

Fell Runners Association – Annual General Meeting 26th July 2014

Treasurer’s Report on the Financial Year 2013

1. Company Formalities

The attached accounts, for the financial year 2013, were examined and approved by the auditor (Mike Welford). Following approval at this AGM they will be filed as required at Companies House.

Last year we allowed for a possible Corporation Tax liability in the 2012 accounts. This was necessary because advertising income and income from non-members (for example on coaching courses) is taxable. During the year, however, we were able to show that the corresponding allowable expenses exceeded the taxable income, and so no tax was payable. This was true also for 2013, and so no allowance for Corporation Tax has been made.

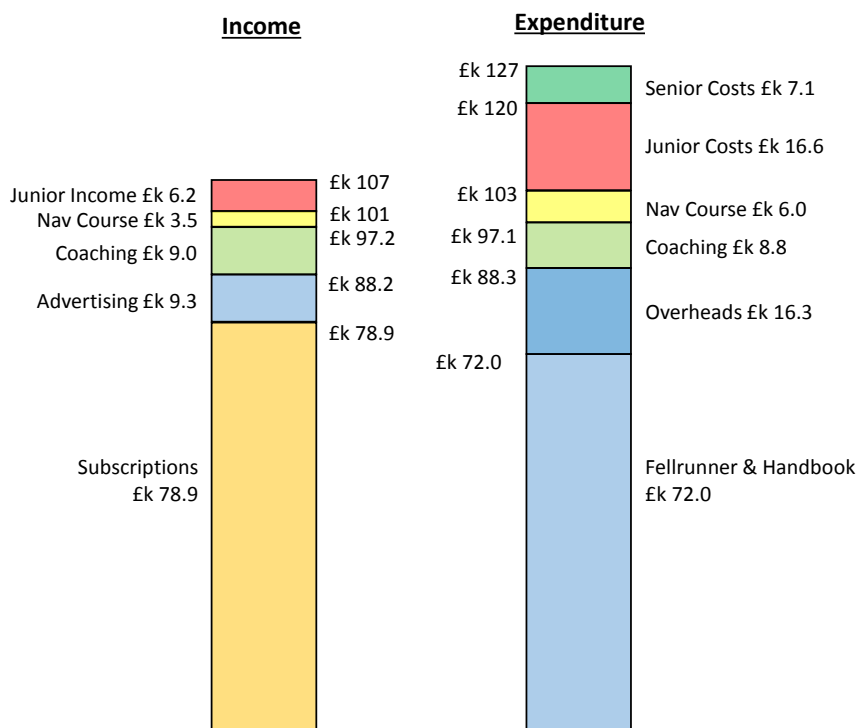
2. Results for 2013

The FRA spent more than we earned in 2013 by a total of £20k. This compares with the 2012 result of £12.5k loss, and the 2010/2011 full year loss of £7.8k.

Our income came mostly from subscriptions and advertising in the Fellrunner and Handbook, with additional amounts from course fees, and entries for Junior events.

Subscriptions and advertising were pretty much taken up with production of the Fellrunner and Handbook, and the FRA overheads (including membership administration). Coaching courses broke even.

The FRA subsidised the Navigation Courses, and the Junior activities and events, by around £ 13k in total. We also spent around £ 7k on senior events, including Championship presentations, portalooos for events, and the ‘Do’.



The major differences in comparison with 2012 were:-

- The Fellrunner cost less (no Bill Smith supplement), but we raised slightly less from advertising, giving a net cost of £52.4k (a reduction of £3.5k compared with 2012)
- Juniors cost the FRA a total of £9.3k, an increase of £5k. Half of this increase arises from higher spending on the Junior and U/20 England Championships, and the balance from the Junior Home International.
- We spent around an estimated £2k on medals (an increase of £844, as we had some in stock early 2012)
- We spent £1.4k supporting events (portalooos, rebuilding a wall and the hypothermia leaflets). This was an increase of £877 over the 2012 figure.
- We spent £4.4k on professional services, of which £3k was legal advice following the inquest, and £900 was accounting and tax advice, mostly relating to the incorporation of FRA Ltd. This was an increase of £3.6k over 2012
- The International Fund received grants in 2012 giving a net income of £937, but had net outgoings of £370 in 2013, a difference of £1.3k.

3. Subscriptions

In view of the shortfall in income for 2013, which comes on top of shortfalls for several previous years, we now need to review subscriptions. The proposal is that we raise the FRA annual individual subscription from £12 to £16, the annual family subscription from £18 to £24, and life membership from £150 to £200. We propose to keep junior subscriptions unchanged.

Subs were last raised in 2003 from the previous level of £9 for a senior member. At that time the FRA started to build up a surplus of funds, enabling the subscriptions to be held stable for 11 years. However costs, particularly of the Fellrunner and Handbook production and postage, have risen a lot over that time (reflecting the Retail Price Index increase of about 37%).

The FRA has taken steps to reduce expenditure (notably by tendering the printing for the Fellrunner, which has already brought useful savings), however we need to take action this year to ensure that we remain financially sound for 2015 and onwards.

If the AGM agrees to a changed subscription level for 2015 we will also move to a new system of membership administration. This will continue to be run by Debbie Thompson and Martin Stone, as at present, but will be based on the SIEntries on-line membership system. There will be a once-off cost for moving to the new system in 2015, but membership administration costs should thereafter stabilise.

4. Auditor

The Committee proposes to ask Mike Welford to examine the accounts for 2014, as he has done for the previous two years.

Andy Watts

July 2014

The Fell Runners Association Ltd - Balance Sheet at 31st December 2013

		<u>General Fund</u>			<u>International Fund</u>			<u>British Championships Fund</u>	
	Note	2013	2012		2013	2012		2013	2012
ASSETS				ASSETS					
Office equipment	12	6,548	647				CURRENT VALUE	7,478	6,797
Stock of medals		4,725	5,985				REPRESENTED BY		
Current/reserve account		47,624	65,433	International account	9,384	8,554	Accumulated fund br. fw d.	6,797	5,717
Subscription account		1,057	759	Held by General Fund		1,200	Surplus/deficit for the year	-319	1,080
Debtors							Total cash held by FRA	6,478	6,797
Accrued income -Calendar	13	1,475	1,500						
Accrued income - Magazine	13	2,545	2,145						
Accrued income - Coaching	13	750							
Prepayments	14	1,569					Debtors		
Loan for 2014 Relays	15	1,000					Loan for 2014 Relays	1,000	
LIABILITIES				LIABILITIES				7,478	6,797
International Fund		0	-1,200						
Outstanding payments/accruals	16	-26,772	-12,548						
British Championship fund	15	-7,478	-6,797						
Creditors									
Deferred income - Nav courses		-1,035	-1,660						
Deferred income - Subscriptions		-14,957	-17,663						
NET ASSETS		17,052	36,601	NET ASSETS	9,384	9,754			
REPRESENTED BY				REPRESENTED BY					
Accumulated fund br. fw d.		36,601	62,598	Accumulated fund br. fw d.	9,754	8,817			
Prior Year Adjustment			-12,558			0			
Surplus/deficit for the year		-19,550	-13,439	Surplus/deficit for the year	-370	937			
		17,052	36,601		9,384	9,754			

The Fell Runners Association Ltd - Notes to the Accounts - 2013

1. Two Mountain Running Development Camps were held, jointly with Welsh Athletics, in 2013.
2. Junior income came mainly from the English Schools, with some contributions from athletes for the Junior England Training day, and the Junior Championships
3. Donation from member Mike Langrish
4. Contribution to Events includes support to Championship events
5. In 2012 the JHI was held jointly with the SHI and not separately itemised. For 2013 the cost was higher to cover the costs of accommodation for the team in Scotland.
6. These activities are new in 2013
7. The management of the Senior International Team (selection and management for Snowdon) is paid from the FRA 'General' Fund. Athlete's travel costs are paid from the 'International' fund.
8. Our depreciation is mainly for the radios owned by the FRA for the use of Race Organisers, and the increase is due to the 2013 charge for the new radio sets purchased during the year.
9. Professional services comprises mainly accountancy and tax, and legal, advice
10. An allowance of £500 was made for possible Corporation Tax liability for the year 2012. In the event our tax liability was zero, thus this amount appears as a credit in the 2013 books
11. The British Championship Fund is financed by donations from Walsh and Pete Bland Sports. It is managed by us, but does not form part of the FRA assets.
12. During 2013 we purchased 30 radios, for use by Race Organisers in FRA events.
13. These amounts will be paid in 2014 for services rendered in 2013
14. Prepayments include deposits paid to secure the venues for the 2014 dinner, and the spring 2014 navigation course.
15. The FRA holds £6,478 in cash on behalf of the MRAG/British Championship Fund, plus a loan of £1,000 to Howgill Harriers for staging the 2014 British Fell Relays.
16. Major accruals this year include outstanding payments on the Fellrunner and Calendar, the 'Do', the Junior English Schools, and Professional Services.