

Charity No. 219858

NATIONAL RIFLE ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

NATIONAL RIFLE ASSOCIATION

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NATIONAL RIFLE ASSOCIATION

STATEMENT BY THE CHAIRMAN FOR THE YEAR ENDED 31 DECEMBER 2017

2017 was another good year for the NRA. I am pleased to be able to report a net surplus of £172,614, and continued growth in revenue and investment in full-bore shooting.

As we begin to implement the new 2018-2020 three year plan, the Trustees continue to work to the overarching principle that NRA members should pay for what they consume, whilst non-member income is invested or banked. This is intrinsically fair to all members, whether they visit Bisley regularly or not, because it ensures that there is no subsidisation between members or any intergenerational bias.

Prior plans focussed on several key elements: sound financial management; increasing and improving services to members; improving the infrastructure and utilisation of Bisley Camp; increasing shooting activity, access and infrastructure at regional ranges; and improving communications to, and services for, all current and prospective members.

A review of the past five years' accounts shows the degree of success we have enjoyed. Since the beginning of 2013:

- we have spent nearly £2.8m on capital expenditure, whilst improving our net cash position by almost £750,000. As a result, we are debt free, we have refurbished several ranges and other facilities at Bisley Camp, and we have reinstated a full maintenance programme for the entire estate
- our membership continues to grow, from 6,891 at the start of 2013 to 8,505 by the end of 2017, an increase of over 23%. We enjoyed a net increase of 490 members in 2017 alone. Consequently our ranges have never been busier, and we continue to see a consistent annual rise in range utilisation
- price rises for membership, training and shooting have been kept flat in real terms wherever possible, and subsidies have been found to encourage younger members.

This result is to the considerable credit of all Trustees - past and present - involved over the period concerned. Individually and collectively they have set the policies - not all of which have met with universal acclaim - to enable the executive to deliver. I thank them one and all.

Implementation is key however, and Andrew Mercer, our Chief Executive, and his team continue to 'put their shoulder to the wheel' with considerable professionalism and enthusiasm to deliver on this agenda, enabling us as members to focus on enjoying our shooting and making memories in a sport we all love. On behalf of all NRA members, my special thanks goes to them.

The new 2018-2020 plan seeks to build on the achievements of the past 5 years - and more. Developed in consultation with different stakeholders, and reviewed by the members' representative body, the NRA General Council, its reach extends to firming up regional initiatives, expanding training courses and certification, and focussing on improving the perception of target shooting, whilst continuing to build on our sound financial base and infrastructure.

2018 heralds two important events in the full-bore shooting world. The Dominion of Canada Rifle Association celebrates its 150th birthday, and the XXI Commonwealth Games are being held on the Gold Coast in Australia. The DCRA has been, and remains, a close friend and ally as the governing body of full-bore shooting in Canada, and I send our congratulations to them, and best wishes for another 150 years. The Commonwealth Games represents the competitive pinnacle for a number of shooting disciplines under the NRA's umbrella. As shooting's inclusion at future games appears uncertain, I wish all NRA members taking part the very best of luck.

John Webster
March 2018

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NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017.

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, resigned February 2018
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
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:	haysmacintyre, Chartered Accountants, 10 Queen Street Place, London EC4R 1AG
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 2017:

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 2017

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 J.A. Watson	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 2017

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 2017

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 2017

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 2017, major competitions attracted competitors between 14 and 94 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 2017	Participants 2016
Probationary	866	717
RCO Courses	392	385
Instruction Courses	53	78
Skills Courses	185	208

The training centre and armoury recently established in the Pavilion at Bisley provides a permanent base for the team of instructors and coaches. The facilities continue to prove 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 police firearms licensing officers, arctic expedition team leaders and regional range operators.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

Charitable Activities and Achievements (continued)

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 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 £13,179 of range equipment was purchased for loan to Baildon Rifle and Pistol Club to assist their development of a new range complex in Yorkshire. The charity was unsuccessful, again, in its attempt to acquire at auction a former barrack site with range in the Rhondda valley. Professional range design advice was funded for ranges development projects in Dorset, Northampton and Caerphilly.
- 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 250,000.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

Charitable Activities and Achievements (continued)

The major events and competitions held during 2017 were as follows:

Event	Participants 2017	Participants 2016
Imperial Meeting:		
- Schools	470	517
- Service Rifle	197	210
- Civilian Service Rifle	366	354
- Match Rifle	133	134
- F Class	57	46
- Target Rifle	1,019	1,093
- Pistol & Gallery Rifle	113	98
- Historic Arms	89	103
- Cadets	160	144
- McQueen	113	89
-Teams	163	161
Total	2,880	2,949

Event	Participants 2017	Participants 2016
Gallery Rifle Events		
- Spring Action Weekend	214	219
- Gallery Rifle Nationals	183	195
- Autumn Action	190	177
Civilian Service Rifle League	751	797
Inter Counties (teams/individuals)	20/125	24/149
Phoenix Meeting	538	523
Trafalgar Meeting	189	198
Target Shotgun League	667	706
F Class European Championship	198	267
Hand Gun League	310	276
Mini Rifle	179	199

Overall entries in the year to all competitions were pleasing although the numbers competing are not reflecting the overall increase in NRA membership.

- 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 2017 the NRA continued the programme of investment in upgrading the facilities at Bisley. This work included the development of a new kitchen, café, armouries and range office in the Pavilion, upgrading of roads and car parking, renewal of accommodation and ablutions, a major upgrade of facilities on Winans range, and the installation of new electronic targets on Stickle-down range for long range shooting.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

Charitable Activities and Achievements (continued)

- 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	31/12/16	31/12/17	Net movement
Individual Total	8,015	8,505	+490
Clubs	746	745	-1
Schools	44	42	-2
Associations	54	50	-4

The membership database allows recording of firearms use by members and provides online booking of ranges.

- 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.

FINANCIAL REVIEW

The NRA's consolidated income for the year to 31 December 2017 amounted to £5,982,619 (2016: £5,731,182). Expenditure increased to £5,852,899 (2016: £5,671,439). This has resulted in a consolidated surplus for the year of £172,614 (2016: £108,127) including gains on the market value of investments of £42,894 (2016 gain: £48,384).

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 careful control of cost of sales and overhead costs. In the year increased resources were expended 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 new website for the NRA was delivered in the year.

The Pavilion 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 2018. The provision of modern, efficient and comfortable facilities for all visitors to Bisley will support the increasing use of the ranges.

Sustained high levels of capital expenditure (£723,413 in 2017 and £705,333 in 2016) have been funded from cash flow and have largely focused on projects to improve the shooter's experience at Bisley. This has resulted in an increase in the annual depreciation charge (£478,180 in 2017 compared to £392,686 in 2016).

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) THE YEAR ENDED 31 DECEMBER 2017

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 2018 – 2020, 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 £250,000 (increased from £200,000 for 2017).

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 2017 the group had negative free reserves amounting to £517,680 (2016: negative: £380,727). The trustees have considered the level of negative free reserves and consider it appropriate and sustainable for a charity with substantial property fixed assets; this allows continuing substantial investment in capital expenditure especially as membership and rents in advance are £670,576 (2016: £616,176) and are not included in the reserves figure. Trustees expect the backlog in capital expenditure to have reduced by 2023 allowing free reserves to improve thereafter.

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.

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT (continued) THE YEAR ENDED 31 DECEMBER 2017

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

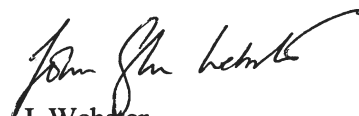
The Trustees have published a Strategic and Development review for 2018 to 2020; this document is reviewed each year to assess progress and review priorities for following years. The key principles include improving access to regional ranges; increasing Bisley range utilisation by improving the infrastructure; improving services to members and increasing membership; increasing participation in competitions; and improving the public perception of target shooting through improved communications with the media.

AUDITORS

After a careful tender process, haysmacintyre were appointed as auditors to the NRA in June 2017. They have confirmed their willingness to be reappointed as auditors 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 13 March 2018, and was signed on its behalf by


J. Webster
Chairman

NATIONAL RIFLE ASSOCIATION

TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017

Opinion

We have audited the financial statements of National Rifle Association for the year ended 31 December 2017 which comprise the consolidated statement of financial activities, group and parent charity balance sheets, consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2017 and of the group's net movement in funds 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.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

NATIONAL RIFLE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report and the Chairman's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity; or
- sufficient accounting records have not been kept; or
- the parent charity 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.


haysmacintyre
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

13/3/2018

NATIONAL RIFLE ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including an Income & Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total £	2016 Total £
Income and endowments from:						
Donations and legacies	1	957,234	20,925	-	978,159	951,399
Other trading activities:						
- Operations	2	2,613,642	-	-	2,613,642	2,417,938
- Estate	3	1,286,490	-	-	1,286,490	1,254,451
Investments		-	5,089	7,712	12,801	12,240
Charitable shooting activities	4	1,080,540	10,987	-	1,091,527	1,095,154
Total income		5,937,906	37,001	7,712	5,982,619	5,731,182
Expenditure on:						
Raising funds:						
- Operations	2	2,705,349	-	-	2,705,349	2,501,675
- Estate	3	1,178,322	-	-	1,178,322	1,257,913
Charitable shooting activities	4	1,947,747	13,769	7,712	1,969,228	1,911,851
Total expenditure		5,831,418	13,769	7,712	5,852,899	5,671,439
Gains on investments	12	-	12,734	30,160	42,894	48,384
Net income		106,488	35,966	30,160	172,614	108,127
Net movement in funds		106,488	35,966	30,160	172,614	108,127
Reconciliation of funds						
Fund balances brought forward at 1 January 2017		7,776,355	191,544	304,441	8,272,340	8,164,213
Total funds carried forward at 31 December 2017		7,882,843	227,510	334,601	8,444,954	8,272,340

All income and expenditure 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 2017


	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total £
Income and endowments from:					
Donations and legacies	1	934,401	16,998	-	951,399
Other trading activities:					
- Operations	2	2,417,938	-	-	2,417,938
- Estate	3	1,254,451	-	-	1,254,451
Investments		-	4,833	7,407	12,240
Charitable shooting activities	4	1,084,904	10,250	-	1,095,154
Total income		<u>5,691,694</u>	<u>32,081</u>	<u>7,407</u>	<u>5,731,182</u>
Expenditure on:					
Raising funds:					
- Operations	2	2,501,675	-	-	2,501,675
- Estate	5	1,257,913	-	-	1,257,913
Charitable shooting activities	6	<u>1,867,642</u>	<u>36,802</u>	<u>7,407</u>	<u>1,911,851</u>
Total expenditure		<u>5,627,230</u>	<u>36,802</u>	<u>7,407</u>	<u>5,671,439</u>
Gains on investments	12	-	11,071	37,313	48,384
Net income		<u>64,464</u>	<u>6,350</u>	<u>37,313</u>	<u>108,127</u>
Net movement in funds	8	64,464	6,350	37,313	108,127
Reconciliation of funds					
Fund balances brought forward at 1 January 2016		7,711,891	185,194	267,128	8,164,213
Total funds carried forward at 31 December 2016		<u>7,776,355</u>	<u>191,544</u>	<u>304,441</u>	<u>8,272,340</u>

NATIONAL RIFLE ASSOCIATION

GROUP AND CHARITY BALANCE SHEETS 31 DECEMBER 2017

	Notes	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Tangible fixed assets					
Fixed assets	11	8,400,523	8,157,082	6,116,117	6,044,686
Investments	12	499,276	456,382	587,664	544,770
Social investments: loans to clubs > 1 year	13	27,627	22,961	27,627	22,961
		<u>8,927,426</u>	<u>8,636,425</u>	<u>6,731,408</u>	<u>6,612,417</u>
Current assets					
Social investments: loans to clubs < 1 year	13	9,334	6,334	9,334	6,334
Stocks	14	320,925	338,772	19,896	16,887
Debtors	15	520,324	435,208	1,514,953	1,441,341
Cash at bank and in hand		584,427	708,865	446,370	412,467
		<u>1,435,010</u>	<u>1,489,179</u>	<u>1,990,553</u>	<u>1,877,029</u>
Creditors					
Amounts falling due within one year	16	(1,553,168)	(1,461,450)	(1,355,491)	(1,269,270)
Net current (liabilities) / assets		<u>(118,158)</u>	<u>27,729</u>	<u>634,062</u>	<u>607,759</u>
Total assets less current Liabilities		<u>8,809,268</u>	<u>8,664,154</u>	<u>7,366,470</u>	<u>7,220,176</u>
Deferred income	17	<u>(364,314)</u>	<u>(391,814)</u>	<u>(292,594)</u>	<u>(315,611)</u>
Net assets		<u>8,444,954</u>	<u>8,272,340</u>	<u>7,073,876</u>	<u>6,904,565</u>
Funds of the Charity					
Unrestricted Funds	18	7,882,843	7,776,355	6,511,765	6,408,580
Restricted Funds					
Overseas Team Fund	19	170,723	135,882	170,723	135,882
Young Shooters Fund	19	56,787	55,662	56,787	55,662
Endowment Fund					
Special Prizes Fund	20	334,601	304,441	334,601	304,441
Total Charity Funds		<u>8,444,954</u>	<u>8,272,340</u>	<u>7,073,876</u>	<u>6,904,565</u>

The financial statements on pages 15 to 36 were approved by the Council and authorised for issue on 13 March 2018 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 2017

	Note	2017	2016
		£	£
Net cash provided by (used in) operating activities	26	583,682	927,782
Cash flow from investing activities:			
Dividends, interest and rents from investments		12,801	12,240
Proceeds from the sales of property, plant and equipment		2,492	7,806
Purchase of property, plant and equipment		<u>(723,413)</u>	<u>(705,333)</u>
Net cash provided by (used in) investing activities		<u>(708,120)</u>	<u>(685,287)</u>
Change in cash and cash equivalents in the reporting period	26	<u>(124,438)</u>	<u>242,495</u>
Cash and cash equivalents at the beginning of the reporting period	26	708,865	466,370
Cash and cash equivalents at the end of the reporting period	26	<u>584,427</u>	<u>708,865</u>

NATIONAL RIFLE ASSOCIATION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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 2017, the budget for the year ending 31 December 2018, 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 the Charities SORP.

Income

All income is 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.

Expenditure

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 2017

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 2017

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 2017

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 2017

1	Donations and legacies	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
	Subscriptions	872,872	-	872,872	839,084
	Gift aid	83,015	-	83,015	94,063
	Donations	1,347	20,925	22,272	18,252
		957,234	20,925	978,159	951,399

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:

	2017 £	2016 £
Turnover	3,184,725	2,987,635
Costs		
Cost of sales	1,213,433	1,158,252
Other operating expenses	1,491,916	1,343,424
	(2,705,349)	(2,501,676)
Profit on ordinary activities after taxation	479,376	485,929
Gift Aid payment to the National Rifle Association	(426,612)	(421,478)
Retained profit	52,764	64,481

The turnover of £3,184,725 (2016: £2,987,635) includes inter-company revenue of £521,621 (2016: £520,235) and lottery fund write down of £49,462 (2016: £49,462) which have been excluded on consolidation.

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

Fixed assets		
Tangible assets	2,284,408	2,112,396
Current assets		
Stocks	301,029	321,885
Debtors	105,202	98,948
Cash at bank and in hand	138,057	296,397
Carried forward	544,288	717,230

NATIONAL RIFLE ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

2	Other trading activities - operations (continued)			2017	2016
				£	£
	Brought forward			544,288	717,230
	Creditors				
	Amounts falling due within one year			(1,346,971)	(1,346,720)
	Net current (liabilities) / assets			(802,683)	(629,490)
	Total assets less current liabilities			1,481,725	1,482,906
	Creditors				
	Amounts falling due after more than one year			-	-
	Deferred income			(1,035,509)	(1,089,454)
				446,216	393,452
	Capital & Reserves				
	Called up share capital			88,388	88,388
	Profit and loss account			357,828	305,064
	Shareholders' funds			446,216	393,452
3	Other trading activities – estate	Unrestricted funds	Restricted funds	Total 2017	Total 2016
		£	£	£	£
	Rents	974,375	-	974,375	961,564
	Services and utilities recovered	269,224	-	269,224	250,934
	Other	42,891	-	42,891	41,953
		1,286,490	-	1,286,490	1,254,451
4	Charitable shooting activities	Unrestricted funds	Restricted funds	Total 2017	Total 2016
		£	£	£	£
	Imperial meeting	698,536	10,987	709,523	726,919
	Course hire	207,498	-	207,498	187,318
	Other shooting events	174,506	-	174,506	180,917
		1,080,540	10,987	1,091,527	1,095,154

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

5 Expenditure on raising funds - Estates

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Permanent staff costs	271,900	-	271,900	306,549
Maintenance	349,558	-	349,558	431,972
Utilities	253,999	-	253,999	248,423
Rents, rates and cleaning	38,317	-	38,317	29,208
Depreciation	117,144	-	117,144	100,515
Rent charged to National Shooting Centre Limited	(41,000)	-	(41,000)	(41,000)
	989,918	-	989,918	1,075,667
Support costs (see note 7)	188,404	-	188,404	182,246
	1,178,322	-	1,178,322	1,257,913

6 Charitable shooting activities

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total 2017 £	Total 2016 £
Permanent staff costs	691,341	-	-	691,341	640,968
Imperial Meeting	360,351	1,266	-	361,617	370,529
Imperial Meeting prizes	-	-	4,959	4,959	5,081
Courses and other NRA events	208,903	-	-	208,903	205,610
Support of other bodies/teams	10,472	4,170	-	14,642	10,915
Support of young shooters	-	229	-	229	787
Team travel	-	6,000	-	6,000	29,122
Membership insurance	110,078	-	-	110,078	108,160
Insurance	62,115	-	-	62,115	59,921
Depreciation	104,128	-	-	104,128	89,347
	1,547,388	11,665	4,959	1,564,012	1,520,440
Support costs (see note 7)	400,359	2,104	2,753	405,216	391,411
	1,947,747	13,769	7,712	1,969,228	1,911,851

£521,621 of inter-company costs (£334,206 Imperial Meeting, £162,574 Courses and other NRA Events, £24,681 Support of other bodies and teams, £160 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 2017

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 Charity 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 £	2017 £	2016 £
General fund	Basis				
Permanent staff costs	Support	231,762	-	231,762	220,013
Trustee costs	Governance	-	8,319	8,319	4,964
Information technology costs	Support	37,989	-	37,989	30,155
Office and banking costs	Support	110,826	-	110,826	113,953
Professional fees	Support	149,152	-	149,152	152,668
Audit Fee	Governance	-	11,667	11,667	14,261
Depreciation		39,048	-	39,048	30,505
		<u>568,777</u>	<u>19,986</u>	<u>588,763</u>	<u>569,519</u>
Allocated to:					
- Expenditure on raising funds – estate				(188,404)	(182,246)
- Charitable shooting activities				(400,359)	(387,273)
				<u>-</u>	<u>-</u>
Restricted fund					
Investment management charges				2,104	1,812
Endowment fund					
Investment management charges				2,753	2,326

8 Net movement in funds

	2017 £	2016 £
Net movement in funds is stated after charging/(crediting):		
Depreciation of tangible fixed assets:		
- Owned assets	478,180	392,686
Rent receivable under operating leases	(628,815)	(530,239)
Operating lease rentals payable:		
- Land and buildings	19,894	19,631
Auditor's remuneration:		
- Audit fees	18,056	20,554
- Fees for other services	944	7,067

NATIONAL RIFLE ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

9 Staff costs

	2017	2016
	Number	Number
The average monthly number of persons employed by the group during the year was:		
Office, maintenance, range staff and instructors	72	69

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:

	2017	2016
	£	£
Wages and salaries	1,981,151	1,884,027
Redundancy costs	-	1,960
Social security costs	190,611	176,325
Other pension costs	89,427	80,278
Other benefits	15,202	12,391
	2,276,391	2,154,981

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 (2016: one) employee’s annual emoluments were between £60,001 and £70,000, nil (2016: one) employee's annual emoluments were between £110,001 and £120,000, one (2016: nil) employee’s annual emoluments were between £120,001 and £130,000.

The key management personnel of the Charity comprise 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 £358,953 (2016: £351,043).

10 Transactions relating to trustees

Trustees’ costs

No Trustee (2016: none) received remuneration. Two Trustees (2016: three) received reimbursements of £1,180 (2016: £2,664) for out of pocket travel and subsistence expenses.

Property transactions

Seven (2016: 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 £10,079 (2016: £10,415).

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

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 2017	5,753,042	1,019,256	4,583,863	961,847	269,776	12,587,784
Additions	13,712	-	574,441	135,260	-	723,413
Disposals	-	-	(7,920)	-	-	(7,920)
31 December 2017	5,766,754	1,019,256	5,150,384	1,097,107	269,776	13,303,277
Depreciation						
1 January 2017	1,322,795	391,809	2,020,677	695,421	-	4,430,702
Charge for the year	55,991	18,990	268,345	134,854	-	478,180
Disposals Depreciation	-	-	(6,128)	-	-	(6,128)
31 December 2017	1,378,786	410,799	2,282,894	830,275	-	4,902,754
Net book value						
31 December 2017	4,387,968	608,457	2,867,490	266,832	269,776	8,400,523
31 December 2016	4,430,247	627,447	2,563,186	266,426	269,776	8,157,082

The net book value of fixed assets comprises:

	2017 £	2016 £
Assets held for charity use	1,558,531	1,513,365
Estate assets	4,683,631	4,547,902
Assets held for administrative purposes	387,051	375,834
Assets held by trading subsidiary	1,771,310	1,719,981
	8,400,523	8,157,082

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 2017

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 2017	5,753,042	636,306	1,837,623	589,075	269,776	9,085,822
Additions	13,712	-	260,802	59,030	-	333,544
Disposals	-	-	(7,920)	-	-	(7,920)
31 December 2017	5,766,754	636,306	2,090,505	648,105	269,776	9,411,446
Depreciation						
1 January 2017	1,322,795	273,109	937,751	507,481	-	3,041,136
Charge for the year	55,991	11,331	146,697	46,302	-	260,321
Disposals Depreciation	-	-	(6,128)	-	-	(6,128)
31 December 2017	1,378,786	284,440	1,078,320	553,783	-	3,295,329
Net book value						
31 December 2017	4,387,968	351,866	1,012,185	94,322	269,776	6,116,117
31 December 2016	4,430,247	363,197	899,872	81,594	269,776	6,044,686

The net book value of fixed assets comprises:

	2017 £	2016 £
Assets held for charity use	1,437,901	1,421,108
Estate assets	4,321,122	4,270,654
Assets held for administrative purposes	357,094	352,924
	6,116,117	6,044,686

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

	2017 £	2016 £	2015 £	2014 £	2013 £
Additions:					
Purchases of rifles	-	-	7,776	4,000	-
Donations	-	-	-	-	-
Total additions:	-	-	7,776	4,000	-

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

12 Investments

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
At 1 January 2017	456,382	407,998	544,770	496,386
Additions	-	-	-	-
Disposals	-	-	-	-
Increase/(decrease) in valuation	42,894	48,384	42,894	48,384
At 31 December 2017	499,276	456,382	587,664	544,770

At 31 December 2017, the market value and historical cost of the investments were represented by:

	Group market value 2017 £	Group historical cost 2017 £	Charity market value 2017 £	Charity historical cost 2017 £
Category A Funds	337,578	253,351	337,578	253,351
Category B Funds	14,836	14,326	14,836	14,326
	352,414	267,677	352,414	267,677
Overseas Team Fund	146,862	128,500	146,862	128,500
Subsidiary company shares	-	-	88,388	88,388
Long term loan to subsidiary company	-	-	-	-
At 31 December 2017	499,276	396,177	587,664	484,565
At 31 December 2016	456,382	365,629	544,770	454,017

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 £146,862 (2016: £134,128).

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 2017

13 Social Investments: loans to clubs

	Group and Charity	
	2017	2016
	£	£
Killingholme Full Bore Club	6,961	9,295
Penrhiwpal Shooting Club	3,000	4,000
Colchester Rifle Club	12,000	16,000
Baildon Rifle & Pistol Club	15,000	-
Loans to Clubs carried forward	<u>36,961</u>	<u>29,295</u>
Loans to Clubs brought forward	29,295	36,629
Repayments received	(7,334)	(7,334)
New loans granted	15,000	-
Loans to Clubs carried forward	<u>36,961</u>	<u>29,295</u>

The loans to clubs are usually repayable in annual instalments, and are interest free. The current year balance of £36,961 (2016: £29,295) includes a figure of £27,627 (2016: £22,961) which is repayable in greater than one year.

14 Stock

	Group	Group	Charity	Charity
	2017	2016	2017	2016
	£	£	£	£
Ammunition	243,827	240,029	-	-
Medals and badges	19,896	16,887	19,896	16,887
Clays	11,516	17,333	-	-
Hire and other stock	45,686	64,523	-	-
	<u>320,925</u>	<u>338,772</u>	<u>19,896</u>	<u>16,887</u>

15 Debtors

	Group	Group	Charity	Charity
	2017	2016	2017	2016
	£	£	£	£
Amounts due within year:				
Trade debtors	430,025	333,428	335,028	251,447
Amounts owed by group undertakings	-	-	1,099,831	1,105,079
Other debtors and prepayments	90,299	101,780	80,094	84,815
	<u>520,324</u>	<u>435,208</u>	<u>1,514,953</u>	<u>1,441,341</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

16 Creditors

Amounts falling due within one year:

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Trade creditors	102,498	95,765	73,270	50,824
Membership in advance	670,576	616,176	670,576	616,176
Rents and utilities in advance	350,983	374,598	348,149	379,596
Other creditors	284,430	231,035	145,603	95,474
Accruals	111,118	110,122	88,813	97,929
Deferred income (note 17)	33,563	33,754	29,080	29,271
	<u>1,553,168</u>	<u>1,461,450</u>	<u>1,355,491</u>	<u>1,269,270</u>

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

17 Deferred income

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Due within one year (see note 16)	33,563	33,754	29,080	29,271
Due after more than one year	364,314	391,814	292,594	315,611
	<u>397,877</u>	<u>425,568</u>	<u>321,674</u>	<u>344,882</u>
	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Deferred lease premium income:				
At 1 January 2017	332,402	354,196	251,716	269,027
Additions during the year	-	-	-	-
Disposal during the year	-	-	-	-
Transferred to Estate income	(21,794)	(21,794)	(17,311)	(17,311)
At 31 December 2017	<u>310,608</u>	<u>332,402</u>	<u>234,405</u>	<u>251,716</u>
Life & Term Members Funds:				
At 1 January 2017	93,166	103,371	93,166	103,371
Additions during the year	5,732	1,733	5,732	1,733
Transferred to Membership income	(11,629)	(11,938)	(11,629)	(11,938)
At 31 December 2017	<u>87,269</u>	<u>93,166</u>	<u>87,269</u>	<u>93,166</u>
	<u>397,877</u>	<u>425,568</u>	<u>321,674</u>	<u>344,882</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

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 £357,828 (2016: £305,064) in the General Fund and £1,013,251 (2016: £1,062,713) 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 (2016: £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

	Balance 1 January 2017 £	Income £	Expenditure £	Transfers and gains £	Balance 31 December 2017 £
Overseas Team Fund	135,882	35,647	(13,540)	12,734	170,723
Young Shooters Fund	55,662	1,354	(229)	-	56,787
	191,544	37,001	(13,769)	12,734	227,510

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 £149,354 (2016: £119,194) relating to the revaluation of investments.

21 Funds Held As Custodian Trustee

The National Rifle Association acts as custodian, managing a bank account on behalf of ICFRA members' funds belonging to the Beneficial Owners. Assets held in this way are not aggregated in these financial statements as the Association does not control them. The assets held in this way may be summarised as follows:

	2017 £	2016 £
ICFRA	20,798	18,130
Total assets held as custodian trustee	20,798	18,130

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

22 Analysis of net assets between funds

Fund balances at 31 December 2017 are represented by:

Group	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	Total £
Tangible fixed assets	8,390,323	-	10,200	-	8,400,523
Fixed asset investments	-	146,862	-	352,414	499,276
Loans to Clubs > 1 year	27,627	-	-	-	27,627
Current assets	1,296,012	30,801	46,587	61,610	1,435,010
Current liabilities	(1,466,805)	(6,940)	-	(79,423)	(1,553,168)
Deferred income	(364,314)	-	-	-	(364,314)
	<u>7,882,843</u>	<u>170,723</u>	<u>56,787</u>	<u>334,601</u>	<u>8,444,954</u>

Note: Tangible fixed assets of £8,400,523 (2016: £8,157,082) include £1,013,251 (2016: £1,062,713) representing the total of Designated Funds in relation to Capital Grants in the Charity's wholly owned subsidiary.

Fund balances at 31 December 2017 are represented by:

Charity	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	Total £
Tangible fixed assets	6,105,917	-	10,200	-	6,116,117
Fixed asset investments	88,388	146,862	-	352,414	587,664
Loans to Clubs > 1 year	27,627	-	-	-	27,627
Current assets	1,851,555	30,801	46,587	61,610	1,990,553
Current liabilities	(1,269,128)	(6,940)	-	(79,423)	(1,355,491)
Deferred income	(292,594)	-	-	-	(292,594)
	<u>6,511,765</u>	<u>170,723</u>	<u>56,787</u>	<u>334,601</u>	<u>7,073,876</u>

23 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.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

24 Contingent liability

On 10 July 2000, a 50 year debenture was created in favour of The English Sports Council, representing a fixed and floating charge over all the assets of the subsidiary company, against the performance of the company's obligations under the Lottery Fund Agreement relating to the grant for the clay shooting complex for the 2002 Commonwealth Games. The amount repayable to The English Sports Council in the event that these obligations crystallise is £2,036,647 (2016: £2,036,647).

25 Commitments under operating leases

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
At 31 December 2017, 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	202,252	208,252	202,252	208,252
	<hr/> 230,199 <hr/>	<hr/> 236,199 <hr/>	<hr/> 230,199 <hr/>	<hr/> 236,199 <hr/>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2017

26 Notes to the consolidated cash flow statements

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

	2017 £	2016 £
Net income	172,614	108,127
Gains on investments	(42,894)	(48,384)
Dividends received	(12,801)	(12,240)
Surplus on disposal of tangible fixed assets	(700)	(4,877)
Depreciation	478,180	392,686
Decrease in stocks	17,847	299,878
(Increase)/Decrease in loans to clubs	(7,666)	7,334
(Increase)/Decrease in debtors	(85,116)	118,252
Increase in creditors	64,218	67,006
Net cash inflow from operating activities	583,682	927,782

26.2 Reconciliation of net cash flows to movements in net debt

	£
Decrease in cash in the year	(124,438)
Net cash at 1 January 2017	708,865
Net Cash at 31 December 2017	584,427

26.3 Analysis of changes in net debt

	At 1 January 2017 £	Cash flow £	Non-cash changes £	At 31 December 2017 £
Cash at bank and in hand	708,865	(124,438)	-	584,427
Overdrafts	-	-	-	-
Net cash	708,865	(124,438)	-	584,427