

BRITISH FENCING ASSOCIATION LTD
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

BRITISH FENCING ASSOCIATION LTD
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	Paul Abrahams (appointed 5 April 2013) Thomas Cadman (appointed 5 April 2013) Janet Campbell (appointed 26 October 2013) Clare Halstead (appointed 5 April 2013) Alp Orge Graham Paul William Pitt David Teasdale John Troiano
CEO	Georgina Usher
Registered number	01917099
Registered office	1 Baron's Gate 33 Rothschild Road London W4 5HT
Independent Auditors	haysmacintyre 26 Red Lion Square London WC1R 4AG

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BRITISH FENCING ASSOCIATION LTD
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

Principal activities

British Fencing's principal activity remains the strategic management of the sport of fencing in the United Kingdom, as the national governing body.

In this year, without any major sporting events, effort has been concentrated upon effective governance, on improving the financial position, on developing new pilot projects for growing participation in fencing and in further development of the World Class Programme (WCP) for elite athletes. The Board also recruited a new full time CEO effective from 1 April 2014.

The Board's and management's efforts to reform the finance systems and controls resulted in a surplus for the year of £167,959, in contrast to the deficit last year of £216,000. The main reason for this surplus was the realization of a one-off capital gain from the sale of an investment purchased in 1991, resulting in a net gain after tax and calculation charges of £165,827.

In operational terms, a modest surplus was achieved of £2,132. BF income increased by £28,000, while expenditure reduced by £188,140. There were significant cuts in head office costs, savings from The Sword, Board & Chair costs and improvements to our VAT recovery. The Board is clear that the deficit last year was due mainly to exceptional items (eg legal costs, debts written off, severance pay and Olympic costs) which have not been repeated, bringing BF finances back to a "normal" operational level.

This was a year of consolidation, with the new Board now in place, and further strategic review, but with a major emphasis upon better financial management. Further increases in funding from UK Sport and Sport England were achieved, although from the latter that remains partly on a one year provisional basis. The Board is determined to implement new strategies for fencing participation and will recruit a new Development Director for that purpose early in 2014/15.

Good progress has been made in the current year, but the Board recognizes the challenges it faces to maintain financial stability, and deliver on the "3G" strategy of Green, Grow, Gold. The Board remains fully committed to achieving the real growth and success required to achieve this.

Results

The profit for the year, after taxation, amounted to £167,959 (2013 - loss £216,000).

BRITISH FENCING ASSOCIATION LTD
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

Directors

The directors who served during the year were:

Paul Abrahams (appointed 5 April 2013)
Julia Bracewell (resigned 14 November 2013)
Thomas Cadman (appointed 5 April 2013)
Janet Campbell (appointed 26 October 2013)
Clare Halstead (appointed 5 April 2013)
David King (resigned 5 April 2013)
Charles Morrison (resigned 5 April 2013)
Alp Orge
Graham Paul
Elizabeth Payne (resigned 5 April 2013)
William Pitt
David Teasdale
John Troiano
Georgina Usher (resigned 14 March 2014)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the 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 profit or loss 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 judgments and accounting 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.

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 auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are 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 relevant audit information and to establish that the company's auditors are aware of that information.

BRITISH FENCING ASSOCIATION LTD
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

Auditors

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 17 September 2014 and signed on its behalf.

David Teasdale
Director

BRITISH FENCING ASSOCIATION LTD
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH FENCING ASSOCIATION LTD

We have audited the financial statements of British Fencing Association Ltd for the year ended 31 March 2014, set out on pages 6 to 13. 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).

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 Auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement, 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 Ethical Standards for Auditors.

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 company's affairs as at 31 March 2014 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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.

BRITISH FENCING ASSOCIATION LTD
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH FENCING ASSOCIATION LTD

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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Jeremy Beard (Senior Statutory Auditor)
for and on behalf of
haysmacintyre
Statutory Auditors
26 Red Lion Square
London
WC1R 4AG

17 September 2014

BRITISH FENCING ASSOCIATION LTD
(A Company Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014

	Note	2014 £	2013 £
Income	1,2	2,098,863	2,070,863
Administrative expenses		(2,103,997)	(2,292,137)
OPERATING DEFICIT	3	(5,134)	(221,274)
Surplus on disposal of investments		177,787	-
Interest receivable and similar income		7,266	6,598
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES BEFORE TAXATION		179,919	(214,676)
Tax on deficit on ordinary activities	6	(11,960)	(1,324)
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	13	167,959	(216,000)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Income and Expenditure Account.

The notes on pages 8 to 13 form part of these financial statements.

BRITISH FENCING ASSOCIATION LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01917099

BALANCE SHEET
AS AT 31 MARCH 2014

	Note	2014		2013	
		£	£	£	£
FIXED ASSETS					
Tangible assets	7		92,459		127,903
Investments	8		298,912		458,870
			<u>391,371</u>		<u>586,773</u>
CURRENT ASSETS					
Stocks	9	1,000		1,000	
Debtors	10	179,248		314,544	
Cash at bank and in hand		681,923		181,189	
		<u>862,171</u>		<u>496,733</u>	
CREDITORS: amounts falling due within one year	11	(792,935)		(790,858)	
NET CURRENT ASSETS/(LIABILITIES)			<u>69,236</u>		<u>(294,125)</u>
NET ASSETS			<u>460,607</u>		<u>292,648</u>
RESERVES					
Income and Expenditure account	13		<u>460,607</u>		<u>292,648</u>
	14		<u>460,607</u>		<u>292,648</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 September 2014.

David Teasdale
 Director

The notes on pages 8 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered the inherent uncertainties in relation to the company's future funding and are confident of the company's ability to continue as a going concern. The company relies upon grant income when considering the scale of its operations and closely monitors its working capital accordingly.

1.3 Income

Income comprises of grant income, sponsorship income and subscription income. Grant income is recognised and matched against the appropriate expenditure when incurred. Sponsorship income is recognised in accordance with the underlying agreement. Subscription income is recognised for one year from date of receipt.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures and fittings and equipment	-	10-33% straight line

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Income and Expenditure Account.

BRITISH FENCING ASSOCIATION LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Income

All income arose within the United Kingdom.

3. OPERATING DEFICIT

The operating deficit is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	35,444	39,030
Auditors' remuneration	7,150	6,950
Difference on foreign exchange	564	406
	<u> </u>	<u> </u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	354,338	354,644
Social security costs	36,255	35,678
Other pension costs	13,131	13,563
	<u> </u>	<u> </u>
	<u>403,724</u>	<u>403,885</u>

The average monthly number of employees, including those who were also directors, during the year was as follows:

	2014 No.	2013 No.
	10	11
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

5. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	12,000	62,500

The above figures include an amount totalling £12,000 (2013: £12,000) in respect of directors fees.

6. TAXATION

	2014 £	2013 £
UK corporation tax charge on surplus/deficit for the year	11,960	1,324

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 20% (2013 - 20%). The differences are explained below:

	2014 £	2013 £
Surplus/deficit on ordinary activities before tax	179,919	(214,676)
Surplus/deficit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)	35,984	(42,935)
Effects of:		
Non-taxable income	(24,024)	44,259
Current tax charge for the year (see note above)	11,960	1,324

Factors that may affect future tax charges

There are no other factors which may affect future tax charges.

The company only pays corporation tax on its investment income.

BRITISH FENCING ASSOCIATION LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

7. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings and equipment £	Total £
Cost			
At 1 April 2013 and 31 March 2014	144,873	151,749	296,622
Depreciation			
At 1 April 2013	65,199	103,520	168,719
Charge for the year	2,897	32,547	35,444
At 31 March 2014	68,096	136,067	204,163
Net book value			
At 31 March 2014	76,777	15,682	92,459
At 31 March 2013	79,674	48,229	127,903

8. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £	Other investments £	Total £
Cost or valuation			
At 1 April 2013	1	458,869	458,870
Disposals	-	(159,958)	(159,958)
At 31 March 2014	1	298,911	298,912
Net book value			
At 31 March 2014	1	298,911	298,912
At 31 March 2013	1	458,869	458,870

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Copperdale Limited	Ordinary	100%

Other investments

The market value of the listed investments at 31 March 2014 was £294,586 (2013 - £645,773.).

BRITISH FENCING ASSOCIATION LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

9. STOCKS

	2014 £	2013 £
Finished goods and goods for resale	1,000	1,000

10. DEBTORS

	2014 £	2013 £
Trade debtors	87,916	212,982
Amounts owed by group undertakings	124	14,957
Other debtors	-	24,772
Prepayments and accrued income	91,208	61,833
	<u>179,248</u>	<u>314,544</u>

11. CREDITORS:
Amounts falling due within one year

	2014 £	2013 £
Trade creditors	150,496	164,492
Corporation tax	12,904	1,320
Other taxation and social security	27,695	29,958
Other creditors	73,796	69,394
Accruals and deferred income	528,044	525,694
	<u>792,935</u>	<u>790,858</u>

12. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

13. RESERVES

	Income and expenditure account £
At 1 April 2013	292,648
Surplus for the financial year	167,959
At 31 March 2014	<u>460,607</u>

BRITISH FENCING ASSOCIATION LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

14. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS

	2014 £	2013 £
Opening members' funds	292,648	508,648
Surplus/(deficit) for the financial year	167,959	(216,000)
Closing members' funds	<u>460,607</u>	<u>292,648</u>

15. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £14,648 for the year (2013: £13,563). At March 2014 the amount of unpaid pension contributions was £nil (2013: £nil).

16. RELATED PARTY TRANSACTIONS

The company Chairman, D Teasdale, receives a fee of £12,000 (2013: £12,000) per annum and was paid expenses of £6,813 (2013: £8,090). No amounts were due to D Teasdale at the balance sheet date (2013: £2,086).

The Chairman's spouse is the Chief Executive Officer of Sport England. During the period the company received grant income of £448,873 (2013: £400,249) from Sport England.

As the company wholly owns its only subsidiary, Copperdale Limited, it has taken advantage of the exemption contained in FRS 8 "Related Party Disclosures" and has therefore not disclosed transactions or balances with entities which form part of the group.

17. CONTROLLING PARTY

The directors consider there to be no ultimate controlling party.