

Registered number

01917099

BRITISH FENCING ASSOCIATION LIMITED

(A company limited by guarantee)

**DIRECTORS' REPORT AND AUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2011

BRITISH FENCING ASSOCIATION LIMITED

COMPANY INFORMATION

Directors

Andrew Brannon
David King
Charles Morrison
Keith Smith
Penelope Spink
Michael Thornton
Stephen Jackson
Ismay Cowen
Piers Martin
Elizabeth Payne
David Teasdale

Auditors

Spofforths LLP
One Jubilee Street
Brighton
East Sussex
BN1 1GE

Registered office

1 Baron's Gate
33 Rothschild Road
London
W4 5HT

Registered number

01917099

BRITISH FENCING ASSOCIATION LIMITED

CONTENTS

	Page
Directors' report	1 to 2
Independent auditors' report	3 to 4
Income and expenditure account	5
Balance sheet	6
Notes to the financial statements	7 to 10

The following pages do not form part of the statutory financial statements:

Management income and expenditure account	11 to 12
---	----------

BRITISH FENCING ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

The directors present their report and audited financial statements for the year ended 31 March 2011.

Principal activities

The company's principal activity during the year continued to be the managing body of the sport of fencing in the United Kingdom. The company also operates a subsidiary, Copperdale Limited, which is trading as an event management company.

The Directors have overseen an ever-increasing level of activity, on behalf of members and funding partners, of significant benefit to the sport of fencing. Important steps have been taken to improve governance, with the help of UK Sport and Sport England, and SAB Miller, all of whom have worked with us to ensure we are fit for purpose and govern the sport with transparency and integrity. We appointed a new independent Chair of the company, David Teasdale, for his experience in sport, business and the political environment. We have reduced previous years' deficits and increased our income, in particular by attracting sponsorship from specialist insurer, Beazley (providing £1m plus over the next 5 years).

The Directors look forward to the coming year, with a home European Championships and preparation for the 2012 Olympic games - a once in a lifetime opportunity for our best athletes to win gold and for British Fencing to deliver a lasting legacy for the future.

Directors

The directors who served during the year were as follows:

Andrew Brannon

Thomas Cadman resigned 07/08/10

David King

Charles Morrison

David Sach resigned 16/03/11

Keith Smith

Penelope Spink

Michael Thornton

Stephen Jackson

Ismay Cowen

Piers Martin

Elizabeth Payne appointed 07/08/10

David Teasdale appointed 23/02/11

Directors' responsibilities

The directors are responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

BRITISH FENCING ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

Directors' responsibilities continued

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditor

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 4 October 2011 and signed on its behalf by

Piers Martin

Director & Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

BRITISH FENCING ASSOCIATION LIMITED

We have audited the financial statements of British Fencing Association Limited for the year ended 31 March 2011 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes on pages 7 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard For Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and the auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the 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.

Scope of the audit opinion

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BRITISH FENCING ASSOCIATION LIMITED**

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Alexander Spofforth BA FCA
Senior Statutory Auditor
for and on behalf of
Spofforths LLP
Chartered Accountants and Statutory Auditor

One Jubilee Street
Brighton
East Sussex
BN1 1GE

Date: 12 October 2011

BRITISH FENCING ASSOCIATION LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
Income		1,759,590	1,135,402
Administrative expenses		(1,773,409)	(1,203,157)
Operating deficit	3	<u>(13,819)</u>	<u>(67,755)</u>
Unrealised gain on investment		886	16,003
Interest receivable		11,334	16,097
Deficit on ordinary activities before taxation		<u>(1,599)</u>	<u>(35,655)</u>
Tax on interest receivable	4	(2,380)	(3,380)
Deficit for the financial year		<u><u>(3,979)</u></u>	<u><u>(39,035)</u></u>

BRITISH FENCING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2011

REGISTERED NUMBER: 01917099

	Notes	2011	2010
		£	£
Fixed assets			
Tangible assets	5	137,581	114,102
Investments	6	159,959	159,959
		<u>297,540</u>	<u>274,061</u>
Current assets			
Stocks		9,268	8,658
Debtors	7	91,981	142,062
Investments held as current assets	8	398,941	398,075
Cash at bank and in hand		280,553	149,333
		<u>780,743</u>	<u>698,128</u>
Creditors: amounts falling due within one year	9	<u>(355,005)</u>	<u>(244,932)</u>
Net current assets		425,738	453,196
Total assets less current liabilities		<u>723,278</u>	<u>727,257</u>
Capital and reserves			
Income and expenditure account	10	<u>723,278</u>	<u>727,257</u>
Members' funds		<u>723,278</u>	<u>727,257</u>

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

The financial statements were approved by the board and authorised for issue on 4 October 2011 and signed on its behalf by

Andrew Brannon
Director

BRITISH FENCING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

1 Principal accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the inclusion of current asset investments at market value. They have also been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Consolidation

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by section 399 of the Companies Act 2006 not to prepare group financial statements.

Income

Subscriptions represent the amounts received from members during the year. Grant income is recognised and matched against the appropriate expenditure when incurred, with income and related costs for future events being carried forward to the year in which the event takes place. All other income is recognised on an accruals basis.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Freehold buildings	2% straight line per annum
Equipment comprising:	
Office fixtures and fittings	10% straight line per annum
Database costs	10% straight line per annum
Computer equipment	33.3% straight line per annum
Fencing equipment	33.3% straight line per annum

Investments held as fixed assets

Investments in subsidiary undertakings and other unlisted investments are held at cost less any provision against a permanent fall in value.

Investments held as current assets

The current asset investments are stated at market value, and any surplus or deficit in the year is taken to the Income and Expenditure account as unrealised gains or losses on investments. This treatment is adopted as a true and fair override of the requirements of the Companies Act, as the investments replaced a bank deposit account and to not reflect the returns on the investment would be misleading.

Stocks

Stocks of rule books, badges and achievement awards, are consistently valued at the lower of cost and net realisable value.

Pensions

Contributions in respect of the company's defined contribution pension scheme are charged to the income and expenditure account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

2 Status of the company

The company is limited by guarantee and does not have share capital.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he or she is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and the cost, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding £1.

BRITISH FENCING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

3	Operating deficit	2011	2010
		£	£
	This is stated after charging:		
	Depreciation of owned fixed assets	26,996	6,979
	Directors' remuneration	46,351	43,633
	Directors' fees and expenses	11,572	11,428
	Auditors' remuneration	<u>6,750</u>	<u>4,500</u>
4	Tax on interest receivable	2011	2010
		£	£
	UK corporation tax	<u>2,380</u>	<u>3,380</u>
5	Tangible fixed assets		
		Freehold buildings	Fixtures, fittings and equipment
		£	£
	Cost		Total
	At 1 April 2010	144,873	86,211
	Additions	-	50,475
	Disposals	-	(35,647)
	At 31 March 2011	<u>144,873</u>	<u>101,039</u>
	Depreciation		
	At 1 April 2010	56,515	60,467
	Charge for the year	2,897	24,099
	On disposals	-	(35,647)
	At 31 March 2011	<u>59,412</u>	<u>48,919</u>
	Net book value		
	At 31 March 2011	<u>85,461</u>	<u>52,120</u>
	At 31 March 2010	<u>88,358</u>	<u>25,744</u>
		<u>137,581</u>	<u>114,102</u>

BRITISH FENCING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

6 Investments held as fixed assets

	Investments in subsidiary undertakings £	Other investments £	Total £
Cost			
At 1 April 2010	1	159,958	159,959
At 31 March 2011	<u>1</u>	<u>159,958</u>	<u>159,959</u>
Net book value			
At 31 March 2011	<u>1</u>	<u>159,958</u>	<u>159,959</u>
At 31 March 2010	<u>1</u>	<u>159,958</u>	<u>159,959</u>

The company holds 20% or more of the share capital of the following companies:

Company	Shares held Class	%	Capital and reserves £	loss for the year £
Copperdale Limited	Ordinary	100	(2,759)	(2,760)
Other investments			2011	2010
			£	£
Unlisted investments			<u>159,958</u>	<u>159,958</u>

7 Debtors

	2011 £	2010 £
Trade debtors	3,757	37,970
Amounts owed by group undertakings	4,070	38,911
Prepayments and accrued income	69,410	61,609
Other debtors	14,744	3,572
	<u>91,981</u>	<u>142,062</u>

8 Investments held as current assets

	2011 £	2010 £
2.5% Index-Linked Treasury Stock 2011	<u>398,941</u>	<u>398,075</u>

The historical cost of this reinvestment was £381,173 and the investment is now held in the balance sheet at market value. The treasury stock is redeemable on 23 August 2011.

BRITISH FENCING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

9 Creditors: amounts falling due within one year	2011	2010
	£	£
Corporation tax	2,380	3,380
Other taxes and social security costs	7,620	5,275
Deferred grants and sponsorship income	83,663	122,225
Other creditors and accruals	<u>261,342</u>	<u>114,052</u>
	<u>355,005</u>	<u>244,932</u>

10 Income and expenditure account	2011
	£
At 1 April 2010	727,257
Deficit for the year	<u>(3,979)</u>
At 31 March 2011	<u>723,278</u>

11 Related party transactions

Copperdale Limited.

This is a wholly owned subsidiary.

During the year Copperdale Limited was recharged expenses of £15,984 (2010: £569,767) incurred on their behalf. Income amounting to £24,911 (2010: £18,911) was also received on behalf of Copperdale Limited and subsequently recharged.

Copperdale Limited was granted subsidies of £nil (2010: £59,255) by British Fencing Association.

The amount due from Copperdale Limited at the year end was £4,070 (2009: £38,911).

12 Controlling party

The company is controlled on a day to day basis by the directors, as listed in the directors' report.

BRITISH FENCING ASSOCIATION LIMITED

MANAGEMENT INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
£	£	£
Income		
"UK Sport" grant (Pathway)	495,059	610,119
"Sport England" EDP grant and associated event income	355,719	170,656
Sport England" England Fencing Contribution ED	120,000	-
Youth Sport Trust grant	77,700	51,988
UK Sport international influence	21,000	26,755
Belfast Appeal	-	3,155
"The Sword" income	10,358	9,737
Subscriptions	177,361	178,248
Achievement awards & rule books	13,166	13,979
Website & online entry	9,993	2,702
Sponsorship	154,102	12,772
Domestic competition entries	295,240	49,486
Donations and legacies	10,299	-
Sports Aid Trust	10,069	-
Sundry receipts	9,524	5,805
	<u>1,759,590</u>	<u>1,135,402</u>
Interest receivable	11,334	16,097
Unrealised gain on current asset investment	886	16,003
	<u>1,771,810</u>	<u>1,167,502</u>
Total income		
Expenditure		
International (Pathway)		
Support services	97,712	84,207
Training support - all programmes	87,785	41,184
Probationer - APAs	-	17,500
Performance officer expenses	41,037	17,920
Equipment and clothing	19,557	27,300
International competition - all programmes	192,870	184,348
Coaching	136,793	159,442
BUSA world university games	-	11,015
International grants	17,051	-
Winton fund & donations	5,400	-
Irrecoverable VAT	24,989	-
Specific grants	817	-
International sundry	4,598	6,586
Programme administration	47,529	60,617
	<u>(676,138)</u>	<u>(610,119)</u>
Domestic		
England Development Project	326,463	156,010
Youth Sport Trust	40,611	46,086
Home Countries Project Grant	-	4,500
	<u>(367,074)</u>	<u>(206,596)</u>
Technical		
Belfast 2009 Cadet & Junior World Championships	-	59,255
Referees	2,498	738
Junior World Championship	1,390	4,983
Junior European Championship	20,373	6,121
FIE A Grade	39,431	9,610
European Cadet Championships	-	5,513
Equipment & armourer	17,993	20,950
Domestic competitions	304,714	36,088
International influence	7,581	20,638
	<u>(393,980)</u>	<u>(163,896)</u>
Carried forward	<u>(1,437,192)</u>	<u>(980,611)</u>

BRITISH FENCING ASSOCIATION LIMITED

MANAGEMENT INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	2011	2010
	£	£
Brought forward	(1,437,192)	(980,611)
Administration		
Officer and secretarial salaries	87,792	77,923
"The Sword" costs	32,482	31,664
Merchandising	3,312	8,246
Board and committee expenses	6,416	4,834
Achievement awards & rules	1,364	3,755
Website maintenance	10,889	-
Pensions	2,433	2,433
Staff expenses	7,804	5,239
Telecommunication costs	14,304	12,985
Printing, postage and stationery	6,808	8,374
Subscriptions	422	708
Audit fees	6,750	4,500
Management accounting and bookkeeping	26,531	-
Legal and professional fees	16,498	1,650
Promotion and publicity	5,860	1,173
Bank charges	8,198	-
Insurance	28,208	22,132
Computer costs	2,427	3,804
Bad debts	8,767	-
Sundry expenses	5,473	5,222
	<u>(282,738)</u>	<u>(194,642)</u>
Equipment and building		
Depreciation of freehold	2,897	2,897
Property repairs and maintenance	7,571	2,893
Rates	3,661	3,280
Membership database cost amortisation	21,166	3,564
Depreciation of office equipment	2,933	518
	<u>(38,228)</u>	<u>(13,152)</u>
Financial		
On bank loans and overdrafts	-	3,740
Irrecoverable VAT	15,251	11,012
	<u>(15,251)</u>	<u>(14,752)</u>
Deficit for the year	<u><u>(1,599)</u></u>	<u><u>(35,655)</u></u>