

Charity No. 219858

**NATIONAL RIFLE ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

NATIONAL RIFLE ASSOCIATION

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NATIONAL RIFLE ASSOCIATION

STATEMENT BY THE CHAIRMAN FOR THE YEAR ENDED 31 DECEMBER 2013

2013 has been a busy and a better year for the NRA.

Andrew Mercer joined as our Chief Executive at the end of 2012 and has already made a positive impact. His efforts to focus on the basics - improving the site at Bisley camp, delivering robust financial and management systems to control key areas, providing accurate and timely reporting to the Trustees, and settling long-standing litigation/disputes - have been undertaken expeditiously and effectively.

Consequently the operating deficits of the previous few years have been overturned and 2013 shows a surplus of £340k in unrestricted funds, well ahead of the budgeted surplus of £150k.

All of this has been achieved against a backdrop of national recession, which clearly impacts discretionary spending on amateur sports such as shooting. I am pleased to report that while numbers at our signature prize meetings were marginally down, individual membership has climbed by 8.3% from 6,841 to 7,410 over the period. However we must not be complacent as the sport and leisure sectors are highly competitive, and the expense of shooting remains a concern. We need to keep refurbishing and building out our physical assets and convey the excitement and value of the progress that we are making to all our members, whilst delivering better value for money. This must be underpinned by sound financial management.

During 2013 we lost three Trustees. Debbie Meredith resigned as Treasurer in February; Steve Wallis, Chairman of the Membership Committee, resigned in September; and Dr Robin Pizer resigned as Chairman of the General Council in December. I would like to thank them all for their valuable contributions, particularly Dr Robin Pizer, who was Chairman through a particularly difficult period in the Association's history, and endured not a few brickbats as a consequence. I can confidently say that they left many of the Association's affairs in much better shape than they found them.

Barry Morgan was co-opted as a Trustee in February; Gary Alexander was elected a Trustee also in February, and has been acting Chairman of the Membership Committee since September 2013. Derek Lowe became Treasurer in May 2013.

On 1st March 2014, I was elected Chairman of the General Council.

Lastly, I would like to pay tribute to our hard-working staff. The restructuring of the past few years has now come to an end, and must have been an unsettling time. However they have shown great commitment to getting past bad times and on to better times, and I thank them wholeheartedly for that commitment.

2014 sees the Commonwealth Games come to Glasgow. The shooting competitions represent the competitive pinnacle for a number of the shooting disciplines under the NRA's umbrella. I wish all our members competing the very best of luck.

John Webster
March 2014

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The trustees present their report and the financial statements of the National Rifle Association ("the NRA" or "the Association") for the year ended 31 December 2013.

REFERENCE AND ADMINISTRATIVE DETAILS

The Patron of the National Rifle Association is Her Majesty The Queen, and the non-executive President of the National Rifle Association is HRH The Prince of Wales KG, KT, GCB, AK, QSO, CD, PC, ADC(P).

The trustees of the charity are the members of the Council appointed in accordance with Rule 4 of the Rules of the Association which came into effect on 2 May 2003. The current trustees are:

Dr. R. Pizer	Chairman of the General Council until December 2013
Mr J.G.M Webster	Vice-Chairman
Mrs D. Meredith	Treasurer until February 2013
Mr D. Lowe	Treasurer from May 2013
Mr. J.P.S. Bloomfield	Chairman of the Shooting Committee
Mr. D.G.F. Evans	Chairman of the Disciplinary Body
Mr. S. Wallis	Chairman of Membership Committee until September 2013
Mr B. Morgan	Co-opted from February 2013
Mr. P.H. Hobson	Elected from the General Council
Mr H.R.M. Bailie	Elected from the General Council
Mr G.K. Alexander	Elected from the General Council from February 2013

The principal address of the charity is the offices of the NRA at Bisley, National Shooting Centre, Brookwood, Surrey GU24 0PB. The charity is registered under the charity number 219858.

The trustees have made the following professional appointments:

Solicitors:	Barlow Robbins LLP, 55 Quarry Street, Guildford, Surrey GU1 3UE Bates Wells & Braithwaite London LLP, 2-6 Cannon Street, London EC4M 6YH
Auditors:	Saffery Champness, Chartered Accountants, Lion House 72-75 Red Lion Street, London WC1R 4GB
Surveyors:	Strutt & Parker LLP, 42 Milford Street, Salisbury, Wiltshire SP1 2BP
Bankers:	Barclays Bank PLC, Town Gate House, Church Street East, Woking, Surrey GU21 1AE
Investment Managers:	Investec Wealth & Investment Ltd, 43 London Road, Reigate, Surrey RH2 9PW

The following key senior members of staff, who are the Executive of the Association, are or have been responsible for the day-to-day management of the charity, and its subsidiary undertaking, National Shooting Centre Limited in the course of 2013:

Mr A.J. Mercer	Secretary General and Group Chief Executive
Mr R. Hutchings	Head of Support Services

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status & History

The National Rifle Association was founded in 1859 to provide a focus for marksmanship for the newly formed Corps of Volunteers, which had been raised to meet a perceived threat of invasion.

The National Rifle Association of the United Kingdom is now the governing body of full bore rifle and centre-fire pistol target shooting in Great Britain and Northern Ireland.

The Association was incorporated in England and Wales by Royal Charter dated 21 October 1890, and became a registered charity on 21 March 1963. It is governed by the rules and regulations set down in its Royal Charter of 1890, and the Rules of the Association as last updated on 16 June 2006.

The Association's principal regulator is the Charity Commission for England and Wales. However, it is also registered with the Privy Council Office and with Companies House under company number RC000372 and RC000791.

Organisational Structure

The overall strategic direction of the charity is determined by the trustees, who are members of the Council of the Association appointed in accordance with Rule 4 of the Rules of the Association.

Under the terms of the Royal Charter, the direction of the affairs and concerns of the Association and the entire management of the property and funds are vested in the Council, subject to the Rules of the Association. The principal committees of the Council are the Remuneration Committee and the Investment Committee.

Remuneration Committee

Mr J.G.M. Webster	Chairman
Mr G. Alexander	
Mr B. Morgan	

Investment Committee

Mr J. G.M. Webster	Chairman
Mr D. Lowe	
Mr M.K. Townsend	

The General Council consists of up to 72 members including the Chairman, the Treasurer, 15 elected Ordinary members, 15 elected Regional members, 12 elected Shooting Discipline members, up to 19 Ex-officio members and up to 9 Co-opted members. The role of the General Council and its principal committees is to advise and make recommendations to the Council and provide representation of the membership of the Association.

The principal committees of the General Council are Shooting and Membership. The General Council also appoints the Disciplinary Body.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

The trading activities of the NRA are operated by its wholly owned subsidiary, National Shooting Centre Limited ("the NSC"). A formal services agreement defines the responsibilities and authority of the board of directors of the NSC in managing the day-to-day operations of the Bisley Estate and ranges under the direction of the Council and in the interest of the NRA. Where appropriate, outside independent professional advice is sought.

The Charity (NRA) and the NSC are managed by the Group Chief Executive which incorporates the Secretary General responsibilities.

Method of Recruitment, Appointment, Election, Induction & Training of Trustees

The trustees of the charity are the members of the Council of the Association.

Recruitment

Vacancies are published in the NRA Journal sent to all members of the Association or advertised more widely if thought appropriate for co-opted trustees who need not be members of the General Council. Co-opted members are sought to provide expertise to supplement that of the trustees elected by or through the General Council as set out below.

Appointment & Election

Under the Rules of the Association, the Council is made up of not less than 9 nor more than 12 members comprising the Chairman of the General Council, the Treasurer, the Chairman of the Shooting Committee, the Chairman of the Membership Committee, the Chairman of the Disciplinary Body, 3 members each elected by the General Council from among its members and not less than 1 or more than 4 co-opted members approved by the General Council. The trustees elect a Vice Chairman of Council from among their number. (The General Council members also elect a Vice Chairman of the General Council from among their number, but the Vice Chairman of the General Council is not a trustee.)

Elected trustees are proposed by, and from within the body of, the General Council – election is by simple majority vote. Co-opted trustees are proposed by the Council and approved by the General Council, also by simple majority vote. The Chairmen of the Shooting Committee, Membership Committee and Disciplinary Body are ex-officio trustees.

Induction & Training

Members of the Council have agreed to a standard code of conduct.

There is a formal induction process for new trustees incorporating prior briefing of all candidates and detailed briefing upon appointment including an explanation of proceedings and duties in practice. In addition further continuing training is provided to all trustees, as and when a need arises.

RISK MANAGEMENT

The agenda of matters for consideration at each trustee meeting is largely determined by an assessment of the risks affecting the charity and the need for trustees to consider means by which those risks may be mitigated. Consideration of risks and their mitigation is therefore a routine part of the business of Council.

The trustees regularly review the major risk register and this work is set to develop throughout 2014.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The charitable objectives for which the charity was established are as follows:

To promote and encourage marksmanship throughout the Queen's dominions in the interests of defence and the permanence of the volunteer and auxiliary forces, naval, military and air.

The NRA achieves its objective by:

- Encouraging people to take up target shooting and to develop their skill by providing use of ranges and by running a variety of training courses to its members and others;
- Providing a centre of target shooting excellence at Bisley for use by civilians, Regular Services, Reserve Forces, Police Services and Cadets.
- Organising a series of major shooting competitions for civilians, Regular Services, Reserve Forces and Cadets.

Public benefit

The trustees have paid due regard to the Charity Commission's general guidance on public benefit, and believe that the activities and achievements as set out below amply demonstrate the benefit that the charity's operations provide to the public.

Despite the huge advances in military technology during the period since the founding of the National Rifle Association, expertise with small arms remains an essential skill within our defence and security services and marksmanship is a key element of that expertise. In what continues to be a troubled world it is self-evident that the maintenance of efficient and skilled defence and security services is of immense benefit to the public of the United Kingdom and the populations in the many other corners of the world where our armed forces may be deployed.

The NRA Council, its staff, its members and the wider shooting community all recognise that safety in the use of firearms is of paramount importance. There are obvious risks of harm associated with the careless use, or deliberate misuse, of firearms. The NRA firmly believes that by encouraging participants to undergo organised training, and by the maintenance of a rigorous disciplinary code for its membership, it helps to minimise the chances of accidental harm arising from the use of such equipment. The NRA works with Government and the Police and does all it can to ensure that firearms legislation is sensibly drafted and properly implemented. In so doing it helps to minimise the chances of the deliberate misuse of legally held firearms.

There are, as with many activities, incidental harms associated with target shooting, such as a degree of noise pollution, contamination of small areas of land by spent projectiles and restrictions on access to range danger areas. All of these are kept to a minimum by the NRA's operational procedures.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

Public benefit (continued)

In addition to those of military service age, target shooting is an activity in which the young, the elderly, the able-bodied and those with physical disabilities can all participate. There are extraordinarily few constraints on involvement except for those arising out of firearms legislation. It provides an activity which can be, and is, continued by members of the armed services who have been injured in the course of duty – to the considerable benefit of participants' morale.

There are costs associated with involvement in target shooting. These include costs of acquiring equipment, buying ammunition and hire of range space, any or all of which may pose barriers to participation by those on low incomes. The NRA strives to reduce these cost barriers by making firearms available for hire by its members, by bulk purchase of ammunition and by ensuring efficient range operation. The NRA offers special concessionary rates for young shooters.

There can be a degree of private benefit arising out of our activities. In particular the NRA, on occasion, provides reduced-cost facilities and/or grants to individuals or teams competing at high level both in the UK and abroad. The trustees consider that high level competition contributes substantially to the achievement of its aims and that private benefit arising in this way is completely incidental.

Charitable Activities and Achievements

In pursuance of its overall objective:

- The charity encourages entry to the sport, furtherance within the sport, and provides for the use of ranges under the direction of civilian shooters, by running a variety of training courses.

During the year the following courses were held:

Type of Course	Participants 2013	Participants 2012
Probationary	221	105
Skills/Coaching	71	89
RCO/HME/Assessor	259	446

Additionally, under Home Office approval, the charity held two "Open Days" at the National Shooting Centre, Bisley which were attended by a total of over 1,900 registered participants.

- The charity works with Government and the Police and does all it can to ensure that firearms legislation is sensibly drafted and properly implemented so as to minimise the chances of deliberate misuse of legally held firearms.
- The charity works with other shooting organisations to promote all forms of target shooting.
- The charity attempts to assist with the provision of suitable facilities, both at Bisley and around the country. In service of this, the NRA makes grants and loans available to affiliated clubs. No new loans were made in 2013.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

Charitable Activities and Achievements (continued)

- The NRA continues to maintain a close dialogue with the Ministry of Defence (MoD) in an attempt to enable civilian use of MoD ranges to the greatest extent possible and with the least difficulty to both civilians and the MoD. The MoD recognises the value and quality of the NRA's Shooter Certification Scheme that validates competency of civilians shooting on MoD ranges. Additionally, the NRA has reached agreement that the MoD will notify them of any impending range closures so that early negotiations can take place over their feasibility, and the potential for the lease or purchase of such ranges to enable their continued use by civilians, cadets and reserve forces in support of marksmanship nationally.
- The charity maintains its governance of the sport of full bore target shooting, partly by the upkeep and publication of the rules and regulations of the sport. These are set out in the "Bisley Bible", which is published in the spring of each year, and in a number of ancillary publications.
- The charity encourages the sport of full bore target shooting by organising, or causing to be organised, competitions at various levels.

The major events and competitions held during 2013 were as follows:

Event	Participants
Imperial Meeting:	
- Schools	664
- Service Rifle	161
- Civilian Service Rifle	194
- Match Rifle	149
- F Class	71
- Target Rifle	1,051
- Pistol & Gallery Rifle	88
- Historic Arms	127
- Cadets	179
Total	2,684
Gallery Rifle Events	
-Spring Action Weekend	158
- Gallery Rifle Nationals	168
- Autumn Action	132
Civilian Service Rifle League	363
Multi Gun	25
300m	17
Target Shotgun	52
Long Range Small Bore	20
Phoenix Meeting	504
Trafalgar Meeting	199

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- The charity provides, and continually attempts to improve, a centre of excellence at Bisley for the use of all its members and the Regular Services, Reserve Forces and Cadets.

During 2013 the NRA has started to increase investment in maintaining and upgrading the facilities at Bisley. This work is scheduled to increase in 2014 in line with the improving financial performance of the Association.

- The charity seeks to promote membership of the Association to enable the benefits of membership to be as widely available as possible. The movements in the membership numbers over the year were as follows:

Membership type	31/12/12	Net movement	31/12/13
Individual Total	6,891	+519	7,410
Clubs	738	-10	728
Schools	52	+13	65
Associations	59	-3	56

- The charity seeks to establish and maintain a sound financial base.

The financial results for the year, as set out below, show a significant improvement in the NRA's financial position compared with the preceding year end. The surplus is vital to the organisation to fund the refurbishment of Bisley, and improve and expand the role of the NRA in the rest of the country.

Restructuring

The major elements of the restructuring have been completed and emphasis has moved on to developing robust management systems and improving services. There has been a move away from using contractors and external consultants to relying upon directly employed staff.

FINANCIAL REVIEW

The NRA's consolidated incoming resources for the year to 31 December 2013 amounted to £5,067,176 (2012: £4,910,402). Outgoing resources decreased to £4,777,915 (2012: £4,999,672). This has resulted in a consolidated surplus for the year of £330,787 (2012 deficit: £65,204) including gains on the market value of investments of £41,526 (2012 gain : £24,066).

Principal income sources are, as in previous years; membership subscriptions, fees for range use, fees for entry into competitions, revenue from sales of ammunition and rents receivable.

The improvement in our results is driven by increases in revenues although offset by a substantial increase in estate costs.

Good progress has been made in implementing new financial controls around the improved accountancy system "Access Dimensions". Considerable work lies ahead to integrate many ad hoc and specialised IT systems to improve the accuracy and timeliness of management and financial reporting.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

POLICY ON RESERVES

At 31 December 2013 the group had negative free reserves amounting to £229,690 (2012, negative: £527,691). Free reserves comprise assets that are available for expenditure in furtherance of the overall objects of the charity and the figure therefore excludes any restricted or endowment funds and any unrestricted funds which are tied up in tangible fixed assets.

The trustees consider that the charitable group needs to hold free reserves in order to:

- a. ensure continued achievement of its charitable objects during an unforeseen temporary reduction in income and to mitigate the impact of other risks, and
- b. accumulate funds for major projects which cannot be financed out of annual income.

The trustees consider that there is a need to generate additional funds which will be used for these purposes.

INVESTMENT POLICY

The Association segregates its restricted and endowment funds from its unrestricted funds and invests them separately. The trustees have wide ranging powers, conferred upon them by the Association's Royal Charter, to invest and divest the funds of the charity at their discretion and as they think fit. In practice, the trustees take professional advice on the suitability of investments within their portfolio from their investment managers, Investec.

Primarily, the trustees seek to protect and preserve the capital value of their investments, but at the same time achieve a combination of annual investment income adequate for the purposes of the funds involved, and controlled capital growth on average taking one year with another. These financial return and risk criteria are the only ones considered by the trustees.

PLANS FOR FUTURE PERIODS

The charity will continue to pursue its overall objectives as set out above. Apart from its continuing day-to-day activities it will:

- Continue in its discussions with MoD with the goal of ensuring the maximum possible availability of ranges for civilian use;
- Continue to improve its financial position;
- Progress the opportunities to improve the usage of, and the income from, the Bisley asset, and in particular to develop arrangements with the Civil Nuclear Constabulary to that end;
- Improve and enhance the reputation of the NRA as protector and promoter of Full Bore disciplines and other shooting;
- Deliver consistently good value and invest cash surpluses for the benefit of current and future generations of shooters.

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AUDITORS

Saffery Champness have expressed their willingness to be reappointed as auditors to the NRA for the next year.

The trustees at the date of approval of this Trustees' Annual Report confirm that so far as each of them is aware, there is no relevant audit information of which the charity's auditors are unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the trustees on 15th March 2014, and was signed on its behalf by

J. Webster
Chairman

A handwritten signature in cursive script, appearing to read "John Webster", with a long horizontal flourish extending to the right.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the charity and of the incoming resources and application of resources, including income and expenditure for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;
- Make judgements 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the requirements of the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

NATIONAL RIFLE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2013

We have audited the financial statements of the National Rifle Association for the year ended 31 December on pages 13 to 32. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our audit work has been undertaken so that we might state to the trustees 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 December 2013 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

NATIONAL RIFLE ASSOCIATION

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Saffery Champness
Chartered Accountants
Statutory Auditors
Lion House
Red Lion Street
London
WC1R 4GB

Date *18 March 2014*

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including an Income & Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	Unrestricted Funds General £	Designated £	Restricted Funds £	Endowment Funds £	2013 Total £	2012 Total £
Incoming resources							
Incoming resources from generated funds:							
Voluntary income	1	886,304	-	27,260	-	913,564	907,945
Activities for generating funds:							
Commercial trading							
Operations	2	2,105,700	-	-	-	2,105,700	2,067,603
Estate	3	1,016,039	-	-	-	1,016,039	939,859
Investment income		-	-	260	7,911	8,171	12,183
Incoming resources from Charitable shooting activity	4	1,023,702	-	-	-	1,023,702	982,812
Total incoming resources		5,031,745	-	27,520	7,911	5,067,176	4,910,402
Resources expended							
Costs of generating funds:							
Commercial trading operations	2	1,712,505	49,462	-	-	1,761,967	1,792,632
Estate	5	1,352,710	-	-	-	1,352,710	1,043,302
		3,065,215	49,462	-	-	3,114,677	2,835,934
Net incoming resources available for Charitable Application		1,966,530	(49,462)	27,520	7,911	1,952,499	2,074,468
Charitable activity	6	1,596,199	-	27,163	6,679	1,630,041	2,128,877
Governance costs	7	29,426	-	2,539	1,232	33,197	34,861
Total resources expended		1,625,625	-	29,702	7,911	1,663,238	2,163,738
Net incoming / (outgoing) Resources		340,905	(49,462)	(2,182)	-	289,261	(89,270)
Other recognised gains and Losses							
Gains/(losses) on investment Assets		-	-	3,565	37,961	41,526	24,066
Net movement in funds	8	340,905	(49,462)	1,383	37,961	330,787	(65,204)
Reconciliation of funds							
Fund balances brought forward at 1 January 2013		5,509,923	1,260,561	179,049	232,380	7,181,913	7,247,117
Total funds carried forward at 31 December 2013		5,850,828	1,211,099	180,432	270,341	7,512,700	7,181,913

All incoming resources and resources expended are derived from the group's continuing activities.


No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been recognised in the Statement of Financial Activities


NATIONAL RIFLE ASSOCIATION

GROUP AND CHARITY BALANCE SHEETS 31 DECEMBER 2013

	Notes	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Tangible fixed assets					
Fixed assets	11	7,291,617	7,298,175	5,740,194	5,759,301
Investments	12	423,723	322,198	512,111	410,586
Loans to Clubs > 1 year	13	43,963	51,297	43,963	51,297
		<u>7,759,303</u>	<u>7,671,670</u>	<u>6,296,268</u>	<u>6,221,184</u>
Current assets					
Loans to clubs	13	7,334	11,834	7,334	11,834
Stocks	14	250,246	338,295	19,108	22,418
Debtors	15	272,720	526,009	844,615	852,764
Cash at bank and in hand		397,782	181,143	162,645	131,267
		<u>928,082</u>	<u>1,057,281</u>	<u>1,033,702</u>	<u>1,018,283</u>
Creditors					
Amounts falling due within one year	16	(786,057)	(1,304,660)	(668,298)	(1,124,802)
Net current assets/(liabilities)		<u>142,025</u>	<u>(247,379)</u>	<u>365,404</u>	<u>(106,519)</u>
Total assets less current Liabilities		<u>7,901,328</u>	<u>7,424,291</u>	<u>6,661,672</u>	<u>6,114,665</u>
Deferred income	17	<u>(388,628)</u>	<u>(242,378)</u>	<u>(388,628)</u>	<u>(242,378)</u>
Net assets		<u>7,512,700</u>	<u>7,181,913</u>	<u>6,273,044</u>	<u>5,872,287</u>
Funds of the Charity					
Unrestricted Funds					
General Fund	19	5,850,828	5,509,923	5,822,271	5,460,858
Designated Fund	19	1,211,099	1,260,561	-	-
Restricted Funds					
Overseas Team Fund	20	138,474	141,637	138,474	141,637
Young Shooters Fund	20	41,958	37,412	41,958	37,412
Endowment Fund					
Special Prizes Fund	21	270,341	232,380	270,341	232,380
Total Charity Funds		<u>7,512,700</u>	<u>7,181,913</u>	<u>6,273,044</u>	<u>5,872,287</u>

The financial statements on pages 13 to 32 were approved by the Council and authorised for issue on 15th March 2014 and are signed on its behalf by:


.....
John Webster
Chairman of the Council


.....
Derek Lowe
Treasurer

NATIONAL RIFLE ASSOCIATION

**CONSOLIDATED CASH FLOW STATEMENT
31 DECEMBER 2013**

	Note	2013		2012	
		£	£	£	£
Net cash inflow/(outflow) from operating activities	26		477,514		(31,378)
Returns on investments and servicing of finance					
Interest received					
Interest paid		(3,630)		(9,134)	
			(3,630)		(9,134)
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(209,079)		(211,574)	
Payments to acquire investments		(48,166)		(15,990)	
			(257,245)		(227,564)
Increase / (Decrease) in cash	26		216,639		(268,076)

NATIONAL RIFLE ASSOCIATION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2013

The principal accounting policies that have been adopted in the preparation of these accounts are as follows:

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain fixed assets and in accordance with United Kingdom Generally Accepted Accounting Practice. The financial statements comply with all current statutory requirements, the Royal Charter and By-Laws of the Association. The recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) issued by the Charity Commission in March 2005 have been followed.

The trustees consider that the going concern basis for preparation of the charitable group's financial statements remains appropriate. In arriving at this conclusion they have taken into consideration the surplus incurred in the year ended 31 December 2013, the budget for the year ending 31 December 2014, and cash flow projections for the period of twelve months from the date of approval of these accounts. They have also taken into account the substantial positive net assets position of the charitable group and the availability of bank finance.

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary undertaking National Shooting Centre Limited.

No separate Statement of Financial Activities has been presented for the charity alone as permitted by paragraph 397 of Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005).

Comparative figures

Due to changes in the accounting systems not all results are presented on the same basis as their comparatives. This particularly impacts Note 3 and Note 7. Due to the information available it has not been possible to restate the comparatives to be on the same basis as the current year results.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income, and the amount can be quantified with reasonable accuracy. Donations are normally brought into account when received, and are stated gross of any attributable tax recoverable. Government and institutional grants are accounted for on a receivable basis. Donations and grants given for specific purposes are treated as restricted income.

All other income, including investment income, is accounted for on a receivable basis as and when earned.

Resources expended and allocation of costs

All expenditure is accounted for on an accruals basis and is allocated as direct costs in the statement of financial activities where the costs can be identified as being directly related to generating funds, to a charitable activity, or to governance matters. Where costs cannot be directly attributed, they are allocated to expenditure headings in the manner most appropriate to the activity involved.

Since the property at Bisley is the Association's major asset, the income and expenditure relating to the Estate is shown separately.

Irrecoverable value added tax

Where expenditure relates to specific events, the relevant irrecoverable Value Added Tax is charged to that event. Irrecoverable Value Added Tax on attributable purchases is charged to Support Costs.

NATIONAL RIFLE ASSOCIATION

ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

Gift Aid payments

The charity encourages all donors to provide funds to the group by way of tax efficient Gift Aid payments wherever possible.

Pension contributions

The group makes contributions into money purchase pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the group, being invested with independent insurance companies.

The amount charged against income in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

The charity does not undertake taxable activities. However, the Association's wholly owned trading subsidiary is liable to UK corporation tax on its profits after deduction of payments made under gift aid.

In respect of the trading subsidiary, deferred tax is recognised in respect of all timing differences that have originated, but not reversed, at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred in the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Fixed assets and depreciation

Individual fixed assets costing more than £500 are capitalised at cost. Fixed assets are written off over their estimated useful lives by depreciation through the Statement of Financial Activities on the following basis:

Freehold land	Not depreciated
Long leasehold land	Over the period of the lease
Buildings	2% on cost or valuation
Range modifications, plant & equipment	2%, 5%, 10% or 25% on cost or valuation
Fixture, fittings & equipment	25% on cost
Historical assets / Rifles for hire	Not depreciated

The group has taken advantage of the transitional rules relating to the implementation of Financial Reporting Standard Number 15 – Tangible Fixed Assets (FRS15), and has retained certain fixed assets at their book amounts arrived at with reference to valuations dated 1 October 1990 that have not been subsequently updated.

The NRA's collection of firearms, paintings, books and ephemera artefacts is reported in the Balance Sheet at a historic valuation to which additions have been added at cost. Valuation information is not readily available and the Trustees believe the benefits of obtaining valuations for these items would not justify the cost.

Investments

Investments are stated at market value at the balance sheet date. Realised and unrealised gains and losses on investments are taken to the Statement of Financial Activities in the period in which they arise.

NATIONAL RIFLE ASSOCIATION

ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to disposal. Provision is made for obsolete and slow-moving items.

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership (“finance leases”) the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are “operating leases” and the annual rentals are charged to the profit and loss on a straight-line basis over the lease term.

Rent-free periods received for entering into a lease are accounted for over the period of the lease so as to spread the benefit received over the lease term.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

Life & term members fund

Life and term membership subscriptions received are credited to the Life & Term Members Fund in full. These subscriptions are then amortised, and released to the Statement of Financial Activities as income, over 20 years for life members, over 8 years for junior life members, or over the number of years applicable for term membership on the sliding scale.

Accounting for grants

All grants are credited to income in the period to which they relate.

Fund accounting

General funds comprise the accumulated surplus of unrestricted incoming resources over resources expended as adjusted for other recognised gains and losses, other than those allocated to the Designated Fund. They are available for use in furtherance of the general objectives of the group.

Designated funds comprise the accumulated capital grants received less the accumulated depreciation on the assets acquired with those grants.

Restricted funds are subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the accounts. Amounts unspent at the year-end are carried forward in the balance sheet, and the underlying assets are segregated from the Association’s general funds.

Endowment funds are capital funds, which are held in trust to provide a continuing income stream. The income is then used subject to any specific conditions imposed by the donors of the original capital funds. The underlying assets are also segregated from the Association’s general funds.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1	Voluntary income	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
	Subscriptions	671,653	-	671,653	653,352
	Gift aid	69,177	-	69,177	67,175
	Course income	143,813	8,898	152,711	170,305
	Donations	1,661	18,362	20,023	17,113
		886,304	27,260	913,564	907,945

2 Commercial trading operations

The charity owns 100% of the issued share capital of National Shooting Centre Limited (“NSC”), which carries on the trading operations of the group. Audited financial statements for NSC are filed annually with the Registrar of Companies.

A summary of the trading results of the subsidiary is set out below:

	2013 £	2012 £
Turnover	2,654,585	2,067,603
Costs		
Cost of sales	1,585,069	1,310,235
Other operating expenses	126,929	430,723
Interest payable	507	2,212
Taxation	-	-
	(1,712,505)	(1,743,170)
Gift Aid payment to the National Rifle Association	(962,588)	(443,295)
Loss on ordinary activities after taxation to be retained	(20,508)	(118,862)

The turnover of £2,654,585 includes inter-company revenue of £548,885 which has been excluded on consolidation.

A summary of the balance sheet of the subsidiary is set out below:

Fixed assets		
Tangible assets	1,551,423	1,538,874
Current assets		
Stocks	231,138	315,877
Debtors	10,814	122,424
Cash at bank and in hand	235,135	49,875
Carried forward	477,087	488,176

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2013

2	Commercial trading operations (continued)				
				2013	2012
				£	£
	Brought forward			477,087	488,176
	Creditors				
	Amounts falling due within one year			(749,929)	(678,499)
	Net current (liabilities)/assets			(272,842)	(190,323)
	Total assets less current liabilities			1,278,581	1,348,551
	Creditors				
	Amounts falling due after more than one year			-	-
	Deferred income			(1,161,637)	(1,211,099)
				116,944	137,452
	Capital & Reserves				
	Called up share capital			88,388	88,388
	Profit and loss account			28,556	49,064
	Shareholders' funds			116,944	137,452
3	Estate income	Unrestricted funds	Restricted funds	Total 2013	Total 2012
		£	£	£	£
	Rents	707,131	-	707,131	574,446
	Services and utilities recovered	244,488	-	244,488	238,141
	Other	64,420	-	64,420	127,272
		1,016,039	-	1,016,039	939,859
4	Charitable shooting activity	Unrestricted funds	Restricted funds	Total 2013	Total 2012
		£	£	£	£
	Imperial meeting	706,274	-	706,274	585,850
	Range hire	98,843	-	98,843	262,500
	Other shooting events	217,306	-	217,306	133,277
	Other	1,279	-	1,279	1,185
		1,023,702	-	1,023,702	982,812

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

5 Costs of generating funds - Estates

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Permanent staff costs	302,911	-	302,911	147,800
Maintenance	468,139	-	468,139	268,734
Utilities	267,895	-	267,895	265,329
Rents, rates and cleaning	33,753	-	33,753	31,109
Professional fees	-	-	-	17,875
Depreciation	69,590	-	69,590	65,765
Other	16,017	-	16,017	1,174
Rent charged to National Shooting Centre Limited	(41,000)	-	(41,000)	(41,000)
	<u>1,117,305</u>	<u>-</u>	<u>1,117,305</u>	<u>756,786</u>
Support costs (see note 7)	235,405	-	235,405	286,516
	<u>1,352,710</u>	<u>-</u>	<u>1,352,710</u>	<u>1,043,302</u>

6 Charitable activity

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total 2013 £	Total 2012 £
Permanent staff costs	383,353	-	-	383,353	691,997
Target costs	-	-	-	-	1,100
Imperial Meeting	311,066	-	-	311,066	438,495
Imperial Meeting prizes	-	-	6,679	6,679	6,690
Courses and other NRA events	183,763	7,054	-	190,817	119,819
Support of other bodies/teams	18,186	-	-	18,186	27,308
Team travel	-	20,109	-	20,109	10,800
Journal	9,800	-	-	9,800	25,020
Membership insurance	78,631	-	-	78,631	80,491
Other membership support	-	-	-	-	259
Insurance	78,733	-	-	78,733	95,445
Depreciation	61,857	-	-	61,857	58,420
	<u>1,125,389</u>	<u>27,163</u>	<u>6,679</u>	<u>1,159,231</u>	<u>1,555,844</u>
Support costs (see note 7)	470,810	-	-	470,810	573,033
	<u>1,596,199</u>	<u>27,163</u>	<u>6,679</u>	<u>1,630,041</u>	<u>2,128,877</u>

£546,080 of inter-company costs (£360,312 Imperial Meeting, £164,428 Courses and other NRA Events, £20,982 Support of other bodies and teams, £358 Membership insurance), primarily ammunition supplies and range hire, have been excluded on consolidation.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

7 Support and governance costs

	2013 £	2012 £
General fund		
Permanent staff costs	183,841	172,465
Membership support	11,080	6,594
Information technology costs	87,811	76,913
Communications	-	256
Motor and travel	-	-
Office and banking costs	151,432	122,068
Professional fees	273,972	425,619
Depreciation	23,197	22,271
VAT not recoverable	678	57,567
Bank interest	3,630	9,134
Interest charged to National Shooting Centre Limited	-	(1,650)
Allocated to:		
- Cost of generating funds	(235,405)	(286,516)
- Charitable activity	(470,810)	(573,033)
Governance	29,426	31,688
Restricted fund		
Investment management charges	2,539	1,681
Endowment fund		
Investment management charges	1,232	1,492

8 Net movement in funds

	2013 £	2012 £
Net movement in funds is stated after charging/(crediting):		
Depreciation of tangible fixed assets:		
- Owned assets	219,509	205,602
- Other leased assets	-	-
Rent receivable under operating leases	(307,563)	(262,499)
Operating lease rentals payable:		
- Land and buildings	13,875	12,846
- Plant and machinery	8,776	14,793
Auditor's remuneration:		
- Audit fees	20,835	19,850
- Fees for other services	8,908	9,700
Bank interest payable	3,630	9,134

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

9 Staff costs

	2013 Number	2012 Number
The average monthly number of persons employed by the group during the year was:		
Office, maintenance, range staff and instructors	56	52
Total emoluments for the period for all the Association's and its trading subsidiary's employees, including temporary staff and markers employed during the Imperial Meeting, were:		
	2013 £	2012 £
Wages and salaries	1,326,283	1,476,181
Social security costs	124,591	124,839
Other pension costs	49,465	30,498
Other benefits	14,187	9,641
	1,514,526	1,641,159

The group pays an employer's contribution of 5% of basic salary into the personal pension funds of certain of its employees, and contracted in national insurance contributions are paid in respect of all staff.

Based on remuneration and benefits in kind, as defined for income tax purposes, one (2012: one) employee's annual emoluments were between £90,001 and £100,000 (2012: £100,001 and £110,000). Pension contributions paid in the period by the group on behalf of this individual amounted to £nil (2012: £nil).

10 Transactions relating to trustees

Trustees' costs

No Trustee (2012: one for acting as Chief Executive) received remuneration. Pay, travel and subsistence expenses totalled £nil (2012: £111,451).

One Trustee (2012: nil) received reimbursements of £2,058 (2012: £nil) for out of pocket travel and subsistence expenses.

No (2012: one) non-executive director of the National Shooting Centre received payments in 2013 (2012: £56,118 paid to Mr R Neighbour).

Property transactions

Five (2012: five) Trustees occupy accommodation at Bisley for shooting purposes at rentals available to all members of the Association with total rental income during the year of £5,019 (2012: £6,143).

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

11 Fixed assets

Group	Freehold land & buildings £	Leasehold land & buildings £	Range modifications, plant & machinery £	Fixtures fittings & equipment £	Historical assets £	Total £
Cost or valuation:						
1 January 2013	5,753,070	1,021,256	3,062,724	462,244	258,000	10,557,294
Additions	-	-	127,610	98,829	-	226,439
Disposals	(28)	(2,000)	(7,823)	(7,509)	-	(17,360)
31 December 2013	5,753,042	1,019,256	3,182,511	553,564	258,000	10,766,373
Depreciation						
1 January 2013	1,098,832	316,739	1,410,737	432,811	-	3,259,119
Charge for the year	55,991	19,030	120,236	24,592	-	219,849
Disposals Depreciation	(1)	(930)	(1,860)	(1,421)	-	(4,212)
31 December 2013	1,154,822	334,839	1,529,113	455,982	-	3,474,756
Net book value						
31 December 2013	4,598,220	684,417	1,653,398	97,582	258,000	7,291,617
31 December 2012	4,654,238	704,517	1,651,987	29,433	258,000	7,298,175

The net book value of fixed assets comprises:

	2013 £	2012 £
Assets held for charity use	1,352,797	1,354,014
Estate assets	4,065,370	4,069,025
Assets held for administrative purposes	335,959	336,261
Assets held by trading subsidiary	1,537,491	1,538,875
	7,291,617	7,298,175

The freehold land and buildings were formally valued by Strutt & Parker, Chartered Surveyors, as at 19 August 2002 on an open market value basis. However, an existing use value has been given to properties occupied for business purposes. The trustees are not aware of any material change in value since the last valuation. The policy of the trustees is not to revalue the assets held for charitable purposes except where there is a change in title for the purpose of providing security for borrowings.

On a historical cost basis, freehold land and buildings of the group and the charity would have been included at:

	2013 £	2012 £
Cost	2,716,715	2,657,980
(Disposals)/additions in year	(28)	58,735
Less:		
Aggregate depreciation	(1,154,822)	(1,098,832)
	1,561,865	1,617,883

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

11 Fixed assets (continued)

Charity	Freehold land & buildings £	Range Leasehold land & buildings £	modifications, plant & machinery £	Fixtures fittings & equipment £	Historical assets £	Total £
Cost or valuation:						
1 January 2013	5,753,070	638,306	1,011,754	419,399	258,000	8,080,529
Additions	-	-	91,185	56,813	-	147,998
Disposals	(28)	(2,000)	(5,929)	(7,005)	-	(14,962)
31 December 2013	5,753,042	636,306	1,097,010	469,207	258,000	8,213,565
Depreciation						
1 January 2013	1,098,832	228,675	603,334	390,386	-	2,321,227
Charge for the year	55,991	11,371	67,868	20,114	-	155,344
Disposals Depreciation	(1)	(930)	(1,058)	(1,211)	-	(3,200)
31 December 2013	1,154,822	239,116	670,144	409,289	-	2,473,371
Net book value						
31 December 2013	4,598,220	397,190	426,866	59,918	258,000	5,740,194
31 December 2012	4,654,238	409,631	408,420	29,013	258,000	5,759,301

The net book value of fixed assets comprises:

	2013 £	2012 £
Assets held for charity use	1,349,522	1,354,014
Estate assets	4,055,527	4,069,026
Assets held for administrative purposes	335,145	336,261
	5,740,194	5,759,301

Range fixtures, modifications, plant and machinery, office equipment and furniture are included in the accounts at cost or market valuation as at 1 October 1990. Range modification expenditure incurred in order to obtain the 904 certificate has been included at cost. The construction cost of the clay ranges, built with the support of the Lottery Grant, is included within range modifications.

Heritage Assets

The NRA maintains a large collection of firearms together with paintings books and ephemera which date back to the formation of the association in 1860. Due to the size of the collection and limitations on the display area of the museum it is not possible to display the whole of the collection. Acquisitions are made by purchase or donation.

The ephemera comprises of medals, brochures, targets and other objects which reflect the history of the sport.

(a) Current year transactions

No acquisitions were made in the year.

(b) Five year summary

	2012-2013 £	2011-2012 £	2010-2011 £	2009-2010 £	2008-2009 £
Additions:					
Purchases of rifles	-	-	12,250	-	-
Donations	-	-	-	-	-
Total additions:	-	-	12,250	-	-

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

12 Investments

	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
At 1 January 2013	322,198	297,663	410,586	386,051
Additions	60,000	67,005	60,000	67,005
Disposals	-	(67,005)	-	(67,005)
Increase/(decrease) in valuation	41,525	24,535	41,525	24,535
At 31 December 2013	423,723	322,198	512,111	410,586

At 31 December 2013, the market value and historical cost of the investments were represented by:

	Group market value 2013 £	Group historical cost 2013 £	Charity market value 2013 £	Charity historical cost 2013 £
Category A Funds	273,653	186,267	273,653	186,267
Category B Funds	14,501	14,565	14,501	14,565
	288,154	200,832	288,154	200,832
Overseas Team Fund	135,569	118,928	135,569	118,928
Subsidiary company shares	-	-	88,388	88,388
Long term loan to subsidiary company	-	-	-	-
At 31 December 2013	423,723	319,760	512,111	408,148
At 31 December 2012	322,198	253,227	410,586	341,615

The Special Prize Fund is invested in investment trusts and unit trusts and loan stocks, all quoted on the London Stock Exchange. The portfolio is split into category A funds where the NRA is the ultimate beneficiary and category B funds where the donor has named the ultimate beneficiary.

The Overseas Team fund is invested in a portfolio of quoted unit trusts and investment bonds £130,569 (2012: £67,005) and an unlisted investment of £5,000 (2012: £5,000).

The Association's wholly owned subsidiary company, National Shooting Centre Limited, is incorporated in the United Kingdom and carries out that portion of the Association's business which is assessed to be of a trading nature.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

13 Loans to clubs

	Group and Charity	
	2013	2012
	£	£
Huddersfield Rifle Club	3,000	4,000
Patcham Rifle and Pistol Club	-	2,500
West Atholl Rifle and Pistol Club	-	2,000
Killingholme Full Bore Club	13,297	14,631
Penrhiwpal Shooting Club	7,000	8,000
Colchester Rifle Club	28,000	32,000
Loans to Clubs carried forward	<u>51,297</u>	<u>63,131</u>
Loans to Clubs brought forward	63,131	70,474
Repayments received	(11,834)	(7,343)
New loans granted	-	-
Loans to Clubs carried forward	<u>51,297</u>	<u>63,131</u>

The loans to clubs are usually repayable in annual instalments, and are interest free. The current year balance of £51,297 includes a figure of £43,963 which is repayable greater than one year.

14 Stock

	Group	Group	Charity	Charity
	2013	2012	2013	2012
	£	£	£	£
Ammunition	129,013	232,420	-	-
Medals and badges	19,108	22,418	19,108	22,418
Souvenirs	3,812	8,523	-	-
Clays	17,157	19,279	-	-
Hire and other stock	81,156	55,655	-	-
	<u>250,246</u>	<u>338,295</u>	<u>19,108</u>	<u>22,418</u>

15 Debtors

	Group	Group	Charity	Charity
	2013	2012	2013	2012
	£	£	£	£
Amounts due within year:				
Trade debtors	127,545	385,758	121,218	282,948
Amounts owed by group undertakings	-	-	582,709	449,179
Other debtors and prepayments	145,175	140,251	140,688	120,637
	<u>272,720</u>	<u>526,009</u>	<u>844,615</u>	<u>852,764</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

16 Creditors

Amounts falling due within one year:

	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Bank overdraft	-	189,155	-	189,155
Bank loan	-	150,000	-	150,000
Trade creditors	111,269	305,064	62,510	235,359
Membership and rents in advance	144,984	109,986	144,984	109,986
Other creditors	363,225	431,022	306,532	353,103
Accruals	137,888	96,937	125,581	64,703
Deferred income (note 18)	28,691	22,496	28,691	22,496
	<u>786,057</u>	<u>1,304,660</u>	<u>668,298</u>	<u>1,124,802</u>

The association's banking facilities are secured by way of a legal charge over the charity's freehold properties

17 Deferred income

	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Due within one year (see note 16)	28,691	22,496	28,691	22,496
Due after more than one year	388,628	242,378	388,628	242,378
	<u>417,319</u>	<u>264,874</u>	<u>417,319</u>	<u>264,874</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

18 Deferred income (continued)

	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
Deferred lease premium income:				
At 1 January 2013	144,323	155,123	144,323	155,123
Additions during the year	170,000	-	170,000	-
Disposal during the year	-	(3,000)	-	(3,000)
Transferred to Estate income	(9,149)	(7,800)	(9,149)	(7,800)
At 31 December 2013	305,174	144,323	305,174	144,323
Life & Term Members Funds:				
At 1 January 2013	120,551	130,250	120,551	130,250
Additions during the year	4,781	6,619	4,781	6,619
Transferred to Membership income	(13,187)	(16,318)	(13,187)	(16,318)
At 31 December 2013	112,145	120,551	112,145	120,551
	417,319	264,874	417,319	264,874

19 Unrestricted funds

Included within the Unrestricted Funds of the group at the balance sheet date are profits retained within the balance sheet of the charity's wholly owned subsidiary amounting to £49,064 (2012: £49,064) in the General Fund and £1,211,099 (2012: £1,260,561) in the Designated Fund which relates to a capital grant received by NSC.

Included within the General Fund at the balance sheet date are unrealised gains of £3,036,356 (2012: £3,036,356) relating to the revaluation of certain fixed assets, calculated by reference to the implementation of FRS15 under the transitional arrangements.

20 Restricted funds

Group & Charity

	Balance 1 January 2013 £	Incoming resources £	Resources expended £	Transfers and gains £	Balance 31 December 2013 £
Overseas Team Fund	141,637	22,361	(29,089)	3,565	138,474
Young Shooters Fund	37,412	5,159	(613)	-	41,958
	179,049	27,520	(29,702)	3,565	180,432

The Overseas Team Fund provides support for overseas travel for teams of our various shooting disciplines. During the year, the fund received donations and investment income, and paid for the travel costs of teams overseas.

The Young Shooters fund (formerly the Millennium Scholarship Fund) was formed to help young shooters continue in the sport in the year just after they have left school. The assets representing the Young Shooters Fund are not segregated from the Association's general current assets.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

21 Endowment funds

The Special Prizes Fund is an endowment fund comprising amounts held on trust to provide prizes at the Imperial Meeting from the income generated by investment of the capital. Included within the Special Prizes Fund at the balance sheet date are unrealised gains of £85,094 (2012: £47,133) relating to the revaluation of investments.

22 Analysis of net assets between funds

Fund balances at 31 December 2013 are represented by:

Group	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	Total £
Tangible fixed assets	7,291,617	-	-	-	7,291,617
Fixed asset investments	-	135,569	-	288,154	423,723
Loans to Clubs > 1 year	43,963	-	-	-	43,963
Current assets	848,304	7,413	41,958	30,407	928,082
Current liabilities	(733,329)	(4,508)	-	(48,220)	(786,057)
Deferred income	(388,628)	-	-	-	(388,628)
	<u>7,061,927</u>	<u>138,474</u>	<u>41,958</u>	<u>270,341</u>	<u>7,512,700</u>

Note: Tangible fixed assets of £7,291,617 (2012: £7,298,175) include £1,211,099 (2012: £1,260,561) representing the total of Designated Funds in relation to Capital Grants in the Charity's wholly owned subsidiary.

Fund balances at 31 December 2013 are represented by:

Charity	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	Total £
Tangible fixed assets	5,740,194	-	-	-	5,740,194
Fixed asset investments	88,388	135,569	-	288,154	512,111
Loans to Clubs > 1 year	43,963	-	-	-	43,963
Current assets	953,924	7,413	41,958	30,407	1,033,702
Current liabilities	(615,570)	(4,508)	-	(48,220)	(668,298)
Deferred income	(388,628)	-	-	-	(388,628)
	<u>5,822,271</u>	<u>138,474</u>	<u>41,958</u>	<u>270,341</u>	<u>6,273,044</u>

23 Related party transactions

The charity has taken advantage of the exemptions provided by Financial Reporting Standard Number 8: Related Party Disclosures, and has not disclosed transactions with fellow group undertakings, where 100% of the voting rights are controlled within the group. During the year £4,361 (2012: £0) of ammunition was sold to the National Rifle Association by Centrefire (company of J Bloomfield, a Trustee). These transactions took place on a commercial arm's length basis. At the year end £0 (£0) was owed to Centrefire.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

24 Contingent liability

On 10 July 2000, a 50 year debenture was created in favour of The English Sports Council, representing a fixed and floating charge over all the assets of the subsidiary company, against the performance of the company's obligations under the Lottery Fund Agreement relating to the grant for the clay shooting complex for the 2002 Commonwealth Games. The amount repayable to The English Sports Council in the event that these obligations crystallise is £2,036,647 (2012: £2,036,647).

25 Commitments under operating leases

	Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
At 31 December 2013, the group and charity had annual commitments under non-cancellable operating leases as follows:				
Land and buildings:				
- Expiring after more than five years:	6,000	12,000	6,000	12,000
Plant and machinery:				
- Expiring in one-two years	5,080	12,352	5,080	12,352
- Expiring in two-five years	-	-	-	-
	11,080	24,352	11,080	24,352

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2013

26 Notes to the consolidated cash flow statements

26.1 Reconciliation of net movement in funds to net cash flow from operating activities

	2013 £	2012 £
Net incoming / (outgoing) resources	289,261	(89,270)
Investment income	-	-
Interest payable	3,630	9,134
Depreciation	215,637	205,602
Decrease in stocks	88,049	5,395
Decrease / (increase) in Loans to Clubs	-	(1,200)
Decrease / (increase) in debtors	253,289	(130,326)
(Decrease) in creditors	(372,352)	(30,713)
Net cash inflow / (outflow) from operating activities	477,514	(31,378)

26.2 Reconciliation of net cash flows to movements in net debt

	£
Increase in cash in the year	555,794
Net cash at 1 January 2013	(158,012)
Net Cash at 31 December 2013	397,782

26.3 Analysis of changes in net debt

	At 1 January 2013 £	Cash flow £	Non-cash changes £	At 31 December 2013 £
Cash at bank and in hand	181,143	216,639	-	397,782
Overdrafts	(189,155)	189,155	-	-
	(8,012)	405,794	-	397,782
Debt due within 1 year	(150,000)	150,000	-	-
Net cash / (debt)	(158,012)	555,794	-	397,782

