

**Charity No. 219858**

**NATIONAL RIFLE ASSOCIATION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

# NATIONAL RIFLE ASSOCIATION

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# NATIONAL RIFLE ASSOCIATION

## STATEMENT BY THE CHAIRMAN FOR THE YEAR ENDED 31 DECEMBER 2016

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2016 saw the continuation of the good performance that the NRA has achieved over the past three years.

Whilst the net surplus of £108,127 is lower than we have reported in the past, this was deliberate as we accelerated certain investment opportunities in order to bring the benefits of these on stream for the growing number of NRA members.

This year's report clearly shows the extent of this; cash generated by operations in the past 12 months more than doubled to £928,000, of which we spent £705,000 on capital expenditure. This takes our investment in fixed assets over the past three years to £1.879million. This is in addition to a now normalised estate maintenance programme approaching £0.5million per year.

The size of these sums may surprise some. We must recognise that Bisley Camp is our main asset, and that it takes sizeable resources to run and develop it properly. We have been investing in its infrastructure to garner a return – both financial and non-financial – for the benefit of all NRA members; all the while continuing our policy of keeping the costs of membership and shooting flat in real terms, assisting young shooters with membership and competition discounts, and pursuing various regional initiatives.

Nor is all this capital expenditure Bisley centric. We have invested in a newly built range in the West Country, and came within a whisker of securing a range complex in Wales. These initiatives are emblematic of a desire to deliver shooting facilities throughout the country.

I would like to pay tribute to my fellow Trustees for the clarity of vision and purpose that they have continued to demonstrate throughout the past year, and to the hardworking and ever-cheerful NRA staff, led by Andrew Mercer, who have delivered this agenda. This is no easy task when differences of opinion exist as to the wisdom of the choices made, but deliver it they have with great skill, determination, and good humour - and no little patience. In our efforts to strike the right balance, the Trustees continue to work to a philosophy that seeks to ensure that current members' activity pays its way, as this is fair to both current and future generations of shooters.

The Trustees welcomed Reg Roberts to their number in September; Reg brings accounting and HR skills with him together with a palpable passion for our sport. After the year end, John Bloomfield's six year term as a Trustee via his Chairmanship of the Shooting Committee of General Council came to an end. As well as having been one of the finest shots of his generation, John has acquired tremendous technical knowledge and a predilection for attention to detail and due process over the years. Bringing these to bear resulted in his serving our Association with great distinction over the last 6 years, and we owe him a huge debt of thanks. Thankfully his services will not be lost entirely as he continues to serve as an elected member of General Council.

While numbers and activity continue to grow on many levels, and with the profile of shooting benefitting from a successful Olympics on top of our own GB teams' results, it is disappointing to note that we could yet face significant fee rises for club approvals from the Home Office. We all recognise the need for central oversight of shooting and will continue to work with the Home Office and the Police to enable shooters to enjoy their sport in ways that are both responsible and affordable.

Ours is simultaneously a sport of great traditions and current relevance. How fitting therefore to conclude by sending our very best wishes to Haddon Donald of New Zealand, the longest-serving Vice President of our Association, on the occasion of his 100<sup>th</sup> birthday. This serves as a reminder that shooting is a sport that can last a whole lifetime and reaches around the world. Few sports can claim the same.

John Webster  
March 2017

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# NATIONAL RIFLE ASSOCIATION

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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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 2016.

### 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
Mr. D.G.F. Evans	Chairman of the Disciplinary Body and Vice Chairman
Mr D. Lowe	Treasurer
Mr. J.P.S. Bloomfield	Chairman of the Shooting Committee, retired January 2017
Mr M. Maksimovic	Chairman of the Membership Committee
Mr H.R.M. Bailie	Elected from the General Council
Mr G.K. Alexander	Elected from the General Council
Mr R. Roberts	Elected from the General Council from September 2016
Mr B. Morgan	Co-opted
Mrs A. Gran	Co-opted
Mr J. Harris	Chairman of the Shooting Committee, elected January 2017
Mr D. Lacey	Co-opted

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, 71 Queen Victoria Street, London EC4V 4BE
Surveyors:	Crosthwaite Ltd, Lime Tree House, Coome Bissett, Salisbury, Wiltshire SP5 4LR 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 2016:

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

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# NATIONAL RIFLE ASSOCIATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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### 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 numbers 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	

The Remuneration Committee reviews and approves all salaries that exceed £40,000 per annum; these are proposed by the Chief Executive and are commensurate with responsibilities taken and performance achieved. The remuneration of the Chief Executive / Secretary General is reviewed and approved by the Board of Trustees each year; increases are justified by measured performance against objectives.

##### *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 2016

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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.

# NATIONAL RIFLE ASSOCIATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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### RISK MANAGEMENT (continued)

A review of the major risk register is a regular agenda item at trustee meetings. Key risks identified in the register are a major UK shooting incident and the implementation of restrictive firearms legislation. Mediation of both these issues will depend upon robust and honest relationships with the Home Office and legislature.

### 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 objectives by:

- Encouraging people to take up target shooting and to develop their skill by providing 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.
- Supporting civilian shooting on MoD and private ranges.
- 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, the EU, the Police and other statutory bodies 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

# NATIONAL RIFLE ASSOCIATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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### Public benefit (continued)

contributes to the flourishing of rare fauna and flora found on the large SSSI that covers most of the Bisley ranges.

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. In 2016, major competitions attracted competitors between 14 and 93 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.

The costs associated with target shooting 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 young shooters special concessionary rates for membership subscriptions, training fees and competition entry as well as interest free grants to purchase essential equipment.

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

Keys measures of success as assessed by the Trustees are (a) increases in the membership of the NRA (b) growing demand for, and increasing use of, the Bisley range complex (c) delivery of the financial surplus as per budget and (d) delivery of a successful suite of competitions and training programmes in the year.

In pursuance of its overall objectives:

- 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 2016	Participants 2015
Probationary	717	628
RCO Courses	385	448
Instruction Courses	78	54

A new and enlarged training centre including a new armoury was established in the Pavilion at Bisley to provide a permanent base for the team of instructors and coaches. The new facilities are proving popular and serve a growing portfolio of training programmes. The growing number of NRA membership applications has increased the demand for Probationary training. Other training courses delivered in the year included firearms awareness for ambulance service personnel, police firearms licensing officers and Home Office staff.

A series of Discipline Days were delivered to provide specific training by enthusiastic volunteers respected within their shooting discipline. The courses offer fundamental skills coaching and help encourage new



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## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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### Charitable Activities and Achievements (continued)

shooters to compete in competitions; courses run for Civilian Service Rifle, Gallery Rifle and Pistol, Target Rifle and Target Shotgun were well received.

- The charity works with Government, EU 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 make grants and loans available to affiliated clubs. In the year £16,796 of range equipment was purchased for loan to Frome and District Pistol Club to assist their development of a new range complex in Shepton Mallet. The charity was unsuccessful in its attempt to acquire at auction a former barrack site with range in the Rhondda valley.
- 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 Range Conducting Officer qualification and Shooter Certification Schemes that validates competency of civilian 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.
- 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; and positive promotion through social media and other channels. The NRA's Facebook page has become an increasingly important communication and promotional tool with a weekly reach of up to 300,000.

The major events and competitions held during 2016 were as follows:

Event	Participants 2016	Participants 2015
Imperial Meeting:		
- Schools	517	516
- Service Rifle	210	166
- Civilian Service Rifle	354	338
- Match Rifle	134	134
- F Class	46	46
- Target Rifle	1,093	1,051
- Pistol & Gallery Rifle	98	104
- Historic Arms	103	90
- Cadets	144	170
- McQueen	89	102
-Teams	161	168
Total	2,949	2,885

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# NATIONAL RIFLE ASSOCIATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### Charitable Activities and Achievements (continued)

Event	Participants 2016	Participants 2015
Gallery Rifle Events		
- Spring Action Weekend	219	194
- Gallery Rifle Nationals	195	171
- Autumn Action	177	151
Civilian Service Rifle League	797	684
Inter Counties (teams/individuals)	24/149	25/166
Phoenix Meeting	523	491
Trafalgar Meeting	198	203
Target Shotgun League	706	480
F Class European Championship	267	248
Hand Gun League	276	135
Mini Rifle	199	Nil

Overall entries in the year to all competitions were pleasing. The Imperial included a new competition for cadets, the "Cadet Imperial", which attracted 44 entries; this event will be offered to 72 young competitors in 2017.

- The charity provides, and continues to invest 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 2016 the NRA continued the programme of investment in upgrading the facilities at Bisley. This work included the development of a new armoury for the training team, upgrading of roads and car parking, renewal of accommodation and ablutions, a major upgrade of targetry at Melville range, and the installation of new electronic targets on Cheylesmore range for Olympic pistol squad training. The tenant of the Pavilion surrendered his lease and works are progressing to develop new café, range reception, retail outlet and new offices.

- 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	31/12/15	31/12/16	Net movement
Individual Total	7,902	8,015	+113
Clubs	738	746	+8
Schools	43	44	+1
Associations	56	54	-2

The membership database now allows recording of firearms use by members and provides online booking of ranges. Approximately 160 inactive individual member records were deleted in the year.

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

The financial results for the year, as set out below, show a reasonable surplus in the NRA's financial position. 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.

# NATIONAL RIFLE ASSOCIATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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### FINANCIAL REVIEW

The NRA's consolidated incoming resources for the year to 31 December 2016 amounted to £5,731,182 (2015: £5,478,663). Outgoing resources increased to £5,671,439 (2015: £5,213,477). This has resulted in a consolidated surplus for the year of £108,127 (2015: £251,981) including gains on the market value of investments of £48,384 (2015 loss: £13,205).

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 result is driven by increases in revenues and close control of cost of sales and overhead costs. In the year increased resources were expended on maintenance staff, contractors and materials to enable greater efforts in improving the Bisley infrastructure, particularly the ranges.

Continuing work to improve integration with specialised IT systems for armoury storage, range bookings and ammunition sales is yielding improved accuracy and timeliness of management and financial reporting.

The lease for the Pavilion was surrendered by the tenant in April 2016. The building is being refurbished to provide a permanent base for the training team; works to provide a new café, range office, retail outlet, improved hotel accommodation and ancillary offices will be completed in 2017. The provision of modern, efficient and comfortable facilities for all visitors to Bisley will support the increasing use of the ranges.

### 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 ensuring that during any year the expenditure of surpluses on capital or development is managed so as to sustain a forecast cash balance of at least £200,000. This minimum cash balance was maintained throughout the year.

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 required 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 2016 the group had negative free reserves amounting to £380,726 (2015, negative: £135,473). Membership and rents in advance are £616,176 (2015 £397,037) and the cash balance has increased by £242,495 (2015 £71,946).

# **NATIONAL RIFLE ASSOCIATION**

## **TRUSTEES' REPORT (continued) THE YEAR ENDED 31 DECEMBER 2016**

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### **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. The NRA have instructed its investment companies to act on a discretionary basis with a low to medium risk profile. Targeted performance is for a yield of 5% per annum plus capital growth of 5% per annum. Market forces dictate whether these targets are achieved.

### **PLANS FOR FUTURE PERIOD**

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 and private range operators with the goal of ensuring the maximum possible availability of ranges for civilian use;
- 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 continue to develop arrangements with the Civil Nuclear Constabulary and other firearms training organisations;
- Improve and enhance the reputation of the NRA as protector and promoter of Full Bore disciplines and other shooting and improve the public profile of target shooting;
- Deliver consistently good value and invest cash surpluses for the benefit of current and future generations of shooters.
- Increase membership with particular emphasis on increasing the number of younger 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. These priorities will be tested and revised in the next three year plan (2018 to 2020) to be published in autumn 2017.

### **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.

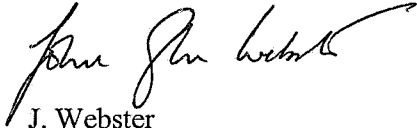
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**NATIONAL RIFLE ASSOCIATION**

**TRUSTEES' REPORT (continued)**  
**THE YEAR ENDED 31 DECEMBER 2016**

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This report was approved by the trustees on 26 March 2017, and was signed on its behalf by

A handwritten signature in black ink, appearing to read 'John J. Webster', written in a cursive style.

J. Webster  
*Chairman*

## NATIONAL RIFLE ASSOCIATION

### TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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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), including Financial Reporting Standard 102.

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 incoming resources and application of those 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 Statement of Recommended Practice (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 a 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 2016**

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We have audited the financial statements of the National Rifle Association for the year ended 31 December 2016 set out on pages 15 to 36. 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), including Financial Reporting Standard 102.

This report is made solely to the charity's members and the trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 Trustee's 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 group's and the parent charity's affairs as at 31 December 2016 and of the group's incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006 and the Charities Act 2011.

# NATIONAL RIFLE ASSOCIATION

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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### Other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



### Saffery Champness

Chartered Accountants

Statutory Auditors

71 Queen Victoria Street

London

EC4V 4BE

Date: 21 March 2017



# NATIONAL RIFLE ASSOCIATION

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including an Income & Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total £	2015 Total £
<b>Income and endowments from:</b>						
Donations and legacies	1	1,121,719	27,248	-	1,148,967	1,032,678
Other trading activities:						
- Operations	2	2,417,938	-	-	2,417,938	2,429,919
- Estate	3	1,254,451	-	-	1,254,451	1,179,752
Investments		-	4,833	7,407	12,240	12,821
Charitable shooting activities	4	897,586	-	-	897,586	823,493
<b>Total income</b>		<b>5,691,694</b>	<b>32,081</b>	<b>7,407</b>	<b>5,731,182</b>	<b>5,478,663</b>
<b>Expenditure on:</b>						
Raising funds:						
- Operations	2	2,501,675	-	-	2,501,675	2,246,464
- Estate	5	1,257,913	-	-	1,257,913	1,274,241
Charitable shooting activities	6	1,867,642	36,802	7,407	1,911,851	1,692,772
<b>Total expenditure</b>		<b>5,627,230</b>	<b>36,802</b>	<b>7,407</b>	<b>5,671,439</b>	<b>5,213,477</b>
Gains/(losses) on investments		-	11,071	37,313	48,384	(13,205)
<b>Net income (expenditure)</b>		<b>64,464</b>	<b>6,350</b>	<b>37,313</b>	<b>108,127</b>	<b>251,981</b>
<b>Net movement in funds</b>	8	<b>64,464</b>	<b>6,350</b>	<b>37,313</b>	<b>108,127</b>	<b>251,981</b>
<b>Reconciliation of funds</b>						
Fund balances brought forward at 1 January 2016		7,711,891	185,194	267,128	8,164,213	7,912,232
<b>Total funds carried forward at 31 December 2016</b>		<b>7,776,355</b>	<b>191,544</b>	<b>304,441</b>	<b>8,272,340</b>	<b>8,164,213</b>

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

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including an Income & Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2015


	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2015 Total £
<b>Income and endowments from:</b>					
Donations and legacies	1	991,000	41,678	-	1,032,678
Other trading activities:					
- Operations	2	2,429,919	-	-	2,429,919
- Estate	3	1,179,752	-	-	1,179,752
Investments		-	5,209	7,612	12,821
Charitable shooting activities	4	823,493	-	-	823,493
<b>Total income</b>		<b>5,424,164</b>	<b>46,887</b>	<b>7,612</b>	<b>5,478,663</b>
<b>Expenditure on:</b>					
Raising funds:					
- Operations	2	2,246,464	-	-	2,246,464
- Estate	5	1,274,241	-	-	1,274,241
Charitable shooting activities	6	1,634,284	50,876	7,612	1,692,772
<b>Total expenditure</b>		<b>5,154,989</b>	<b>50,876</b>	<b>7,612</b>	<b>5,213,477</b>
(Losses)/gains on investments		-	(10,333)	(2,872)	(13,205)
<b>Net income (expenditure)</b>		<b>269,175</b>	<b>(14,322)</b>	<b>(2,872)</b>	<b>251,981</b>
<b>Net movement in funds</b>	8	<b>269,175</b>	<b>(14,322)</b>	<b>(2,872)</b>	<b>251,981</b>
<b>Reconciliation of funds</b>					
Fund balances brought forward at 1 January 2015		7,442,716	199,516	270,000	7,912,232
<b>Total funds carried forward at 31 December 2015</b>		<b>7,711,891</b>	<b>185,194</b>	<b>267,128</b>	<b>8,164,213</b>

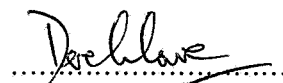
# NATIONAL RIFLE ASSOCIATION

## GROUP AND CHARITY BALANCE SHEETS 31 DECEMBER 2016

	Notes	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
<b>Tangible fixed assets</b>					
Fixed assets	11	8,157,082	7,847,364	6,044,686	5,934,562
Investments	12	456,382	407,998	544,770	496,386
Social investments: loans to clubs > 1 year	13	22,961	29,295	22,961	29,295
		<u>8,636,425</u>	<u>8,284,657</u>	<u>6,612,417</u>	<u>6,460,243</u>
<b>Current assets</b>					
Social investments: loans to clubs < 1 year	13	6,334	7,334	6,334	7,334
Stocks	14	338,772	638,650	16,887	19,179
Debtors	15	435,208	553,460	1,441,341	1,451,361
Cash at bank and in hand		708,865	466,370	412,467	303,211
		<u>1,489,179</u>	<u>1,665,814</u>	<u>1,877,029</u>	<u>1,781,085</u>
<b>Creditors</b>					
Amounts falling due within one year	16	(1,537,653)	(1,444,450)	(1,269,270)	(1,088,064)
<b>Net current (liabilities) / assets</b>		<u>(48,474)</u>	<u>221,364</u>	<u>607,759</u>	<u>693,021</u>
<b>Total assets less current Liabilities</b>		<u>8,587,951</u>	<u>8,506,021</u>	<u>7,220,176</u>	<u>7,153,264</u>
<b>Deferred income</b>	17	<u>(315,611)</u>	<u>(341,808)</u>	<u>(315,611)</u>	<u>(341,808)</u>
<b>Net assets</b>		<u>8,272,340</u>	<u>8,164,213</u>	<u>6,904,565</u>	<u>6,811,456</u>
<b>Funds of the Charity</b>					
<b>Unrestricted Funds</b>	18	7,776,355	7,711,891	6,408,580	6,359,134
<b>Restricted Funds</b>					
Overseas Team Fund	19	135,882	129,979	135,882	129,979
Young Shooters Fund	19	55,662	55,215	55,662	55,215
<b>Endowment Fund</b>					
Special Prizes Fund	20	304,441	267,128	304,441	267,128
<b>Total Charity Funds</b>		<u>8,272,340</u>	<u>8,164,213</u>	<u>6,904,565</u>	<u>6,811,456</u>

The financial statements on pages 15 to 36 were approved by the Council and authorised for issue on 20 March 2017 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 2016**

	Note	2016	2015
		£	£
<b>Net cash provided by (used in) operating activities</b>	<b>25</b>	<b>927,782</b>	<b>456,014</b>
<b>Cash flow from investing activities:</b>			
Dividends, interest and rents from investments		12,240	12,821
Proceeds from the sales of property, plant and equipment		7,806	2,260
Purchase of property, plant and equipment		(705,333)	(399,149)
Proceeds from sales of investments		-	-
		<u>          </u>	<u>          </u>
<b>Net cash provided by (used in) investing activities</b>		<b>(685,287)</b>	<b>(384,068)</b>
Change in cash and cash equivalents in the reporting period	25	242,495	71,946
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>25</b>	<b>466,370</b>	<b>394,424</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>25</b>	<b>708,865</b>	<b>466,370</b>

# NATIONAL RIFLE ASSOCIATION

## ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2016

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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, including Financial Reporting Standards 102. 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 (FRS102) (effective 1 January 2015) issued by the Charity Commission have been followed. The National Rifle Association meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

### **Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. A decision has been made to use the Fixed Asset valuation amount as the base cost going forward.

### **Preparation of the accounts on a going concern basis**

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 2016, the budget for the year ending 31 December 2017, 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. A separate Statement of Financial Activities and Income and Expenditure account for the charity has not been presented because it has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

### **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 have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 7.

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

# NATIONAL RIFLE ASSOCIATION

## ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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### **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.

### **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 at 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 NRA's collection of firearms, paintings, books and ephemera artefacts is reported in the Balance Sheet at cost. Trophies are not included on the Balance Sheet; the cost of these items is not readily available.

# NATIONAL RIFLE ASSOCIATION

## ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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### **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.

### **Stocks**

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based upon the estimated selling price less further costs expected to be incurred at 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.

## NATIONAL RIFLE ASSOCIATION

### ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

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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.

#### **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### **Critical estimate and judgements and key sources of estimation uncertainty**

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision effects both current and future periods.



# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1	Donations and legacies	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
	Subscriptions	839,084	-	839,084	754,420
	Gift aid	94,063	-	94,063	78,300
	Course income	187,318	10,250	197,568	168,971
	Donations	1,254	16,998	18,252	30,987
		1,121,719	27,248	1,148,967	1,032,678

The income from donations and legacies was £1,148,967 (2015: £1,032,678) of which £1,121,719 was unrestricted (2015: £991,000) and £27,248 was restricted (2015: £41,678).

## 2 Other trading activities - 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 profit and loss account and statement of changes in equity is set out below:

	2016 £	2015 £
<b>Turnover</b>	2,938,173	2,907,518
<b>Costs</b>		
Cost of sales	1,158,252	1,092,998
Other operating expenses	1,293,962	1,104,004
	(2,452,214)	(2,197,002)
<b>Profit on ordinary activities after taxation</b>	485,959	710,516
Gift Aid payment to the National Rifle Association	(421,478)	(636,440)
<b>Retained profit</b>	64,481	74,076

The turnover of £2,938,173 (2015: £2,907,518) includes inter-company revenue of £520,235 (2015: £477,599) which has been excluded on consolidation.

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

<b>Fixed assets</b>		
Tangible assets	2,112,396	1,912,802
<b>Current assets</b>		
Stocks	321,885	619,471
Debtors	98,948	188,684
Cash at bank and in hand	296,397	163,160
<b>Carried forward</b>	717,230	971,315

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2016

2	<b>Other trading activities - operations (continued)</b>		<b>2016</b>	<b>2015</b>
			<b>£</b>	<b>£</b>
	<b>Brought forward</b>		717,230	971,315
	<b>Creditors</b>			
	Amounts falling due within one year		(1,422,923)	(1,492,433)
	<b>Net current (liabilities) / assets</b>		(705,693)	(521,118)
	<b>Total assets less current liabilities</b>		1,406,703	1,391,684
	<b>Creditors</b>			
	Amounts falling due after more than one year		-	-
	<b>Deferred income</b>		(1,013,251)	(1,062,713)
			393,452	328,971
	<b>Capital &amp; Reserves</b>			
	Called up share capital		88,388	88,388
	Profit and loss account		305,064	240,583
	<b>Shareholders' funds</b>		393,452	328,971
3	<b>Other trading activities – estate</b>		<b>Total</b>	<b>Total</b>
		<b>Unrestricted funds</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	Rents	961,564	-	883,721
	Services and utilities recovered	250,934	-	255,618
	Other	41,953	-	40,413
		1,254,451	-	1,179,752
4	<b>Charitable shooting activities</b>		<b>Total</b>	<b>Total</b>
		<b>Unrestricted funds</b>	<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	Imperial meeting	716,669	-	680,104
	Range hire	-	-	900
	Other shooting events	180,917	-	142,489
		897,586	-	823,493

# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### 5 Expenditure on raising funds - Estates

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Permanent staff costs	306,549	-	306,549	363,128
Maintenance	431,972	-	431,972	419,382
Utilities	248,423	-	248,423	244,839
Rents, rates and cleaning	29,208	-	29,208	38,910
Depreciation	100,515	-	100,515	94,076
Rent charged to National Shooting Centre Limited	(41,000)	-	(41,000)	(41,000)
	<u>1,075,667</u>	<u>-</u>	<u>1,075,667</u>	<u>1,119,335</u>
Support costs (see note 7)	182,246	-	182,246	154,906
	<u>1,257,913</u>	<u>-</u>	<u>1,257,913</u>	<u>1,274,241</u>

### 6 Charitable shooting activities

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total 2016 £	Total 2015 £
Permanent staff costs	640,968	-	-	640,968	488,254
Imperial Meeting	368,424	-	-	368,424	349,172
Imperial Meeting prizes	-	-	5,081	5,081	5,434
Courses and other NRA events	205,610	5,868	-	211,478	230,556
Support of other bodies/teams	7,939	-	-	7,939	25,015
Team travel	-	29,122	-	29,122	36,800
Membership insurance	108,160	-	-	108,160	86,292
Insurance	59,921	-	-	59,921	54,217
Depreciation	89,347	-	-	89,347	83,623
	<u>1,480,369</u>	<u>34,990</u>	<u>5,081</u>	<u>1,520,440</u>	<u>1,359,363</u>
Support costs (see note 7)	387,273	1,812	2,326	391,411	333,409
	<u>1,867,642</u>	<u>36,802</u>	<u>7,407</u>	<u>1,911,851</u>	<u>1,692,772</u>

Expenditure on charitable activities was £1,911,851 (2015: £1,692,772) of which £1,867,642 was unrestricted (2015: £1,634,284), £36,802 was restricted (2015: £50,876) and £7,407 was endowment (2015: £7,612).

£520,235 of inter-company costs (£340,651 Imperial Meeting, £150,195 Courses and other NRA Events, £27,923 Support of other bodies and teams, £1,466 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 2016

### 7 Support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. The Trust initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the two key charitable activities undertaken in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

		Support £	Governance £	2016 £	2015 £
<b>General fund</b>	<b>Basis</b>				
Permanent staff costs	Support	220,013	-	220,013	215,820
Trustee costs	Governance	-	4,964	4,964	3,222
Information technology costs	Support	30,155	-	30,155	40,814
Office and banking costs	Support	113,953	-	113,953	89,193
Professional fees	Support	152,668	-	152,668	89,714
Audit Fee	Governance	-	14,261	14,261	13,959
Depreciation		33,505	-	33,505	31,359
		550,294	19,225	569,519	484,081
Allocated to:					
- Expenditure on raising funds – estate				(182,246)	(154,906)
- Charitable shooting activities				(387,273)	(329,175)
				-	-
<b>Restricted fund</b>					
Investment management charges				1,812	2,056
<b>Endowment fund</b>					
Investment management charges				2,326	2,178

### 8 Net movement in funds

	2016 £	2015 £
Net movement in funds is stated after charging/(crediting):		
Depreciation of tangible fixed assets:		
- Owned assets	392,686	340,233
Rent receivable under operating leases	(530,239)	(480,139)
Operating lease rentals payable:		
- Land and buildings	19,631	14,076
Auditor's remuneration:		
- Audit fees	21,621	20,807
- Fees for other services	6,000	1,982

# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### 9 Staff costs

	2016 Number	2015 Number
The average monthly number of persons employed by the group during the year was:		
Office, maintenance, range staff and instructors	69	64

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:

	2016 £	2015 £
Wages and salaries	1,884,027	1,689,603
Redundancy costs	1,960	33,017
Social security costs	176,325	155,503
Other pension costs	80,278	70,262
Other benefits	12,391	12,865
	<u>2,154,981</u>	<u>1,961,250</u>

The group pays an employer's contribution of between 2% and 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 (2015: one) employee's annual emoluments were between £60,001 and £70,000, one (2015: one) employee's annual emoluments were between £110,001 and £120,000.

The key management personnel of the Charity comprise the trustees, the Chief Executive Officer, Head Of Support Services, Head Of Shooting & Training, Regional Ranges Manager and Membership Services Manager. The total employee benefits of the key management personnel of the charity were £292,072 (2015: £281,284).

### 10 Transactions relating to trustees

#### Trustees' costs

No Trustee (2015: none) received remuneration. Three Trustees (2015: three) received reimbursements of £2,664 (2015: £2,132) for out of pocket travel and subsistence expenses.

#### Property transactions

Eight (2015: eight) 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 £10,415 (2015: £10,095).

# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### 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 2016	5,753,042	1,019,256	4,048,390	820,927	269,776	11,911,391
Additions	-	-	564,413	140,920	-	705,333
Disposals	-	-	(28,940)	-	-	(28,940)
<b>31 December 2016</b>	<b>5,753,042</b>	<b>1,019,256</b>	<b>4,583,863</b>	<b>961,847</b>	<b>269,776</b>	<b>12,587,784</b>
Depreciation						
1 January 2016	1,266,804	372,819	1,842,418	581,986	-	4,064,027
Charge for the year	55,991	18,990	204,270	113,435	-	392,686
Disposals Depreciation	-	-	(26,011)	-	-	(26,011)
<b>31 December 2016</b>	<b>1,322,795</b>	<b>391,809</b>	<b>2,020,677</b>	<b>695,421</b>	<b>-</b>	<b>4,430,702</b>
<b>Net book value</b>						
31 December 2016	4,430,247	627,447	2,563,186	266,426	269,776	8,157,082
31 December 2015	4,486,238	646,437	2,205,972	238,941	269,776	7,847,364

The net book value of fixed assets comprises:

	2016 £	2015 £
Assets held for charity use	1,513,365	1,455,904
Estate assets	4,547,902	4,375,222
Assets held for administrative purposes	375,834	361,565
Assets held by trading subsidiary	1,719,981	1,654,673
	<b>8,157,082</b>	<b>7,847,364</b>

The Trustees have taken the option provided by the transitional provisions contained within FRS 102 to rebase the valuation of land and buildings and range modifications as at 1 January 2014 and treat this as a deemed cost.

# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### 11 Fixed assets (continued)

Charity	Freehold land & buildings £	Leasehold land & buildings £	Range modifications, plant & machinery £	Fixtures fittings & equipment £	Historical assets £	Total £
Cost or valuation:						
1 January 2016	5,753,042	636,306	1,583,797	535,421	269,776	8,778,342
Additions	-	-	282,766	53,654	-	336,420
Disposals	-	-	(28,940)	-	-	(28,940)
<b>31 December 2016</b>	<b>5,753,042</b>	<b>636,306</b>	<b>1,837,623</b>	<b>589,075</b>	<b>269,776</b>	<b>9,085,822</b>
Depreciation						
1 January 2016	1,266,804	261,778	849,055	466,143	-	2,843,780
Charge for the year	55,991	11,331	114,707	41,338	-	223,367
Disposals Depreciation	-	-	(26,011)	-	-	(26,011)
<b>31 December 2016</b>	<b>1,322,795</b>	<b>273,109</b>	<b>937,751</b>	<b>507,481</b>	<b>-</b>	<b>3,041,136</b>
<b>Net book value</b>						
31 December 2016	4,430,247	363,197	899,872	81,594	269,776	6,044,686
31 December 2015	4,486,238	374,528	734,742	69,278	269,776	5,934,562

The net book value of fixed assets comprises:

	2016 £	2015 £
Assets held for charity use	1,421,108	1,395,218
Estate assets	4,270,654	4,192,851
Assets held for administrative purposes	352,924	346,493
	<b>6,044,686</b>	<b>5,934,562</b>

Range fixtures, modifications, plant and machinery, office equipment and furniture are included in the accounts at cost. 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

	2016 £	2015 £	2014 £	2013 £	2012 £
<b>Additions:</b>					
Purchases of rifles	-	7,776	4,000	-	-
Donations	-	-	-	-	-
<b>Total additions:</b>	<b>-</b>	<b>7,776</b>	<b>4,000</b>	<b>-</b>	<b>-</b>

# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### 12 Investments

	<b>Group 2016 £</b>	<b>Group 2015 £</b>	<b>Charity 2016 £</b>	<b>Charity 2015 £</b>
At 1 January 2016	407,998	421,203	496,386	509,591
Additions	-	-	-	-
Disposals	-	-	-	-
Increase/(decrease) in valuation	48,384	(13,205)	48,384	(13,205)
<b>At 31 December 2016</b>	<b>456,382</b>	<b>407,998</b>	<b>544,770</b>	<b>496,386</b>

At 31 December 2016, the market value and historical cost of the investments were represented by:

	<b>Group market value 2016 £</b>	<b>Group historical cost 2016 £</b>	<b>Charity market value 2016 £</b>	<b>Charity historical cost 2016 £</b>
Category A Funds	306,975	227,165	306,975	227,165
Category B Funds	15,279	14,472	15,279	14,472
	<b>322,254</b>	<b>241,637</b>	<b>322,254</b>	<b>241,637</b>
Overseas Team Fund	134,128	123,992	134,128	123,992
Subsidiary company shares	-	-	88,388	88,388
Long term loan to subsidiary company	-	-	-	-
<b>At 31 December 2016</b>	<b>456,382</b>	<b>365,629</b>	<b>544,770</b>	<b>454,017</b>
<b>At 31 December 2015</b>	<b>407,998</b>	<b>349,625</b>	<b>496,386</b>	<b>438,013</b>

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 £134,128 (2015: £123,057).

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 2016

### 13 Social Investments: loans to clubs

	<b>Group and Charity</b>	
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Huddersfield Rifle Club	-	1,000
Killingholme Full Bore Club	9,295	10,629
Penrhiwpal Shooting Club	4,000	5,000
Colchester Rifle Club	16,000	20,000
Loans to Clubs carried forward	<u>29,295</u>	<u>36,629</u>
Loans to Clubs brought forward	36,629	43,963
Repayments received	(7,334)	(7,334)
New loans granted	-	-
Loans to Clubs carried forward	<u>29,295</u>	<u>36,629</u>

The loans to clubs are usually repayable in annual instalments, and are interest free. The current year balance of £29,295 includes a figure of £22,961 which is repayable in greater than one year.

### 14 Stock

	<b>Group 2016 £</b>	<b>Group 2015 £</b>	<b>Charity 2016 £</b>	<b>Charity 2015 £</b>
Ammunition	240,029	524,157	-	-
Medals and badges	16,887	19,179	16,887	19,179
Clays	17,333	17,775	-	-
Hire and other stock	64,523	77,539	-	-
	<u>338,772</u>	<u>638,650</u>	<u>16,887</u>	<u>19,179</u>

### 15 Debtors

	<b>Group 2016 £</b>	<b>Group 2015 £</b>	<b>Charity 2016 £</b>	<b>Charity 2015 £</b>
Amounts due within year:				
Trade debtors	333,428	415,368	251,447	229,090
Amounts owed by group undertakings	-	-	1,105,079	1,086,586
Other debtors and prepayments	101,780	138,092	84,815	135,685
	<u>435,208</u>	<u>553,460</u>	<u>1,441,341</u>	<u>1,451,361</u>

# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### 16 Creditors

Amounts falling due within one year:

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Trade creditors	95,765	307,918	50,824	119,359
Membership and rents in advance	616,176	397,037	616,176	397,037
Other creditors	686,319	621,102	475,070	462,827
Accruals	110,122	87,803	97,929	78,251
Deferred income (note 17)	29,271	30,590	29,271	30,590
	1,537,653	1,444,450	1,269,270	1,088,064

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

### 17 Deferred income

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Due within one year (see note 16)	29,271	30,590	29,271	30,590
Due after more than one year	315,611	341,808	315,611	341,808
	344,882	372,398	344,882	372,398
	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
Deferred lease premium income:				
At 1 January 2016	269,027	286,563	269,027	286,563
Additions during the year	-	-	-	-
Disposal during the year	-	-	-	-
Transferred to Estate income	(17,311)	(17,536)	(17,311)	(17,536)
<b>At 31 December 2016</b>	251,716	269,027	251,716	269,027
Life & Term Members Funds:				
At 1 January 2016	103,371	107,130	103,371	107,130
Additions during the year	1,733	8,966	1,733	8,966
Transferred to Membership income	(11,938)	(12,725)	(11,938)	(12,725)
<b>At 31 December 2016</b>	93,166	103,371	93,166	103,371
	344,882	372,398	344,882	372,398

# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### 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 £305,064 (2015: £240,583) in the General Fund and £1,062,713 (2015: £1,112,175) 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 (2015: £3,036,356) relating to the revaluation of certain fixed assets, calculated by reference to the implementation of FRS102 under the transitional arrangements.

### 19 Restricted funds

#### Group & Charity

	<b>Balance 1 January 2016 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers and gains £</b>	<b>Balance 31 December 2016 £</b>
Overseas Team Fund	129,979	30,848	(36,016)	11,071	135,882
Young Shooters Fund	55,215	1,233	(786)	-	55,662
	<u>185,194</u>	<u>32,081</u>	<u>(36,802)</u>	<u>11,071</u>	<u>191,544</u>

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.

### 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 £119,194 (2015: £81,881) relating to the revaluation of investments.

# NATIONAL RIFLE ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2016

### 21 Analysis of net assets between funds

Fund balances at 31 December 2016 are represented by:

Group	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	Total £
Tangible fixed assets	8,146,882	-	10,200	-	8,157,082
Fixed asset investments	-	134,128	-	322,254	456,382
Loans to Clubs > 1 year	22,961	-	-	-	22,961
Current assets	1,378,064	11,754	45,462	53,899	1,489,179
Current liabilities	(1,455,941)	(10,000)	-	(71,712)	(1,537,653)
Deferred income	(315,611)	-	-	-	(315,611)
	<u>7,776,355</u>	<u>135,882</u>	<u>55,662</u>	<u>304,441</u>	<u>8,272,340</u>

**Note:** Tangible fixed assets of £8,157,082 (2015: £7,847,364) include £1,062,713 (2015: £1,112,175) representing the total of Designated Funds in relation to Capital Grants in the Charity's wholly owned subsidiary.

Fund balances at 31 December 2016 are represented by:

Charity	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	Total £
Tangible fixed assets	6,034,486	-	10,200	-	6,044,686
Fixed asset investments	88,388	134,128	-	322,254	544,770
Loans to Clubs > 1 year	22,961	-	-	-	22,961
Current assets	1,765,914	11,754	45,462	53,899	1,877,029
Current liabilities	(1,187,558)	(10,000)	-	(71,712)	(1,269,270)
Deferred income	(315,611)	-	-	-	(315,611)
	<u>6,408,580</u>	<u>135,882</u>	<u>55,662</u>	<u>304,441</u>	<u>6,904,565</u>

### 22 Related party transactions

The charity has taken advantage of the exemptions provided by Financial Reporting Standard 102 Paragraph 33.1A and has not disclosed transactions with fellow group undertakings, where 100% of the voting rights are controlled within the group. During the year £nil (2015: £5,342) of pressure barrels for ammunition testing 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 2016

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### 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 (2015: £2,036,647).

### 24 Commitments under operating leases

	Group 2016 £	Group 2015 £	Charity 2016 £	Charity 2015 £
At 31 December 2016, the group and charity had total commitments under non-cancellable operating leases as follows:				
Land and buildings:				
- Less than 1 year	6,000	6,000	6,000	6,000
- 1-5 years	21,947	21,947	21,947	21,947
- Greater than 5 years	208,252	208,252	208,252	208,252
	<hr/> 236,199	<hr/> 236,199	<hr/> 236,199	<hr/> 236,199

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2016

25 Notes to the consolidated cash flow statements

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

	2016 £	2015 £
Net incoming resources	108,127	251,981
(Gains)/losses on investments	(48,384)	13,205
Dividends received	(12,240)	(12,821)
Fixed asset sale proceeds	(4,877)	(2,650)
Depreciation	392,686	340,233
Decrease/(increase) in stocks	299,878	(235,256)
Decrease in loans to clubs	7,334	7,334
Decrease/(increase) in debtors	118,252	(243,055)
Increase in creditors	67,006	337,043
<b>Net cash inflow from operating activities</b>	<b>927,782</b>	<b>456,014</b>

25.2 Reconciliation of net cash flows to movements in net debt

	£
Increase in cash in the year	242,495
Net cash at 1 January 2016	466,370
<b>Net Cash at 31 December 2016</b>	<b>708,865</b>

25.3 Analysis of changes in net debt

	At 1 January 2016 £	Cash flow £	Non-cash changes £	At 31 December 2016 £
Cash at bank and in hand	466,370	242,495	-	708,865
Overdrafts	-	-	-	-
	<u>466,370</u>	<u>242,495</u>	<u>-</u>	<u>708,865</u>
Debt due within 1 year	-	-	-	-
<b>Net cash</b>	<u>466,370</u>	<u>242,495</u>	<u>-</u>	<u>708,865</u>