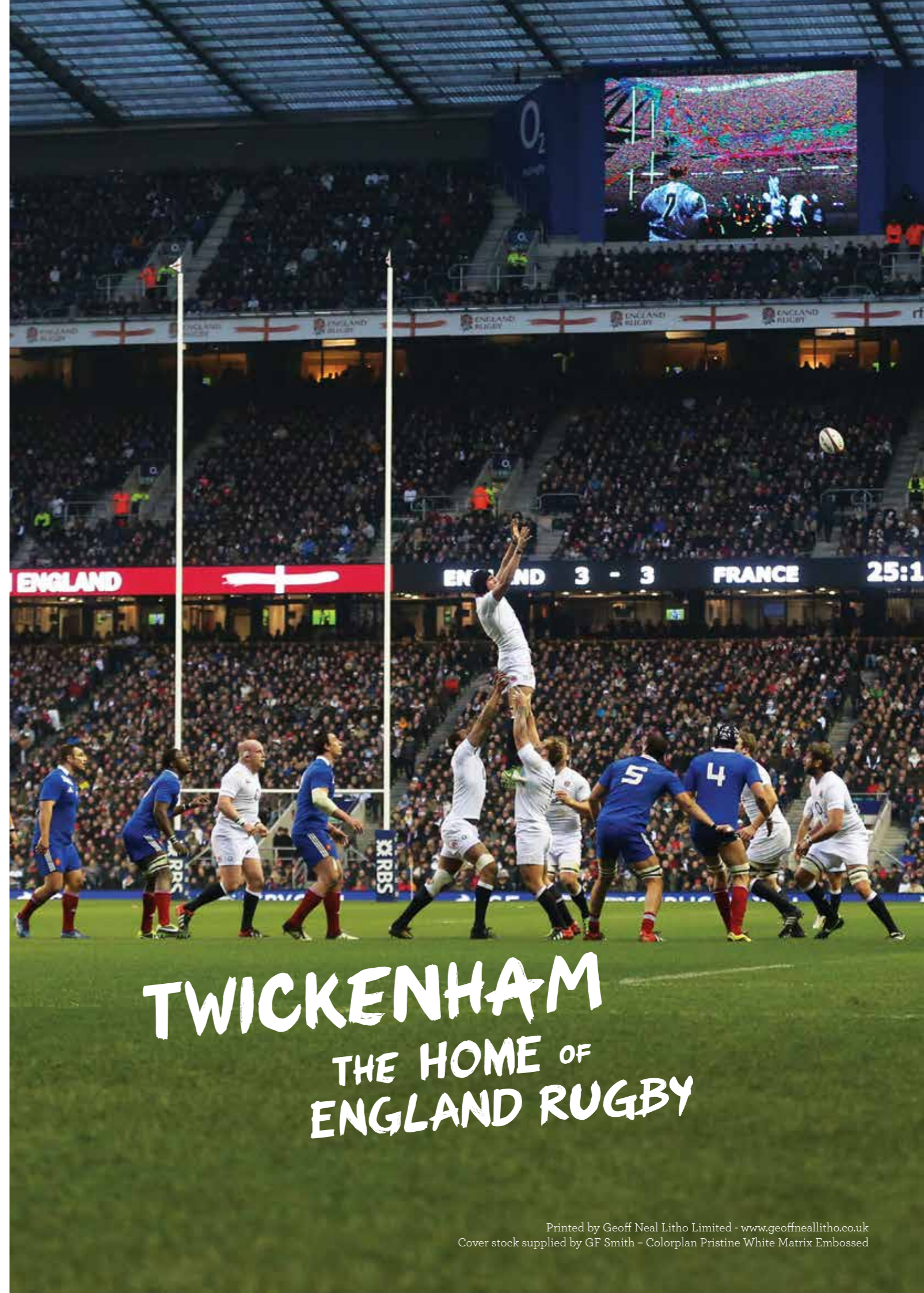
28. RFU Injured Players Foundation

The financial results, position and cash flows of the RFU Injured Players Foundation, which are included in the Group financial statements, are provided below on the grounds that its funds may only be applied towards its charitable objects and therefore are material by nature. The RFU Injured Players Foundation's charitable objects are primarily for the provision of financial assistance to rugby players who have suffered catastrophic injuries.

	2013 £m	2012 £m
Statement of financial activities		
Donations received	1.6	1.9
Direct charitable activities	(1.8)	(1.8)
Operating (loss)/profit	(0.2)	0.1
Investment gain	0.7	-
Surplus for the year	0.5	0.1
Balance Sheet		
Investments	6.1	5.5
Debtors	1.6	1.4
Cash at bank and in hand	0.2	0.1
Creditors	(1.4)	(1.0)
	6.5	6.0
Represented by:		
Unrestricted funds	1.2	1.2
Restricted funds	5.3	4.8
	6.5	6.0

Five-year Summary

	2013 £m	2012 £m	2011 £m	2010 £m	2009 £m
Summary of Group Profit and Loss Accounts					
Revenue	153.5	110.6	134.4	109.9	111.9
Costs	(81.5)	(65.1)	(64.4)	(55.4)	(51.6)
Profit for rugby investment	72.0	45.5	70.0	54.5	60.3
Professional rugby investment	(37.4)	(33.8)	(30.7)	(26.5)	(26.9)
Rugby development investment	(26.3)	(21.8)	(23.4)	(23.5)	(24.1)
Exceptional SPIRE funds transfer	-	5.0	-	-	-
Operating profit/(loss)	8.3	(5.1)	15.9	4.5	9.3
Share of losses from associates	-	-	-	(0.1)	(0.1)
Net finance cost	(0.2)	(0.3)	(1.4)	(2.5)	(0.2)
Profit/(loss) on ordinary activities before taxation	8.1	(5.4)	14.5	1.9	9.0
Corporation tax credit/(charge) on ordinary activities	0.2	1.9	(2.3)	(0.4)	0.1
Attributable to minority interests	(4.5)	(2.8)	(3.5)	(2.6)	(2.9)
Profit/(loss) for the year	3.8	(6.3)	8.7	(1.1)	6.2
Summary of Group Balance Sheets					
	2013 £m	2012 £m	2011 £m	2010 £m	2009 £m
Fixed assets	204.2	197.1	198.3	205.2	202.3
Cash	13.7	4.1	14.1	11.3	8.2
Other net current assets/(liabilities)	4.9	(28.0)	(7.8)	(32.2)	(3.2)
Long term liabilities	(20.2)	(0.9)	(24.0)	(20.0)	(54.8)
Provisions	-	-	(0.3)	-	-
Pension liability	(0.8)	(2.2)	(0.1)	(1.9)	(1.8)
	201.8	170.1	180.2	162.4	150.7



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