

ENGLISH CHESS FEDERATION
(a company limited by guarantee)
INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

Page

1	Company information
2 to 4	Directors' report
5 to 6	Independent Auditors' report
7	Profit and loss account
8	Balance sheet
9 to 13	Notes to the Financial Statements

**ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016**

COMPANY INFORMATION

Registered Office	The Watch Oak Chain Lane Battle East Sussex TN33 0YD
Incorporated	In England & Wales A Company limited by Guarantee
Company Number	5293039
Directors	D Lawson (President) M Truran (Chief Executive) D Eustace (Finance) A Holowczak (Home Chess) M Pein (International Chess) T Whitfield (Junior Chess & Education) S Longson (Women's Chess) D Thomas (Membership) J Clissold (Non-Executive) J Denning (Non-Executive) S Woodhouse (Non-Executive)
Bankers	NatWest Bank Havelock Road Hastings East Sussex TN34 1BW Cambridge & Counties Bank Charnwood Court New Walk Leicester LE1 6TE
Senior Statutory Auditor	Paul Harris
Auditors	Goatcher Chandler Audit Limited Chartered Accountants & Statutory Auditor 10 Overcliffe Gravesend Kent DA11 0EF

**ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016**

DIRECTORS' REPORT

The directors present herewith their report with the financial statements for the year from 1st September 2015 to 31st August 2016.

Principal Activities

The principal activities of the company are to encourage the study and practice of chess in England, to maintain the British Chess Championships, and to promote national and international chess tournaments in England.

Directors

The following served as directors during the period to the date of this report:

Dominic Lawson
Mike Truran (from 15/01/2016)
Phil Ehr (to 17/10/2015)
David Thomas
David Eustace
Alex Holowczak
Traci Whitfield
Julian Clissold
Bob Kane (to 17/10/2015)
David Openshaw (to 17/10/2015)
John Foley (to 17/10/2015)
Julie Denning (from 17/10/2015)
Malcolm Pein (from 17/10/2015)

Secretary
John Philpott (to 15/10/2016)

**ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016**

Statement of Directors' responsibilities

The directors are responsible for preparing the report of the Directors 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 those financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on a 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 which 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.

Statement of disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director 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 auditors are aware of that information.

Small company regime

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

Auditors

The auditors, Goatcher Chandler Audit Limited, were reappointed as auditors at the Annual General Meeting on 16 October 2016.

**ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016**

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

ON BEHALF OF THE BOARD

.....
David Eustace – Director

Date:

**ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE
ENGLISH CHESS FEDERATION**

We have audited the financial statements of the English Chess Federation for the year ended 31 August 2016 on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law, and of 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 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 the directors and auditors

As explained more fully in the Statement of Directors Responsibilities set out on page three, the company's directors are 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 of the financial and non-financial information in the Directors Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

**ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE
ENGLISH CHESS FEDERATION CONTINUED**

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 31st August 2016, and of its surplus for the period then ended;
- the financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- the financial statements have been properly 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.

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 or returns; or
- Certain disclosures of directors remuneration specified by law are not made; or
- We have not received all of the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Paul Harris (Senior Statutory Auditor)
for and on behalf of Goatcher Chandler Audit Limited
Chartered Accountants & Statutory Auditor
10 Overcliffe
Gravesend
Kent
DA11 0EF

Date

ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016

PROFIT AND LOSS ACCOUNT

	Notes	2016 £	2015 £
Turnover		525,934	426,783
Expenditure		<u>497,276</u>	<u>367,336</u>
Operating Profit		28,658	59,447
Bank interest received		978	261
Surplus on ordinary activities before taxation	3	<u>29,636</u>	<u>59,708</u>
Taxation on profit on ordinary activities	4	6,872	12,750
Surplus after taxation		<u>22,764</u>	<u>46,958</u>
Balance brought forward		63,541	14,501
General fund transferred from reserves		-	2,082
Balance carried forward		<u><u>86,305</u></u>	<u><u>63,541</u></u>

The notes form part of these financial statements

ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016

BALANCE SHEET

	Notes	2016 £	2015 £
Fixed Assets			
Fixed Assets	5	1,789	2,812
Current Assets			
Debtors	6	68,674	66,156
Cash at Bank and in Hand		250,217	275,537
		<u>318,891</u>	<u>341,693</u>
Creditors			
Amounts falling due within 1 year	7	(196,167)	(242,756)
Net Current Assets		<u>122,724</u>	<u>98,937</u>
Net Assets		<u><u>124,513</u></u>	<u><u>101,749</u></u>
<u>Represented by:</u>			
Profit and loss account	8	86,305	63,541
Reserves	8	38,208	38,208
		<u><u>124,513</u></u>	<u><u>101,749</u></u>

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

These financial statements were approved by the board of directors on XX/XX/XXXX and were signed on its behalf by:

.....
David Eustace - Director

Registered Number: 5293039

The notes form part of these financial statements

**ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016**

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The following accounting policies have been used consistently in dealing with items which are considered significant in relation to the company's financial statements and there have been no material changes during the period.

Accounting Convention

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and under the historical cost convention.

Turnover

Turnover represents the sales of services, subscriptions and grants received excluding value added tax. Turnover is recognised in the accounting period to which it relates. Turnover related to specific events and the expenditure related to that event is recognised in the financial year in which the final day of that event falls.

Expenditure

Expenditure represents the directly attributable costs of providing goods and services.

Recognition of fixed assets

Current assets are initially recognised at the purchase price plus all directly attributable costs of bringing the asset into service.

Tangible fixed assets and depreciation

Depreciation is provided on a straight line basis in order to write off each asset over its estimated useful life as follows:-

- Computer and other equipment 20% (5 years)

Assets acquired from the British Chess Federation were fully depreciated at the start of the financial year.

No value is recognised in the accounts for these assets.

Events that have not yet commenced or have not been completed

Entry fees and other payments received are recognised at the point that the event is completed. Where cash has been received for an event that had not commenced or has not been finished at year end, this is recognised as a liability to the ECF and is included as accrued income. Likewise, where payments have been made for an event that has not commenced or is not complete at year-end this is recognised as an asset to the ECF and is included as a prepayment.

Subscriptions

Members' subscriptions are credited when received, but a provision has been made in the accounts for the element of subscriptions paid in advance that relates to future years.

ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies (Continued)

Operating leases

Payments made under operating leases are charged to expenditure in equal amounts in accordance with the terms of the lease. Amounts owing under operating leases are disclosed in Note 9 on page 13.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the 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 differences are taken into account at arriving at the operating profit.

	2016 £	2015 £
2. Staff Costs		
Wages and salaries	53,677	38,289
	<u>53,677</u>	<u>38,289</u>

The average monthly number of employees was as follows:

	2016	2015
Administration	3	3
	<u>3</u>	<u>3</u>

	2016 £	2015 £
3. Operating Profit		
Operating profit is stated after charging/(crediting):		
Bank interest	(978)	(261)
Auditors' remuneration	3,200	3,000
Depreciation - owned assets	1,023	1,463
Operating lease rentals - land & buildings	382	382
Operating lease rentals - hire of plant & machinery	<u>5,200</u>	<u>5,200</u>

ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016

NOTES TO THE FINANCIAL STATEMENTS

4. Taxation

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016 £	2015 £
Current tax:		
UK corporation tax	6,872	12,750
	<u>6,872</u>	<u>12,750</u>
Tax on surplus on ordinary activities	<u>6,872</u>	<u>12,750</u>

5. Tangible Fixed Assets

	Office Equipment £	Total £
Cost		
At 1 September 2015	20,525	20,525
Additions	-	-
At 31 August 2016	<u>20,525</u>	<u>20,525</u>
Depreciation		
At 1 September 2015	17,713	17,713
Charge for the year	1,023	1,023
At 31 August 2016	<u>18,736</u>	<u>18,736</u>
Net Book Value		
At 31 August 2016	<u>1,789</u>	<u>1,789</u>
At 31 August 2015	<u>2,812</u>	<u>2,812</u>

ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016

NOTES TO THE FINANCIAL STATEMENTS

6. Debtors	2016	2015
	£	£
Trade debtors	8,613	8,188
Unfinished events	38,128	36,773
Other prepayments	5,533	4,981
Other debtors	16,400	16,214
Total	68,674	66,156

7. Creditors	2016	2015
	£	£
Creditors and accrued expenses	56,274	65,248
Creditors - English Championship prize	7,500	9,000
Subscriptions received in advance	75,147	80,785
Unfinished events	34,150	47,200
Taxation and social security	23,096	40,523
Total	196,167	242,756

8. Reserves	2016	2015
	£	£
<u>Profit and loss account</u>		
At 1 September 2015	63,541	14,501
Surplus for the year	22,764	46,958
Transfer from other reserves	-	2,082
At 31 August 2016	86,305	63,541

ENGLISH CHESS FEDERATION
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2016

NOTES TO THE FINANCIAL STATEMENTS

<u>Other Reserves</u>	2016 £	2015 £
Legacies Fund	36,878	36,878
Alexander Prize Fund	1,330	1,330
Total	<u>38,208</u>	<u>38,208</u>

9. Operating Lease Commitments

The amounts payable under non-cancellable operating leases at 31 August 2016 is as follows:

	Land & Buildings	Other Leases	2016 £	2015 £
Expiring:				
Within one year	5,200	-	5,200	5,200
Between one and five years	-	382	382	382
	<u>5,200</u>	<u>382</u>	<u>5,582</u>	<u>5,582</u>

10. Honoraria

During the period covered by these accounts the English Chess Federation made payments to the following non-staff members.

R J Haddrell

All payments were made wholly and exclusively for services provided to the English Chess Federation.

11. Directors' Interests

The Directors are all officers of the British Chess Federation (an unincorporated body) and most hold offices in various regional and county chess associations.

12. Controlling Party

The company is under the control of the directors of the English Chess Federation.