

**ENGLISH CHESS FEDERATION**  
**(a company limited by guarantee)**  
**INDEX TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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Registered Number: 5293039

**ENGLISH CHESS FEDERATION**  
**(A company limited by guarantee)**  
**YEAR ENDED 31 AUGUST 2015**

**COMPANY INFORMATION**

<b>Registered Office</b>	The Watch Oak Chain Lane Battle East Sussex TN33 0YD
<b>Incorporated</b>	In England & Wales A Company limited by Guarantee
<b>Company Number</b>	5293039
<b>Directors</b>	Dominic Lawson (President) Mike Truran (Chief Executive) David Eustace (Finance) Alex Holowczak (Home Chess) Malcolm Pein (International Chess) Traci Whitfield (Junior Chess & Education) David Thomas (Membership) Julian Clissold (Non-Executive) Julie Denning (Non-Executive)
<b>Secretary</b>	John Philpott
<b>Bankers</b>	NatWest Bank Havelock Road Hastings East Sussex TN34 1BW  Cambridge & Counties Bank Charnwood Court New Walk Leicester LE1 6TE
<b>Senior Statutory Auditor</b>	Paul Harris
<b>Auditors</b>	Goatcher Chandler Audit Limited Chartered Accountants & Statutory Auditor 10 Overcliffe Gravesend Kent DA11 0EF

**ENGLISH CHESS FEDERATION**  
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**DIRECTORS' REPORT**

The directors present herewith their report with the financial statements for the year from 1<sup>st</sup> September 2014 to 31<sup>st</sup> August 2015.

**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:

Julian Clissold  
Lawrence Cooper (to 11 October 2014)  
Phil Ehr  
David Eustace  
John Foley (from 11 October 2014)  
Angus French (to 11 October 2014)  
Alex Holowczak  
Bob Kane  
Dominic Lawson (from 11 October 2014)  
David Openshaw  
David Thomas  
Traci Whitfield (from 11 October 2014)

**Changes to Directors since the end of the period**

Following the conclusion of the Annual General Meeting on 17 October 2015, Phil Ehr, John Foley, Bob Kane and David Openshaw ceased to be directors; Julie Denning and Malcolm Pein were appointed on the same date. Mike Truran was appointed on 15 January 2016.

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**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 17 October 2015.

**ENGLISH CHESS FEDERATION**  
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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

**ENGLISH CHESS FEDERATION**  
**(A company limited by guarantee)**  
**YEAR ENDED 31 AUGUST 2015**

**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 2015 on pages seven to thirteen. 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 of any apparent misstatements or inconsistencies we consider the implications for our report.

**ENGLISH CHESS FEDERATION  
(A company limited by guarantee)  
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**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 31<sup>st</sup> August 2015, 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**  
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**YEAR ENDED 31 AUGUST 2015**

**PROFIT AND LOSS ACCOUNT**

	Notes	2015 £	2014 £
Turnover		426,783	433,644
Expenditure		<u>367,336</u>	<u>401,943</u>
Operating Profit		59,447	31,701
Bank interest received		261	4
<b>Surplus on ordinary activities before taxation</b>	<b>3</b>	<u><b>59,708</b></u>	<u><b>31,705</b></u>
Taxation on profit on ordinary activities	4	12,750	6,556
<b>Surplus after taxation</b>		<u><b>46,958</b></u>	<u><b>25,149</b></u>
Balance brought forward		14,501	(10,648)
General fund transferred from reserves		2,082	-
<b>Balance carried forward</b>		<u><u><b>63,541</b></u></u>	<u><u><b>14,501</b></u></u>

The notes form part of these financial statements



**ENGLISH CHESS FEDERATION**  
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**BALANCE SHEET**

	Notes	2015 £	2014 £
<b>Fixed Assets</b>			
Fixed Assets	5	2,812	1,380
<b>Current Assets</b>			
Debtors	6	66,156	104,963
Cash at Bank and in Hand		275,537	210,229
		<u>341,693</u>	<u>315,192</u>
<b>Creditors</b>			
Amounts falling due within 1 year	7	(242,756)	(261,781)
		<u>98,937</u>	<u>53,411</u>
<b>Net Current Assets</b>			
		<u>101,749</u>	<u>54,791</u>
<b>Net Assets</b>			
<b>Represented by:</b>			
Profit and loss account	8	63,541	14,501
Reserves	8	38,208	40,290
		<u>101,749</u>	<u>54,791</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 and signed on its behalf by:

.....  
David Eustace - Director

Registered Number: 5293039

The notes form part of these financial statements

## **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**  
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**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.

	2015 £	2014 £
<b>2. Staff Costs</b>		
Wages and salaries	38,289	26,409
Social security costs	-	1,007
	<u>38,289</u>	<u>27,416</u>

The average monthly number of employees was as follows:

	2015	2014
Administration	3	2
	<u>3</u>	<u>2</u>

	2015 £	2014 £
<b>3. Operating Profit</b>		
Operating profit is stated after charging/(crediting):		
Bank interest	(261)	(4)
Auditors' remuneration	3,000	2,000
Depreciation - owned assets	1,463	1,074
Operating lease rentals - land & buildings	382	382
Operating lease rentals - hire of plant & machinery	<u>5,200</u>	<u>5,200</u>

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**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:

	2015 £	2014 £
Current tax:		
UK corporation tax	12,750	6,556
	<u>12,750</u>	<u>6,556</u>
Tax on surplus on ordinary activities	<u>12,750</u>	<u>6,556</u>

**5. Tangible Fixed Assets**

	<b>Office Equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 September 2014	17,630	17,630
Additions	<u>2,895</u>	<u>2,895</u>
At 31 August 2015	<u>20,525</u>	<u>20,525</u>
<b>Depreciation</b>		
At 1 September 2014	16,250	16,250
Charge for the year	<u>1,463</u>	<u>1,463</u>
At 31 August 2015	<u>17,713</u>	<u>17,713</u>
<b>Net Book Value</b>		
At 31 August 2015	<u><b>2,812</b></u>	<u><b>2,812</b></u>
At 31 August 2014	<u>1,380</u>	<u>1,380</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

<b>6. Debtors</b>	2015	2014
	£	£
Unfinished events	36,773	75,672
Other prepayments	4,981	5,079
Other debtors	24,402	24,212
<b>Total</b>	<b>66,156</b>	<b>104,963</b>

<b>7. Creditors</b>	2015	2014
	£	£
Creditors and accrued expenses	65,248	42,668
Creditors - English Championship prize	9,000	11,000
Subscriptions received in advance	80,785	73,539
Unfinished events	47,200	94,157
The Chess Centre Ltd Loan	-	20,000
Taxation and social security	40,523	20,417
<b>Total</b>	<b>242,756</b>	<b>261,781</b>

Included within the 2014 creditors was an amount owed to the Chess Centre Limited of which D. Eustace, a director of the company is also a director.

This amount was repayable on demand and is interest free. It was repaid in July 2015.

<b>8. Reserves</b>	2015	2014
	£	£
<u>Profit and loss account</u>		
At 1 September 2014	14,501	(10,648)
Surplus for the year	46,958	25,149
Transfer from other reserves	2,082	-
At 31 August 2015	<b>63,541</b>	<b>14,501</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

<u>Other Reserves</u>	2015	2014
	£	£
Legacies Fund	36,878	36,878
Alexander Prize Fund	1,330	1,330
General Fund transferred from BCF	-	2,082
<b>Total</b>	<b><u>38,208</u></b>	<b><u>40,290</u></b>

**9. Operating Lease Commitments**

The amounts payable under non-cancellable operating leases at 31 August 2015 is as follows:

	Land & Buildings	Other Leases	2015	2014
			£	£
Expiring:				
Within one year	5,200	-	5,200	5,200
Between one and five years	-	382	382	382
	<b><u>5,200</u></b>	<b><u>382</u></b>	<b><u>5,582</u></b>	<b><u>5,582</u></b>

**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.

D Eustace is a Director of The Chess Centre Ltd, which had made a loan of £20,000 to the English Chess Federation. This was repaid in July 2015.

**12. Controlling Party**

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