

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

Page

1	Company information
2 to 3	Directors' report
4 to 5	Independent Auditors' report
6	Profit and loss account
7	Balance sheet
8 to 12	Notes to the Financial Statements

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

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	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)
Secretary	John Philpott
Bankers	NatWest Bank Havelock Road Hastings East Sussex TN34 1BW
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 2015

DIRECTORS' REPORT

The directors present herewith their report with the financial statements for the year from 1st September 2014 to 31st 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:

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.

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

Statement of directors' responsibilities

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.

ON BEHALF OF THE BOARD

David Eustace - Director

[Date]

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 6 to 12. 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 3, 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 the financial statements in accordance with the relevant legal and regulatory requirements 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. 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 2015**

**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 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 in preparing the Directors Report.

Paul Harris (Senior Statutory Auditor)
for and on behalf of 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 2015

PROFIT AND LOSS ACCOUNT

	2014-15	2013-14
	£	£
Turnover	425,298	433,644
Expenditure	<u>369,855</u>	<u>401,943</u>
	55,433	31,701
Bank interest received	4	4
Surplus on ordinary activities before tax	3 <u>55,437</u>	31,705
Taxation	4 11,087	6,556
Surplus after tax	44,350	25,149
Balance brought forward	14,501	(10,648)
General fund transferred from BCF	2,082	-
Balance carried forward	<u>60,933</u>	<u>14,501</u>

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

BALANCE SHEET

		2015 £	2014 £
Fixed Assets	5	2,672	1,380
Debtors	6	70,318	104,963
Cash at Bank and in Hand		273,604	210,229
Current Assets		<u>343,922</u>	<u>315,192</u>
Creditors falling due within 1 year	7	(247,453)	(261,781)
Net Current Assets		<u>96,469</u>	<u>53,411</u>
Net Assets		<u><u>99,141</u></u>	<u><u>54,791</u></u>
<u>Represented by:</u>			
Profit and loss account	8	60,933	14,501
Reserves	8	38,208	40,290
		<u><u>99,141</u></u>	<u><u>54,791</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 [date] 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
(A company limited by guarantee)
YEAR ENDED 31 AUGUST 2015

NOTES TO THE FINANCIAL STATEMENTS

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 12.

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.

	2014-15 £	2013-14 £
2. Staff Costs		
Wages and salaries	38,289	26,409
Social security costs	-	1,007
	<u>38,289</u>	<u>71,149</u>

The average monthly number of employees was as follows:

	2014-15	2013-14
Administration	3	2
	<u>3</u>	<u>2</u>

	2014-15 £	2013-14 £
3. Operating Profit		
Operating profit is stated after charging:		
Bank interest	4	4
and after charging		
Auditors' Remuneration	3,000	2,000
Depreciation – owned assets	1,665	1,074

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

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:

	2014-15 £	2014-15 £
Current tax:		
UK corporation tax	11,087	6,556
	<u>11,087</u>	<u>6,556</u>
Tax on surplus on ordinary activities		

5. Tangible Fixed Assets

	Office Equipment £	Total £
Cost		
At 1 September 2014	17,630	17,630
Additions	2,957	2,957
At 31 August 2015	<u>20,587</u>	<u>20,587</u>
Depreciation		
At 1 September 2014	16,250	16,250
Charge for the year	1,665	1,665
At 31 August 2015	<u>17,915</u>	<u>17,915</u>
Net Book Value		
At 31 August 2015	<u>2,672</u>	<u>2,672</u>
At 31 August 2014	<u>1,380</u>	<u>1,380</u>

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

NOTES TO THE FINANCIAL STATEMENTS

6. Debtors	2015	2014
	£	£
Unfinished events	36,141	75,672
Other prepayments	5,023	5,079
Other debtors	29,154	24,212
Total	70,318	104,963

7. Creditors	2015	2014
	£	£
Creditors and accrued expenses	94,211	42,668
Creditors - English Championship prize	9,000	11,000
Subscriptions received in advance	79,619	73,539
Unfinished events	39,227	94,157
The Chess Centre Ltd Loan	-	20,000
Taxation and social security	25,396	20,417
Total	247,453	261,781

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.

8. Reserves	2015	2014
	£	£
<u>Profit and loss account</u>		
At 1 September 2014	14,501	(10,648)
Surplus for the year	44,350	25,149
Transfer from other reserves	2,082	-
At 31 August 2015	60,933	14,501

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

NOTES TO THE FINANCIAL STATEMENTS

Other Reserves

Legacies Fund	36,878	36,878
Alexander Prize Fund	-	1,330
General Fund transferred from BCF	-	2,082
Total	36,878	40,290

9. Operating Leases

	2014-15	2013-14
	£	£
Within one year	-	-
Within two to five years	5,582	5,582
Over five years	-	-
	5,582	6,466

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

12. Controlling Party

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