

**BRITISH CHESS FEDERATION**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> AUGUST 2015**

DRAFT

**BRITISH CHESS FEDERATION**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2015**

**ORGANISATION INFORMATION**

<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>Trustees</b>	Ray Edwards Keith Richardson Julian Farrand
<b>Bankers</b>	NatWest Bank Havelock Road Hastings East Sussex TN34 1BW
<b>Investment Managers</b>	Smith & Williamson Investment Management 25 Moorgate London EC2R 6AY
<b>Auditors</b>	Goatcher Chandler Audit Limited Chartered Accountants 10 Overcliffe Gravesend Kent DA11 0EF

## **BRITISH CHESS FEDERATION**

### **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2015**

#### **REPORT OF THE MANAGEMENT BOARD**

The British Chess Federation is an unincorporated body governed by its constitution adopted in 1904 (as amended 12 January 2013)

#### **1. THE MANAGEMENT BOARD**

Under the BCF Constitution, the Management Board comprises the Directors and Secretary of the English Chess Federation for the time being.

For the period covered by these accounts, the Management Board therefore comprised:

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

#### **2. MANAGEMENT BOARD'S RESPONSIBILITIES STATEMENT.**

The Management Board is responsible for preparing the Report of the Management Board and the financial statements in accordance with applicable law and regulations.

The Management Board is responsible for keeping adequate accounting records sufficient to show and explain the Federation's transactions and for preparing financial statements for each financial year which show a true and fair view of the state of affairs of the Federation at the year end and of the surplus or deficit for the period under review. The Management Board is also responsible for safeguarding the assets of the Federation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing the financial statements the Management Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Federation will continue to exist.

**BRITISH CHESS FEDERATION**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2015**

**REPORT OF THE MANAGEMENT BOARD (CONTINUED)**

**3. APPROVAL OF THE ACCOUNTS ON BEHALF OF THE MANAGEMENT BOARD**

These financial statements were approved by the Management Board on [tbc] and were signed on its behalf by:-

David Eustace  
Finance Director

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**BRITISH CHESS FEDERATION**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2015**

**Independent examiners' report to the Management Board of the  
British Chess Federation**

In accordance with instructions given to us we have reviewed, without carrying out an audit, the annexed financial statements prepared from the accounting records of the British Chess Federation.

We report on the financial statements of the Federation for the year ended 31 August 2015, which are set out on pages 4 to 9.

*Respective responsibilities of Management Board and examiner*

The Federation's Management Board is responsible for the preparation of the financial statements. The Management Board considers that an audit is not required for this year and that an independent examination is needed.

*Basis of independent examiner's report*

An examination includes a review of the accounting records kept by the Federation and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from the Management Board concerning any such matters. The procedures undertaken do not provide all of the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

*Independent examiner's statement*

In connection with our examination, no matter has come to our attention which gives reasonable cause to believe that, in any material respect, the requirements:

- to keep adequate accounting records; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements

have not been met;

We can confirm that no matters need to be brought to the attention of the Management Board.

Goatcher Chandler Audit Limited  
Chartered Accountants  
10 Overcliffe  
Gravesend  
Kent  
DA11 0EF

**BRITISH CHESS FEDERATION**

**YEAR ENDED 31<sup>ST</sup> AUGUST 2015**

**INCOME AND EXPENDITURE ACCOUNT**

	<u>2015</u>	<u>2014</u>
	£	£
<b>INCOME</b>		
P I F 1 Dividends	3,389	3,329
P I F 1 Gross Interest	230	222
P I F 2 (Robinson) Dividends	2,084	1,977
P I F 2 (Robinson) Gross Interest	1,188	1,978
Realised gains	35	1,977
Bank interest	1	1
Royalties	-	59
	-----	-----
	6,927	9,543
	=====	=====
<b>EXPENDITURE</b>		
P I F Brokers Fees	2,545	2,491
Accountancy	710	250
Other expenses, including bank charges	140	140
	-----	-----
	3,395	2,881
	=====	=====
Surplus for the year before tax	3,532	6,662
Grants to English Chess Federation	(5,000)	(5,000)
Corporation tax	-	(274)
	-----	-----
Surplus/(deficit) for the year	(1,468)	1,388
	=====	=====

**BRITISH CHESS FEDERATION**  
**BALANCE SHEET 31<sup>st</sup> AUGUST 2015**

	£	<u>2015</u> £	£	<u>2014</u> £
<b>FIXED ASSETS</b>				
PIF 1 investments at cost		80,160		78,807
PIF 2 investments at cost		111,739		113,138
 <b>CURRENT ASSETS</b>				
Debtors	1,850		1,730	
Cash at Bank	7,324		10,736	
	-----		-----	
	9,174		12,466	
 <b>CURRENT LIABILITIES</b>				
Creditors	10,541		12,411	
	-----		-----	
 <b>NET CURRENT ASSETS</b>		(1,367)		55
		-----		-----
		190,532		192,000
		=====		=====
 <u>Represented By :-</u>				
Permanent Invested Fund 1		80,160		78,807
Permanent Invested Fund 2 (Robinson)		111,739		113,138
		-----		-----
		191,899		191,945
General Fund		(1,367)		55
		-----		-----
		190,532		192,000
		=====		=====

**BRITISH CHESS FEDERATION**

**YEAR ENDED 31<sup>ST</sup> AUGUST 2015**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. Principal accounting policies**

Accounting convention

The British Chess Federation is an unincorporated body and the accounts are prepared in accordance with current recommended accounting practices. The financial statements have been prepared under the historical cost convention.

Income

Income represents interest, dividends and royalties received.

Investments

Investments held as fixed assets are stated in the balance sheet at cost. The mid-market value at the balance sheet date is shown in the notes.

**2. Permanent Invested Fund.**

The investments in the Permanent Invested Fund (PIF) are held by trustees under a deed dated 1929 which is perpetuated by supplementary deeds every 21 years whereby the income is paid to the Federation and the trustees *may* make distributions of capital in exceptional circumstances of urgent need provided the money is for the benefit of “the objects” of the Federation, but only on the authority of a resolution of Council.

**3. John Robinson**

A separate fund was established out of the legacy from the late John Robinson that was paid to the BCF. The trustees manage the two funds in order to be able to provide £5,000 funding towards the British Chess Championships each year.



**BRITISH CHESS FEDERATION**  
**YEAR ENDED 31<sup>ST</sup> AUGUST 2015**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

5. PERMANENT INVESTED FUND 1

Investments

	<u>At Cost</u> £	<u>Market Value</u> £	<u>Gross Income</u> £
Allianz Global Investors UK			
16,942.28 U K Equity Income	3,336	16,436	482
Invesco Fund Managers			
6,557.62 IP Income & Growth	4,340	16,209	627
6,190.48 Perpetual UK Growth Income	5,744	17,031	425
BNY Mellon Fund Managers			
2,000 Newton UK Equity Fund	3,797	15,536	414
FIL Investment Services			
6,250 European Values Ordinary	2,286	10,713	253
4,791.57 Fid American Y Account	4,280	9,118	3
Old Mutual Fund Managers			
4,664.88 CCS UK Smaller Companies	4,826	15,559	8
Blackrock Inc Strategies Trust			
9,000 Ordinary GBP 0.25			443
Smith & Williamson Fund Administration			
5,141.12 North American Trust	3,744	7,667	26
First State Investments (UK)			
2,700 Asia Pacific Leaders B NAV	7,368	13,207	111
UK Government			
£3,500 2.5% Index Linked Stock 2024	11,395	11,882	230
Axa Framlington Unit Management			
6,489.74 UK Select Opportunities Z Dis	6,511	8,605	137
Capita Financial Managers			
4,750 Trojan Income O Inc NAV	6,369	7,835	309
NB Private Equity Partners Ltd			
1100 Class A Ord Shares USD0.01	8,507	8,213	177
GAM Star Fund Technology Inst			
325 GBP Acc	6,196	5,298	-
	-----	-----	-----
	78,699	163,309	3,619
Unquoted - shares in The Chess Centre Ltd	750	36,849	-
	-----	-----	-----
(Market value 31 <sup>st</sup> August 2014 £196,765)	79,649	200,158	3,619
		=====	=====
Client money	511		
	-----		
Total	80,160		
	=====		

**BRITISH CHESS FEDERATION**  
**YEAR ENDED 31<sup>ST</sup> AUGUST 2015**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

6. PERMANENT INVESTED FUND 2 – JOHN ROBINSON

<u>Investments</u>	<u>At Cost</u>	<u>Market</u>	<u>Gross</u>
	£	Value	Income
		£	£
Artemis Fund Managers			
5,191 Income Inst Inc	10,397	11,292	445
13,500 Global Income Units	10,071	10,502	20
Invesco Fund Managers			
4,359.28 IP Income NT Inc	9,246	11,970	360
Old Mutual Fund Managers			
4,998.31 UK Mid Cap R Income	4,034	8,676	81
J P Morgan Asset Management UK Ltd			
607 Natural Resources C Acc NAV			28
7,698.74 Europe C Retail Acc NAV	8,857	10,439	224
Aberdeen Unit Trust Managers			
1,400 Emerging Markets I Acc NAV	7,777	7,227	109
Beazley plc			
£10,000 5.375% MTN 25/09/19	10,111	10,670	538
BNY Mellon Fund Managers Ltd			
3,500 Newton Asian Inc Inst Inc	-	-	240
Burford Capital plc			
10,000 6.5% Gtd Snr	10,000	10,606	650
International Public Partnerships Ltd			
7,500 Ord	9,519	10,185	473
GVO Investment Funds (Dublin)			
400 UK Focus	10,303	10,825	76
Polar Capital Funds Japan			
1018.27 Hedged Income NAV	12,128	11,557	28
Findlay Park Funds plc			
100 American USD Dis	5,275	5,205	-
GAM Star Technology Inst			
150 GBP Acc	2,860	2,445	-
	-----	-----	-----
(Market value 31 <sup>st</sup> August 2013 £120,209)	110,579	121,599	3,272
		=====	=====
Client money	1,160		
	-----		
Total	111,739		
	=====		