

Registered number

01917099

BRITISH FENCING ASSOCIATION LIMITED

(A company limited by guarantee)

**DIRECTORS' REPORT AND AUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2012

BRITISH FENCING ASSOCIATION LIMITED

COMPANY INFORMATION

Directors

Andrew Brannon
Piers Martin
David King
Charles Morrison
David Teasdale
Keith Smith
Penelope Spink
Michael Thornton
Elizabeth Payne
Alp Orge

Auditors

Spofforths LLP
One Jubilee Street
Brighton
East Sussex
BN1 1GE

Registered office

1 Baron's Gate
33 Rothschild Road
London
W4 5HT

Registered number

01917099

BRITISH FENCING ASSOCIATION LIMITED

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BRITISH FENCING ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and audited financial statements for the year ended 31 March 2012.

Principal activities

The Company's principal activity during the year continued to be the managing body of the sport of fencing in the United Kingdom. The Company also operates a subsidiary, Copperdale Limited, which trades as British Fencing Events, a company set up to run major events. This year the sport ran the European Fencing Championships in Sheffield through this subsidiary.

Funding

The Directors have overseen an ever-increasing level of activity, on behalf of members and funding partners, of significant benefit to the sport of fencing. Lead by the new independent Chair of the Company, David Teasdale, a strategy was agreed by the Directors: Green; Grow; Gold. This strategy focuses the Company on the achievement of three objectives: to become a fit for purpose Governing Body; to grow regular participation in the sport; to win Olympic Gold medals.

Under "Green", the Directors have continued efforts to develop the governance of the Company with the help of funding providers UK Sport and Sport England. The Company has also benefited from the relationship with specialist insurer, Beazley (who provide the Company with £1m over a five year period plus additional resources) who have supported a range of projects and contributed to the financial sustainability of the Company.

Programmes developed this year, such as GO/FENCE, aim to help the Company to increase participation and develop a "Grow" legacy for the London Olympic Games. The Directors, along with UK Sport, appointed a full time Performance Manager to develop a World Class Programme in order to achieve the Company's "Gold" objective.

The Directors look forward to the coming year, with the home Olympic Games setting the scene for the long term success of the company and to ensure that generations of members enjoy the sport in the future.

Directors

The directors who served during the year were as follows:

Andrew Brannon

Piers Martin

David King

Charles Morrison

David Teasdale

Keith Smith

Penelope Spink

Michael Thornton

Ismay Cowen resigned 29/10/11

Elizabeth Payne

Alp Orge appointed 29/10/11

BRITISH FENCING ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

Directors' responsibilities

The directors are responsible for preparing the report and 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 income and expenditure of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' responsibilities continued

The directors are responsible for keeping adequate accounting records that 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.

Disclosure of information to the auditor

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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 auditor is aware of that information.

Small company provisions

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

This report was approved by the board on 3 October 2012 and signed on its behalf by

Piers Martin
Director & Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

BRITISH FENCING ASSOCIATION LIMITED

We have audited the financial statements of British Fencing Association Limited for the year ended 31 March 2012 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes on pages 7 to 10. The financial reporting framework that has been applied in their preparation is applicable law and 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 auditor's 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 directors and the auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the 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's (APB's) Ethical Standards for Auditors.

Scope of the audit opinion

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 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 material misstatements or inconsistencies we consider the implications for our report.

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
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BRITISH FENCING ASSOCIATION LIMITED**

Opinion on the 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 March 2012 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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.

**Alexander Spofforth BA FCA
Senior Statutory Auditor
for and on behalf of
Spofforths LLP
Chartered Accountants and Statutory Auditor**

**One Jubilee Street
Brighton
East Sussex
BN1 1GE**

Date: 8th October 2012

BRITISH FENCING ASSOCIATION LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	<i>2011</i> <i>£</i>
Income		2,097,729	<i>1,759,590</i>
Expenditure		(2,174,588)	<i>(1,773,409)</i>
Operating deficit	3	(76,859)	<i>(13,819)</i>
Unrealised gain on investment		1,110	<i>886</i>
Interest receivable		5,891	<i>11,334</i>
Deficit on ordinary activities before taxation		(69,858)	<i>(1,599)</i>
Tax on interest receivable	4	(1,178)	<i>(2,380)</i>
Deficit for the financial year		<u>(71,036)</u>	<i><u>(3,979)</u></i>

BRITISH FENCING ASSOCIATION LIMITED**BALANCE SHEET****AS AT 31 MARCH 2012****REGISTERED NUMBER: 01917099**

	Notes	2012	2011
		£	£
Fixed assets			
Tangible assets	5	163,658	<i>137,581</i>
Investments	6	159,959	<i>159,959</i>
		323,617	<i>297,540</i>
Current assets			
Stocks		9,268	<i>9,268</i>
Debtors	7	287,905	<i>91,981</i>
Investments held as current assets	8	298,911	<i>398,941</i>
Cash at bank and in hand		203,721	<i>280,553</i>
		799,805	<i>780,743</i>
Creditors: amounts falling due within one year	9	(471,180)	<i>(355,005)</i>
Net current assets		328,625	<i>425,738</i>
Total assets less current liabilities		652,242	<i>723,278</i>
Capital and reserves			
Income and expenditure account	10	652,242	<i>723,278</i>
Members' funds		652,242	<i>723,278</i>

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

The financial statements were approved by the board and authorised for issue on 3 October 2012 and signed on its behalf by

Andrew Brannon
Director

BRITISH FENCING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

1 Principal accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the inclusion of current asset investments at market value. They have also been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Consolidation

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by section 399 of the Companies Act 2006 not to prepare group financial statements.

Income

Subscriptions represent the amounts received from members during the year. Grant income is recognised and matched against the appropriate expenditure when incurred, with income and related costs for future events being carried forward to the year in which the event takes place. All other income is recognised on an accruals basis.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Freehold buildings	2% straight line per annum
Fixtures, fittings and equipment comprising:	
Office fixtures and fittings	10% straight line per annum
Computer equipment	33.3% straight line per annum
Fencing equipment	33.3% straight line per annum

Investments held as fixed assets

Investments in subsidiary undertakings and other unlisted investments are held at cost less any provision against a permanent fall in value.

Investments held as current assets

The current asset investments are stated at market value, and any surplus or deficit in the year is taken to the Income and Expenditure account as unrealised gains or losses on investments. This treatment is adopted as a true and fair override of the requirements of the Companies Act, as the investments replaced a bank deposit account and to not reflect the returns on the investment would be misleading.

Stocks

Stocks of rule books, badges and achievement awards, are consistently valued at the lower of cost and net realisable value.

Pensions

Contributions in respect of the company's defined contribution pension scheme are charged to the income and expenditure account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

Going concern

These financial statements have been prepared on a going concern basis. The directors have considered the inherent uncertainties in relation to the company's future funding and are confident of the company's ability to continue as a going concern. The company relies upon grant income when considering the scalability of its operations and closely monitors its working capital accordingly.

BRITISH FENCING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

2 Status of the company

The company is limited by guarantee and does not have share capital.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while he or she is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before he or she ceases to be a member, and the cost, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding £1.

3 Operating deficit	2012	<i>2011</i>
	£	<i>£</i>
This is stated after charging:		
Depreciation of owned fixed assets	22,469	<i>26,996</i>
Directors' remuneration	55,020	<i>46,351</i>
Directors' fees and expenses	31,872	<i>17,885</i>
Auditors' remuneration	11,105	<i>6,750</i>

4 Tax on interest receivable	2012	<i>2011</i>
	£	<i>£</i>
UK corporation tax	1,178	<i>2,380</i>

5 Tangible fixed assets

	Freehold buildings	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 April 2011	144,873	101,039	245,912
Additions	-	48,546	48,546
At 31 March 2012	144,873	149,585	294,458
Depreciation			
At 1 April 2011	59,412	48,919	108,331
Charge for the year	2,895	19,574	22,469
At 31 March 2012	62,307	68,493	130,800
Net book value			
At 31 March 2012	82,566	81,092	163,658
<i>At 31 March 2011</i>	<i>85,461</i>	<i>52,120</i>	<i>137,581</i>

BRITISH FENCING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

6 Investments held as fixed assets

	Investments in subsidiary undertakings	Other investments	Total
	£	£	£
Cost			
At 1 April 2011	1	159,958	159,959
At 31 March 2012	1	159,958	159,959
Net book value			
At 31 March 2012	1	159,958	159,959
<i>At 31 March 2011</i>	<i>1</i>	<i>159,958</i>	<i>159,959</i>

The company holds 20% or more of the share capital of the following companies:

Company	Shares held		Capital and reserves	loss for the year
	Class	%	£	£
Copperdale Limited	Ordinary	100	(13,817)	(11,058)
Other investments			2012	<i>2011</i>
			£	<i>£</i>
Unlisted investments			159,958	<i>159,958</i>

7 Debtors

	2012	<i>2011</i>
	£	<i>£</i>
Trade debtors	87,511	<i>3,757</i>
Amounts owed by group undertakings	14,800	<i>4,070</i>
Prepayments and accrued income	181,193	<i>69,410</i>
Other debtors	4,401	<i>14,744</i>
	287,905	<i>91,981</i>

8 Investments held as current assets

	2012	<i>2011</i>
	£	<i>£</i>
2.5% Index-Linked Treasury Stock 2011	-	<i>398,941</i>
2.5% Index-Linked Treasury Stock 2016	298,911	<i>-</i>
	298,911	<i>398,941</i>

The investment in 2.5% index-linked Treasury Stock 2011 was redeemed on 23 August 2011. A proportion of the funds from this redemption were reinvested in 2.5% Index-Linked Treasury Stock 2016 which is redeemable on 26 July 2016. The historical cost of this investment was £297,802 (2011: £381,173).

BRITISH FENCING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

9 Creditors: amounts falling due within one year	2012	<i>2011</i>
	£	<i>£</i>
Trade creditors	241,719	<i>165,936</i>
Corporation tax	1,178	<i>2,380</i>
Other taxes and social security costs	24,178	<i>7,620</i>
Deferred grants and sponsorship income	132,859	<i>83,663</i>
Other creditors and accruals	71,246	<i>95,406</i>
	471,180	<i>355,005</i>

10 Income and expenditure account	2012
	£
At 1 April 2011	723,278
Deficit for the year	(71,036)
At 31 March 2012	652,242

11 Related party transactions

Copperdale Limited.

This is a wholly owned subsidiary.

During the year Copperdale Limited was recharged expenses of £16,416 (2011: £15,984) paid on their behalf. Income amounting to £Nil (2011: £24,911) was also received on behalf of Copperdale Limited and subsequently recharged.

The amount due from Copperdale Limited at the year end was £14,800 (2011: £4,070).

12 Controlling party

The company is controlled on a day to day basis by the directors, as listed in the directors' report.

BRITISH FENCING ASSOCIATION LIMITED**MANAGEMENT INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2012**

	2012
	TOTAL
	£
Income	
"UK Sport" grant income	612,677
"Sport England" grant and associated event income	326,235
"Youth Sport Trust" grant	52,450
AASE income	33,920
Membership income	292,684
Sponsorship income	225,000
Education income	123,744
Academy income	98,053
Event income	93,607
Other trading income	33,239
TASS income	28,175
GBR team support revenue	177,945
Management charge	-
	<hr/>
	2,097,729
Other income	
Interest receivable	5,891
Unrealised gain on current asset investment	1,110
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Total income	2,104,730
Expenditure	
Home countries membership recharge	116,120
Start	56,948
Competitions	137,187
Education	65,575
Schools and clubs	47,788
Academy	180,096
World Class Podium - podium programme	133,186
World Class Podium - development programme	173,508
GBR Team Support	227,924
Olympic event cost	50,000
Wages and salaries	396,930
Pension	9,670
Temporary staff	11,212
Consultant costs	181,211
Recruitment costs	2,055
Board and staff training	1,451
Welfare and equality	4,059
Staff expenses	37,208
Accountancy fees	37,380
Audit fees	11,105
Professional fees	2,142
Legal and disciplinary fees	12,631
Marketing and communications	37,768
"The Sword"	28,549
Grants	7,043
Board fees and expenses	28,641
Rates	3,441
Insurance	30,083
Printing, postage and stationery	15,048
Telecommunication	8,969
Computer costs	1,849
	<hr/>
Carried forward	2,056,777

BRITISH FENCING ASSOCIATION LIMITED

MANAGEMENT INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	2012
	TOTAL
	£
Brought forward	2,056,777
Website costs	7,800
Subscriptions	2,430
Bad debt provision	6,874
Depreciation	22,469
Bank charges	14,120
Loss on disposal of investment	2,869
Equipment hire	9,796
Sundry expenses	10,034
Irrecoverable VAT	41,419
Total expenditure	2,174,588
	<hr/>
Deficit on ordinary activities before taxation	(69,858)
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