

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

| | |
|-----------------------------|---|
| Directors | A Phelps (Chairman) K V Burt (Chief Executive Officer) G Harris (Deputy Chairman) D O Kimberley (Honorary Treasurer) M R Blandford-Baker A P S Crawford P P Hill A L Johnson M Morrice S K Osborne M Stallard M D Williams |
| Company secretary | H Mosienko |
| Registered number | 1706271 |
| Registered office | The Priory 6 Lower Mall Hammersmith London W6 9DJ |
| Independent auditors | haysmacintyre Fairfax House 15 Fulwood Place London WC1V 6AY |
| Solicitors | Farrer & Co 66 Lincolns Inn Fields London WC2A 3LH |

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

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BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013

The directors present their report and the financial statements for the year ended 31 March 2013.

Principal activities

British Rowing is the governing body for the sport of rowing, both indoor rowing and rowing on water, in Great Britain. It is responsible for the training and selection of individual rowers and crews representing Great Britain and for participation in and development of rowing and indoor rowing in England. We are committed to ensuring that the sport continues to thrive from the grass roots right up to winning medals at the Olympic Games.

Rowing in Scotland and Wales is governed and organised nationally by Scottish Rowing and Welsh Rowing but British Rowing represents Great Britain's interests to the international rowing federation, FISA.

British Rowing represents rowing's interests on the British Olympic Association, the British Paralympic Association, the Sport and Recreation Alliance, UK Sport, Sport England, government and non-governmental agencies and many other partner organisations.

Business review

The year ended 31 March 2013 will be remembered in the rowing community for the hugely successful Olympic and Paralympic Regattas held at Eton Dorney in the summer of 2012 with their first class organisation and enthusiastic crowds. The performances of Great Britain's rowers were outstanding with nine medals, four of them gold, at the Olympics, and every boat achieving an A final, as well as an excellent Paralympic gold medal in the coxed four. These results met and exceeded the targets agreed with UK Sport. The new year has started well for our international squad and the results from trials and racing give us every confidence for the future.

At home the number of rowers has continued to grow and with it our membership, which now exceeds 31,000, an increase of 9% on the previous year. It is particularly encouraging that these numbers have not tailed off as we move away from the 2012 Olympics; the increased income that higher membership brings to the company has also proved a valuable support.

In October 2012 the national and international sides of the sport came together at a special Diamond Jubilee Regatta, with an exciting new format that mixed Olympic gold medallists with club and university rowers. Going forward, this new style of event will form the basis for the National Championships in 2013 and future years.

In April 2012 the members of the company approved amendments to the company's Articles of Association and Rules. These put in place a new governance structure, which took effect after the September Council meeting, and established a regional basis for Council, a Sport Committee and a new style board of directors, more details of which are set out below.

The company's finances continue to be sound as is reflected by the surplus of £705,079 for the financial year and the directors are confident that it is well placed to remain at the forefront of sport both nationally and internationally.

Results

The surplus for the year, after taxation, amounted to £705,079 (2012 - £225,499).

BRITISH ROWING LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013

Dame Di Ellis

The board wishes to place on record its thanks to Dame Di Ellis who retired as Chairman in March, having served 24 years in the role. When she became Chairman, British Rowing, or the Amateur Rowing Association as it was then called, had debt rather than cash in the bank and only a rudimentary squad system. Dame Di Ellis oversaw a complete transformation in the company's standing: today it has a sound financial position and holds the top slot in the Olympic medal tables for rowing. A full tribute to Dame Di Ellis is recorded in the 2013 British Rowing Almanack.

Caversham and Lower Mall sites

Major improvements to the facilities available at the Redgrave-Pinsent Rowing Lake in Caversham were started soon after the 2012 Olympic Games finished and were substantially complete before the accounting year end. The board is aware that exceptional facilities are needed to meet the exceptional standards demanded by international competitions and have continued to set aside reserves for this world class training centre.

In last year's report the directors outlined a plan to increase the office space available at the head office at Lower Mall. This work was completed successfully during the year and a further project to add a further meeting room, to be known as the Di Ellis Room, showers and changing room for athletes and to improve the car park and add wheelchair access commenced in early 2013. The total cost of the two projects is estimated to be slightly over £600,000.

Staff and volunteers

In what was probably the most successful year on record for British Rowing, the board extend their thanks to the company's staff and to the volunteers for their hard work and dedication to the sport.

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013

Directors

The composition and size of the board of directors of the company was restructured with effect from 23 September 2012 and the company's articles specify that it should comprise:

- The Executive Officers - the Chairman, the Honorary Treasurer and one or two Deputy Chairmen
- A representative from Scottish Rowing
- A representative from Welsh Rowing
- The Chief Executive Officer (non-voting)
- The Chairman and Deputy Chairman of the Sport Committee
- Two representatives elected by Council from within the Council
- The Chairman of the Finance Committee
- An Athletes' Representative
- Two Independent Directors

The current board is set out on the Company Information page. The two independent directors have not yet been appointed.

As a result of the restructuring of the board there were several changes during the year. The directors who served during the year and their dates of appointment and resignation, where applicable, were:

A Phelps (Chairman)

K V Burt (Chief Executive Officer) (appointed 18 June 2012)

G Harris (Deputy Chairman)

D O Kimberley (Honorary Treasurer)

M R Blandford-Baker (resigned 23 September 2012 and reappointed 24 November 2012)

A P S Crawford (appointed 23 September 2012)

P P Hill (appointed 23 September 2012)

A L Johnson (resigned 23 September 2012 and reappointed 24 November 2012)

M Morrice

S K Osborne

M Stallard

M D Williams

Dame Di Ellis (Chairman, resigned 31 March 2013)

F K Dennis (resigned 23 September 2012)

A L Faiers (resigned 23 September 2012)

R D Mallett (resigned 23 September 2012)

K S O'Sullivan (resigned 23 September 2012)

W C Thompson (resigned 23 September 2012)

BRITISH ROWING LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2013

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision 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 that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

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

This report was approved by the board on 9 July 2013 and signed on its behalf.



A Phelps (Chairman)

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH ROWING LIMITED

We have audited the financial statements of British Rowing Limited for the year ended 31 March 2013, set out on pages 7 to 19. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are 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 and express an opinion on 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BRITISH ROWING LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH ROWING LIMITED

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Jeremy Beard (Senior Statutory Auditor)

for and on behalf of
haysmacintyre

Statutory Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

9 July 2013

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2013

| | Note | 2013 £ | 2012 £ |
|---|------|-----------------------|-----------------------|
| OPERATING INCOME | 1,2 | 12,285,156 | 11,018,710 |
| Operating charges | | <u>(11,722,247)</u> | <u>(10,889,510)</u> |
| OPERATING SURPLUS | 3 | 562,909 | 129,200 |
| Interest receivable and similar income | | <u>177,500</u> | <u>120,540</u> |
| SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION | | 740,409 | 249,740 |
| Tax on surplus on ordinary activities | 6 | <u>(35,330)</u> | <u>(24,241)</u> |
| SURPLUS FOR THE FINANCIAL YEAR | | <u><u>705,079</u></u> | <u><u>225,499</u></u> |

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Income and Expenditure Account.

The notes on pages 10 to 19 form part of these financial statements.

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 1706271

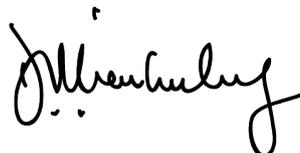
BALANCE SHEET
AS AT 31 MARCH 2013

| | Note | 2013 | | 2012 | |
|--|------|-----------|-------------------------|-----------|-------------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 7 | | 3,249,198 | | 1,620,416 |
| CURRENT ASSETS | | | | | |
| Stocks | 8 | 8,891 | | 18,375 | |
| Debtors | 9 | 1,323,070 | | 1,344,433 | |
| Cash at bank | | 8,728,024 | | 9,205,328 | |
| | | | <u>10,059,985</u> | | <u>10,568,136</u> |
| CREDITORS: amounts falling due within one year | 10 | | <u>(4,855,877)</u> | | <u>(4,224,604)</u> |
| NET CURRENT ASSETS | | | <u>5,204,108</u> | | <u>6,343,532</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>8,453,306</u> | | <u>7,963,948</u> |
| CREDITORS: amounts falling due after more than one year | 11 | | <u>(467,944)</u> | | <u>(683,665)</u> |
| NET ASSETS | | | <u><u>7,985,362</u></u> | | <u><u>7,280,283</u></u> |
| RESERVES | | | | | |
| Revaluation reserve | 13 | | 251,749 | | 258,742 |
| Specific reserves | 14 | | 6,196,612 | | 5,813,877 |
| Accumulated surplus | 13 | | 1,537,001 | | 1,207,664 |
| | 15 | | <u><u>7,985,362</u></u> | | <u><u>7,280,283</u></u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 July 2013.



A Phelps (Chairman)



D O Kimberley (Honorary Treasurer)

The notes on pages 10 to 19 form part of these financial statements.

BRITISH ROWING LIMITED
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2013

| | Note | 2013 £ | 2012 £ |
|---|------|------------------|--------------------|
| Net cash flow from operating activities | 20 | 1,323,530 | (30,205) |
| Returns on investments and servicing of finance | 21 | 177,500 | 120,540 |
| Taxation | | (28,689) | (14,528) |
| Capital expenditure and financial investment | 21 | (1,949,645) | (783,324) |
| CASH OUTFLOW BEFORE MANAGEMENT OF LIQUID RESOURCES | | (477,304) | (707,517) |
| Management of liquid resources | 21 | 1,953,715 | (500,000) |
| INCREASE/(DECREASE) IN CASH IN THE YEAR | | 1,476,411 | (1,207,517) |

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 MARCH 2013

| | 2013 £ | 2012 £ |
|---|------------------|------------------|
| Increase/(Decrease) in cash in the year | 1,476,411 | (1,207,517) |
| Cash outflow/(inflow) from movement in liquid resources | (1,953,715) | 500,000 |
| MOVEMENT IN NET FUNDS IN THE YEAR | (477,304) | (707,517) |
| Net funds at 1 April 2012 | 9,205,328 | 9,912,845 |
| NET FUNDS AT 31 MARCH 2013 | 8,728,024 | 9,205,328 |

The notes on pages 10 to 19 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold premises and in accordance with applicable accounting standards.

1.2 Operating income

Income comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Revenue grants and capital donations

Revenue grants received in respect of expenditure charged to the income and expenditure account during the year have been included in the income for the year. Donations and grants relating to capital expenditure are released to the income and expenditure account over the estimated useful life of the related asset.

1.4 Sponsorship income

Sponsorship income that is received in respect of specific expenditure is matched with the related expenditure and any unspent amount is carried forward in creditors. All other sponsorship income is taken to the income and expenditure account for the period in which it is receivable and the application of the income is charged in the period in which it is incurred.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|-----------------------------|---|------------------------------|
| Freehold property | - | 2% straight line |
| Leasehold improvements | - | Over the term of the lease |
| Boats, oars and equipment | - | 12.5% - 25% reducing balance |
| Motor vehicles and trailers | - | 25% reducing balance |
| Office equipment | - | 25% reducing balance |

1.6 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15, the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at 31 March 1991 and will not update that valuation.

1.7 Operating leases

Rentals under operating leases are charged to the Income and Expenditure Account on a straight line basis over the lease term.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES (continued)

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Income and Expenditure Account.

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.11 Liquid resources

For the purposes of the cashflow statement, funds included in Cash at bank which are held on fixed term deposits are disclosed as liquid resources.

2. OPERATING INCOME

The operating income is attributable to the principal activities of the company.

3. OPERATING SURPLUS

The operating surplus is stated after charging:

| | 2013 | 2012 |
|--|--------------|--------------|
| | £ | £ |
| Depreciation of tangible fixed assets: | | |
| - owned by the company | 383,464 | 331,853 |
| Auditors' remuneration | 9,850 | 9,500 |
| Operating lease rentals: | | |
| - plant and machinery | 4,500 | 4,500 |
| | <u>4,500</u> | <u>4,500</u> |

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

4. STAFF COSTS

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

| | 2013 £ | 2012 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 3,732,634 | 3,376,921 |
| Social security costs | 385,939 | 343,220 |
| Other pension costs | 169,747 | 149,949 |
| | <u>4,288,320</u> | <u>3,870,090</u> |

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

| | 2013 No. | 2012 No. |
|-------------------------|-------------|-------------|
| Management and Clerical | 32 | 31 |
| Sports Development | 24 | 26 |
| Coaches | 38 | 37 |
| Other | 12 | 10 |
| | <u>106</u> | <u>104</u> |

5. DIRECTORS' REMUNERATION

| | 2013 £ | 2012 £ |
|---|----------------|---------------|
| Emoluments | <u>100,673</u> | <u>10,000</u> |
| Company pension contributions to defined contribution pension schemes | <u>4,313</u> | <u>-</u> |

During the year retirement benefits were accruing to 1 director (2012 - NIL) in respect of defined contribution pension schemes.

BRITISH ROWING LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

6. TAXATION

| | 2013 £ | 2012 £ |
|---|----------------------|----------------------|
| Analysis of tax charge in the year | | |
| UK corporation tax charge on surplus for the year | 35,463 | 24,241 |
| Adjustments in respect of prior periods | (133) | - |
| | <u>35,330</u> | <u>24,241</u> |
| Tax on surplus on ordinary activities | <u><u>35,330</u></u> | <u><u>24,241</u></u> |

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 20% (2012 - 20%). The differences are explained below:

| | 2013 £ | 2012 £ |
|---|----------------------|----------------------|
| Surplus on ordinary activities before tax | <u>740,409</u> | <u>249,740</u> |
| Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2012 - 20%) | 148,082 | 49,948 |
| Effects of: | | |
| Adjustments to tax charge in respect of prior periods | (133) | - |
| Non-taxable income | (112,619) | (25,707) |
| | <u>35,330</u> | <u>24,241</u> |
| Current tax charge for the year (see note above) | <u><u>35,330</u></u> | <u><u>24,241</u></u> |

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

BRITISH ROWING LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

7. TANGIBLE FIXED ASSETS

| | Freehold property £ | Caversham leasehold improve- ments £ | Boats, oars and equipment £ | Motor vehicles and trailers £ | Office equipment £ | Total £ |
|--------------------------|---------------------------|--|--------------------------------------|--|--------------------------|------------------|
| Cost or valuation | | | | | | |
| At 1 April 2012 | 500,000 | - | 2,101,285 | 231,461 | 44,201 | 2,876,947 |
| Additions | 502,631 | 1,389,037 | 75,089 | 73,027 | 40,262 | 2,080,046 |
| Disposals | - | - | (242,228) | (45,760) | - | (287,988) |
| At 31 March 2013 | <u>1,002,631</u> | <u>1,389,037</u> | <u>1,934,146</u> | <u>258,728</u> | <u>84,463</u> | <u>4,669,005</u> |
| Depreciation | | | | | | |
| At 1 April 2012 | 130,000 | - | 983,264 | 126,097 | 17,170 | 1,256,531 |
| Charge for the year | 20,053 | 69,452 | 238,911 | 40,978 | 14,070 | 383,464 |
| On disposals | - | - | (188,907) | (31,281) | - | (220,188) |
| At 31 March 2013 | <u>150,053</u> | <u>69,452</u> | <u>1,033,268</u> | <u>135,794</u> | <u>31,240</u> | <u>1,419,807</u> |
| Net book value | | | | | | |
| At 31 March 2013 | <u>852,578</u> | <u>1,319,585</u> | <u>900,878</u> | <u>122,934</u> | <u>53,223</u> | <u>3,249,198</u> |
| At 31 March 2012 | <u>370,000</u> | <u>-</u> | <u>1,118,021</u> | <u>105,364</u> | <u>27,031</u> | <u>1,620,416</u> |

On 31 March 1991 the freehold premises at 6 Lower Mall were valued externally at £500,000 on an existing use basis. The cost of the freehold premises was £652,979 (2012: £150,348).

8. STOCKS

| | 2013 £ | 2012 £ |
|------------------|--------------|---------------|
| Goods for resale | <u>8,891</u> | <u>18,375</u> |

9. DEBTORS

| | 2013 £ | 2012 £ |
|--------------------------------|------------------|------------------|
| Trade debtors | 153,726 | 170,309 |
| Other debtors | 116,026 | 36,267 |
| Prepayments and accrued income | 1,053,318 | 1,137,857 |
| | <u>1,323,070</u> | <u>1,344,433</u> |

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

10. CREDITORS:
Amounts falling due within one year

| | 2013 £ | 2012 £ |
|---------------------------------|------------------|------------------|
| Trade creditors | 834,994 | 801,401 |
| Corporation tax | 30,882 | 24,241 |
| Social security and other taxes | 132,343 | 29,504 |
| Deferred income | 2,906,201 | 3,150,281 |
| Other creditors | 52,132 | 88,600 |
| Accruals | 899,325 | 130,577 |
| | <u>4,855,877</u> | <u>4,224,604</u> |

11. CREDITORS:
Amounts falling due after more than one year

| | 2013 £ | 2012 £ |
|-----------------|----------------|----------------|
| Deferred income | 467,944 | 683,665 |
| | <u>467,944</u> | <u>683,665</u> |

12. COMPANY STATUS

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

Each of the members of the Council of the company and each of the Affiliated and Corresponding members thereof, has given a guarantee of £1.

At 31 March 2013 there were 825 (2012: 821) members of the company.

13. RESERVES

| | Revaluation reserve £ | Specific reserves (note 15) £ | Accumulated surplus £ |
|--|-----------------------------|--|-----------------------------|
| At 1 April 2012 | 258,742 | 5,813,877 | 1,207,664 |
| Surplus for the year | | | 705,079 |
| Transfer from Revaluation Reserve to Accumulated Surplus | (6,993) | | 6,993 |
| Transfer from Accumulated Surplus to Specific Reserves | | 382,735 | (382,735) |
| At 31 March 2013 | <u>251,749</u> | <u>6,196,612</u> | <u>1,537,001</u> |

BRITISH ROWING LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

14. SPECIFIC RESERVES

| | Balance at 1 April 2012 £ | Movement for year £ | Balance at 31 March 2013 £ |
|----------------------------------|---------------------------------|---------------------------|----------------------------------|
| International rowing: | | | |
| Revenue reserves:- | | | |
| Team expenditure | 2,215,943 | 482,268 | 2,698,211 |
| Equipment | 992,612 | 25,000 | 1,017,612 |
| Athlete support fund | 27,464 | 12,000 | 39,464 |
| Capital reserves:- | | | |
| Caversham Capital Development | 1,600,000 | (1,600,000) | - |
| Caversham Future Development | 400,000 | 341,680 | 741,680 |
| Caversham Leasehold Improvements | - | 1,319,585 | 1,319,585 |
| Events: | | | |
| International regattas | 67,623 | - | 67,623 |
| British Rowing Championships | 12,798 | (12,798) | - |
| Timmons bequest | 197,437 | - | 197,437 |
| Lower Mall | 300,000 | (185,000) | 115,000 |
| Total | <u>5,813,877</u> | <u>382,735</u> | <u>6,196,612</u> |

The allocation of reserves set out above reflects the decisions of the Executive Board, but remains within their discretion and is not subject to the requirements of any external party.

15. RECONCILIATION OF MOVEMENT IN RESERVES

| | 2013 £ | 2012 £ |
|----------------------|------------------|------------------|
| Opening reserves | 7,280,283 | 7,054,784 |
| Surplus for the year | 705,079 | 225,499 |
| Closing reserves | <u>7,985,362</u> | <u>7,280,283</u> |

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16. PENSION COMMITMENTS

The company operates a defined contribution 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 £116,551 (2012 - £94,292). Contributions totalling £nil (2012 - £nil) were payable to the fund at the balance sheet date.

The company also operates a defined benefit pension scheme for which the pension liability is the responsibility of the Teachers Pension Agency. However, the scheme is a multiple employer scheme and the company is unable to identify its share of the underlying assets and liabilities. The pension cost charge represents contributions payable by the company to the fund and amounted to £53,196 (2012 - £57,790). Contributions totalling £nil (2012 - £nil) were payable to the fund at the balance sheet date.

17. OPERATING LEASE COMMITMENTS

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows:

| | 2013 £ | 2012 £ |
|-------------------------|---------------|---------------|
| Expiry date: | | |
| Within 1 year | 4,500 | - |
| Between 2 and 5 years | 10,722 | 4,500 |
| After more than 5 years | 10,000 | 10,000 |
| | <u>10,000</u> | <u>10,000</u> |

18. RELATED PARTY TRANSACTIONS

During the year the company made payments of £72,196 (2012: £101,292) to the British Olympic Association ('BOA'). The balance owing at the year end to BOA was £nil. Dame Di Ellis, who was a director of the company, is also a director of BOA.

The company also made payments of £32,972 regarding 2013 World Cup rights fees to FISA. The balance owing at the year end to FISA was £nil. M D Williams, who is a director of the company, is also the honorary treasurer of FISA.

19. SPORTS COUNCIL AWARDS

During the year the company received £6,693,791 in cash from UK Sport and £2,113,760 in cash from Sport England.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

20. NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2013 £ | 2012 £ |
|--|-------------------------|------------------------|
| Operating surplus | 562,909 | 129,200 |
| Depreciation of tangible fixed assets | 383,464 | 331,853 |
| Surplus on disposal of tangible fixed assets | (62,601) | - |
| Decrease/(increase) in stocks | 9,485 | (9,330) |
| Decrease/(increase) in debtors | 21,363 | (242,113) |
| Increase/(decrease) in creditors | 408,910 | (239,815) |
| Net cash inflow/(outflow) from operating activities | <u><u>1,323,530</u></u> | <u><u>(30,205)</u></u> |

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

| | 2013 £ | 2012 £ |
|--|---------------------------|-------------------------|
| Returns on investments and servicing of finance | | |
| Interest received | <u>177,500</u> | <u>120,540</u> |
| Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | (2,080,046) | (868,298) |
| Sale of tangible fixed assets | 130,401 | 84,974 |
| Net cash outflow from capital expenditure | <u><u>(1,949,645)</u></u> | <u><u>(783,324)</u></u> |
| Management of liquid resources | | |
| Movement in cash placed on short-term deposit | <u><u>1,953,715</u></u> | <u><u>(500,000)</u></u> |

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NOTES TO THE FINANCIAL STATEMENTS
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22. ANALYSIS OF CHANGES IN NET FUNDS

| | 1 April 2012 £ | Cash flow £ | Other non-cash changes £ | 31 March 2013 £ |
|---|----------------------|------------------|-----------------------------------|-----------------------|
| Cash at bank and in hand | 9,205,328 | (477,304) | - | 8,728,024 |
| Less: deposits treated as liquid resources | (5,500,000) | 1,953,715 | - | (3,546,285) |
| Liquid resources: | | | | |
| Deposits included in cash | 5,500,000 | (1,953,715) | - | 3,546,285 |
| Net funds | <u>9,205,328</u> | <u>(477,304)</u> | <u>-</u> | <u>8,728,024</u> |