

BRITISH CANOEING
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

BRITISH CANOEING
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	J. Coyne, Chairman S. Craig R. Boreham M. Moon C. Dallaway B. Kennedy S. Linksted K. Chown (appointed 12 March 2022) N. Donald (appointed 12 March 2022) A. Metcalfe (appointed 1 June 2022) Z. Rowe (appointed 12 March 2022) G. Spencer (appointed 12 March 2022)
Registered number	1525484
Registered office	National Water Sports Centre Adbolton Lane West Bridgford Nottingham Nottinghamshire NG12 2LU
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	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 2022

Introduction

British Canoeing is the National Governing Body for Paddlesport in the United Kingdom. The purpose of British Canoeing is to encourage everyone to go paddling; for enjoyment, health, challenge and achievement.

In order for British Canoeing to realise its purpose and vision the organisation launched its four year strategy Stronger Together 2022 – 2026 in March 2022. The strategy contains 10 ambitions and 85 action plans that set the agenda for action for the next four years.

During the 2018/2019 financial year British Canoeing Events Limited was incorporated, 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 and British Canoeing Events Ltd are fully compliant with the UK Code of Sports Governance.

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 the participants of paddlesport.

BRITISH CANOEING
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Business review

2021/2022 has been a strong year for British Canoeing with membership continuing to grow, albeit at a more modest rate following the unprecedented membership growth from both 2020 and 2021.

Following the heavy impact of coronavirus on the outdoor recreation sector, we have seen a return to normal levels of activity with coaching awards and certifications back to pre- coronavirus levels. The Delivery Partner scheme maintained an 86% retention rate on its first anniversary and E-learning provision continues to be favoured heavily by our coaches and leaders.

British Canoeing has highlighted the importance of the cross cutting themes outlined in Stronger Together 2022-2026, with the delivery of its equality, diversity and inclusion strategy, We Paddle Together. The development and consultation of our environmental sustainability strategy, Protecting the Places we Paddle, is complete and the strategy is due for launch in January 2023.

The Stronger Together fund was launched during the year to reinvest in the membership of the organisation. This fund will initially run for 3 years and offer grants and financial support for projects that deliver on the ambitions of Stronger Together 2022 - 2026.

The GB national teams continued to achieve at the highest levels at both senior and junior competition with 83 medals won over the competition season by our Olympic, Paralympic and National disciplines.

British Canoeing Events Ltd delivered the ICF Freestyle World Championships at the National Water Sports Centre in June 2022. The event attracted 211 competitors from 21 nations and the GB Team achieved their best result with 6 medals and 15 finals.

The accounting methodology for the recognition of membership income has been revised during the year and has been aligned with current common practice for sports governing bodies, which recognises income over the membership period. The impact of this change is that net assets are £1,165,549 lower than they would have been if the methodology had not changed. However, this does not impact on available cash reserves or the continued approach to budgeting to deliver members services and the increase in participation and competition activity.

The group surplus for the year after taxation amounted to £741,522, this is made up of a surplus from British Canoeing of £741,522 and a break-even position for British Canoeing Events Limited.

The year has not been without its difficulties, the impact of BREXIT is still affecting the movement of teams and equipment around the world, incurring additional costs and disruption for athletes and staff due to increased regulation and restrictions of the 90-day residency rule. Rising costs, energy inflation and staff recruitment has been particularly challenging in the year. 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 2022 - 2026.

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. The delivery of the 2021/22 surplus has surpassed the reserve level set out in the revised reserve policy agreed in 2019.

The total consolidated reserves of £1,950,098 (2021: £1,208,576 as restated) enable British Canoeing to absorb setbacks and take advantage of change and opportunity, to secure the financial viability beyond the immediate future and provide reliable services over the longer term. It is the intention of British Canoeing to utilise the excess reserves to invest back into the delivery of its strategic plan.

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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Key performance indicators

The principle measures used by the board to assess performance against Stronger Together 2022-2026 strategic ambitions are as follows:

- Individual membership of British Canoeing 93,306 at October 2022 (90,705 – 2021)
- International medal success in all major disciplines – 83 medals won (62 – 2021)
- To comply with the UK Code of Sports Governance and annually retain its current “green” rating – full compliance retained in 2022.

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 and signed on its behalf.



J. Coyne
Chair

Date: 15 February 2023

BRITISH CANOEING
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

The directors present their report and the financial statements for the year ended 31 October 2022.

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 profit for the year, after taxation, amounted to £741,522 (2021 - £619,805).

Directors

The directors who served during the year were:

J. Coyne, Chairman
M. Bache (resigned 12 March 2022)
S. Craig
R. Boreham
D. Joy (resigned 31 May 2022)
M. Moon
C. Dallaway
B. Kennedy
S. Linksted
D. Wakeling (resigned 12 March 2022)
G. Smale (resigned 12 March 2022)
K. Chown (appointed 12 March 2022)
N. Donald (appointed 12 March 2022)
A. Metcalfe (appointed 1 June 2022)
Z. Rowe (appointed 12 March 2022)
G. Spencer (appointed 12 March 2022)

BRITISH CANOEING
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

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.

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 and signed on its behalf.



N. Donald
Director

Date: 15 February 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH CANOEING

Opinion

We have audited the financial statements of British Canoeing (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 October 2022, 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 2022 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

In auditing the financial statements, we have concluded that the directors' 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 or the parent Company'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 directors with respect to going concern are described in the relevant sections of this report.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 set out 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)

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 Group 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 compliance with the Sports governance code, 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, and consider other factors such as 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 revenue recognition, and in the estimates made to defer membership income in line with the costs incurred during the membership term. 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;
- Challenging assumptions and judgements made by management in their critical accounting estimates; and
- Considering and challenging the appropriateness and the rationale behind the change in accounting policy for membership income.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

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

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
Date: 15 February 2023

BRITISH CANOEING
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2022

	Note	2022 £	<i>As restated</i> <i>2021</i> £
Turnover	4	10,960,204	10,459,335
Administrative expenses		(10,246,045)	(9,847,487)
Other operating income	5	-	9,664
Operating profit		714,159	621,512
Interest receivable and similar income		40,022	2,124
Profit before taxation		754,181	623,636
Tax on profit	9	(12,659)	(3,831)
Profit for the financial year		741,522	619,805
Profit for the year attributable to:			
Owners of the parent Company		741,522	619,805
		741,522	619,805

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 17 to 31 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 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Tangible assets	10	520,966	749,139
		<u>520,966</u>	<u>749,139</u>
Current assets			
Stocks		15,270	22,084
Debtors: amounts falling due after more than one year	12	-	13,072
Debtors: amounts falling due within one year	12	309,253	159,239
Cash at bank and in hand	13	8,777,772	8,178,112
		<u>9,102,295</u>	<u>8,372,507</u>
Creditors: amounts falling due within one year	14	(7,454,789)	(7,264,905)
Net current assets		<u>1,647,506</u>	<u>1,107,602</u>
Total assets less current liabilities		<u>2,168,472</u>	<u>1,856,741</u>
Creditors: amounts falling due after more than one year	15	(218,374)	(648,165)
Net assets		<u><u>1,950,098</u></u>	<u><u>1,208,576</u></u>
Capital and reserves			
Other reserves	16	224,160	30,827
Profit and loss account	16	1,725,938	1,177,749
		<u>1,950,098</u>	<u>1,208,576</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 February 2023.

N. Donald

N. Donald
 Director

The notes on pages 17 to 31 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 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Tangible assets	10	520,966	749,139
Investments	11	1	1
		<u>520,967</u>	<u>749,140</u>
Current assets			
Stocks		15,270	22,084
Debtors: amounts falling due within one year	12	226,341	146,639
Cash at bank and in hand	13	8,228,692	7,972,589
		<u>8,470,303</u>	<u>8,141,312</u>
Creditors: amounts falling due within one year	14	(6,840,600)	(7,223,263)
Net current assets		<u>1,629,703</u>	<u>918,049</u>
Total assets less current liabilities		<u>2,150,670</u>	<u>1,667,189</u>
Creditors: amounts falling due after more than one year	15	(218,374)	(476,415)
Net assets		<u><u>1,932,296</u></u>	<u><u>1,190,774</u></u>
Capital and reserves			
Other reserves	16	224,160	30,827
Profit and loss account brought forward		1,159,947	535,969
Profit for the year		741,522	623,978
Transfer to other reserves		(193,333)	-
		<u>1,708,136</u>	<u>1,159,947</u>
Profit and loss account carried forward		<u><u>1,932,296</u></u>	<u><u>1,190,774</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 February 2023.

N. Donald

N. Donald
 Director

The notes on pages 17 to 31 form part of these financial statements.

BRITISH CANOEING
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2022

	Designated reserves £	Income and expenditure account £	Total equity £
At 1 November 2020	30,827	557,944	588,771
Comprehensive income for the year			
Surplus for the year	-	619,805	619,805
At 1 November 2021	30,827	1,177,749	1,208,576
Comprehensive income for the year			
Surplus for the year	-	741,522	741,522
Transfer to/from designated reserves	193,333	(193,333)	-
At 31 October 2022	224,160	1,725,938	1,950,098

The notes on pages 17 to 31 form part of these financial statements.

BRITISH CANOEING
(A Company Limited by Guarantee)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2022

	Designated reserves £	Income and expenditure account £	Total equity £
At 1 November 2020	30,827	535,969	566,796
Surplus for the year	-	623,978	623,978
At 1 November 2021	30,827	1,159,947	1,190,774
Surplus for the year	-	741,522	741,522
Transfer to/from designated reserves	193,333	(193,333)	-
At 31 October 2022	224,160	1,708,136	1,932,296

The notes on pages 17 to 31 form part of these financial statements.

BRITISH CANOEING
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2022

	2022	<i>As restated</i>
	£	2021 £
Cash flows from operating activities		
Profit for the financial year	741,522	619,805
Adjustments for:		
Depreciation of tangible assets	159,489	218,061
Loss on disposal of tangible assets	235,276	-
Interest received	(40,022)	(2,124)
Taxation charge	12,659	3,831
Decrease/(increase) in stocks	6,814	(3,272)
(Increase) in debtors	(136,944)	(27,936)
(Decrease)/increase in creditors	(248,796)	833,209
Corporation tax (paid)	(3,769)	(5,026)
Net cash generated from operating activities	726,229	1,636,548
Cash flows from investing activities		
Purchase of tangible fixed assets	(166,591)	(105,549)
Interest received	40,022	2,124
Net cash from investing activities	(126,569)	(103,425)
Net increase in cash and cash equivalents	599,660	1,533,123
Cash and cash equivalents at beginning of year	8,178,112	6,644,989
Cash and cash equivalents at the end of year	8,777,772	8,178,112
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	8,777,772	8,178,112
	8,777,772	8,178,112

The notes on pages 17 to 31 form part of these financial statements.

BRITISH CANOEING
(A Company Limited by Guarantee)

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 OCTOBER 2022

	At 1 November 2021 £	Cash flows £	At 31 October 2022 £
Cash at bank and in hand	8,178,112	599,660	8,777,772
	<u>8,178,112</u>	<u>599,660</u>	<u>8,777,772</u>

The notes on pages 17 to 31 form part of these financial statements.

BRITISH CANOEING
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

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 assessing the company's ability to continue as a going concern, the Directors have considered the liquidity position and reviewed cash flow forecasts for the foreseeable future. The company has adequate financial resources and as a consequence, the Directors believe that the company is well placed to manage its business risks successfully and meet its liabilities as they fall due.

For this reason, the Directors continue to adopt the going concern basis in preparing the accounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

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

The membership income recognition methodology was reviewed during the year. The directors have amended the approach to provide a more consistent revenue recognition approach that is open to less estimation and judgement.

Previous approach:

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.

New approach applied:

Membership income is recognised over the period to which the membership relates and is accrued evenly over the 12 month term. The impact of this change has been reflected as a prior year correction and the restatement of the comparative figures is outlined in note 18.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

Merchandise Income

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

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 profit or loss.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

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

2.10 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.11 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 profit or loss 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.

2.12 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

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.

4. Income

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

	2022 £	2021 £
Grant Income	6,080,815	6,660,605
Membership	3,814,576	3,102,934
Levies and Competition	399,405	200,302
Coaching and Qualifications	488,002	366,143
Commercial and Sponsorship	177,406	129,351
	<u>10,960,204</u>	<u>10,459,335</u>

5. Other operating income

	2022 £	2021 £
Coronavirus Job Retention Scheme	-	9,664
	<u>-</u>	<u>9,664</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

6. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2022	<i>2021</i>
	£	£
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	20,500	19,400

7. Employees

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

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£	£	£	£
Wages and salaries	3,974,898	3,961,827	3,974,898	3,961,827
Social security costs	395,363	371,067	395,363	371,067
Cost of defined contribution scheme	186,361	180,400	186,361	180,400
	4,556,622	4,513,294	4,556,622	4,513,294

Aggregate employee benefits paid to Key Management Personnel during the year were £715,336 (2021: £626,742).

Termination and redundancy payments during the year were £37,886 (2021: £16,936).

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

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	No.	<i>No.</i>	No.	<i>No.</i>
Employees	116	120	116	120

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

8. Directors' remuneration

	2022	<i>2021</i>
	£	£
Directors' emoluments	131,576	141,915
Group contributions to defined contribution pension schemes	8,610	9,841
	140,186	151,756

During the year retirement benefits were accruing to 1 director (*2021 - 1*) in respect of defined contribution pension schemes.

The Non-executive directors did not receive remuneration for their duties during the current or prior year.

9. Taxation

	2022	<i>2021</i>
	£	£
Corporation tax		
Current tax on profits for the year	12,659	3,831
Total tax charge for the year	12,659	3,831

Factors affecting tax charge for the year

The tax assessed for the year is lower than (*2021 - lower than*) the standard rate of corporation tax in the UK of 19% (*2021 - 19%*). The differences are explained below:

	2022	<i>2021</i>
	£	£
Surplus on ordinary activities before tax	754,181	623,636
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (<i>2020 - 19%</i>)	143,294	118,491
Effects of:		
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	(130,635)	(114,660)
Total tax charge for the year	12,659	3,831

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

9. Taxation (continued)

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.

10. Tangible fixed assets

Group and Company

	Freehold property £	Motor vehicles £	Office equipment £	Sports Equipment £	Total £
Cost					
At 1 November 2021	1,097,491	261,508	317,053	1,754,296	3,430,348
Additions	-	102,327	19,372	44,892	166,591
Disposals	(720,972)	(65,580)	-	(2,821)	(789,373)
At 31 October 2022	<u>376,519</u>	<u>298,255</u>	<u>336,425</u>	<u>1,796,367</u>	<u>2,807,566</u>
Depreciation					
At 1 November 2021	602,574	237,330	297,102	1,544,203	2,681,209
Charge for the year on owned assets	24,005	26,590	7,501	101,393	159,489
Disposals	(486,657)	(64,620)	-	(2,821)	(554,098)
At 31 October 2022	<u>139,922</u>	<u>199,300</u>	<u>304,603</u>	<u>1,642,775</u>	<u>2,286,600</u>
Net book value					
At 31 October 2022	<u><u>236,597</u></u>	<u><u>98,955</u></u>	<u><u>31,822</u></u>	<u><u>153,592</u></u>	<u><u>520,966</u></u>
At 31 October 2021	<u><u>494,917</u></u>	<u><u>24,178</u></u>	<u><u>19,951</u></u>	<u><u>210,093</u></u>	<u><u>749,139</u></u>

Sport England holds two charges on grant funded land owned by British Canoeing totalling £220,000.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

11. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 November 2021	1
At 31 October 2022	<u>1</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

12. Debtors

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Due after more than one year				
Prepayments and accrued income	-	13,072	-	-
	<u>-</u>	<u>13,072</u>	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>13,072</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Due within one year				
Trade debtors	49,248	47,518	41,115	47,518
Other debtors	190,525	99,123	185,226	99,121
Prepayments and accrued income	69,480	12,598	-	-
	<u>309,253</u>	<u>159,239</u>	<u>226,341</u>	<u>146,639</u>
	<u><u>309,253</u></u>	<u><u>159,239</u></u>	<u><u>226,341</u></u>	<u><u>146,639</u></u>

13. Cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Cash at bank and in hand	8,777,772	8,178,112	8,228,692	7,972,589
	<u>8,777,772</u>	<u>8,178,112</u>	<u>8,228,692</u>	<u>7,972,589</u>
	<u><u>8,777,772</u></u>	<u><u>8,178,112</u></u>	<u><u>8,228,692</u></u>	<u><u>7,972,589</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

14. Creditors: Amounts falling due within one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>As restated</i>	2022	<i>As restated</i>
	£	£	£	£
Trade creditors	733,515	408,737	716,068	392,994
Corporation tax	12,721	3,831	12,659	3,831
Other taxation and social security	144,620	118,312	144,620	118,012
Other creditors	4,588,416	3,958,957	4,020,184	3,942,457
Accruals and deferred income	1,975,517	2,775,068	1,947,069	2,765,969
	<u>7,454,789</u>	<u>7,264,905</u>	<u>6,840,600</u>	<u>7,223,263</u>

15. Creditors: Amounts falling due after more than one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£	£	£	£
Accruals and deferred income	218,374	648,165	218,374	476,415
	<u>218,374</u>	<u>648,165</u>	<u>218,374</u>	<u>476,415</u>

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 following:

Maurice Rothwell Legacy Fund - £30,827 (2021: £30,827) for the promotion of recreational paddling.

Stronger Together Fund - £193,333 (2021: £nil) for projects to deliver the ambitions of Stronger Together 2022-2026.

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NOTES TO THE FINANCIAL STATEMENTS
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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 they 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 2022 was 78,086 (2021: 75,077).

18. Prior year adjustment

For the year ended 31 October 2022, the board has amended its revenue recognition approach as described in note 2.4. This change recognises membership income over the period to which the membership relates. Previously, the approach had been to break down the individual benefits to members and to recognise the income in line with the estimated spread of benefits to members. This does not impact on available cash reserves or the continued approach to budgeting to deliver members services and the increase in participation and competition activity.

The impact of this change in approach on the comparative information presented in these financial statements is summarised below:

	Group 2021 £	<i>Company 2021 £</i>
Impact of change in accounting policy		
Decrease in membership income	(295,530)	<i>(295,530)</i>
Decrease in accrued membership costs	(400,730)	<i>(400,730)</i>
Increase in deferred membership income	1,566,279	<i>1,566,279</i>
Decrease in brought forward reserves from 2020	(870,019)	<i>(870,019)</i>
	=====	<i>=====</i>

19. 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 £186,361 (2021 - £180,400). Contributions totalling £16,847 (2021 - £15,064) were payable to the fund at the balance sheet date

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

20. Commitments under operating leases

At 31 October 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Land and Buildings:				
Not later than 1 year	235,560	228,136	235,560	228,136
Later than 1 year and not later than 5 years	942,241	912,542	942,241	912,542
Later than 5 years	1,364,703	1,637,387	1,364,703	1,637,387
	2,542,504	2,778,065	2,542,504	2,778,065
	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Other:				
Not later than 1 year	2,132	21,148	2,132	21,148
Later than 1 year and not later than 5 years	3,736	4,798	3,736	4,798
	5,868	25,946	5,868	25,946

During the year the company expensed costs of £237,301 (2021: £260,767) to the Statement of comprehensive income in respect of operating lease commitments.

21. Related party transactions

In the normal course of operations and under federal agreements, International Canoe Federation, BOA, Scottish Canoe Association, Canal and River Trust, Canoe Wales, Canoe Association of Northern Ireland, Lee Valley GLL, Lee Valley Regional Park Authority, Reading Canoe Club, Elmbridge Canoe Club, Ultimate Kayaks Ltd, BCE and Longridge Canoe Club contributed £nil, £nil, £48,395, £1,559, £58,712, £1,289, £140, £nil, £nil, £nil, £nil, £nil (2021: £540, £44,369, £2,415, £nil, £120, £nil, £nil, £184,749, £11,750, £14,500, £55, £nil and £100) of income towards UK activity and were recharged £nil, £nil, £3,249, £683,889, £1,390, £nil, £93,612, £125,165, £nil, £nil, £nil £94,768, £nil (2021: £nil, £11,134, £76,088, £nil, £38,220, £6,884, £nil, £55, £120, £nil, £nil, £13 and £nil) 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.

BRITISH CANOEING
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

22. Public sector funding and other income analysis 2022

	UK Sport £	Sport England £	Other Grants £	Other Income £	Total £
International Influence	12,782	-	-	-	12,782
Performance Grant	4,044,918	-	-	-	4,044,918
Major Events	25,000	-	-	-	25,000
Development Grant	-	1,102,342	168,236	-	1,270,578
Talent Grant	-	727,537	-	-	727,537
Coronavirus Job Retention Scheme Grant	-	-	-	-	-
Other Income	-	-	-	4,879,389	4,879,389
	<u>4,082,700</u>	<u>1,829,879</u>	<u>168,236</u>	<u>4,879,389</u>	<u>10,960,204</u>
International Influence	(12,782)	-	-	-	(12,782)
Performance Grant	(4,044,918)	-	-	-	(4,044,918)
Major Events	(25,000)	-	-	-	(25,000)
Development Grant	-	(1,102,342)	(168,236)	-	(1,270,578)
Talent Grant	-	(727,537)	-	-	(727,537)
Coronavirus Job Retention Scheme Grant	-	-	-	-	-
Other Costs	-	-	-	(4,165,230)	(4,165,230)
	<u>(4,082,700)</u>	<u>(1,829,879)</u>	<u>(168,236)</u>	<u>(4,165,230)</u>	<u>(10,246,045)</u>

BRITISH CANOEING
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

23. Public sector funding and other income analysis 2021

	<i>Uk Sports</i>	<i>Sport England</i>	<i>Other grants</i>	<i>Other Income</i>	<i>Total</i>
	£	£	£	£	£
International influence	8,249	-	-	-	8,249
Performance Grant	4,891,658	-	-	-	4,891,658
Development Grant	-	1,450,369	6,899	-	1,457,268
Talent Grant	-	302,367	-	-	302,367
Other income	-	-	-	4,095,323	4,095,323
Coronavirus Job Retention Scheme Grant	-	-	9,664	-	9,664
Grants receivable	4,899,907	1,752,736	16,563	4,095,323	10,764,529
International influence	(8,249)	-	-	-	(8,249)
Performance Grant	(4,891,658)	-	-	-	(4,891,658)
International Events	-	-	-	-	-
Development Grant	-	(1,450,369)	(6,899)	-	(1,457,268)
Talent Grant	-	(302,367)	-	-	(302,367)
Other Costs	-	-	-	(3,178,281)	(3,178,281)
Coronavirus Job Retention Scheme Grant	-	-	(9,664)	-	(9,664)
Total expenditure	(4,899,907)	(1,752,736)	(16,563)	(3,178,281)	(9,847,487)

24. Controlling party

The Board consider there to be no controlling parties.