

Charity No. 219858

**NATIONAL RIFLE ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

NATIONAL RIFLE ASSOCIATION

CONTENTS	Page
Chairman's statement	1
Trustees' report	2
Trustees' responsibilities in the preparation of financial statements	11
Independent auditors' report	12
Consolidated statement of financial activities	14
Group & charity balance sheets	15
Consolidated cash flow statement	16
Accounting policies	17
Notes to the financial statements	20

NATIONAL RIFLE ASSOCIATION

STATEMENT BY THE CHAIRMAN FOR THE YEAR ENDED 31 DECEMBER 2014

2014 was a strong year for the NRA.

Membership is up, shooting activity is up, and investment in our ranges and infrastructure is up. We met demanding financial targets while continuing our programme of capital investment to reduce the backlog of necessary infrastructure work and improve Bisley Camp, core to our historic mission.

Highlights include a pleasing rise in competitors at NRA competitions including, for the first time in several years, over 3,000 participants at the Imperial meeting; the investment of significant amounts of cash in capital projects including the refurbishment of two formerly under-utilised ranges; and a surplus for the year of £430,000 in unrestricted funds.

Nevertheless significant challenges remain. Access to ranges away from Bisley is problematic for many; we are appointing a Regional Ranges Manager to work through key issues with a newly established Regional Ranges Working Group composed of interested members. The expense of shooting remains a concern; pricing in real terms is being held by capping any increases at the inflation rate. Handloading can also help but raises its own challenges of managing safety and how to include those who don't or can't. We are lowering the price of NRA-sponsored Target Rifle competitions in 2015 and reducing competition entry and training course fees for those under 25 whether or not in full time education. We will also be trialling various electronic targetry throughout the next 12 months.

Only time will tell whether these steps will be successful in securing longer term solutions to these problems. But they are a start. Any pace of change will necessarily have to incorporate fairness to all members of the Association and be balanced with our financial resources. Corporate income remains an important part of this as well as fulfilling our charitable obligations with respect to "public benefit".

During 2014, we co-opted three new trustees to bring us to a full complement of 12. Alice Gran, James Harris and David Lacey joined the Council in September 2014, and all have already made a contribution. In addition, in August, David Evans became Vice Chairman and Mik Maksimovic joined Council as Chairman of the Membership Committee. A full and busy Council of trustees is a good example of one of the great strengths of the sport of target shooting; that people are prepared to volunteer their time and experience unpaid at all levels (such as Club Secretaries, competition organisers and RCOs) to serve the interests of the wider shooting community. My thanks go to one and all.

As ever, I would like to pay tribute to our hard working staff, who have implemented many of the changes that we are now benefiting from, often with little fuss. It is notable that the bulk of our senior staff have taken up their positions within the last three years, and it is over this time that the NRA's fortunes have been turning around. This is not just coincidental. I would like to thank all our staff for their contribution to our improving situation.

2015 sees the Long Range World Championships of Target Rifle Shooting go to Camp Perry in the USA. Best wishes go to all NRA members competing, particularly our GB team representatives: the Palma Team, the Veterans Team, the Under 25 Team and, as further evidence of our support for young shooters, our newly minted Under 21 Team.

John Webster
March 2015

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014.

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:

Mr J.G.M Webster	Chairman from March 2014
Mr. D.G.F. Evans	Chairman of the Disciplinary Body and Vice Chairman from August 2014
Mr D. Lowe	Treasurer
Mr. J.P.S. Bloomfield	Chairman of the Shooting Committee
Mr M. Maksimovic	Chairman of the Membership Committee from August 2014
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
Mr B. Morgan	Co-opted
Mrs A. Gran	Co-opted from September 2014
Mr J. Harris	Co-opted from September 2014
Mr D. Lacey	Co-opted from September 2014

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 Philip J Milton & Company Plc, Sterling House, 17 Joy Street, Barnstaple, Devon EX31 1HE

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 2014:

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

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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 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 D. Lowe	Chairman
Mr J.G.M. Webster	
Mr M.K. Townsend	Co-opted

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 2014

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, whose role 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. The selection procedure includes submission of a CV and personal statement, and interview by the Chairman and other trustees.

Appointment & Election

Under the Rules of the Association, the Council is made up of not less than 9 and no 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.

A review of the major risk register is a regular agenda item at trustee meetings.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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 wide 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; the success of which contributes to the important fauna and flora found on the large SSSI that covers most of the Bisley ranges.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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 few constraints on involvement except for those arising out of firearms legislation. Major competitions attract competitors between 14 and 91 years of age. Shooting 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 cost efficient range operation. The NRA offers special concessionary rates and interest free grants to purchase essential equipment for young shooters.

The NRA 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.

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 2014	Participants 2013
Probationary	236	221
Training	383	330

A new training centre, Wimbledon House, was established in 2014 at Bisley to provide a permanent base for the team of instructors and coaches. New courses established in the year included firearms awareness for ambulance service personnel.

A series of Discipline Days were established to provide specific training by enthusiastic volunteers respected within their shooting discipline. The courses offer fundamental skills coaching and help encourage new shooters to compete in competitions; courses run for Civilian Service Rifle, Gallery Rifle and Pistol and Target Shotgun were all well received.

- 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 can makes grants and loans available to affiliated clubs. No new loans were made in 2014.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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. The NRA is working with the MoD to identify 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. Trustees are establishing a Regional Ranges Working Group and have approved the appointment of a Regional Ranges Manager to assist in this work.
- 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 2014 were as follows:

Event	Participants 2014	Participants 2013
Imperial Meeting:		
- Schools	696	664
- Service Rifle	149	161
- Civilian Service Rifle	345	194
- Match Rifle	126	149
- F Class	41	46
- Target Rifle	1,122	1,051
- Pistol & Gallery Rifle	91	88
- Historic Arms	101	127
- Cadets	190	179
- McQueen	96	83
-Teams	176	160
Total	3,133	2,902
Gallery Rifle Events		
-Spring Action Weekend	179	158
- Gallery Rifle Nationals	162	168
- Autumn Action	177	132
Civilian Service Rifle League	694	363
Inter Counties	139	146
Phoenix Meeting	535	504
Trafalgar Meeting	211	199
F Class European Championship	237	197

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

Charitable Activities and Achievements (continued)

- 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, Cadets and Police.

During 2014 the NRA increased investment in maintaining and upgrading the facilities at Bisley. This work included the refurbishment of two formerly redundant ranges (Cheylesmore and Winans).

- 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	31/12/13	Net movement	31/12/14
Individual Total	7,410	+165	7,575
Clubs	728	-1	727
Schools	65	+27	92
Associations	56	+22	78

A new membership database was implemented in the year; over 200 member records were found to have been duplicated in prior year counts.

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

The financial results for the year, as set out below, show a pleasing 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.

FINANCIAL REVIEW

The NRA's consolidated incoming resources for the year to 31 December 2014 amounted to £5,267,814 (2013: £5,067,176). Outgoing resources increased to £4,873,762 (2013: £4,777,915). This has resulted in a consolidated surplus for the year of £399,532 (2013: £330,787) including gains on the market value of investments of £5,480 (2013 gain: £41,526).

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 and close control on cost of sale and overhead costs.

Good progress has been made in implementing new financial controls around the established accountancy system "Access Dimensions". In the year works to improve integration with specialised IT systems for accommodation, ammunition, range hire and membership revenues has yielded improved accuracy and timeliness of management and financial reporting.

The first phase to deliver modern serviced caravan pitches to Bisley camp was completed in late 2014; at year end commitment to leases for 15 of 26 of the new pitches had been received from members.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

POLICY ON RESERVES AND TREASURY MANAGEMENT

The trustees consider that surplus financial resources should be available to the charitable group 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 group's financial exposures include the short-medium term considerations of maintaining a sufficient cash balance and the medium-longer term capacity to fund capital projects, whether for reinvestment or development.

Via a strategic plan published for 2015 – 2017, the trustees have set financial policies intended to address these and other exposures, including by ensuring during any year that the expenditure of surpluses on capital or development is managed to sustain forecast cash balance of at least £200,000.

The trustees consider that the accumulation of financial resources, for major projects and to mitigate any unforeseen temporary reduction in income, is most effectively measured by the liquid resources readily available from the group's unrestricted funds.

The trustees consider that there is a need to generate additional funds beyond these levels, but recognise recent improvements in the surplus and cash flow will be needed to fund much needed capital and revenue projects on Bisley camp after several years of under investment.

The trustees are also required to calculate the charitable group's free reserves, namely assets that are freely available for the expenditure in furtherance of the overall objects of the charity excluding those invested in fixed assets. At 31 December 2014 the group had negative free reserves amounting to £345,342 (2013, negative: £229,690).

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 and Philip J Milton & Company.

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;

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

PLANS FOR FUTURE PERIOD (Continued)

- Continue to improve its financial position and increase investment in the shooting facilities at Bisley and in the regions;
- Progress the opportunities to improve the usage of, and the income from, the Bisley asset, and in particular to continue to develop arrangements with the Civil Nuclear Constabulary and others;
- 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.

The Trustees have published a Strategic and Development review for 2015 to 2017; this document is reviewed each year to assess progress and review priorities for following years. The key principles include improving access to regional ranges; increasing Bisley range utilisation by improving the infrastructure; improving services to members and increasing membership; increasing participation in competitions; and improving communications particularly with members and affiliated clubs.

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 11th March 2015, and was signed on its behalf by



J. Webster
Chairman

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 2014

We have audited the financial statements of the National Rifle Association for the year ended 31 December on pages 14 to 33. 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 2014 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 2014**

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

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

Date *12 March 2015*

NATIONAL RIFLE ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including an Income & Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Unrestricted Funds General £	Unrestricted Funds Designated £	Restricted Funds £	Endowment Funds £	2014 Total £	2013 Total £
Incoming resources							
Incoming resources from generated funds:							
Voluntary income	1	879,094	-	39,163	-	918,257	913,564
Activities for generating funds:							
Commercial trading							
Operations	2	2,297,062	-	-	-	2,297,062	2,105,700
Estate	3	1,109,677	-	-	-	1,109,677	1,016,039
Investment income		-	-	949	8,473	9,422	8,171
Incoming resources from Charitable shooting activity	4	933,396	-	-	-	933,396	1,023,702
Total incoming resources		5,219,229	-	40,112	8,473	5,267,814	5,067,176
Resources expended							
Costs of generating funds:							
Commercial trading operations	2	2,042,659	49,462	-	-	2,092,121	1,761,967
Estate	5	1,173,151	-	-	-	1,173,151	1,352,710
		3,215,810	49,462	-	-	3,265,272	3,114,677
Net incoming resources available for Charitable Application		2,003,419	(49,462)	40,112	8,473	2,002,542	1,952,499
Charitable activity	6	1,552,391	-	26,086	6,167	1,584,644	1,630,041
Governance costs	7	20,777	-	763	2,306	23,846	33,197
Total resources expended		1,573,168	-	26,849	8,473	1,608,490	1,663,238
Net incoming / (outgoing) Resources		430,251	(49,462)	13,263	-	394,052	289,261
Other recognised gains and Losses							
Gains/(losses) on investment Assets		-	-	5,821	(341)	5,480	41,526
Net movement in funds	8	430,251	(49,462)	19,084	(341)	399,532	330,787
Reconciliation of funds							
Fund balances brought forward at 1 January 2014		5,850,828	1,211,099	180,432	270,341	7,512,700	7,181,913
Total funds carried forward at 31 December 2014		6,281,079	1,161,637	199,516	270,000	7,912,232	7,512,700

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 2014

	Notes	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
Tangible fixed assets					
Fixed assets	11	7,788,058	7,291,617	6,033,870	5,740,194
Investments	12	421,203	423,723	509,591	512,111
Loans to Clubs > 1 year	13	36,629	43,963	36,629	43,963
		<u>8,245,890</u>	<u>7,759,303</u>	<u>6,580,090</u>	<u>6,296,268</u>
Current assets					
Loans to clubs	13	7,334	7,334	7,334	7,334
Stocks	14	403,394	250,246	19,945	19,108
Debtors	15	310,405	272,720	832,720	844,615
Cash at bank and in hand		394,424	397,782	274,235	162,645
		<u>1,115,557</u>	<u>928,082</u>	<u>1,134,234</u>	<u>1,033,702</u>
Creditors					
Amounts falling due within one year	16	(1,086,690)	(786,057)	(767,712)	(668,298)
Net current assets		<u>28,867</u>	<u>142,025</u>	<u>366,522</u>	<u>365,404</u>
Total assets less current Liabilities		<u>8,274,757</u>	<u>7,901,328</u>	<u>6,946,612</u>	<u>6,661,672</u>
Deferred income	17	(362,525)	(388,628)	(362,525)	(388,628)
Net assets		<u>7,912,232</u>	<u>7,512,700</u>	<u>6,584,087</u>	<u>6,273,044</u>
Funds of the Charity					
Unrestricted Funds					
General Fund	18	6,281,079	5,850,828	6,114,571	5,822,271
Designated Fund	18	1,161,637	1,211,099	-	-
Restricted Funds					
Overseas Team Fund	19	153,023	138,474	153,023	138,474
Young Shooters Fund	19	46,493	41,958	46,493	41,958
Endowment Fund					
Special Prizes Fund	20	270,000	270,341	270,000	270,341
Total Charity Funds		<u>7,912,232</u>	<u>7,512,700</u>	<u>6,584,087</u>	<u>6,273,044</u>

The financial statements on pages 13 to 33 were approved by the Council and authorised for issue on 11th March 2015 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 2014**

	Note	2014		2013	
		£	£	£	£
Net cash inflow from operating activities	25		746,124		477,514
Returns on investments and servicing of finance					
Interest received					
Interest paid		-		(3,630)	
			-		(3,630)
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(757,482)		(209,079)	
Payments to acquire Investments		8,000		(48,166)	
			(749,482)		(257,245)
(Decrease) / Increase in cash	25		(3,358)		216,639

NATIONAL RIFLE ASSOCIATION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014, the budget for the year ending 31 December 2015, 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).

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 2014

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. Trophies are not included on the Balance Sheet, the cost of these items is not readily available.

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 2014

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 2014

1	Voluntary income	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
	Subscriptions	687,723	-	687,723	671,653
	Gift aid	65,097	-	65,097	69,177
	Course income	124,712	10,087	134,799	152,711
	Donations	1,562	29,076	30,638	20,023
		879,094	39,163	918,257	913,564

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:

	2014 £	2013 £
Turnover	2,795,091	2,654,585
Costs		
Cost of sales	1,132,227	1,585,069
Other operating expenses	910,432	126,929
Interest payable	-	507
Taxation	-	-
	(2,042,659)	(1,712,505)
Gift Aid payment to the National Rifle Association	(614,481)	(962,588)
Profit/(loss) on ordinary activities after taxation to be retained	137,951	(20,508)

The turnover of £2,795,091 includes inter-company revenue of £498,029 which has been excluded on consolidation.

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

Fixed assets		
Tangible assets	1,754,187	1,551,423
Current assets		
Stocks	383,449	231,138
Debtors	128,547	10,814
Cash at bank and in hand	120,189	235,135
Carried forward	632,185	477,087

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014

2	Commercial trading operations (continued)			2014	2013
				£	£
	Brought forward			632,185	477,087
	Creditors				
	Amounts falling due within one year			(1,019,302)	(749,929)
	Net current (liabilities)			(387,117)	(272,842)
	Total assets less current liabilities			1,367,070	1,278,581
	Creditors				
	Amounts falling due after more than one year			-	-
	Deferred income			(1,112,175)	(1,161,637)
				254,895	116,944
	Capital & Reserves				
	Called up share capital			88,388	88,388
	Profit and loss account			166,507	28,556
	Shareholders' funds			254,895	116,944
3	Estate income	Unrestricted funds	Restricted funds	Total 2014	Total 2013
		£	£	£	£
	Rents	769,975	-	769,975	707,131
	Services and utilities recovered	230,448	-	230,448	244,488
	Other	109,254	-	109,254	64,420
		1,109,677	-	1,109,677	1,016,039
4	Charitable shooting activity	Unrestricted funds	Restricted funds	Total 2014	Total 2013
		£	£	£	£
	Imperial meeting	735,080	-	735,080	706,274
	Range hire	50,435	-	50,435	98,843
	Other shooting events	147,296	-	147,296	217,306
	Other	585	-	585	1,279
		933,396	-	933,396	1,023,702

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

5 Costs of generating funds - Estates

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Permanent staff costs	313,500	-	313,500	302,911
Maintenance	385,645	-	385,645	468,139
Utilities	229,578	-	229,578	267,895
Rents, rates and cleaning	37,190	-	37,190	33,753
Professional fees	384	-	384	-
Depreciation	81,638	-	81,638	69,590
Other	-	-	-	16,017
Rent charged to National Shooting Centre Limited	(41,000)	-	(41,000)	(41,000)
	1,006,935	-	1,006,935	1,117,305
Support costs (see note 7)	166,216	-	166,216	235,405
	1,173,151	-	1,173,151	1,352,710

6 Charitable activity

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total 2014 £	Total 2013 £
Permanent staff costs	466,032	-	-	466,032	383,353
Imperial Meeting	337,153	-	-	337,153	311,066
Imperial Meeting prizes	-	-	6,167	6,167	6,679
Courses and other NRA events	175,030	14,086	-	189,116	190,817
Support of other bodies/teams	23,379	-	-	23,379	18,186
Team travel	-	12,000	-	12,000	20,109
Journal	-	-	-	-	9,800
Membership insurance	62,594	-	-	62,594	78,631
Insurance	83,203	-	-	83,203	78,733
Depreciation	72,567	-	-	72,567	61,857
	1,219,958	26,086	6,167	1,252,211	1,159,231
Support costs (see note 7)	332,433	-	-	332,433	470,810
	1,552,391	26,086	6,167	1,584,644	1,630,041

£498,029 of inter-company costs (£350,010 Imperial Meeting, £120,342 Courses and other NRA Events, £24,967 Support of other bodies and teams, £2,710 general overheads), 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 2014

7 Support and governance costs

	2014 £	2013 £
General fund		
Permanent staff costs	245,575	183,841
Membership support	10,571	11,080
Information technology costs	58,940	87,811
Office and banking costs	90,929	151,432
Professional fees	86,198	273,972
Depreciation	27,213	23,197
VAT not recoverable	-	678
Bank interest	-	3,630
Allocated to:		
- Cost of generating funds	(166,216)	(235,405)
- Charitable activity	(332,433)	(470,810)
	<u>20,777</u>	<u>29,426</u>
Governance		
Restricted fund		
Investment management charges	763	2,539
	<u>763</u>	<u>2,539</u>
Endowment fund		
Investment management charges	2,306	1,232
	<u>2,306</u>	<u>1,232</u>

8 Net movement in funds

	2014 £	2013 £
Net movement in funds is stated after charging/(crediting):		
Depreciation of tangible fixed assets:		
- Owned assets	269,103	219,509
- Other leased assets	-	-
Rent receivable under operating leases	(396,423)	(307,563)
Operating lease rentals payable:		
- Land and buildings	13,875	13,875
- Plant and machinery	5,038	8,776
Auditor's remuneration:		
- Audit fees	22,238	20,835
- Fees for other services	1,776	8,908
Bank interest payable	-	3,630
	<u>22,238</u>	<u>20,835</u>
	<u>1,776</u>	<u>8,908</u>
	<u>-</u>	<u>3,630</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

9 Staff costs

	2014 Number	2013 Number
The average monthly number of persons employed by the group during the year was:		
Office, maintenance, range staff and instructors	59	56
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:		
	2014 £	2013 £
Wages and salaries	1,527,899	1,326,283
Social security costs	146,118	124,591
Other pension costs	62,252	49,465
Other benefits	12,657	14,187
	1,748,926	1,514,526

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 (2014: one) employee's annual emoluments were between £100,001 and £110,000 (2013: £90,001 and £100,000). Pension contributions paid in the period by the group on behalf of this individual amounted to £5,200 (2013: £nil).

10 Transactions relating to trustees

Trustees' costs

No Trustee (2013: none) received remuneration. Pay, travel and subsistence expenses totalled £nil (2013: £nil).

Three Trustees (2013: one) received reimbursements of £1,618 (2013: £2,058) for out of pocket travel and subsistence expenses.

No (2013: none) non-executive director of the National Shooting Centre received payments in 2014 (2013: £nil).

Property transactions

Seven (2013: 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 £8,621 (2013: £5,019).

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014	5,753,042	1,019,256	3,182,511	553,564	258,000	10,766,373
Additions	-	-	640,951	129,991	4,000	774,942
Disposals	-	-	(17,460)	-	-	(17,460)
31 December 2014	5,753,042	1,019,256	3,806,002	683,555	262,000	11,523,855
Depreciation						
1 January 2014	1,154,822	334,839	1,529,113	455,982	-	3,474,756
Charge for the year	55,991	18,990	148,525	45,599	-	269,105
Disposals Depreciation	-	-	(8,064)	-	-	(8,064)
31 December 2014	1,210,813	353,829	1,669,574	501,581	-	3,735,797
Net book value						
31 December 2014	4,542,229	665,427	2,136,428	181,974	262,000	7,788,058
31 December 2013	4,598,220	684,417	1,653,398	97,582	258,000	7,291,617

The net book value of fixed assets comprises:

	2014 £	2013 £
Assets held for charity use	1,444,901	1,352,797
Estate assets	4,342,156	4,065,370
Assets held for administrative purposes	358,832	335,959
Assets held by trading subsidiary	1,642,169	1,537,491
	7,788,058	7,291,617

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:

	2014 £	2013 £
Cost	2,716,687	2,716,715
(Disposals)/additions in year	-	(28)
Less:		
Aggregate depreciation	(1,210,813)	(1,154,822)
	1,505,874	1,561,865

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014	5,753,042	636,306	1,097,010	469,207	258,000	8,213,565
Additions	-	-	439,529	40,962	4,000	484,491
Disposals	-	-	(17,460)	-	-	(17,460)
31 December 2014	5,753,042	636,306	1,519,079	510,169	262,000	8,680,596
Depreciation						
1 January 2014	1,154,822	239,116	670,144	409,289	-	2,473,371
Charge for the year	55,991	11,331	90,296	23,801	-	181,419
Disposals Depreciation	-	-	(8,064)	-	-	(8,064)
31 December 2014	1,210,813	250,447	752,376	433,090	-	2,646,726
Net book value						
31 December 2014	4,542,229	385,859	766,703	77,079	262,000	6,033,870
31 December 2013	4,598,220	397,190	426,866	59,918	258,000	5,740,194

The net book value of fixed assets comprises:

	2014 £	2013 £
Assets held for charity use	1,418,565	1,349,522
Estate assets	4,263,013	4,055,527
Assets held for administrative purposes	352,292	335,145
	6,033,870	5,740,194

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

	2013-2014 £	2012-2013 £	2011-2012 £	2010-2011 £	2009-2010 £
Additions:					
Purchases of rifles	4,000	-	-	12,250	-
Donations	-	-	-	-	-
Total additions:	4,000	-	-	12,250	-

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

12 Investments

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
At 1 January 2014	423,723	322,198	512,111	410,586
Additions	-	60,000	-	60,000
Disposals	(8,000)	-	(8,000)	-
Increase/(decrease) in valuation	5,480	41,525	5,480	41,525
At 31 December 2014	421,203	423,723	509,591	512,111

At 31 December 2014, the market value and historical cost of the investments were represented by:

	Group market value 2014 £	Group historical cost 2014 £	Charity market value 2014 £	Charity historical cost 2014 £
Category A Funds	272,576	189,007	272,576	189,007
Category B Funds	15,237	14,643	15,237	14,643
	287,813	203,650	287,813	203,650
Overseas Team Fund	133,390	123,367	133,390	123,367
Subsidiary company shares	-	-	88,388	88,388
Long term loan to subsidiary company	-	-	-	-
At 31 December 2014	421,203	327,017	509,591	415,405
At 31 December 2013	423,723	319,760	512,111	408,148

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 £133,390 (2013: £130,569) and an unlisted investment of £nil (2013: £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 2014

13 Loans to clubs

	Group and Charity	
	2014	2013
	£	£
Huddersfield Rifle Club	2,000	3,000
Killingholme Full Bore Club	11,963	13,297
Penrhiwpal Shooting Club	6,000	7,000
Colchester Rifle Club	24,000	28,000
Loans to Clubs carried forward	<u>43,963</u>	<u>51,297</u>
Loans to Clubs brought forward	51,297	63,131
Repayments received	(7,334)	(11,834)
New loans granted	-	-
Loans to Clubs carried forward	<u>43,963</u>	<u>51,297</u>

The loans to clubs are usually repayable in annual instalments, and are interest free. The current year balance of £43,963 includes a figure of £36,629 which is repayable in greater than one year.

14 Stock

	Group	Group	Charity	Charity
	2014	2013	2014	2013
	£	£	£	£
Ammunition	239,724	129,013	-	-
Medals and badges	19,945	19,108	19,945	19,108
Souvenirs	-	3,812	-	-
Clays	10,503	17,157	-	-
Hire and other stock	133,222	81,156	-	-
	<u>403,394</u>	<u>250,246</u>	<u>19,945</u>	<u>19,108</u>

15 Debtors

	Group	Group	Charity	Charity
	2014	2013	2014	2013
	£	£	£	£
Amounts due within year:				
Trade debtors	189,939	127,545	63,135	121,218
Amounts owed by group undertakings	-	-	650,862	582,709
Other debtors and prepayments	120,466	145,175	118,723	140,688
	<u>310,405</u>	<u>272,720</u>	<u>832,720</u>	<u>844,615</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

16	Creditors				
Amounts falling due within one year:					
		Group	Group	Charity	Charity
		2014	2013	2014	2013
		£	£	£	£
	Trade creditors	337,899	111,269	197,926	62,510
	Membership and rents in advance	113,108	144,984	113,108	144,984
	Other creditors	493,860	363,225	340,879	306,532
	Accruals	110,655	137,888	84,631	125,581
	Deferred income (note 17)	31,168	28,691	31,168	28,691
		1,086,690	786,057	767,712	668,298

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

17	Deferred income				
		Group	Group	Charity	Charity
		2014	2013	2014	2013
		£	£	£	£
	Due within one year (see note 16)	31,168	28,691	31,168	28,691
	Due after more than one year	362,525	388,628	362,525	388,628
		393,693	417,319	393,693	417,319

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

17 Deferred income (continued)

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
Deferred lease premium income:				
At 1 January 2014	305,174	144,323	305,174	144,323
Additions during the year	-	170,000	-	170,000
Disposal during the year	-	-	-	-
Transferred to Estate income	(18,611)	(9,149)	(18,611)	(9,149)
At 31 December 2014	286,563	305,174	286,563	305,174
Life & Term Members Funds:				
At 1 January 2014	112,145	120,551	112,145	120,551
Additions during the year	8,253	4,781	8,253	4,781
Transferred to Membership income	(13,268)	(13,187)	(13,268)	(13,187)
At 31 December 2014	107,130	112,145	107,130	112,145
	393,693	417,319	393,693	417,319

18 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 £166,507 (2013: £49,064) in the General Fund and £1,161,637 (2013: £1,211,099) 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 (2013: £3,036,356) relating to the revaluation of certain fixed assets, calculated by reference to the implementation of FRS15 under the transitional arrangements.

19 Restricted funds

Group & Charity

	Balance 1 January 2014 £	Incoming resources £	Resources expended £	Transfers and gains £	Balance 31 December 2014 £
Overseas Team Fund	138,474	35,248	(26,520)	5,821	153,023
Young Shooters Fund	41,958	4,864	(329)	-	46,493
	180,432	40,112	(26,849)	5,821	199,516

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 2014

20 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 £84,753 (2013: £85,094) relating to the revaluation of investments.

21 Analysis of net assets between funds

Fund balances at 31 December 2014 are represented by:

Group	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	Total £
Tangible fixed assets	7,780,858	-	7,200	-	7,788,058
Fixed asset investments	-	133,390	-	287,813	421,203
Loans to Clubs > 1 year	36,629	-	-	-	36,629
Current assets	1,017,549	19,835	39,293	38,880	1,115,557
Current liabilities	(1,029,795)	(202)	-	(56,693)	(1,086,690)
Deferred income	(362,525)	-	-	-	(362,525)
	<u>7,442,716</u>	<u>153,023</u>	<u>46,493</u>	<u>270,000</u>	<u>7,912,232</u>

Note: Tangible fixed assets of £7,788,058 (2013: £7,291,617) include £1,161,637 (2013: £1,211,099) representing the total of Designated Funds in relation to Capital Grants in the Charity's wholly owned subsidiary.

Fund balances at 31 December 2014 are represented by:

Charity	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	Total £
Tangible fixed assets	6,026,670	-	7,200	-	6,033,870
Fixed asset investments	88,388	133,390	-	287,813	509,591
Loans to Clubs > 1 year	36,629	-	-	-	36,629
Current assets	1,036,226	19,835	39,293	38,880	1,134,234
Current liabilities	(710,817)	(202)	-	(56,693)	(767,712)
Deferred income	(362,525)	-	-	-	(362,525)
	<u>6,114,571</u>	<u>153,023</u>	<u>46,493</u>	<u>270,000</u>	<u>6,584,087</u>

22 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 £nil (2013: £4,361) 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.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

23 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 (2013: £2,036,647).

24 Commitments under operating leases

	Group 2014 £	Group 2013 £	Charity 2014 £	Charity 2013 £
At 31 December 2014, 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	6,000	6,000	6,000
Plant and machinery:				
- Expiring in one-two years	-	5,080	-	5,080
- Expiring in two-five years	-	-	-	-
	<u>6,000</u>	<u>11,080</u>	<u>6,000</u>	<u>11,080</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2014

25 Notes to the consolidated cash flow statements

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

	2014 £	2013 £
Net incoming resources	394,052	289,261
Investment income	-	-
Interest payable	-	3,630
Depreciation	261,041	215,637
(Increase) / Decrease in stocks	(153,148)	88,049
Decrease in loans to clubs	7,334	-
(Increase) / Decrease in debtors	(37,685)	253,289
Increase / (Decrease) in creditors	274,530	(372,352)
Net cash inflow from operating activities	746,124	477,514

25.2 Reconciliation of net cash flows to movements in net debt

	£
Decrease in cash in the year	(3,358)
Net cash at 1 January 2014	397,782
Net Cash at 31 December 2014	394,424

25.3 Analysis of changes in net debt

	At 1 January 2014 £	Cash flow £	Non-cash changes £	At 31 December 2014 £
Cash at bank and in hand	397,782	(3,358)	-	394,424
Overdrafts	-	-	-	-
	<u>397,782</u>	<u>(3,358)</u>	<u>-</u>	<u>394,424</u>
Debt due within 1 year	-	-	-	-
Net cash	<u>397,782</u>	<u>(3,358)</u>	<u>-</u>	<u>394,424</u>