

Charity No. 219858

**NATIONAL RIFLE ASSOCIATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

NATIONAL RIFLE ASSOCIATION

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STATEMENT BY THE CHAIRMAN FOR THE YEAR ENDED 31 DECEMBER 2020

The NRA, like many other charities has had a difficult year as a result of the Government's response to the COVID-19 pandemic. The range complex at Bisley was closed from March to May, and again in November which had a significant adverse effect on income. The restrictions on travel and meeting also limited the ability of the NRA to carry out charitable activities.

However, the underlying appeal and popularity of marksmanship promoted by the NRA as part of its charitable purposes continues. NRA membership numbers have grown by over 26% over the past 6 years and there is increasing interest in marksmanship, both at Bisley and around the country.

During 2020, National Shooting Centre Limited ("NSC"), the NRA's wholly-owned subsidiary has made significant improvements in the experience it offers, both for charitable and non-charitable shooting activities, including the installation of more electronic targets, covered firing points for winter, the expansion of Chobham Ridge range and the development of the Bisley Shooting Ground business acquired in 2020.

We have also spent significant time and resources with those responsible for regulation. We all recognise the need for effective regulatory oversight of firearms ownership and the NRA contributes to an informed and rational approach to this important issue. We will continue to work with government and police to enable people to develop their marksmanship skills in ways that are responsible and accessible.

Net cash provided by operations is £245,825 for the year, significantly less than £1,008,161 in 2019 due to COVID-19 lockdowns. The net deficit for the year is £426,540 compared to a net surplus of £21,645 in 2019; this includes a gain on investments of £2,773 compared to a gain of £52,369 in 2019.

The net deficit in our general funds for 2020, which do not include investments, was £429,313, largely due to an increase in expenditure of professional fees and the adverse financial effects of the restrictions imposed by the Government in response to the COVID-19 pandemic.

The challenges represented by the ongoing COVID-19 pandemic will affect the NRA and the NSC for the foreseeable future. The short-term challenge is the survival of the charity. Then it will be necessary to repay the significant overdraft incurred during 2020 and once that is done, to establish reserves against future financial challenges. However, the NRA has faced many challenges since it was established in 1859 and the Trustees remain confident that it will weather this storm.

The success of the NRA would not be possible without a committed executive team. Andrew Mercer, our Secretary-General, has assembled an executive team that is committed to continuing on this path, and securing the best outcomes. Their work is often under-appreciated and misunderstood and I would like to thank them all for their continued commitment. They continue to draw on the ability and commitment of our Trustees, who volunteer to spend many hours forming and articulating critical policy for the executive to implement.

David Lacey

David Lacey
27 May 2021

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

This is the Trustees' Annual Report and the financial statements of the National Rifle Association ("the NRA") for the year ended 31 December 2020. In preparing this report, the Trustees have had regard to the Guidance published by the Charity Commission for England and Wales in *Public benefit: reporting (PB3)*.

1 Objectives and Activities

1.1 The charitable objectives for which the NRA was established are set out in the Second Schedule to the Royal Charter of the NRA. These objectives are:

“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.”

1.2 The NRA promotes its purposes for the public benefit in three main ways:

- (a) by promoting military and "mixed" (i.e. civilian and military) competitive shooting, in furtherance of the promotion of the efficiency of the armed forces of the Crown and the efficiency of the police, fire and rescue services and ambulance services;
- (b) by promoting civilian youth shooting, both competitive and non-competitive, for the advancement of education; and
- (c) by promoting competitive adult civilian-only shooting for the promotion of the Defence of the Realm.

1.3 The Trustees are aware that the Charity Commission believes that the connection between civilian marksmanship and Defence of the Realm is tenuous. That is not a view shared by the NRA, but at this stage the NRA has not sought to challenge that view while information is collected on the participation levels of military, emergency services and cadet personnel in events organised by the NRA. Despite the huge advances in military technology during the period since the founding of the NRA, 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, the maintenance of efficient and skilled defence and security services is of immense benefit to the public of the United Kingdom.

1.4 The competitive shooting organised by the NRA is open to military, emergency services and civilian marksmen and the Trustees believe that this activity promotes the purpose described in paragraph 1.2(a). The lack of verified data on participation rates of military emergency service personnel and cadets in 2020 as a result of restrictions imposed in response to the Covid-19 pandemic limits the ability of the Trustees in 2020 to evidence the contribution that the NRA makes to that activity. As a result, the Trustees will throughout 2021 be collecting information to verify that this is the case as part of its on-going engagement with the Charity Commission.

1.5 The NRA conducts the following activities as part of furthering its charitable objectives:

- (a) publishing the NRA Journal;
- (b) operating a membership scheme;
- (c) organising shooting competitions to promote charitable purposes open to current and former military, police and other emergency service personnel, cadets, students and civilians;

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- (d) promoting marksmanship for cadets and students at schools and higher education institutions;
 - (e) providing information and advice to politicians and civil servants in relation to matters concerning marksmanship;
 - (f) maintaining and curating the NRA Museum and Trophies for marksmanship competitions;
 - (g) conducting training courses in marksmanship and in instruction of marksmanship that are open to current and former military, police and other emergency service personnel, cadets, students and civilian marksmen;
 - (h) publishing rules for marksmanship competitions and training manuals for use in connection with training courses;
 - (i) organising marksmanship competitions open to current and former military, police and other emergency service personnel, cadets, students and civilian marksmen including the Imperial Meeting, the Phoenix Meeting, the Trafalgar Meeting and the Adaptive Championship;
 - (j) operating a Home Office Approved Rifle Club to facilitate acquisition and use of firearms in connection with marksmanship and providing advice and guidance for compliance with firearms licensing laws; and
 - (k) publishing guidance for the safe operation of ranges.
- 1.6 The consolidated accounts limit the scope for demonstrating the contribution of each activity in the financial information published below.
- 1.7 The NRA, along with the wider shooting community, recognises 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.
- 1.8 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, the success of which contributes to the flourishing of rare fauna and flora found on the large Site of Special Scientific Interest that covers most of the Bisley ranges.
- 1.9 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 2019, major competitions attracted competitors between 13 and 96 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 line of duty - to the considerable benefit of participants' morale.

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- 1.10 Non-competitive or “recreational” marksmanship activities are conducted by National Shooting Centre Limited (“NSC”), the wholly-owned subsidiary of the NRA. This is consistent with the fact that target shooting is not currently recognised as a sport for charitable purposes and so the NRA is not able to promote marksmanship as a sport.
- 1.11 Civilian marksmanship is often misunderstood by the public and its contribution to the public good is often understated. The NRA seeks to tackle these issues as part of pursuing its charitable objectives and through its activities make a difference to the way civilian marksmanship is perceived. A positive perception of these activities will encourage more people to engage in them, which is a key measure of the success of the NRA in pursuing its charitable objectives.
- 1.12 The achievement of the NRA’s aims will further its legal purposes by demonstrating that its charitable objectives make a contribution to the public good through its commitment to the Efficiency of the Armed Forces and education.
- 1.13 The strategies used by the NRA for achieving its aims and objectives include:
- (a) promoting marksmanship in schools;
 - (b) engaging with cadet forces through the Council for Cadet Rifle Shooting;
 - (c) working with the British Army, Navy and Air Force to develop and improve our engagement with them as part of our contribution to Efficiency of the Armed Forces; and
 - (d) providing firearms training facilities to police forces and other emergency services.
- 1.14 The NRA uses the following criteria and measures in assessing its success in achieving its aims and objectives:
- (a) participation levels in the marksmanship events that it organises;
 - (b) growth in its membership; and
 - (c) the number of people engaging in the training activities provided by the NRA.
- 1.15 The significant activities undertaken in 2020 were providing ranges and other training facilities for police forces and these contributed to the achievement of the NRA’s aims and objectives by providing competitions to test and improve the marksmanship of military personnel, and train and improve the skills of police firearms officers. The Imperial Meeting in 2020 was organised by the NRA’s subsidiary and conducted in an abbreviated format following Covid-secure guidelines.
- 1.16 The short-term aims and objectives of the NRA are to:
- (a) promote effective communication with members and the wider public about the charitable activities of the NRA;
 - (b) continue to develop effective procedures for the management of its land and buildings;
 - (c) provide empirical evidence of the contribution of civilian marksmanship to the Efficiency of the Armed Forces; and
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- (d) improve range and other training facilities at Bisley for the use by the NSC as part of its business.
- 1.17 The medium and longer-term aims and objectives of the NRA are to:
- (a) ensure that the land and buildings owned by the NRA are maintained and used in an effective way in the best interests of the NRA;
 - (b) engage comprehensively across the Armed Forces as part of promoting the contribution of civilian marksmanship to all branches of the military; and
 - (c) increase access to regional ranges.
- 1.18 The aims and objectives for 2021 provide a base from which to develop the longer-term aims and objectives of the NRA. The strategy of the Trustees is to see steady year-on-year growth in key metrics, recognising that there are limits on the extent to which civilian marksmanship can grow in the United Kingdom. This growth will also be significantly affected by restrictions that continue to be imposed in response to the COVID-19 pandemic.
- 1.19 Social investment does not form a material part of the charitable and investment activities of the NRA.
- 1.20 The grant-making policy of the NRA facilitates and improves access to ranges and marksmanship improvement. Grants are made to provide support to organisations that promote civilian marksmanship or enhance the engagement of the NRA with the armed forces and cadets. This contributes to the aims and objectives of the NRA by providing alternative routes for the NRA to contribute to the public good provided by civilian marksmanship activities. This can be particularly useful as a way of promoting the objects of the NRA across the United Kingdom, away from the base of the NRA at Bisley Camp.
- 1.21 The NRA welcomes the contribution that volunteers make to the ability of the NRA to undertake activities such as acting as range officers, instructors and competition administrators. The difficulty in attributing an economic value to that contribution prevents it being included in the statement of financial activities, but the Trustees are keen to recognise and acknowledge it.

2 Achievements and Performance

- 2.1 The key measures of success as assessed by the Trustees are:
- (a) increases in the membership of the NRA;
 - (b) growth in demand for, and increasing use of, the Bisley range complex managed by NSC;
 - (c) monitoring and increasing involvement in competitive shooting, particularly amongst military, emergency services and cadets;
 - (d) delivering a financial surplus in accordance with the annual budget; and
 - (e) organising a range of competitions and training programmes in the year with an increase in participation.

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2.2 The NRA organised the following training courses during 2020:

Type of Course	Participants 2020	Participants 2019
Probationary	585	1,064
Range Conducting Officer / Range Safety Officer	46	328
Instructor, Renewal, Conversion	454	391
Skills Courses	56	189

2.3 The Pavilion training centre 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 large number of NRA membership applications has increased the demand for Probationary training. Other training delivered in the year included courses for Range Conducting Officers for military ranges, arctic expedition team leaders and regional range operators.

2.4 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.

2.5 The NRA provides, and continues to invest to improve, a centre of excellence in marksmanship at Bisley for the use of the Regular Services, Reserve Forces, Cadets, Police, other emergency services and civilians.

2.6 The NRA works with Government, European organisations and the Police to facilitate the implementation and administration of firearms legislation, recognising the importance of this to civilian marksmanship.

2.7 NSC staff regularly provide advice and guidance to range operators and those wishing to develop new ranges.

2.8 The NRA continues to maintain a close dialogue with the Ministry of Defence as part of discharging its charitable objectives. The MoD use the NRA's Range Conducting Officer qualification and Shooter Certification Schemes to validate the competency of civilian shooting on MoD ranges. The NSC works 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.

2.9 The NRA maintains its governance of full-bore target shooting, including the upkeep and publication of the rules and regulations for shooting competitions. These are set out in the NRA Handbook (Bisley Bible), which is published in the spring of each year, and in a number of ancillary publications.

2.10 The NRA encourages 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

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NRA's Facebook page has become an increasingly important communication and promotional tool with a weekly reach of up to 150,000.

2.11 The participation in major events and competitions held during 2020 were as follows:

Event	Participants 2020	Participants 2019
Imperial Meeting (organised by NSC)		
- Schools	Cancelled	433
- Service Rifle (Teams/Indiv.)	Cancelled	130/249
- Civilian Service Rifle	447	440
- Match Rifle	90	156
- F Class	93	81
- Target Rifle	423	970
- Pistol & Gallery Rifle	Cancelled	136
- Historic Arms	Cancelled	72
- Cadets	15	160
- McQueen	Cancelled	246
-Teams	210	721
Gallery Rifle Events		
- Spring Action Weekend	Cancelled	206
- Gallery Rifle Nationals	190	186
- Autumn Action	168	168
Civilian Service Rifle League	794	973
Inter Counties (teams/individuals)	Cancelled	20/149
Phoenix Meeting	Cancelled	505
Trafalgar Meeting	125	176
Target Shotgun League	Cancelled	335
F Class European Championship	Cancelled	274
Hand Gun League	Cancelled	248
Mini Rifle	Cancelled	176

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Total 2,555 7,210

2.12 During 2020, the NRA continued the programme of investment in upgrading its land and buildings at Bisley until the COVID-19 pandemic. This work included the upgrading of roads and car parking, refurbishment of accommodation that is licensed to NSC as part of its commercial activities and refurbishing buildings prior to letting them to tenants. The financial impact of the COVID-19 pandemic significantly reduced the scope for further such expenditure.

2.13 The NRA promotes membership of the NRA as a way of enabling and encouraging people to contribute to the charitable activities of the NRA. The changes in the membership numbers during 2020 were as follows:

Membership type	31/12/20	31/12/19	Net change
Individual Total	9,587	9,497	+90
Clubs	678	770	-92
Schools	35	39	-4
Associations	38	46	-8

2.14 The NRA seeks to maintain a sound financial base. The financial results for the year, as set out below, show a significant deficit, after a small investment gain, in the NRA's financial position. The return to generating a surplus is vital for the organisation to fund the refurbishment of the landholdings of the NRA and improve and expand the charitable activities of the NRA across the country.

2.15 The work of the NRA has benefitted society as a whole by continuing to promote the Efficiency of the Armed Forces so that it is better able to discharge its important functions. The work of the NRA with cadets and students has enhanced their education. While recognising the different view taken by the Charity Commission, the NRA believes that promoting opportunities for civilian marksmanship also plays a role in the Defence of the Realm for the good of the nation.

2.16 The NRA does not engage in any material fundraising activities. The NRA does provide a membership scheme for people who wish to support the objectives of the NRA. The number of members increased by 90 individual but affiliated organisations declined by 104 during 2020.

2.17 Listed investments increased in value by £2,773 (2019: increased £52,369).

2.18 No material expenditure was incurred to raise income in the future.

2.19 The important work of the Armed Forces is enhanced by the activities of the NRA through the competitions it organises and thus the charitable activities of the NRA produce a benefit at a societal level. At an individual level, the activities of the NRA provide an opportunity for people to develop personal skills by providing training and access to the facilities needed to pursue marksmanship activities.

2.20 The NRA fosters positive relations with its employees as they are key to the effective delivery of the charitable activities of the NRA. This also applies to its engagement with the members of the NRA, as

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they provide an important contribution to the funding of the NRA and of course are essential to enhancing the competitions that the NRA organises. The Trustees are also committed to positive engagement with the wider community. This is important to demonstrate the public benefit that flows from the pursuit of the NRA's charitable activities. The NRA recognises the importance of fostering a positive public appreciation of its activities and to dispel misunderstandings, particularly in relation to safety and responsibility of the activities that it conducts.

3 Financial Review

- 3.1 The NRA's consolidated income for the year to 31 December 2020 was £5,201,223 (2019: £6,572,231). Expenditure decreased to £5,630,536 (2019: £6,602,955). This has resulted in a consolidated deficit for the year of £426,540 (2019 Surplus: £21,645) including gains on the market value of investments of £1,773 (2019 Gain: £52,369).
- 3.2 References to "Group" or "Consolidated" refer to the combined total of the NRA and the NSC.
- 3.3 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.
- 3.4 The consolidated deficit is a result of the impact of COVID restrictions that reduced revenues and increases in legal and professional fees associated with the settling of litigation with a tenant and subsequent acquisition of a sporting clay business at Bisley. Careful control of cost of sales and overhead costs minimised the deficit. In 2020, increased resources were expended in improving the Bisley infrastructure, particularly the ranges and building stock prior to the COVID-19 pandemic. This inevitably has an impact on cash flow but is essential to the long-term success of the NRA. The restrictions resulting from the COVID-19 pandemic have had a significant negative effect on cash flow for 2020 and this will continue into 2021.
- 3.5 The NSC continues to improve integration with specialised IT systems for armoury storage, range bookings and ammunition sales. This integration is yielding improved accuracy and timeliness of management and financial reporting by NSC, which in turn facilitates effective financial management of the Group.
- 3.6 The plan for the Pavilion works to provide a new range office, retail outlet, and improved hotel accommodation has been suspended as a result of the financial effects of the COVID-19 pandemic.
- 3.7 Capital expenditure during 2020 of £392,513 (2019: £1,178,078) has been funded from cash flow and bank overdraft focused on projects to improve the effective conduct of marksmanship activities at Bisley. Capital expenditure was restricted as a result of the effects of the COVID-19 pandemic. The capital expenditure has resulted in a higher depreciation charge of £535,353 in 2020 (2019: £500,323).
- 3.8 Expenditure on estate maintenance and associated permanent staff costs in 2020 was £486,068 (2019: £681,239), incurred mainly to address a large backlog of maintenance.
- 3.9 The Trustees consider that surplus financial resources should be available to the NRA 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.
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- 3.10 The Group's financial exposures include the short-medium term considerations of maintaining a sufficient cash balance and the medium to longer term capacity to fund capital projects, whether for reinvestment or development.
- 3.11 In the strategic plan published for 2018 - 2020, the Trustees 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. This was not achieved in 2020 due to COVID and the acquisition of the sporting clay business at Bisley which is operated by the NSC.
- 3.12 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.
- 3.13 The Trustees approved a liquidity matrix to ensure that current liabilities are covered by cash or readily monetised assets.
- 3.14 The Trustees consider that there is a need to generate additional funds beyond the approved liquidity matrix, 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 many years of under-investment.
- 3.15 Trustees consider that surplus financial resources should be available to the charity to enable the continuation of charitable activity during unforeseen events and mitigate the impact of other risks, and accumulate funds for major projects which cannot be financed by annual income.
- 3.16 At the end of 2020 the NRA held funds of £8,072,894, including £200,558 (Overseas Team Fund) and £58,300 (Young Shooters Fund) as restricted funds and £370,714 (Special Prizes Fund) as Endowment Fund. The amount of free reserves at the end of the reporting period, after making allowance for any restricted funds, the amount of designations, commitments and the carrying amount of functional assets which the NRA considers to represent a commitment of the reserves it holds is negative £1,505,586 (2019: negative £1,203,296).
- 3.17 The Trustees have considered the level of negative free reserves and consider it 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 £1,161,361 (2019: £1,137,133) and are not included in the reserves figure. Trustees expect the backlog in capital expenditure to have reduced by 2028 allowing free reserves to improve thereafter. A valuation of the estate was done during 2020 with the estate valued at £10million.
- 3.18 The Trustees believe that the amount of reserves is consistent with their policies and plans.
- 3.19 The Trustees, having carefully reviewed the Charity's forecasts, plans and procedures developed in response to the impact of COVID-19 are not aware of any uncertainties about the ability of the NRA to continue as a going concern. The closure of the Bisley range complex during 2020 caused a significant loss of income; however, Trustees are confident that liquidity will be maintained through a combination of grants covering the payroll cost of furloughed staff, rigorous cost control, and an overdraft facility from the NRA's bank.
- 3.20 The litigation instigated by Bisley Shooting Ground Limited in June 2019 following its failure to vacate Bisley property at the expiry of a lease and licence was settled during 2020 with the
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- acquisition of the clay shooting business operating from Council Club and Cottesloe Heath and the grant of a lease to Bisley Pay & Play Limited of the land known as Long Siberia. The acquisition settled the litigation, and the business was purchased on a turnkey basis including clay traps, shotguns, fixtures and fittings, stock, and goodwill.
- 3.21 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 the Trustees.
- 3.22 Key risks that are likely to affect the financial position of the NRA and its subsidiary going forward as identified in the risk register are:
- (a) a shooting incident involving a lawfully-owned firearm leading to the implementation of restrictive firearms legislation;
 - (b) noise complaints leading to restrictions being imposed on organised marksmanship events at Bisley;
 - (c) safety failures leading to restrictions on insurance cover which then limits the scope for organised marksmanship; and
 - (d) the COVID-19 pandemic that began in early 2020 which forced the closure of Bisley Camp to civilian shooting and furloughing of 60 NRA staff in 2020 and which will continue to affect the NRA and its subsidiary.
- 3.23 The principal funding sources of the NRA during the reporting period were:
- (a) rent and licence fees paid in respect of leases and licences of land and buildings belonging to the NRA; and
 - (b) membership and affiliation fees paid to the NRA by members and affiliated organisations.
- 3.24 The NRA does not operate a defined benefit pension scheme.
- 3.25 The NRA 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 NRA's Royal Charter, to invest and divest the funds of the charity at their discretion and as they think fit.
- 3.26 In practice, the Trustees take professional advice on the suitability of investments within their portfolio from their investment managers, Investec Wealth and Investment Ltd. and Philip J Milton & Company. The NRA has instructed its investment managers to act on a discretionary basis with a medium risk profile. The targeted performance is a better return than would be obtained by investing in the FTSE 100 or FTSE All Share. Market forces dictate whether these targets are achieved. The Trustees have not imposed any particular social, environmental or ethical constraints on the management of the investments.
- 3.27 The NRA does not have any fund that can be realised only by disposing of tangible fixed assets or programme-related investments.
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3.28 The NRA has no fund or subsidiary undertaking that is materially in deficit.

4 Plans for future periods

4.1 The NRA will continue to pursue its objectives as set out above. In addition to its on-going day-to-day activities it will:

- (a) continue to increase investment in the shooting facilities at Bisley as a centre of excellence for marksmanship and improve its financial position;
- (b) explore the opportunities to improve the usage of the Bisley assets by the Civil Nuclear Constabulary, armed forces, and other firearms training organisations as well as commercial tenants who enhance the income of the NRA;
- (c) continue its discussions with MoD and private range operators with the goal of ensuring the maximum possible availability of ranges for civilian use;
- (d) improve and enhance the reputation of the NRA as promoter of competitive target shooting and improve the public profile of competitive target shooting;
- (e) ensure that NSC delivers consistently good value and invests cash surpluses where appropriate in its business; and
- (f) increase membership with particular emphasis on increasing the number of younger shooters.

4.2 The Trustees have delayed publishing the 2021 – 2023 Strategic and Development review until late 2021 in light of the continuing uncertainty resulting from the COVID-19 pandemic, and will focus on improving the financial position. This uncertainty makes long-term planning difficult. This document is reviewed each year to assess progress and review priorities for following years. The key principles include maintaining and improving the landholdings of the NRA, increasing membership support of the NRA, increasing participation in competitions organised by the NRA, improving the public perception of target shooting through improved communications with the media and returning the reserves back to within policy.

4.3 The Trustees' perspective of the future direction of the NRA is that it must not simply pursue its charitable objectives, but it must be able to demonstrate the way in which it does so. This will have an impact on how it allocates resources. One example of this is the need for clarity between the charitable activities of the NRA and the commercial activities of the NSC. Also, as a registered charity the NRA must not just comply but be able to evidence compliance with law and guidance.

4.4 Greater resources will need to be allocated to this in 2021. Our engagement with the Charity Commission during 2019 emphasised the importance of not just complying with law and guidance but being able to demonstrate this compliance. There are inevitably costs involved in the compliance process but this will be essential for the long-term interests of the NRA. The Trustees are using the experience gained from this to direct future plans and are conscious of the need to ensure that resources are allocated effectively to promote those plans and for the overall success of the charity.

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5 Structure, governance and management

- 5.1 The NRA was founded in 1859. The NRA was incorporated in England and Wales by Royal Charter dated 21 October 1890, and became a registered charity on 21 March 1963. The governing document of the NRA is the Royal Charter and its two Schedules.
- 5.2 The NRA has a single wholly-owned subsidiary, National Shooting Centre Limited ("NSC"), which is a company incorporated with limited liability in England and Wales. The NSC carries out trading and commercial activities, which the NRA is not permitted to carry out because of its charitable status.
- 5.3 Under the Royal Charter, the direction of the affairs and concerns of the NRA and the entire management of its property and funds are vested in the Council. The Council consists of the Trustees who are appointed in accordance with the Second Schedule of the Royal Charter as follows:
- (a) the Chairman is elected by the General Council of the NRA;
 - (b) the Treasurer is elected by the General Council of the NRA;
 - (c) the Chairman of the Disciplinary Body is a Trustee by virtue of holding that office and is elected by the other members of the Disciplinary Body;
 - (d) the Chairman of the Shooting Committee is a Trustee by virtue of holding that office and is elected by the members of the Shooting Committee;
 - (e) the Chairman of the Membership Committee is a Trustee by virtue of holding that office and is elected by the members of the Membership Committee;
 - (f) up to three Trustees are elected by General Council from among its members; and
 - (g) up to four Trustees are selected by the other Trustees with the approval of General Council.
- 5.4 The General Council is a representative body formed under the Second Schedule to the Royal Charter by election of the members of the NRA. Its role is to advise and make recommendations to the Council and provide representation of the membership of the Association. The General Council consists of up to 72 members including the Chairman, the Treasurer, 15 elected Ordinary members, 15 elected Regional members, 10 elected Shooting Discipline members, up to 19 ex-officio members and up to 9 co-opted members.
- 5.5 No external body is entitled to appoint any Trustee.
- 5.6 The Council has established the following Committees:
- (a) Remuneration Committee;
 - (b) Investment Committee;
 - (c) Audit Committee; and
 - (d) Real Estate Committee.
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

- 5.7 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 Secretary General and Chief Executive is reviewed and approved by the Trustees each year. The benchmarks, parameters and criteria apply by the Trustees include measured performance against objectives, inflationary impact and market conditions.
- 5.8 The Investment Committee liaises with the investment manager's appointed by the Trustees and monitors the performance of the investments of the NRA.
- 5.9 The Audit Committee liaises with the auditors of the NRA and is involved in the preparation and oversight of the annual audit of the NRA.
- 5.10 The Real Estate Committee provides advice, guidance and recommendations at the request of the professional staff of the NRA in relation to the granting, administration and renewal of leases, monitors the process of granting and renewing leases and the administration of leases during their term and advises the Trustees on strategy and policy in relation to the management of the real estate of the NRA.
- 5.11 The Trustees are all volunteers. The NRA has a full time Secretary General supported by other professional staff tasked with the day-to-day running of the NRA.
- 5.12 The Secretary-General also serves as Chief Executive of NSC. A number of employees of the NRA are seconded to NSC. NSC pays NRA for the services of those employees under the secondment provisions of a co-operation agreement between the NRA and the NSC.
- 5.13 The NRA appointed Ashley Abrahams as an independent director of the NSC on 1st January 2020 in accordance with guidance from the Charity Commission. A director is "independent" for these purposes if he or she is not a Trustee or an employee of the NRA. The NSC obtains independent professional advice when its directors consider it is appropriate to do so.
- 5.14 As part of the process for the induction of new trustees, each Trustee:
- (a) signs the Code of Conduct and Confidentiality Undertaking to agree to their terms;
 - (b) completes a register of interests as part of the management of conflict of interests;
 - (c) receives a detailed briefing upon appointment including an explanation of the proceedings of Council and the duties of trustees;
 - (d) receives a copy of the Charity Commission publication *The essential trustee: what you need to know, what you need to do* (CC3); and
 - (e) receives a detailed tour of the Bisley Camp, which represent the key landholdings of the NRA.
- 5.15 The NRA co-operates closely with the NSC under the terms of a co-operation agreement. That agreement deals with such matters as gift aid payments by NSC to NRA, the conduct of business by NSC, financial reporting, the secondment of NRA staff to NSC and data protection issues.
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NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

6 Reference and Administrative Details

- 6.1 The NRA is registered as a charity under the name “National Rifle Association”. The NRA does not use any other name apart from the abbreviation “NRA” or “the Association”.
- 6.2 The charity registration number of the NRA is 219858 and it has two company registration numbers: RC000372 for National Rifle Association and RC000791 for The National Rifle Association. The NRA is not registered in any jurisdiction other than England and Wales.
- 6.3 The principal office of the NRA is at Bisley Camp, Brookwood, Surrey GU24 0PB. As a Royal Charter company, the NRA does not have a registered office address.
- 6.4 The Trustees in office at the date this report was approved or who served as a Trustee during the reporting period are:
- John Webster (term as Chairman ended Feb 2020)
- David Lacey (appointed as Chairman Feb 2020)
- David Evans (resigned Feb 2020)
- Andrew Reynolds
- Gary Alexander (appointed Sep 2020)
- Alice Gran (term ended Aug 2020)
- James Harris (term ended Aug 2020)
- Nick Brasier
- Thomas Putt (appointed Feb 2020)
- Robert Bruce (appointed Feb 2020)
- Andrew Nebel (appointed Feb 2020)
- Reg Roberts
- Julia Hilger-Ellis (appointed Sep 2020)
- Charles Dickenson (appointed Sep 2020)
- 6.5 The NRA has no corporate trustees.
- 6.6 No person holds the title to property belonging to the NRA as custodian, trustee or nominee except the Investment Managers named below, who hold certain investments as nominee for the NRA.
- 6.7 No person who served as a Trustee holds any title to property belonging to the NRA.
- 6.8 The Trustees engaged the following professionals during 2020:
- (a) Solicitors: Moore Barlow LLP, 55 Quarry Street, Guildford,

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Surrey GUI 3UE

Bates Wells & Braithwaite London LLP, 2-6
Cannon Street, London EC4M 6YH

Farrer & Co LLP, 66 Lincoln's Inn Fields,
Holborn, London WC2A 3LH

- (b) Auditors: Haysmacintyre LLP, Chartered Accountants, 10
Queen Street Place, London EC4R 1AG
- (c) Surveyors: Crosthwaite Ltd, Lime Tree House, Coome
Bissett, Salisbury, Wiltshire SP5 4LR
Gascoignes, Gillingham House, 2 Pannells Ct,
Guildford GU1 4EU
- (d) Bankers: Barclays Bank PLC, Town Gate House, Church
Street East, Woking, Surrey GU21 1AE
- (e) 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

6.9 The following key senior members of staff, who are the Executive of the NRA, 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 2020:

- (a) Andrew Mercer, Secretary General of the NRA and Chief Executive of the NSC; and
(b) Ray Hutchings, Head of Support Services of the NRA

7 Exemptions from Disclosure

The Trustees have not requested authority from the Charity Commission for England and Wales to omit any information from this report.

8 Funds held as custodian trustee on behalf of others

No Trustee is acting as custodian trustees. The NRA acts as custodian, managing a bank account on behalf of ICFRA members' funds belonging to the Beneficial Owners.

9 Auditors

- 9.1 Haysmacintyre LLP have confirmed their willingness to be reappointed as auditors for the next year.
- 9.2 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 NRA's auditors are unaware, and

NATIONAL RIFLE ASSOCIATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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.

10 Trustees' responsibilities in the preparation of financial statements

- 10.1 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.
- 10.2 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:
- a) select suitable accounting policies and then apply them consistently;
 - b) observe the methods and principles of the Charities Statement of Recommended Practice (SORP);
 - c) make judgements and accounting estimates that are reasonable and prudent;
 - d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - e) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the group will continue in operation.
- 10.3 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.
- 10.4 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.

This report was approved by the Trustees on 27 May 2021 and was signed on their behalf by the Chairman.

David Lacey

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David Lacey

NATIONAL RIFLE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of National Rifle Association for the year ended 31 December 2020 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).

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 2020 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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.
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NATIONAL RIFLE ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 17, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to those standard to royal charter charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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.

Use of our report

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.



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Haysmacintyre LLP
Statutory Auditors

Date 27 May 2021

10 Queen Street Place
London
EC4R 1AG

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

NATIONAL RIFLE ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including an Income & Expenditure Account) FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total £	2019 Total £
Income and endowments from:						
Donations and legacies	1	1,608,123	13,199	-	1,621,322	1,143,515
Other trading activities:						
- Operations	2	2,364,575	-	-	2,364,575	2,724,530
- Estate	3	1,579,733	-	-	1,579,733	1,405,015
Investments		-	5,383	7,586	12,969	14,747
Charitable shooting activities	4	163,905	4,874	-	168,779	1,284,424
Total income		5,716,336	23,456	7,586	5,747,378	6,572,231
Expenditure on:						
Raising funds:						
- Operations	2	3,136,963	-	-	3,136,963	3,065,553
- Estate	5	1,216,581	-	-	1,216,581	1,306,278
Charitable shooting activities	6	1,809,295	6,266	7,586	1,823,147	2,231,124
Total expenditure		6,162,839	6,266	7,586	6,176,691	6,602,955
Gains/losses on investments	13	-	(1,127)	3,900	2,773	52,369
Net movement in funds	8	(446,503)	16,063	3,900	(426,540)	21,645
Reconciliation of funds						
Fund balances brought forward at 1 January 2020		7,889,825	242,795	366,814	8,499,434	8,477,789
Total funds carried forward at 31 December 2020		7,443,322	258,858	370,714	8,072,894	8,499,434

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 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2019 Total £
Income and endowments from:					
Donations and legacies	1	1,127,187	16,328	-	1,143,515
Other trading activities:					
- Operations	2	2,724,530	-	-	2,724,530
- Estate	3	1,405,015			1,405,015
Investments		-	6,226	8,521	14,747
Charitable shooting activities	4	1,271,662	12,762	-	1,284,424
Total income		<u>6,528,394</u>	<u>35,316</u>	<u>8,521</u>	<u>6,572,231</u>
Expenditure on:					
Raising funds:					
- Operations	2	3,065,553	-	-	3,065,553
- Estate	5	1,306,278	-	-	1,306,278
Charitable shooting activities	6	<u>2,216,565</u>	<u>6,038</u>	<u>8,521</u>	<u>2,231,124</u>
Total expenditure		<u>6,588,396</u>	<u>6,038</u>	<u>8,521</u>	<u>6,602,955</u>
Gains on investments	13	-	11,899	40,470	52,369
Net income		<u>(60,002)</u>	<u>41,177</u>	<u>40,470</u>	<u>21,645</u>
Net movement in funds	8	(60,002)	41,177	40,470	21,645
Reconciliation of funds					
Fund balances brought forward at 1 January 2019		7,949,827	201,618	326,344	8,477,789
Total funds carried forward at 31 December 2019		<u>7,889,825</u>	<u>242,795</u>	<u>366,814</u>	<u>8,499,434</u>

NATIONAL RIFLE ASSOCIATION

GROUP AND CHARITY BALANCE SHEETS AS AT 31 DECEMBER 2020

	Notes	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Tangible fixed assets					
Fixed assets	11	8,959,114	9,103,329	6,562,656	6,710,818
Intangible assets	12	528,328	-	528,328	-
Investments	13	508,251	505,478	596,639	593,866
Social investments: loans to clubs > 1 year	14	3,000	6,000	3,000	6,000
		<u>9,998,693</u>	<u>9,614,807</u>	<u>7,690,623</u>	<u>7,310,684</u>
Current assets					
Social investments: loans to clubs < 1 year	14	3,000	9,293	3,000	9,293
Stocks	15	489,314	366,608	35,444	26,059
Debtors	16	802,984	637,193	2,200,021	1,710,577
Cash at bank and in hand		266,589	549,619	177,631	394,826
		<u>1,561,887</u>	<u>1,562,713</u>	<u>2,416,096</u>	<u>2,140,755</u>
Creditors					
Amounts falling due within one year	17	(2,975,679)	(2,044,488)	(2,467,971)	(1,660,532)
Net current (liabilities) / assets		<u>(1,413,792)</u>	<u>(481,775)</u>	<u>(51,875)</u>	<u>480,223</u>
Total assets less current liabilities		<u>8,584,901</u>	<u>9,133,032</u>	<u>7,638,748</u>	<u>7,790,907</u>
Deferred income	18	<u>(512,007)</u>	<u>(633,598)</u>	<u>(427,943)</u>	<u>(540,868)</u>
Net assets		<u>8,072,894</u>	<u>8,499,434</u>	<u>7,210,805</u>	<u>7,250,039</u>
Funds of the Charity					
Unrestricted Funds	19	7,443,322	7,889,825	6,581,233	6,640,430
Restricted Funds					
Overseas Team Fund	20	200,558	184,480	200,558	184,480
Young Shooters Fund	20	58,300	58,315	58,300	58,315
Endowment Fund					
Special Prizes Fund	21	370,714	366,814	370,714	366,814
Total Charity Funds		<u>8,072,894</u>	<u>8,499,434</u>	<u>7,210,805</u>	<u>7,250,039</u>

The financial statements on pages 20 to 46 were approved by the Council and authorised for issue on 27 May 2021 and are signed on its behalf by:

David Lacey

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David Lacey
Chairman of the Council



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Andrew Reynolds
Treasurer

NATIONAL RIFLE ASSOCIATION

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
Net cash provided by operating activities	30		245,825		1,008,161
Cash flow from operating activities:					
Interest Paid		(6,766)			
Net cash provided by (used in) operating activities			(6,766)		-
Cash flow from investing activities:					
Dividends, interest and rents from investments		12,969		14,747	
Proceeds from the sales of property, plant and equipment		400		8,500	
Purchase of property, plant and equipment		(392,513)		(1,178,078)	
Purchase BSG (Goodwill)		(546,546)		-	
Net cash provided by (used in) investing activities			<u>(925,690)</u>		<u>(1,154,831)</u>
Change in cash and cash equivalents in the reporting period	30		<u>(686,631)</u>		<u>(146,670)</u>
Cash and cash equivalents at the beginning of the reporting period	30		549,619		696,289
Cash and cash equivalents at the end of the reporting period	30		<u>(137,012)</u>		<u>549,619</u>

NATIONAL RIFLE ASSOCIATION

ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

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 in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standards 102 (FRS102). 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) (second edition effective 1 January 2019) issued by the Charity Commission have been followed. Assets and liabilities are initially recognised under the historical cost convention unless otherwise stated in the relevant accounting policy note.

The National Rifle Association meets the definition of a public benefit entity under FRS102.

Preparation of the accounts on a going concern basis

The Trustees have assessed whether the going concern assumption is appropriate and taken into account all available information about the future, which is at least, but is not limited to, twelve months from the date these financial statements are authorised for issue. In making their assessment, trustees have reviewed detailed forecasts which, given the ongoing uncertainties due to the COVID-19 pandemic, will be updated regularly. These forecasts have reflected experiences gained in 2020, potential scenarios and management's plans. 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 result in the year ended 31 December 2020, the forecasts to 31st May 2022, 2021 monthly accounts, 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 £1m overdraft facility.

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, it is probable, 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. All grants are credited to income in the period to which they relate. Government and institutional grants are accounted for on a receivable basis in line with the performance model. 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 2020

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 held at historic cost less depreciation and are further subject to an annual impairment assessment. Depreciation is recognised through the Statement of Financial Activities on a straight-line basis over their estimated useful lives on the following basis:

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

The NRA maintains a large collection of heritage assets, comprising firearms, trophies, paintings books and ephemera which date back to the formation of the association in 1860. The ephemera comprises of medals, brochures, targets and other objects which reflect the history of target shooting. 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.

NATIONAL RIFLE ASSOCIATION

ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

Heritage assets which are purchased are reported in the Balance Sheet at cost. Many heritage assets have been donated and therefore have no attributed cost recognised in the balance sheet. They include 689 trophies dating from 1770, plus a number of firearms and other heritage assets stated above. The cost of obtaining professional valuations of donated assets is considered disproportionate to the value gained and so remain off balance sheet.

Acquisitions must meet two requirements, namely being relevant to the history of the NRA; and of sufficient quality to justify the cost and time of curation and storage. Museum assets are displayed and stored in the NRA Museum, and managed by the Curator and his team. Trophies are managed by NRA staff when stored between competitions and displayed for prize presentations. Disposals are assessed by criteria including restrictions imposed by donors, impact on the overall collection, likely proceeds, and resulting reductions in costs and space.

Goodwill and amortisation

Goodwill is accounted for at cost and amortised at 10% of cost per annum on a straight-line basis, subject to an annual impairment review.

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.

NATIONAL RIFLE ASSOCIATION

ACCOUNTING POLICIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

Fund accounting

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

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

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

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

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.

Significant judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects current and future periods.

The Trustees consider the following to be areas subject to key estimation or judgement:

Receivable assets book value – having assessed the circumstances and expected recoverability of trade debtors which remain outstanding at the date of approval of these financial statements, management have considered that the current estimated provision for bad debts is sufficient and that the remaining net debtors are fully recoverable.

Goodwill asset book value – the estimated recoverable value of goodwill has been calculated using a discounted future cash flow model using several assumptions on interest rates and future cash flows of the underlying assets, which has sufficiently supported the book value of £528k. Should the underlying assumptions change, this may have an impact on the book value in future periods.

Heritage assets book value – included within tangible fixed assets are heritage assets of £270k held at historic cost and without depreciation on the basis of an indefinite useful life. The cost of obtaining a recent professional valuation is not commensurate with the benefit to obtaining the valuation, and as such no recent valuation have been carried out. In assessing for annual impairment, key estimation has been used to justify that their current fair value exceeds the book cost and no impairment is required.

Compensation clauses in leases – the judgement taken in relation to the contingent liability as set out in note 26, namely the potential liability not being reliably measurable, is considered a key judgement potentially impacting the future liabilities should this assessment change in the future.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Donations, legacies and grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Subscriptions	1,006,552	-	1,006,552	981,453
Gift aid	85,779	-	85,779	88,339
Donations	9,639	13,199	22,838	73,723
Furlough grant	506,153	-	506,153	-
	<u>1,608,123</u>	<u>13,199</u>	<u>1,621,322</u>	<u>1,143,515</u>

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:

	2020 £	2019 £
Turnover	2,479,606	3,407,125
Costs		
Cost of sales	950,129	1,299,363
Other operating expenses	1,867,321	1,766,190
	<u>(2,817,450)</u>	<u>(3,065,553)</u>
Profit on ordinary activities after taxation	(337,844)	341,572
Gift Aid payment to the National Rifle Association	-	(395,133)
Retained profit	<u>(337,844)</u>	<u>(53,561)</u>

The turnover of £2,479,606 (2019: £3,407,125) less inter-company revenue of £65,569 (2019: £633,133) and less lottery fund write down of £49,462 (2019: £49,462) gives £2,364,575 which matches the SOFA.

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

Fixed assets		
Tangible assets	2,396,458	2,392,511
Current assets		
Stocks	453,870	340,549
Debtors	157,803	119,767
Cash at bank and in hand	88,958	154,793
Carried forward	<u>700,631</u>	<u>615,109</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

2	Other trading activities - operations (continued)			
			2020	2019
			£	£
	Brought forward		700,631	615,109
	Creditors			
	Amounts falling due within one year		<u>(2,112,192)</u>	<u>(1,626,752)</u>
	Net current (liabilities)		<u>(1,411,561)</u>	<u>(1,011,643)</u>
	Total assets less current liabilities		984,897	1,380,868
	Creditors			
	Amounts falling due after more than one year		(899,284)	(957,411)
	Net Assets		<u>85,613</u>	<u>423,457</u>
	Capital & Reserves			
	Called up share capital		88,388	88,388
	Profit and loss account		<u>(2,775)</u>	<u>335,069</u>
	Shareholders' funds		<u>85,613</u>	<u>423,457</u>
3	Other trading activities – estate			
		Unrestricted funds	Restricted funds	Total 2020
		£	£	£
	Rents	1,101,909	-	1,101,909
	Services and utilities recovered	232,236	-	232,236
	Other	245,588	-	245,588
		<u>1,579,733</u>	<u>-</u>	<u>1,579,733</u>
				<u>1,405,015</u>
4	Charitable shooting activities			
		Unrestricted funds	Restricted funds	Total 2020
		£	£	£
	Imperial meeting	-	4,874	4,874
	Course hire	138,901	-	138,901
	Other shooting events	25,004	-	25,004
		<u>163,905</u>	<u>4,874</u>	<u>168,779</u>
				<u>1,284,424</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Expenditure on raising funds - Estates

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Permanent staff costs	316,318	-	316,318	376,358
Maintenance	239,898	-	239,898	305,898
Utilities	240,153	-	240,153	305,779
Rents, rates and cleaning	49,349	-	49,349	41,791
Depreciation	146,544	-	146,544	124,972
Rent charged to National Shooting Centre Limited	(41,000)	-	(41,000)	(41,000)
	951,262	-	951,262	1,113,798
Support costs (see note 7)	265,319	-	265,319	192,480
	1,216,581	-	1,216,581	1,306,278

6 Charitable shooting activities

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total 2020 £	Total 2019 £
Permanent staff costs	684,820	-	-	684,820	763,468
Imperial Meeting	-	958	-	958	496,561
Imperial Meeting prizes	-	-	4,880	4,880	5,764
Courses and other NRA events	178,469	-	-	178,469	254,569
Support of other bodies/teams	4,716	2,443	-	7,159	7,690
Support of young shooters	-	15	-	15	369
Team travel	-	1,106	-	1,106	145
Membership insurance	189,343	-	-	189,343	125,937
Insurance	57,882	-	-	57,882	51,902
Depreciation	130,262	-	-	130,262	111,086
	1,245,492	4,522	4,880	1,254,894	1,817,491
Support costs (see note 7)	563,803	1,744	2,706	568,253	413,633
	1,809,295	6,266	7,586	1,823,147	2,231,124

£65,569 (2019: £633,133) of inter-company costs (£0 (2019: £408,484) Imperial Meeting, £51,076 (2019: £187,135) Courses and other NRA Events, £14,135 (2019: £36,699) Support of other bodies and teams, £358 (2019: £815) 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 2020

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 £	2020 £	2019 £
General fund	Basis				
Permanent staff costs	Support	112,926	-	112,926	194,655
Trustee costs	Governance	-	3,055	3,055	11,582
Information technology costs	Support	33,353	-	33,353	31,106
Office and banking costs	Support	79,703	-	79,703	87,454
Professional fees	Support	530,580	-	530,580	222,681
Audit Fee	Governance	-	13,891	13,891	12,366
Bank Interest	Support	6,766	-	6,766	-
Depreciation		48,848	-	48,848	41,657
		<u>812,176</u>	<u>16,946</u>	<u>829,122</u>	<u>601,501</u>
Allocated to:					
Expenditure on raising funds – estate				(265,319)	(192,480)
Charitable shooting activities				(563,803)	(409,021)
				<u>-</u>	<u>-</u>
Restricted fund					
Investment management charges				1,744	1,855
				<u>-</u>	<u>-</u>
Endowment fund					
Investment management charges				2,706	2,757
				<u>-</u>	<u>-</u>

8 Net movement in funds

	2020 £	2019 £
Net movement in funds is stated after charging/(crediting):		
Depreciation of tangible fixed assets:		
- Owned assets	535,353	500,392
Rent receivable under operating leases	(582,314)	(669,402)
Operating lease rentals payable:		
- Land and buildings	20,155	20,155
Auditor's remuneration:		
- Audit fees	21,468	19,121
- Fees for other services	5,711	3,809
Bank interest payable	6,766	-

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

9 Staff costs

	2020 Number	2019 Number
The average monthly number of persons employed by the group during the year was:		
Office, maintenance, range staff and instructors	79	80
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:		
	2020 £	2019 £
Wages and salaries	2,245,849	2,291,192
Redundancy costs	63,411	-
Social security costs	212,053	215,854
Other pension costs	88,409	89,834
Other benefits	20,888	16,193
	<u>2,630,610</u>	<u>2,613,073</u>

Wages and salaries in the year are shown gross of furlough grant receipts.

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, three (2019: two) employee's annual emoluments were between £60,000 and £69,999, one (2019: one) employee's annual emoluments were between £120,000 and £129,999.

The key management personnel comprise the Secretary General, Head Of Support Services, Head Of Shooting & Training, Head Of Range Services, Commercial Operations Manager, Regional Ranges Manager, Membership Services Manager, General Manager National Clays Shooting Centre and Group Accountant. The nine (2019: nine) key management personnel remunerations for the year totalled £632,395 (2019: £601,972).

10 Transactions relating to trustees

Trustees' costs

No trustee (2019: none) received remuneration. Four trustees (2019: two) received reimbursements of £262 (2019: £871) for out of pocket travel and subsistence expenses.

Property transactions

Two (2019: five) trustees occupy accommodation at Bisley for shooting purposes at rentals available to all members of the Association with total rental income during the year of £853 (2019: £5,633).

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Fixed assets

Group	Freehold land & buildings £	Leasehold land & buildings £	Range modifications, plant & machinery £	Fixtures fittings & equipment £	Heritage assets £	2020 Total £
Cost or valuation:						
1 January 2020	5,793,684	1,019,256	6,576,953	1,229,373	269,776	14,889,042
Additions	-	-	307,856	84,657	-	392,513
Disposals	-	-	(8,700)	-	-	(8,700)
31 December 2020	5,793,684	1,019,256	6,876,109	1,314,030	269,776	15,272,855
Depreciation						
1 January 2020	1,487,841	448,779	2,832,723	1,016,370	-	5,785,713
Charge for the year	54,572	18,990	353,647	108,144	-	535,353
Disposals	-	-	(7,325)	-	-	(7,325)
31 December 2020	1,542,413	467,769	3,179,045	1,124,514	-	6,313,741
Net book value						
31 December 2020	4,251,271	551,487	3,697,064	189,516	269,776	8,959,114
31 December 2019	4,305,843	570,477	3,744,230	213,003	269,776	9,103,329

The net book value of fixed assets comprises:

	2020 £	2019 £
Assets held for charity use	1,542,882	1,577,715
Estate assets	4,636,608	4,741,285
Assets held for administrative purposes	383,166	391,818
Assets held by trading subsidiary	2,396,458	2,392,511
	8,959,114	9,103,329

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.

Heritage Assets

The NRA maintains a large collection of heritage assets, comprising firearms, trophies, paintings books and ephemera which date back to the formation of the association in 1860. The ephemera comprises of medals, brochures, targets and other objects which reflect the history of target shooting.

Five-year summary

No disposals or impairment of heritage assets have been recognised in the past five years. Acquisitions are made by purchase or donation. No purchases have been made in the past five years, however there have been 5 donated firearms and 11 donated trophies.

	2020 £	2019 £	2018 £	2017 £	2016 £
Additions:					
Number of donated assets	-	1	7	1	7
Donated value as deemed cost*	-	-	-	-	-
Cost of purchases	-	-	-	-	-
Total recognised additions:	-	-	-	-	-

*As set out in the fixed assets accounting policy, many heritage assets have been donated and remain off balance sheet as the cost of obtaining professional valuations of donated assets is considered disproportionate to the value gained.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Fixed assets (continued)

Charity	Freehold land & buildings £	Leasehold land & buildings £	Range modifications, plant & machinery £	Fixtures fittings & equipment £	Heritage assets £	2020 Total £
Cost or valuation:						
1 January 2020	5,793,684	636,306	3,014,948	740,127	269,776	10,454,841
Additions	-	-	125,993	33,281	-	159,274
Disposals	-	-	-	-	-	-
31 December 2020	5,793,684	636,306	3,140,941	773,408	269,776	10,614,115
Depreciation						
1 January 2020	1,487,841	307,102	1,351,072	598,008	-	3,744,023
Charge for the year	54,572	11,331	179,486	62,047	-	307,436
Disposals	-	-	-	-	-	-
31 December 2020	1,542,413	318,433	1,530,558	660,055	-	4,051,459
Net book value						
31 December 2020	4,251,271	317,873	1,610,383	113,353	269,776	6,562,656
31 December 2019	4,305,843	329,204	1,663,876	142,119	269,776	6,710,818

The net book value of fixed assets comprises:

	2020 £	2019 £
Assets held for charity use	1,542,882	1,577,715
Estate assets	4,636,608	4,741,285
Assets held for administrative purposes	383,166	391,818
	6,562,656	6,710,818

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.

12 Goodwill

	Group	Charity
Cost or valuation:		
1 January 2020	-	-
Additions	546,546	546,546
31 December 2020	546,546	546,546
Amortisation		
1 January 2020	-	-
Charge for the year	18,218	18,218
31 December 2020	18,218	18,218
Net book value		
31 December 2020	528,328	528,328
31 December 2019	-	-

Goodwill relates to the acquisition of Bisley Shooting Ground in August 2020. The income received in the year was £288,474 and profit £43,521.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Investments

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
At 1 January 2020	505,478	453,109	593,866	541,497
Additions	67,754	34,119	67,754	34,119
Disposals	(64,786)	(33,374)	(64,786)	(33,374)
Increase/(decrease) in valuation	(195)	51,624	(195)	51,624
At 31 December 2020	508,251	505,478	596,639	593,866

At 31 December 2020, the market value and historical cost of the investments were represented by:

	Group market value 2020 £	Group historical cost 2020 £	Charity market value 2020 £	Charity historical cost 2020 £
Special Prizes Funds				
Category A Funds	351,330	268,664	351,330	268,664
Category B Funds	19,384	17,209	19,384	17,209
	370,714	285,873	370,714	285,873
Overseas Team Fund	137,537	128,935	137,537	128,935
Subsidiary company shares	-	-	88,388	88,388
At 31 December 2020	508,251	414,808	596,639	503,196
At 31 December 2019	505,478	411,633	593,866	500,021

The Special Prizes Fund is the Endowment Fund referred to in Note 21 and invested in investment trusts and unit trusts and loan stocks. 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 a Restricted Fund referred to in Note 20 and invested in a portfolio of quoted unit trusts and investment bonds £137,537 (2019: £138,664).

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 2020

14 Social Investments: loans to clubs

	Group and Charity	
	2020	2019
	£	£
Killingholme Full Bore Club	-	2,293
Colchester Rifle Club	-	4,000
Baildon Rifle & Pistol Club	6,000	9,000
Loans to Clubs carried forward	6,000	15,293
Loans to Clubs brought forward	15,293	26,627
Repayments received	(9,293)	(11,334)
New loans granted	-	-
Loans to Clubs carried forward	6,000	15,293

The loans to clubs are usually repayable in annual instalments, and are interest free. The current year balance of £6,000 (2019: £15,293) includes a figure of £3,000 (2019: £6,000) which is repayable in greater than one year.

15 Stock

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£	£	£	£
Ammunition	358,339	277,399	-	-
Medals and badges	24,738	15,276	24,738	15,276
Souvenirs	12,682	13,011	10,706	10,783
Clays	16,272	12,462	-	-
Bisley Shooting Ground	23,675	-	-	-
Hire and other stock	53,608	48,460	-	-
	489,314	366,608	35,444	26,059

16 Debtors

	Group	Group	Charity	Charity
	2020	2019	2020	2019
	£	£	£	£
Amounts due within year:				
Trade debtors	328,389	436,910	191,027	332,428
Amounts owed by group undertakings	-	-	1,554,839	1,193,151
Other debtors and prepayments	474,595	200,283	454,155	184,998
	802,984	637,193	2,200,021	1,710,577

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

17 Creditors

Amounts falling due within one year:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank Overdraft	403,601	-	403,601	-
Trade creditors	561,292	463,045	330,575	241,604
Membership in advance	782,132	745,398	782,132	745,398
Rents and utilities in advance	379,229	391,735	376,395	388,877
Other creditors	423,064	267,314	195,900	127,011
Accruals	316,754	66,474	278,426	55,785
Deferred income (note 17)	109,607	110,522	100,942	101,857
	<u>2,975,679</u>	<u>2,044,488</u>	<u>2,467,971</u>	<u>1,660,532</u>

The association's banking facilities are secured by way of a legal charge over the charity's freehold properties which were valued at £10 million on the 25th August 2020.

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

18 Deferred income

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due within one year (see note 16)	109,607	110,522	100,942	101,857
Due after more than one year	512,007	633,598	427,943	540,868
	621,614	744,120	528,885	642,725
	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Deferred lease premium income:				
At 1 January 2020	199,935	217,171	199,935	217,171
Additions during the year	-	-	-	-
Transferred to Estate income	(17,236)	(17,236)	(17,236)	(17,236)
At 31 December 2020	182,699	199,935	182,699	199,935
Deferred lease premium income:				
At 1 January 2020	67,237	71,720	-	-
Additions during the year	-	-	-	-
Transferred to Operations income	(4,483)	(4,483)	-	-
At 31 December 2020	62,754	67,237	-	-
Life & Term Members Funds:				
At 1 January 2020	65,605	77,496	65,605	77,496
Additions during the year	682	682	682	682
Transferred to Membership income	(9,967)	(12,573)	(9,967)	(12,573)
At 31 December 2020	56,320	65,605	56,320	65,605
Rifle Donation:				
At 1 January 2020	11,164	12,403	11,164	12,403
Additions during the year	-	-	-	-
Transferred to Charitable income	(1,254)	(1,239)	(1,254)	(1,239)
At 31 December 2020	9,910	11,164	9,910	11,164
Optics Donation:				
At 1 January 2020	34,158	38,341	-	-
Additions during the year	-	-	-	-
Transferred to Operations income	(4,183)	(4,183)	-	-
At 31 December 2020	29,975	34,158	-	-

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

18 Deferred income (continued)

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Deferred caravan rent income:				
At 1 January 2020	339,021	-	339,021	-
Additions during the year	-	366,667	-	366,667
Transferred to Estate income	(73,454)	(27,646)	(73,454)	(27,646)
At 31 December 2020	265,567	339,021	265,567	339,021
Tank building deposit:				
At 1 January 2020	27,000	-	27,000	-
Additions during the year	-	27,000	-	27,000
Transferred to Estates income	(12,611)	-	(12,611)	-
At 31 December 2020	14,389	27,000	14,389	27,000
	621,614	744,120	528,885	642,725

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

19 Unrestricted funds

Group	Balance 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance 31 December 2020 £
National Shooting Centre	730,202	2,364,575	(2,817,650)	(280,102)	(2,775)
Lottery capital grant funds	914,326	-	-	(49,462)	864,864
Designated Fund	1,644,528	2,364,575	(2,817,450)	(329,564)	862,089
General Fund	6,245,297	2,845,608	(2,839,236)	329,564	6,581,233
	7,889,825	5,510,183	(5,656,686)	-	7,443,322

Designated 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 and the net book value of the capital assets purchased with the Lottery grant.

Included within the General Fund at the balance sheet date are unrealised gains of £3,036,356 (2019: £3,036,356) relating to the revaluation of certain fixed assets, calculated by reference to the implementation of FRS102 under the transitional arrangements.

20 Restricted funds

Group & Charity

	Balance 1 January 2020 £	Income £	Expenditure £	Unrealised Investment Losses £	Balance 31 December 2020 £
Overseas Team Fund	184,480	23,456	(6,251)	(1,127)	200,558
Young Shooters Fund	58,315	-	(15)	-	58,300
	242,795	23,456	(6,266)	(1,127)	258,558

The Overseas Team Fund detailed in Note 13 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. Income for the year was £23,456 (2019: £33,314), expenditure £6,251 (2019: £5,669) and unrealised losses on investments £1,127 (2019: gain £11,899).

The Young Shooters fund (formerly the Millennium Scholarship Fund) was formed to help young shooters continue in the target shooting in the year just after they have left school. Income for the year was £0 (2019: £2,002) and expenditure £15 (2019: £369).

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

21 Endowment funds

	Balance 1 January 2020 £	Purchases £	Sales £	Unrealised Gains/ (Losses) £	Balance 31 December 2020 £
Fund A	349,529	31,441	(31,248)	1,608	351,330
Fund B	17,285	15,684	(16,835)	3,250	19,384
	<u>366,814</u>	<u>47,125</u>	<u>(48,083)</u>	<u>4,858</u>	<u>370,714</u>

The Special Prizes Fund referred to in Note 13 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 £167,654 (2019: £163,754) relating to the revaluation of investments.

22 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:

	2020 £	2019 £
ICFRA	<u>34,601</u>	<u>29,213</u>
Total assets held as custodian trustee	<u>34,601</u>	<u>29,213</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

23 Analysis of net assets between funds

Fund balances at 31 December 2020 are represented by:

Group	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	2020 Total £
Tangible fixed assets	8,948,914	-	10,200	-	8,959,114
Intangible assets	528,328	-	-	-	528,328
Fixed asset investments	-	137,537	-	370,714	508,251
Loans to Clubs > 1 year	3,000	-	-	-	3,000
Current assets	1,450,226	63,561	48,100	-	1,561,887
Current liabilities	(2,975,139)	(540)	-	-	(2,975,679)
Deferred income	(512,007)	-	-	-	(512,007)
	<u>7,443,322</u>	<u>200,558</u>	<u>58,300</u>	<u>370,714</u>	<u>8,072,894</u>

Note: Tangible fixed assets of £8,959,114 (2019: £9,103,329) include £864,865 (2019: £914,326) representing the total of Designated Funds in relation to Capital Grants in the charity's wholly owned subsidiary.

Fund balances at 31 December 2019 are represented by:

Group	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	2019 Total £
Tangible fixed assets	9,093,129	-	10,200	-	9,103,329
Fixed asset investments	-	138,664	-	366,814	505,478
Loans to Clubs > 1 year	6,000	-	-	-	6,000
Current assets	1,465,842	48,756	48,115	-	1,562,713
Current liabilities	(2,041,548)	(2,940)	-	-	(2,044,488)
Deferred income	(633,598)	-	-	-	(633,598)
	<u>7,889,825</u>	<u>184,480</u>	<u>58,315</u>	<u>366,814</u>	<u>8,499,434</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

24 Analysis of net assets between funds (continued)

Fund balances at 31 December 2020 are represented by:

Charity	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	2020 Total £
Tangible fixed assets	6,552,456	-	10,200	-	6,562,656
Intangible Assets	528,328	-	-	-	528,328
Fixed asset investments	88,388	137,537	-	370,714	596,639
Loans to Clubs > 1 year	3,000	-	-	-	3,000
Current assets	2,304,435	63,561	48,100	-	2,416,096
Current liabilities	(2,467,431)	(540)	-	-	(2,467,971)
Deferred income	(427,943)	-	-	-	(427,943)
	<u>6,581,233</u>	<u>200,558</u>	<u>58,300</u>	<u>370,714</u>	<u>7,210,805</u>

Fund balances at 31 December 2019 are represented by:

Charity	Designated & General Funds £	Overseas Team Fund £	Young Shooters Fund £	Special Prizes Fund £	2019 Total £
Tangible fixed assets	6,700,618	-	10,200	-	6,710,818
Fixed asset investments	88,388	138,664	-	366,814	593,866
Loans to Clubs > 1 year	6,000	-	-	-	6,000
Current assets	2,043,884	48,756	48,115	-	2,140,755
Current liabilities	(1,657,592)	(2,940)	-	-	(1,660,532)
Deferred income	(540,868)	-	-	-	(540,868)
	<u>6,640,430</u>	<u>184,480</u>	<u>58,315</u>	<u>366,814</u>	<u>7,250,039</u>

25 Related party transactions

Management fees of £177,167 (2019: nil) and rent of £41,000 (2019: £41,000) were charged to the National Shooting Centre Limited; the closing intercompany balance was £1,473,855 (2019: £757,018). There were no other related party transactions to disclose (2019: none).

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

26 Contingent liabilities

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 (2019: £2,036,647).

Four leases granted in 2002 by the NRA for Bisley properties include agreements to pay the tenants compensation for developing buildings. The compensation amount per lease, calculated at the determination of the lease in 2023, is the lower of the buildings market value or £41,900 plus RPI, the latter is estimated at 31 December 2020 as £70,245 per lease. Without a reliable estimate of the total open market value of the four buildings in 2023, discounted to the present value, the Trustees have concluded the actual compensation payable cannot currently be reliably measured which is the basis for treating these as a contingent liability.

27 Lessee Commitments under operating leases

At 31 December 2020, the group and charity had total lessee commitments under non-cancellable operating leases as follows:

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£	£	£	£
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	184,252	190,252	184,252	190,252
	<u>212,199</u>	<u>218,199</u>	<u>212,199</u>	<u>218,199</u>

28 Lessor Commitments under operating leases

At 31 December 2020, the group and charity had total lessor Commitments under finance leases as follows:

	Group 2020	Group 2019	Charity 2020	Charity 2019
	£	£	£	£
Land and buildings:				
- Less than 1 year	760,196	735,225	760,196	735,225
- 1-5 years	2,247,582	2,265,472	2,247,582	2,265,472
- Greater than 5 years	4,812,575	4,472,384	4,812,575	4,472,384
	<u>7,820,353</u>	<u>7,473,081</u>	<u>7,820,353</u>	<u>7,473,081</u>

NATIONAL RIFLE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

29 Post Balance Sheet Event

Since the year end the COVID-19 pandemic continues to present uncertainty and challenges. The NSC was obliged to close the Bisley ranges to civilian shooting from early January to late March 2021; and the charity placed 41 staff on furlough leave. The ranges remained open for police and military firearms training. Valuable experiences were gained operating under varying restrictions in 2020, and the charity is planning to organise a series of competitions in 2021. The Bisley ranges reopened on 29 March 2021. Trustees continue to closely scrutinise and review management plans and forecasts to ensure the ranges operate in accordance with Government guidance.

30 Notes to the consolidated cash flow statements

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

	2020 £	2019 £
Net income	(426,540)	21,645
(Gains)/Loss on investments	(2,773)	(52,369)
Dividends received	(12,969)	(14,747)
Interest payable	6,766	-
Surplus on disposal of tangible fixed assets	975	(5,879)
Depreciation	535,353	500,323
Amortisation	18,218	-
(Increase) in stocks	(122,706)	(16,000)
Decrease in loans to clubs	9,293	11,334
Decrease/(Increase) in debtors	(165,791)	1,271
Increase in creditors	405,999	562,583
Net cash inflow from operating activities	245,825	1,008,161

30.2 Analysis of changes in net debt

	At 1 January 2020 £	Cash flow £	Non-cash changes £	At 31 December 2020 £
Cash at bank and in hand	549,619	(283,030)	-	266,589
Bank overdraft	-	(403,601)	-	(403,601)
Net cash	549,619	(686,631)	-	(137,012)