

Registered number: 1525484

**BRITISH CANOEING**  
(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2019**

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**BRITISH CANOEING**  
**(A Company Limited by Guarantee)**

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**COMPANY INFORMATION**

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<b>Directors</b>	J. Coyne, Chairman M. Bache R. Boreham S. Craig C. Dallaway J. Fry D. Joy B. Kennedy S. Linksted D. Paterson G. Smale D. Wakeling
<b>Chief Executive</b>	David Paul Joy
<b>Registered number</b>	1525484
<b>Registered office</b>	National Water Sports Centre Adbolton Lane West Bridgford Nottingham Nottinghamshire NG12 2LU
<b>Independent auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
<b>Bankers</b>	Barclays Bank PLC 2 High Street Nottingham NG1 2EN

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**BRITISH CANOEING**  
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**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

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**Introduction**

British Canoeing is the National Governing Body for Paddlesport in the United Kingdom.

The purpose of British Canoeing is to inspire a passion for paddling for health, enjoyment, friendship, challenge and achievement. British Canoeing has also set out its vision of a united British Canoeing, focused on people and ambitions, excellent in delivery. In order for British Canoeing to realise its purpose and vision the organisation launched its four year strategy Stronger Together in March 2017. The strategy contains 11 ambitions and 67 action plans that set the agenda for action for the next four years.

During the 2018/2019 financial year to progress Ambition 7 - Provide Excellent Competitions - British Canoeing Events Limited was incorporated. The new company is a wholly owned subsidiary of British Canoeing, established specifically to deliver current and future international events held in the UK that are awarded to British Canoeing by the International Federation of the sport.

The Directors of British Canoeing and British Canoeing Events Limited are committed to maintaining strong principles of governance and compliance policies, and guidelines for all areas of responsibility to our members. This includes codes of conduct, duty of care requirements, safeguarding of adults, children and vulnerable adults, and risk assessment.

Reflecting the continued commitment to maintain high standards of governance, whilst improving practice and moving forward to adopt the latest sports governance standards, British Canoeing is fully compliant with the UK Code of Sports Governance. It is expected that British Canoeing Events Limited will be fully compliant by the end of 2020.

The British Canoeing corporate financial strategy is to maintain robust financial systems and manage risk in order to grow membership income, commercial revenues and maximise partnership funding to provide resources, deliver activity and information to meet the objectives of the strategy and to support and benefit members and participants of the sport.

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**BRITISH CANOEING**  
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**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

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**Business review**

2018/2019 was a successful year for British Canoeing with significant progress on the 11 ambitions within Stronger Together. Membership growth was recorded for the fourth successive year, as well as growth in coaching and awards income and new commercial partnerships that contributed to the consolidated surplus.

Following the establishment of British Canoeing Events Limited, the first event hosted was the 2019 ICF Canoe Slalom World Cup in June. The World Cup was highly successful with BBC interest and Jaffa as a headline partner. It included the first international Extreme Slalom competition in the UK, which attracted sponsorship from Red Bull. Delivery of the event was a key achievement for British Canoeing Events Limited. 220 volunteers were recruited and made a significant contribution to the success of the event. Over 6000 tickets were issued and strong spectator engagement was recorded.

Athlete success was achieved across nine competition disciplines, with British athletes winning 68 medals at major World, European and international competitions during 2019. Five senior and four junior World Champions were crowned, with six European Championships titles won across Slalom, Sprint, Paracanoe, Freestyle and Canoe Polo.

Developments in the provision for recreational paddlers was a key success with the launch of the Go Paddling web site that received almost 100,000 new unique visitors in the first year. Paddlepoints, an online resource for paddlers to find places to paddle, was also launched.

The Clear Access Clear Waters campaign made significant progress towards legislative change around access to rivers as well as continuing the call to action for river clear ups and environmental projects. A new website for the campaign was launched in January 2020.

The group surplus for the year after taxation amounted to £130,444, this is made up of a surplus from British Canoeing of £125,458 and a surplus for British Canoeing Events Limited of £4,986.

Pressure on the cost base of the organisation from salary and cost inflation has been absorbed during the year and expenditure is continually reviewed to ensure value for money and alignment to the delivery of Stronger Together.

British Canoeing considers it good practice to build financial reserves that will meet the future commitments or unforeseen expenses of the company, without a negative impact on the ability to deliver services or develop the businesses in line with the strategic plan. A revised reserves policy was agreed during the year, setting appropriate reserve levels to ensure core delivery and discipline security. The delivery of the 2018/19 surplus achieved the first level of critical reserve defined as the minimum level of provision for an immediate closure covering redundancies, long-term lease obligations and other long term commitments.

Designated reserves relating to Life Membership and an unspecified legacy reserve were released in the year to further the delivery of the strategy, totalling £87,245. This brings the total consolidated reserves to £930,753 (2018 £800,309)

The financial priority continues to be the delivery of the 11 ambitions of the strategy, whilst building strong reserves to provide adequate and sustainable resources for the future development and delivery of the sport.

**GROUP STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

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**Key performance indicators**

The principal measures used by the board to assess performance against the Stronger Together strategic ambitions are as follows:

- Individual membership of British Canoeing 38,549 at October 2019 (36,233 - 2018)
- Increase the number of quality mark clubs – 137 - 2019 (135 - 2018)
- International medal success in all the major disciplines – 68 medal won 2019 (105 medals 2018)
- To comply with the UK Code of Sports Governance and annually retain its current "green" rating. - full compliance retained in 2019.

**Principal risks and uncertainties**

British Canoeing faces a number of risks in common with other sporting governing bodies. The key risks are considered to be a significant reduction in government funding, major environmental and legislative changes or a failure to deliver the strategy and objectives. Major risks are assessed by the board with processes in place to manage and monitor these.

British Canoeing's principal financial instruments comprise bank balances and other creditors. All bank balances are invested in interest bearing accounts with a major high street bank. The majority of the creditors relate to grants received in advance.

This report was approved by the board on 26 January 2020 and signed on its behalf.



**M Bache**  
Director

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**BRITISH CANOEING**  
(A Company Limited by Guarantee)

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

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The directors present their report and the financial statements for the year ended 31 October 2019.

**Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Results and dividends**

The surplus for the year, after taxation, amounted to £130,444 (2018 - £36,281).

**Directors**

The directors who served during the year were:

J. Coyne, Chairman  
M. Bache  
R. Boreham  
S. Craig  
C. Dallaway  
J. Fry  
D. Joy  
B. Kennedy  
S. Linksted  
D. Paterson  
G. Smale  
D. Wakeling

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**BRITISH CANOEING**  
(A Company Limited by Guarantee)

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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

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**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

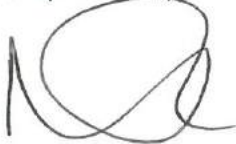
**Post balance sheet events**

There have been no significant events affecting the Group since the year end.

**Auditors**

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 January 2020 and signed on its behalf.



M. Bache  
Director



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH CANOEING**

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**Opinion**

We have audited the financial statements of British Canoeing (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 October 2019, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, 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 Company's affairs as at 31 October 2019 and of the Group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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**

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

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

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. 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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH CANOEING (CONTINUED)**

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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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 4, the directors 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 directors 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 directors are responsible for assessing the Group's and the parent Company'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 directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH CANOEING (CONTINUED)**

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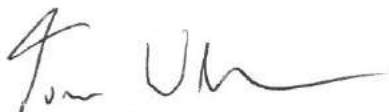
**Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson (Senior Statutory Auditor)

for and on behalf of

**Haysmacintyre LLP**

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

26 January 2020

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**BRITISH CANOEING**  
**(A Company Limited by Guarantee)**

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

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	<b>Note</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
Income	4	<b>9,693,871</b>	9,173,691
Operating Costs		<b>(9,574,153)</b>	(9,140,281)
<b>Operating surplus</b>		<b>119,718</b>	33,410
Interest receivable and similar income		<b>19,541</b>	9,673
Interest payable and expenses		<b>(3,587)</b>	(1,435)
<b>Surplus before taxation</b>		<b>135,672</b>	41,648
Tax on surplus	8	<b>(5,228)</b>	(5,367)
<b>Surplus for the financial year</b>		<b>130,444</b>	36,281

The notes on pages 15 to 28 form part of these financial statements.

**BRITISH CANOEING**  
(A Company Limited by Guarantee)  
REGISTERED NUMBER: 1525484

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT 31 OCTOBER 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	9	1,028,119	1,232,838
		<u>1,028,119</u>	<u>1,232,838</u>
<b>Current assets</b>			
Stocks		22,125	16,039
Debtors: amounts falling due within one year	11	195,347	212,284
Cash at bank and in hand	12	4,537,302	3,643,476
		<u>4,754,774</u>	<u>3,871,799</u>
Creditors: amounts falling due within one year		<u>(4,299,328)</u>	<u>(3,594,527)</u>
<b>Net current assets</b>		<b>455,446</b>	<b>277,272</b>
<b>Total assets less current liabilities</b>		<b>1,483,565</b>	<b>1,510,110</b>
Creditors: amounts falling due after more than one year	13	(552,812)	(709,801)
<b>Net assets</b>		<b>930,753</b>	<b>800,309</b>
<b>Reserves</b>			
Other reserves	16	30,827	118,072
Income and expenditure account	16	899,926	682,237
		<u>930,753</u>	<u>800,309</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 January 2020.

**J. Coyne**  
Chairman

The notes on pages 15 to 28 form part of these financial statements.

**BRITISH CANOEING**  
(A Company Limited by Guarantee)  
REGISTERED NUMBER: 1525484

**COMPANY STATEMENT OF FINANCIAL POSITION**  
AS AT 31 OCTOBER 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	9	1,028,119	1,232,838
Investments	10	1	-
		<u>1,028,120</u>	<u>1,232,838</u>
<b>Current assets</b>			
Stocks		17,251	16,039
Debtors: amounts falling due within one year	11	112,584	212,284
Cash at bank and in hand	12	4,268,720	3,643,476
		<u>4,398,555</u>	<u>3,871,799</u>
Creditors: amounts falling due within one year	13	(3,948,098)	(3,594,527)
<b>Net current assets</b>		<u>450,457</u>	<u>277,272</u>
<b>Total assets less current liabilities</b>		<u>1,478,577</u>	<u>1,510,110</u>
Creditors: amounts falling due after more than one year	14	(552,812)	(709,801)
<b>Net assets</b>		<u><u>925,765</u></u>	<u><u>800,309</u></u>
<b>Reserves</b>			
Other reserves	16	30,827	118,072
Income and expenditure account		894,938	682,237
		<u><u>925,765</u></u>	<u><u>800,309</u></u>

The surplus of the parent company in the year was £125,458.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 January 2020.

**J. Coyne**  
Chairman

The notes on pages 15 to 28 form part of these financial statements.

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**BRITISH CANOEING**  
(A Company Limited by Guarantee)

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 OCTOBER 2019**

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	Designated reserves £	Income and expenditure account £	Total equity £
<b>At 1 November 2017</b>	<b>122,183</b>	<b>641,845</b>	<b>764,028</b>
Surplus for the year	-	36,281	36,281
Transfer to/from Income and expenditure account	(4,111)	4,111	-
<b>At 1 November 2018</b>	<b>118,072</b>	<b>682,237</b>	<b>800,309</b>
Surplus for the year	-	130,444	130,444
Transfer to/from Income and expenditure account	(87,245)	87,245	-
<b>At 31 October 2019</b>	<b>30,827</b>	<b>899,926</b>	<b>930,753</b>

The notes on pages 15 to 28 form part of these financial statements.

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**BRITISH CANOEING**  
**(A Company Limited by Guarantee)**

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**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

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	Other reserves £	Income and expenditure account £	Total equity £
<b>At 1 November 2017</b>	<b>122,183</b>	<b>641,845</b>	<b>764,028</b>
Surplus for the year	-	36,281	36,281
Transfer to/from Income and expenditure account	(4,111)	4,111	-
<b>At 1 November 2018</b>	<b>118,072</b>	<b>682,237</b>	<b>800,309</b>
Surplus for the year	-	125,457	125,457
Transfer to/from Income and expenditure account	(87,245)	87,245	-
<b>At 31 October 2019</b>	<b>30,827</b>	<b>894,939</b>	<b>925,766</b>

The notes on pages 15 to 28 form part of these financial statements.



**BRITISH CANOEING**  
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 OCTOBER 2019**

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Surplus for the financial year	130,444	36,281
<b>Adjustments for:</b>		
Depreciation of tangible assets	304,375	365,923
Deficit on disposal of tangible assets	5,395	3,034
Interest paid	3,587	1,435
Interest received	(19,541)	(9,673)
Taxation charge	5,228	5,367
(Increase)/decrease in stocks	(6,086)	363
Decrease/(increase) in debtors	3,091	(79,214)
Increase/(decrease) in creditors	559,257	(65,714)
Corporation tax (paid)	(2,827)	(4,031)
<b>Net cash generated from operating activities</b>	<b>982,923</b>	<b>253,771</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(105,051)	(191,998)
Interest received	19,541	9,673
<b>Net cash from investing activities</b>	<b>(85,510)</b>	<b>(182,325)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(3,587)	(1,435)
<b>Net cash used in financing activities</b>	<b>(3,587)</b>	<b>(1,435)</b>
<b>Net increase in cash and cash equivalents</b>	<b>893,826</b>	<b>70,011</b>
Cash and cash equivalents at beginning of year	3,643,476	3,573,465
<b>Cash and cash equivalents at the end of year</b>	<b>4,537,302</b>	<b>3,643,476</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	4,537,302	3,643,476
	<b>4,537,302</b>	<b>3,643,476</b>

The notes on pages 15 to 28 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019**

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**1. General information**

The company is a private company (registered number: 1525484) limited by guarantee and was incorporated in England and Wales. The company's registered office is National Water Sports Centre, Adbolton Lane, West Bridgford, Nottingham, Nottinghamshire, NG12 2LU.

British Canoeing is the National Governing Body for Paddlesport in the United Kingdom. The strategic objectives are set out on page 1.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

**2.3 Going concern**

In preparing these financial statements the directors have considered the appropriateness of the going concern basis. In forming their view, the directors have conducted a review of trading prospects of the company for the 12 months from the date of signing this report.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019

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2. Accounting policies (continued)

2.4 Revenue

Income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the income can be reliably measured. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before Income is recognised:

**Grants Receivable**

Grants are accounted for when the related eligible expenditure is incurred under the accruals model with the deferred element of grants being included in creditors as deferred income. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates.

Grants of revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**Membership Income**

Membership income comprises a number of elements including affiliation, direct benefits and services. Affiliation income and income in respect of benefits are recognised at the point, usually on receipt, when there are no further conditions or services to be fulfilled by the company and when the cost can be reliably measured with a corresponding accrual made for any related third party fulfilment costs. Income in respect of services during the membership period is recognised straight line over that period.

With regards to certain related third party expenditure this is considered more appropriate to be recognised when the commitment arises and to reflect the delivery of some services by the company over a period of time.

**Major Events Income**

Major Events Income is recognised in the year in which the event takes place.

**Levies and Competition Income**

Levies and Competition Income is recognised in the year in which the competition takes place.

**Coaching and Qualifications Income**

Coaching and Qualifications Income is recognised in the year in which the coaching or qualification takes place.

**Commercial and Sponsorship Income**

Commercial and Sponsorship Income is recognised over the period of the sponsorship term. When the sponsorship is linked to a particular event or condition, income is recognised when the specific event has taken place or the condition has been met.

**Merchandise Income**

Merchandise income is recognised in the year in which the product is sold.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019

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2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold and leasehold property	- 2% straight line
Other freehold assets	- 10% straight line
Motor vehicles	- 10% - 25% straight line
Office equipment	- 20% - 33.33% straight line
Sports Equipment	- 10% - 33.33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities in the nature of trade and other debtors and creditors.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

2.9 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)**

**2.10 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

**2.11 Deferred Grants**

Capital grants are treated as deferred income and released in equal annual instalments of the life of the relevant assets. Revenue grants are credited to income in the period to which they relate.

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

In the process of applying its accounting policies, the company is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of the revenues and expenses recognised during the reporting periods presented. On an ongoing basis, the Company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ significantly from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known. The following paragraphs detail the estimates and judgements the Company believes to have the most significant impact on the annual results under FRS 102.

**Depreciation:**

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. Variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically no changes have been required.

**Membership Income**

The allocation of membership income between the various benefits and services provided are based on management's judgement and experience. When management identifies that actual costs are different to estimated, a change is made prospectively. Variances between actual and estimated will not have a material impact on the operating results.

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**4. Income**

An analysis of income by class of business is as follows:

	2019 £	2018 £
Grant income	6,967,616	6,643,144
Membership	1,734,742	1,686,880
Levies and Competition	388,126	342,575
Coaching and Qualifications	473,996	422,968
Commercial and Sponsorship	122,679	73,237
Other	6,712	4,887
	<u>9,693,871</u>	<u>9,173,691</u>

**5. Auditors' remuneration**

	2019 £	2018 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>18,350</u>	<u>12,900</u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
All other services	<u>2,700</u>	<u>5,100</u>
	<u>2,700</u>	<u>5,100</u>

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**6. Employees**

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
Wages and salaries	<b>3,617,213</b>	3,494,369	<b>3,617,213</b>	3,494,369
Social security costs	<b>333,630</b>	326,279	<b>333,630</b>	326,279
Cost of defined contribution scheme	<b>162,465</b>	146,865	<b>162,465</b>	146,865
	<b><u>4,113,308</u></b>	<u>3,967,513</u>	<b><u>4,113,308</u></b>	<u>3,967,513</u>

Aggregate employee benefits paid to Key Management Personnel during the year were £730,589 (2018: £715,309).

Termination and redundancy payments during the year were £25,127 (2018: £7,360)

The average monthly number of employees, during the year was as follows:

	<b>2019 No.</b>	<i>2018 No.</i>
Employees	<b><u>115</u></b>	<u>115</u>

**7. Directors' remuneration**

	<b>2019 £</b>	<i>2018 £</i>
Directors' emoluments	<b>141,537</b>	143,127
Company contributions to defined contribution pension schemes	<b>9,130</b>	8,225
	<b><u>150,667</u></b>	<u>151,352</u>

During the year retirement benefits were accruing to 1 director (2018 - 1) in respect of defined contribution pension schemes.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2019

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8. Taxation

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on surplus for the year	10,630	5,367
Adjustments in respect of previous periods	(5,402)	-
<b>Total tax charge for the year</b>	<u>5,228</u>	<u>5,367</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2018 - *higher than*) the standard rate of corporation tax in the UK of 19% (2018 - 19.41%). The differences are explained below:

	2019 £	2018 £
Surplus on ordinary activities before tax	<u>135,672</u>	<u>41,648</u>
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19.41%)	25,778	7,913
<b>Effects of:</b>		
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	(20,550)	(2,546)
<b>Total tax charge for the year</b>	<u>5,228</u>	<u>5,367</u>

**Factors that may affect future tax charges**

No significant timing differences arise in respect of the surplus subject to tax and no material deferred tax assets or liability exists.



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**9. Tangible fixed assets**

**Group and Company**

	Freehold property £	Motor vehicles £	Office equipment £	Sports Equipment £	Total £
<b>Cost</b>					
At 1 November 2018	1,097,493	363,265	286,980	1,762,756	3,510,494
Additions	-	-	21,006	84,045	105,051
Disposals	-	-	(1,445)	(10,998)	(12,443)
At 31 October 2019	<u>1,097,493</u>	<u>363,265</u>	<u>306,541</u>	<u>1,835,803</u>	<u>3,603,102</u>
<b>Depreciation</b>					
At 1 November 2018	368,340	287,496	240,113	1,381,707	2,277,656
Charge for the year on owned assets	78,078	21,298	33,484	171,515	304,375
Disposals	-	-	(1,051)	(5,997)	(7,048)
At 31 October 2019	<u>446,418</u>	<u>308,794</u>	<u>272,546</u>	<u>1,547,225</u>	<u>2,574,983</u>
<b>Net book value</b>					
At 31 October 2019	<u>651,075</u>	<u>54,471</u>	<u>33,995</u>	<u>288,578</u>	<u>1,028,119</u>
At 31 October 2018	<u>729,153</u>	<u>75,769</u>	<u>46,867</u>	<u>381,049</u>	<u>1,232,838</u>

Sport England holds three charges on grant funded land owned by British Canoeing totalling £320,000.

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**10. Fixed asset investments**

**Company**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
Additions	1
At 31 October 2019	<u>1</u>

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
British Canoeing Events Ltd	National Watersports Centre, Adbolton Lane, West Bridgford, Nottingham, NG12 2LU	Ordinary	100%

**11. Debtors**

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
Trade debtors	47,730	70,706	42,299	70,706
Other debtors	18,312	14,937	13,917	14,937
Prepayments and accrued income	129,305	126,641	56,368	126,641
	<u>195,347</u>	<u>212,284</u>	<u>112,584</u>	<u>212,284</u>

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**12. Cash and cash equivalents**

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
Cash at bank and in hand	<b>4,537,302</b>	3,643,476	<b>4,268,720</b>	3,643,476
	<b>4,537,302</b>	3,643,476	<b>4,268,720</b>	3,643,476

**13. Creditors: Amounts falling due within one year**

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
Trade creditors	<b>351,622</b>	473,339	<b>298,859</b>	473,339
Corporation tax	<b>10,630</b>	8,229	<b>9,921</b>	8,229
Other taxation and social security	<b>105,110</b>	162,178	<b>105,110</b>	162,178
Deferred income	<b>2,697,129</b>	2,064,424	<b>2,697,130</b>	2,064,424
Accruals	<b>1,134,837</b>	886,357	<b>837,078</b>	886,357
	<b>4,299,328</b>	3,594,527	<b>3,948,098</b>	3,594,527

**14. Creditors: Amounts falling due after more than one year**

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
Accruals and deferred income	<b>552,812</b>	709,801	<b>552,812</b>	709,801
	<b>552,812</b>	709,801	<b>552,812</b>	709,801

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Financial instruments**

	<b>Group 2019 £</b>	<i>Group 2018 £</i>	<b>Company 2019 £</b>	<i>Company 2018 £</i>
<b>Financial assets</b>				
Financial assets are measured at amortised cost	<u>57,660</u>	<u>85,643</u>	<u>52,229</u>	<u>85,643</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<u>294,980</u>	<u>473,339</u>	<u>242,217</u>	<u>473,339</u>

Financial assets that are debt instruments measured at amortised cost comprise of trade and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors.

**Financial Risk Management**

Liquidity risk:

The objective of the company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The company expects to meet its financial obligations through operating cash flows.

**16. Reserves**

**Income and expenditure account**

The Income and expenditure account includes all current and prior year retained surpluses and deficits.

**Designated reserves**

Designated reserves are made up of the Maurice Rothwell Legacy Fund.

**17. Company status**

The company is a private company limited by guarantee and consequently does not have share capital.

Every qualifying member of British Canoeing undertakes to contribute to the assets of British Canoeing, in the event of the same being wound up while they are a member or within one year after they cease to be a member, for payment of the debts and liabilities of British Canoeing contracted before the cease to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount may be required not exceeding £1. The number of these members at 31 October 2019 was 32,928 (2018: 32,456).

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**18. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £162,465 (2018 - £146,865). Contributions totalling £13,477 (2018 - £15,436) were payable to the fund at the balance sheet date

**19. Commitments under operating leases**

At 31 October 2019 the Group had future minimum lease payments under non-cancellable operating leases as follows:

<b>Group</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Land and Buildings:</b>		
In not later than 1 year	<b>216,413</b>	228,913
Later than 1 year and not later than 5 years	<b>865,652</b>	822,051
Later than 5 years	<b>1,972,706</b>	2,127,866
	<b>3,054,771</b>	3,178,830
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Other:</b>		
In not later than 1 year	<b>14,899</b>	21,896
Later than 1 year and not later than 5 years	<b>12,632</b>	23,340
	<b>27,531</b>	45,236

During the year the company expensed costs of £237,491 (2018: £288,635) to the Statement of comprehensive income in respect of operating lease commitments.

**20. Related party transactions**

In the normal course of operations and under federal agreements, the Scottish Canoe Association, Canoe Wales, Canoe Association of Northern Ireland, International Canoe Federation, Holme Pierrepont Canoe Club, Elmbridge Canoe Club and Royal Canoe Club contributed £70,066, £62,703, £16,940, £284, £nil, £nil and £460 (2018: £57,787, £63,352, £13,826, £5,003, £nil, £nil and £nil) of income towards UK activity and were recharged £284, £27, £nil, £5,008, £4,058, £18,400 and £18,370 (2018: £380, £808, £nil, £7,241, £nil, £12,600 and £18,000) of coaching and other direct costs (net).

The three federal organisations are represented by common directors on the board of British Canoeing and their members are voting members of the company.

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**21. Public sector funding and other income analysis 2019**

	UK Sport £	Sport England £	Other Grants £	Other Income £	Total £
International Influence	25,955	-	-	-	25,955
Performance Grant	4,727,382	-	-	-	4,727,382
Major Events	220,339	-	-	103,713	324,052
Development Grant	-	1,192,409	8,200	-	1,200,609
Talent Grant	-	793,331	-	-	793,331
Other Income	-	-	-	2,622,542	2,622,542
	<u>4,973,676</u>	<u>1,985,740</u>	<u>8,200</u>	<u>2,726,255</u>	<u>9,693,871</u>
International Influence	(25,955)	-	-	-	(25,955)
Performance Grant	(4,727,382)	-	-	-	(4,727,382)
International Events	(220,339)	-	-	(103,713)	(324,052)
Development Grant	-	(1,192,409)	(8,200)	-	(1,200,609)
Talent Grant	-	(793,331)	-	-	(793,331)
Other Costs	-	-	-	(2,502,824)	(2,502,824)
	<u>(4,973,676)</u>	<u>(1,985,740)</u>	<u>(8,200)</u>	<u>(2,606,537)</u>	<u>(9,574,153)</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Public sector funding and other income analysis 2018**

	<i>UK Sport</i> £	<i>Sport England</i> £	<i>Other grants</i> £	<i>Other Income</i> £	<i>Total</i> £
International influence	28,670	-	-	-	28,670
Performance Grant	4,617,545	-	-	-	4,617,545
Development Grant	-	1,276,982	29,929	-	1,306,911
Talent Grant	-	690,018	-	-	690,018
Other income	-	-	-	2,530,547	2,530,547
<b>Grants receivable</b>	<b>4,646,215</b>	<b>1,967,000</b>	<b>29,929</b>	<b>2,530,547</b>	<b>9,173,691</b>
International influence	(28,760)	-	-	-	(28,760)
Performance Grant	(4,617,545)	-	-	-	(4,617,545)
Development Grant	-	(1,276,982)	(29,929)	-	(1,306,911)
Talent Grant	-	(690,018)	-	-	(690,018)
Other Costs	-	-	-	(2,497,137)	(2,497,137)
<b>Total expenditure</b>	<b>(4,646,305)</b>	<b>(1,967,000)</b>	<b>(29,929)</b>	<b>(2,497,137)</b>	<b>(9,140,371)</b>

**23. Controlling party**

The Board consider there to be no controlling parties.

