

BRITISH CHESS FEDERATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st AUGUST 2014

BRITISH CHESS FEDERATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2014

ORGANISATION INFORMATION

Directors	Dominic Lawson (President) Phil Ehr (Chief Executive) David Eustace (Finance) Alex Holowczak (Home Chess) David Openshaw (International) Traci Whitfield (Junior Chess & Education) David Thomas (Membership) Bob Kane (Commercial) Julian Clissold (Non-Executive) John Foley (Non-Executive)
Secretary	John Philpott
Trustees	Ray Edwards Keith Richardson Julian Farrand
Bankers	NatWest Bank Havelock Road Hastings East Sussex TN34 1BW
Investment Managers	Smith & Williamson Investment Management 25 Moorgate London EC2R 6AY
Auditors	Goatcher Chandler Audit Limited Chartered Accountants 10 Overcliffe Gravesend Kent DA11 0EF

BRITISH CHESS FEDERATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2014

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:

Roger Edwards (to 12 October 2013)	David Thomas
Phil Ehr	Julian Clissold (from 12 October 2013)
Mike Gunn (to 12 October 2013)	Lawrence Cooper (from 12 October 2013)
Sean Hewitt (to 3 April 2014)	David Eustace (from 12 October 2013)
Alex Holowczak	Andrew Paulson (from 12 October 2013 to 8 March 2014)
Chris Mattos (to 12 October 2013)	Angus French (from 19 May 2014)
David Openshaw	Bob Kane (from 28 May 2014)
Jack Rudd (to 12 October 2013)	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 31ST AUGUST 2014

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 21 May 2015 and were signed on its behalf by:-

David Eustace
Finance Director

BRITISH CHESS FEDERATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2014

**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 2014, 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 31ST AUGUST 2014

INCOME AND EXPENDITURE ACCOUNT

	<u>2014</u>	<u>2013</u>
	£	£
INCOME		
P I F 1 Dividends	3,329	3,717
P I F 1 Gross Interest	222	334
P I F 2 (Robinson) Dividends	1,977	1,886
P I F 2 (Robinson) Gross Interest	1,978	1,873
Realised gains	1,977	4,058
Bank interest	1	1
Royalties	59	-
	-----	-----
	9,543	11,869
	=====	=====
EXPENDITURE		
P I F Brokers Fees	2,491	3,042
Accountancy	250	250
Other expenses, including bank charges	140	159
	-----	-----
	2,881	3,451
	=====	=====
Surplus for the year before tax	6,662	8,418
Grants to English Chess Federation	(5,000)	(10,000)
Corporation tax	(274)	(742)
	-----	-----
Surplus/(deficit) for the year	1,388	(2,324)
	=====	=====

BRITISH CHESS FEDERATION
BALANCE SHEET 31st AUGUST 2014

	£	<u>2014</u> £	£	<u>2013</u> £
FIXED ASSETS				
PIF 1 investments at cost		78,807		78,211
PIF 2 investments at cost		113,138		113,093
 CURRENT ASSETS				
Debtors	1,730		1,585	
Cash at Bank	10,736		9,418	
	-----		-----	
	12,466		11,003	
 CURRENT LIABILITIES				
Creditors	12,411		11,695	
	-----		-----	
 NET CURRENT ASSETS		55		(692)
		-----		-----
		192,000		190,612
		=====		=====
 <u>Represented By :-</u>				
Permanent Invested Fund 1		78,807		78,211
Permanent Invested Fund 2 (Robinson)		113,138		110,293
		-----		-----
		191,945		191,304
General Fund		55		(692)
		-----		-----
		192,000		190,612
		=====		=====

BRITISH CHESS FEDERATION

YEAR ENDED 31ST AUGUST 2014

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.

4. Movements in reserves

	PIF 1	PIF 2	General	Total
Balance at 31 August 2013	78,211	113,093	(692)	190,612
Surplus for the year	-	-	1,388	1,388
Realised gains retained in PIF	1,748	229	(1,977)	-
Dividends retained in PIF	127	538	(665)	-
Interest retained in PIF	(4)	445	(441)	-
Investment charges borne by PIF	(1,365)	(1,077)	2,442	-
Other adjustments	90	(90)	-	-
Balance at 31 August 2014	<u>78,807</u>	<u>113,138</u>	<u>55</u>	<u>192,000</u>

5. Comparative figures

The comparative figures in the Income and Expenditure account relate to the 16 month period from 1 May 2012 to 31 August 2013.

BRITISH CHESS FEDERATION
YEAR ENDED 31ST AUGUST 2014
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PERMANENT INVESTED FUND 1

<u>Investments</u>	<u>At Cost</u>	<u>Market</u>	<u>Gross</u>
	£	Value	Income
		£	£
Allianz Global Investors UK			
16,942.28 U K Equity Income	3,336	17,220	707
Invesco Fund Managers			
6,557.62 IP Income & Growth	4,340	16,260	551
6,190 Perpetual UK Growth Income	5,744	17,403	272
BNY Mellon Fund Managers			
2,000 Newton UK Equity Fund	3,797	14,753	397
FIL Investment Services			
6,250 European Values Ordinary	2,286	9,469	186
4,791.57 Fid American Y Account	4,280	8,558	3
Old Mutual Fund Managers			
4,664.88 CCS UK Smaller Companies	4,826	13,694	45
British Assets Trust			
9,000 Ordinary GBP 0.25	9,651	12,398	570
Smith & Williamson Fund Administration			
5,142 North American Trust	3,744	7,394	47
First State Investments (UK)			
2,700 Asia Pacific Leaders B NAV	7,344	13,270	124
UK Government			
£3,000 2.5% Index Linked Stock 2016	-	-	73
£3,500 2.5% Index Linked Stock 2024	11,395	11,956	149
Axa Framlington Unit Management			
6,490 UK Select Opportunities Z Dis	6,511	8,602	131
Capita Financial Managers			
4,750 Trojan Income O Inc NAV	6,369	7,680	296
Herald Investment Trust			
275 Ord GBP 0.25	1,395	1,859	-
	-----	-----	-----
	75,018	160,516	3,551
Unquoted - shares in The Chess Centre Ltd	750	36,249	-
	-----	-----	-----
(Market value 31 st August 2013 £184,705)	75,768	196,765	3,551
		=====	=====
Client money	3,039		

Total	78,807		
	=====		

BRITISH CHESS FEDERATION
YEAR ENDED 31ST AUGUST 2014
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
		£	£
U K Government Bonds			
10,000 5% Stock 2014	-	-	351
Artemis Fund Managers			
5,191 Income Inst Inc	10,397	11,504	416
13,500 Global Income Units	10,173	10,298	-
Invesco Fund Managers			
4,359.28 IP Income NT Inc	9,246	11,461	363
Old Mutual Fund Managers			
4,998.31 UK Mid Cap R Income	4,034	7,061	55
J P Morgan Asset Management UK Ltd			
607 Natural Resources C Acc NAV	5,079	3,859	1
7,698.74 Europe C Retail Acc NAV	8,633	10,031	205
M & G Securities Ltd			
930.17 Global Basics Sterling Acc Nav	-	-	49
5,575 Recovery Sterling I Inc	-	-	119
Aviva Investors			
4,991.97 Euro Property Fund Inc	-	-	106
Firstgroup			
6.125% Bds	-	-	956
Aberdeen Unit Trust Managers			
1,400 Emerging Markets I Acc NAV	7,777	8,554	127
Blackrock Fund Managers Ltd			
260 UK Special Situations D Acc	-	-	136
Beazley plc			
£10,000 5.375% MTN 25/09/19	10,111	10,628	538
BNY Mellon Fund Managers Ltd			
3,500 Newton Asian Inc Inst Inc	7,092	6,763	255
Burford Capital plc			
10,000 6.5% Gtd Snr	10,000	10,211	-
International Public Partnerships Ltd			
7,500 Ord	9,519	10,163	231
GVO Investment Funds (Dublin)			
400 UK Focus	10,343	10,386	-
Polar Capital Funds Japan			
550 Hedged Income NAV	9,473	9,290	19
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(Market value 31 st August 2013 £118,161)	111,877	120,209	3,927
		=====	=====
Client money	1,261		

Total	113,138		

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