THE ROYAL PIGEON RACING ASSOCIATION INCLUDING THE BRITISH HOMING WORLD ACCOUNTS FOR THE YEAR ENDED 31st OCTOBER 2015

Statement of Council's responsibilities

The rules of The Royal Pigeon Racing Association require the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association as at the end of the financial year and of the profit or loss of the Association for that period.

The Council confirms that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 October 2015. The Council also confirms that applicable accounting standards have been followed and that the statements have been prepared on the going concern basis.

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the rules. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Council.
L. Blacklock, President

INDEPENDENT AUDITOR'S REPORT
TO THE COUNCIL OF THE ROYAL PIGEON RACING ASSOCIATION INCLUDING THE BRITISH HOMING WORLD

We have audited the financial statements of The Royal Pigeon Racing Association including The British Homing World for the year ended 31 October 2015, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Council of the Association, as a body. Our audit work has been undertaken so that we might state to the Council of the Association those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of the Association and the Council of the Association as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in Statements of Council's Responsibilities, the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council of the Association; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Association's affairs as at 31 October 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Jon M Cartwright (Senior Statutory Auditor) for and on behalf of Hazlewoods LLP

HAZLEWOODS LLP

Chartered Accountants and Registered Auditors
Windsor House
Bayshill Road
Cheltenham
Gloucestershire GL50 3AT

Statement of accounting policies: The accounting policies that the Association has adopted to determine the amounts included in respect of material items shown in the balance sheet and also to determine the income and expenditure are shown below. They have been consistently applied and are in accordance with applicable Accounting Standards.

Basis of accounting: The financial statements have been prepared on the historical cost basis of accounting.

Income: Income, which excludes VAT, represents subscriptions, licences and receipts from services provided to members and is accounted for on the accruals basis.

Fixed assets: Fixed assets are stated in the balance sheet at cost less depreciation.

Depreciation: Depreciation is calculated so that fixed assets are written off over their estimated useful lives in annual instalments on the following basis: Freehold buildings 2% of cost per annum; pigeon loft 33.3% of cost per annum; computer equipment 33.3% of cost per annum; office furniture, fittings and equipment 10% and 15% of net book value per annum; motor vehicles 25% of cost per annum; mobile display unit 25% of cost per annum. The freehold land, publishing rights and collections and books are not depreciated as their estimated residual values are expected to be higher than their carrying amounts.

Stocks: Stocks are stated in the balance sheet at the lower of cost and net realisable value, after making due allowances for obsolete and slow-moving items. Cost is based on original purchase price and is calculated using the first-in, first-out method.

Pension costs: The Association participates in defined contribution money purchase pension schemes. The assets are held separately from those of the Association in independently administered funds. The pension charge in the accounts represents the contributions payable to the funds during the year.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st OCTOBER 2015

	Notes	2015	2014
INCOME		£	£
Surplus on trading account		667,854	652,162
Other income	1	128,089	137,587
		795,943	789,749
EXPENDITURE			
Advertising		869	1,594
Council meetings and travelling expenses	2	30,997	32,867
Car expenses	3	13,985	14,241
Legal and professional		5,061	5,147
Subscriptions		1,064	662
Wages and salaries		480,420	494,777
Employer's N.I.		33,445	35,392
Pension contributions		19,415	18,505
Maintenance of equipment		21,621	22,561
Liberation site costs		130	811
Printing, stationery, postage and telephone		36,677	43,681
Property expenses	4	43,266	56,728
Audit, accountancy and taxation		11,970	11,596
Depreciation		10,060	24,541
Sundries	6	48,932	44,068
Raptor donation		–	25,637
Insurance		15,991	14,291
President's allowance		1,000	1,000
Finance charges	5	8,687	7,484
Loss on disposal of fixed assets		–	180
		(783,590)	(855,763)
Profit/(Loss) before taxation		12,353	(66,014)
Taxation charge	7	(5,777)	(6,178)
Profit/(Loss) for the year		£ 6,576	£ (72,192)

All of the above results derive from the continuing operations of the Association.
The Association has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.
There is no difference between the profit for the year before taxation and the retained profit for the year stated above, and their historical cost equivalents.

BALANCE SHEET - 31st OCTOBER 2015

FIXED ASSETS			
Tangible assets	8	107,979	116,469
Investments	9	9,000	9,000
		116,979	125,469
CURRENT ASSETS			
Stocks		70,283	69,194
Debtors	10	113,533	102,812
Cash at bank and in hand		751,114	768,926
		934,930	940,932
CURRENT LIABILITIES			
Cash received in advance		193,793	194,278
Creditors: amounts falling due within 1 year	11	178,808	199,391
		372,601	393,669
NET CURRENT ASSETS		562,329	547,263
NET ASSETS		679,308	672,732
Financed by reserves:			
Profit and loss reserve	12	603,089	615,753
Future of Sport reserve	12	74,040	54,800
Squeakers Corner reserve	12	2,179	2,179
		£ 679,308	£ 672,732

The financial statements on pages 3 to 10 were approved January 2016 – L. Blacklock, President

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st OCTOBER 2015

1. OTHER INCOME	2015	2014
Subscriptions and licences	108,729	114,826
Appeal receipts	180	542
Federation registration fees	910	893
Interest receivable	2,876	3,141
Rent receivable	7,200	7,350
Libsite administration income	7,171	6,595
Credit card handling charge	674	3,949
Paypal handling charge	97	64
Sundry income	161	199
Donations received	–	4
Advertising	–	(2)
Late payment surcharge	17	26
Uncashed cheques written back	74	–
	128,089	137,587
2. COUNCIL AND TRAVELLING EXPENSES		
Council meetings	25,038	28,317
Hotel & overseas expenses	5,959	4,550
	30,997	32,867
3. CAR EXPENSES		
Car lease	10,324	8,598
Fuel	957	2,439
Maintenance and parking	999	1,408
Insurance and tax	1,705	1,796
	13,985	14,241
4. PROPERTY EXPENSES		
Rates	16,665	16,675
Light and heat	6,821	6,068
General maintenance	2,646	12,891
Repairs and maintenance	6,009	7,468
Selby House	3,535	1,931
Canteen and cleaning	7,590	7,873
Storage	–	3,822
	43,266	56,728
5. FINANCE CHARGES		
Cardnet charges	6,568	6,329
Paypal charges	709	125
DCM fees	152	766
Bad debts	1,258	264
	8,687	7,484
6. SUNDRIES		
Dinner and MDU Show costs	13,625	13,977
Blackpool Show costs	12,128	15,916
Prize money and awards	1,057	1,172
Miscellaneous expenses	9,175	11,018
Olympiad expenses	11,533	942
Gifts and bereavement	170	81
Books & publications	40	–
BBC WW1 event costs	–	470
Dinner costs	1,204	492
	48,932	44,068

7. TAXATION		
UK Corporation tax at 20% (2014: 20%)	6,232	6,178
Under/over provision from previous year	(455)	–
	5,777	6,178

8. FIXED ASSETS	Land and buildings	Publishing Rights	Collections & books	Computer Equipment & Fittings	Motor vehicles	Mobile Display Unit	Total
Cost	£	£	£	£	£	£	£
At 1st November 2014	197,115	7,104	121	190,253	24,226	11,670	430,489
Additions	–	–	–	1,570	–	–	1,570
Disposals	–	–	–	(269)	–	–	(269)
At 31st October 2015	197,115	7,104	121	191,554	24,226	11,670	431,790
Depreciation							
At 1st November 2014	114,558	500	–	170,679	16,613	11,670	314,020
Charge for the year	2,176	–	–	4,077	3,807	–	10,060
Disposals	–	–	–	(269)	–	–	(269)
At 31st October 2015	116,734	500	–	174,487	20,420	11,670	323,811
Net book value at 31st October 2015	80,381	6,604	121	17,067	3,806	–	107,979
at 31st October 2014	82,557	6,604	121	19,574	7,613	–	116,469

9. INVESTMENTS

Medals at 1st November 2014 and 31st October 2015	9,000

10. DEBTORS

	2015	2014
Trade debtors	82,802	82,178
Prepayments and accrued income	30,542	20,398
Other debtors	189	236
	113,533	102,812

11. CREDITORS: Amounts falling due within one year

Trade creditors	68,140	85,329
Corporation tax	5,957	5,938
Other taxation including social security payable	43,752	31,142
Accruals and deferred income	57,866	52,866
Pension costs	2,596	2,266
Other creditors	497	21,850
	178,808	199,391

TRADING ACCOUNT FOR THE YEAR ENDED 31st OCTOBER 2015 – RECEIPTS FROM SERVICES PROVIDED

		2015		2014
Life Rings	181,680		185,317	
Direct cost of sales	(56,780)		(59,544)	
		124,900		125,773
Rubber Racing Rings	28,414		33,019	
Direct cost of sales	(25,253)		(30,570)	
		(3,161)		2,449
Transfers	68,207		63,366	
Direct cost of service	(19,925)		(19,845)	
		48,282		43,521
Distances	6,792		7,068	
Direct cost of service	(613)		(311)	
		6,179		6,757
Continental racing	14,416		12,743	
Direct cost of shipping	(5,373)		(4,283)	
		9,043		8,460
Seals and pliers	15,132		13,863	
Direct cost of sales	(7,396)		(7,027)	
		7,736		6,836
Paper and other sales	998,175		1,005,620	
Direct cost of sales including postage and carriage	(542,732)		(542,521)	
		455,442		463,099
Lost bird expenditure		(9,935)		(10,470)
Future of the Sport income	159,021		153,075	
Donations	500		500	
Expenditure including prizes	(135,201)		(146,355)	
Other expenditure	(1,274)		(1,483)	
		23,046		5,737
SURPLUS CARRIED TO PROFIT AND LOSS ACCOUNT (page 4)		£667,854		£652,162

Appendix A

ANALYSIS OF SUBSCRIPTIONS AND CONTINENTAL EXPENDITURE FOR THE YEAR ENDED 31st OCTOBER 2015

	2015	2014
Subscriptions		
FCI	£439	£577

Appendix B

ANALYSIS OF MISCELLANEOUS EXPENDITURE FOR THE YEAR ENDED 31st OCTOBER 2015

	2015	2014
Staff Christmas parties	642	905
Staff eye tests	270	309
Staff training	800	136
Bound volumes of BHW	549	504
Miscellaneous	268	73
Finance staff training	467	525
Flying Back to Nature	–	8,566
Secret Messages Schools Project	6,178	–
	£9,174	£11,018

Appendix C

FUTURE OF THE SPORT RESERVE FOR THE YEAR ENDED 31st OCTOBER 2015

		2015	2014
At 1 November 2014		54,800	62,551
One-Loft Race profit		9,355	4,178
Yearling Race profit		14,465	2,542
Donations received		500	500
Other expenses	1	(1,274)	(1,483)
Surplus on One-Loft and Yearling races		23,046	5,737
Depreciation		(3,806)	(13,488)
At 31 October 2015		£74,040	£54,800

1 OTHER EXPENSES

Donations	1,000	1,200
Young Fancier expenditure	274	250
School talks	–	33
	£1,274	£1,483

Appendix D

SQUEAKERS CORNER RESERVE FOR THE YEAR ENDED 31st OCTOBER 2015

At 1st November 2014 and 31st October 2015	£2,179

12. STATEMENT OF MOVEMENT ON RESERVES

	Profit & Loss Reserve £	Future of Sport Reserve £	Squeakers Corner Reserve £	Total £
Balance at 1st November 2013	615,753	54,800	2,179	672,732
Retained Profit/(loss) for the year	(12,664)	19,240	–	6,576
Balance at 31st October 2014	603,089	74,040	2,179	679,308