



THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

Company Number: 00913182

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THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

DIRECTORS

P. Foley-Brickley (Chairman)
P. G. Donovan
S. Sopp
S. Waring
J. Naylor
P. James
N. McGarry
M. Winter
C. Lobb

REGISTERED OFFICE

Unit 3 The Forum
Hanworth Lane
Chertsey
Surrey
KT16 9JX

COMPANY SECRETARY

P.G. Donovan

AUDITOR

Menzies LLP
Chartered Accountants
Centrum House
36 Station Road
Egham
Surrey
TW20 9LF

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31st MARCH 2017

The Directors ('the Board') submit their Annual Report and the Accounts of the Company for the year from 1st April 2016 to 31st March 2017.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company's principal activity continued to be the governance of the sport of water skiing and wakeboarding which it manages through its club and membership structure. The overall aim of the Company remains acting on behalf of the interests of its stakeholders to serve the sport; a not for profit making organisation with all of our income invested in developing and supporting the sport from the grassroots level through to our top athletes.

Our Corporate Strategy restates our aim to create a high quality, sustainable and enjoyable sporting infrastructure that attracts new, retains existing and re-engages former participants within the sport and develops the talent to deliver international success. It is a strategy which will put a greater emphasis on customer focus, identifying and understanding realistic expectation within the sport and encouraging satisfied and loyal participants for the long term. Key to achieving our goals will be clear and deliverable operational plans backed up with a committed, flexible and skilled workforce complemented by key investment in IT. The key areas of the strategy provides a "road map" and very much recognises that the environment in which we now operate brings with it new challenges and pressures. The five key tenets of the strategy are:

1. Grow and retain participation
2. Achieve success and beat the world
3. Support a skilled and valued workforce
4. Raise awareness and profile of the sport in the UK
5. Run the sport effectively

In terms of supporting the strategy the key resources utilised are income generated from mixed income streams, the principal being Sport England grant funding, membership subscriptions, affiliation fees together with income generated from qualifications. In addition to a small staff team the organisation has a large voluntary workforce consisting of club officials, judges, drivers, committee members and voluntary coaches. With income under pressure particularly due to a more challenging funding landscape and continued pressure on the public purse strings the organisation is currently reviewing its membership offer to re-vitalise take up and plans to develop its driving qualifications offer to develop and enhance this income stream.

During the year to 31st March 2017 the Company continued to experience a small decline (though markedly slowed) in membership numbers. However the Company has seen an increase in the accreditation and affiliation of sites which demonstrates that the infrastructure and facilities to increase participation continues to be developed.

Grant funded programmes continue to provide successful outcomes and assist with developing income streams such as coaching courses which is a notable success. The Company has been successful in leveraging grant funded development activities and continued to develop BWSW self-funded development programmes such as driving and accreditation; coaching has achieved growth in candidate numbers. Coaching and driving continue to provide a steady income stream and opportunities for growth.

Income to support Excellence activities (the disciplines of the sport) has declined since 2012 due to the termination of various elite funding streams in recent years. This reflects the challenges faced by the disciplines in raising mainstream income and commercial sponsorship outside of grant funding. Non-Olympic status, lack of public profile and scale remain major challenges in this area.

An ongoing aim is to diversify income streams with the current focus on qualifications, in particular coaching which once again has taken another step forward in accessing new markets for our qualifications overseas. The courses and qualifications are now in place to deliver continued growth and there are plans in place during 2017 to invest in driving to revamp our qualifications into more marketable products and to capture a wider audience

The Company, which is a non-profit making concern, is subject to corporation tax on interest received and activities outside of the scope of the mutual trading of the association. The Company's financial plan is to ensure that it utilises its incoming cash resources in-line with its corporate strategy to achieve its objectives as the sport's governing body while maintaining appropriate reserves.

THE BRITISH WATER SKI FEDERATION LIMITED
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STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31st MARCH 2017

FINANCIAL REVIEW

The results for the period are shown in the Income Statement on page 9.

In-line with the plan approved by the Board the Company has a primary aim of remaining financially sound and to best provide for the sport. As such the Company aims to achieve a small surplus each financial year to provide for contingency and re-investment in the development and support of the sport. However in any one year there may be additional surpluses or deficits due to the timing of investment in the sport compared to the income received. Where appropriate the Company may utilise brought forward accumulated reserves from previous years to enable sporting objectives to be achieved.

The Company has income of £803,309 (2016: £776,262) from 'General' activities and generated a reasonable surplus (in terms of a percentage of turnover) of £43,466 (2016: a surplus of £25,124). Included within general activities are non-cash depreciation charges £20,873 (2016: £18,663) therefore before non-cash charges there is a cash surplus on general activities of £64,339 (2016: £43,787).

Income from 'General' activities includes:

- Membership of £291,896 (2016: £298,931);
- Sport England funding of £302,578, (2016: £293,684);
- Coaching and Driving income of £119,157 (2016: £107,214); and,
- Various other incomes of £89,678, (2016: £76,434).

In addition the Company has income of £130,287 (2016: £145,352) from "World Class" restricted activities, which funded the expenditure in the year. These activities relate to financial support for our competitive athletes representing Great Britain, this is primarily funded from Sport England funding (£127,456) and UK Sport Reserves.

Finally the Lascelles fund has issued grants totalling £11,000 (2016: £9,515) which is utilising the brought forward reserves. Based on the recent level of awards the remaining reserves of £25,021 (2016: 25,990) will be fully utilised in the next two or three years unless additional donations or income is received.

The total reserves available to the Company amount to £896,118 (2016: £853,620).

KEY PERFORMANCE INDICATORS

The Company has a number of key performance indicators most of which are inextricably linked to our grant funding streams and four year funding round or "Whole Sport Plan" for the period 2013-17 and our overall business activities. The financial KPIs are set out above in the financial review, non-financial KPIs, which underpin our financial performance include:

Membership numbers - the number of affiliated clubs and sites and related income targets to support the sport and the work of the governing body in developing the sport.

Qualifications – the number of candidates accessing our coaching and driving qualifications, the development of qualifications across the sport.

Talent – Breadth and scale of the talent pathway, and the number of medal achievements at international titled events. Achieving these targets ensures our continued grant funding.

Participation – Increasing the numbers of new regular participants across the age ranges and within the three main disciplines of the sport.

NON FINANCIAL KPIs

| | 2016/17 performance | 2015/16 performance |
|---|----------------------------|----------------------------|
| Number of affiliates | 134 | 130 |
| Number of candidates on coaching course | 127 | 155 |
| Number of athletes on the talent programme | 82 | 82 |
| Number of Medal achievements | 15 | 11 |
| New Participants (30 mins per week during the season) | 288 | 292 |

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

STRATEGIC REPORT OF THE BOARD FOR THE YEAR ENDED 31st MARCH 2017

PRINCIPLE RISK AND UNCERTAINTIES

The Company has a comprehensive risk register which is reviewed annually to identify and mitigate key risks and in 2015/16 formed a risk management committee to further its work in this area.

The withdrawal of funding from UK Sport in 2012 for non-Olympic sports highlighted the risk of reliance on grant funding streams (which is typical of most sports governing bodies and the wider sector as a whole). However the 2013/17 Sport England funding round saw increased funding levels and a contribution to core costs from this particular source to support the work of the governing body with a greater focus on development programmes. The Company recognises the risks associated with over reliance on grant funding streams and potential changes in the political and funding landscape and therefore plans accordingly as best it can. The Company is flexible in its approach to funded programmes and can adapt quickly due to its scale within any notice period of termination. While many sports governing bodies are completely reliant on grant funding the Company has a good mix of income streams with membership and various qualifications securing additional income. As such the Board recognise the risks but is confident in its approach to risk mitigation.

The Company is recognised by one of its key stakeholders, Sport England, as a successful governing body that meets key targets, is realistic in its outlook and evidences strong assurance and governance processes. A commendable track record of delivery on key targets provides for a successful and credible investment partner. As such for the forthcoming 2017-21 funding round we are in a strong position to consolidate our position as a small but successful investment partner and are confident in our ability to attract continued investment in our core programmes. The board recognises that grant funding is an investment and not a right and is very much focussed on delivering tangible results for the public funds invested.

FUTURE DEVELOPMENTS

The Company has a current and revitalised 2012/20 corporate strategy, supported by a significantly increased level of grant support for the 2013/17 Sport England funding round.. The overall aim of the Company remains acting on behalf of the interests of its stakeholders to serve the sport; a not for profit making organisation with all of our income invested in developing and supporting the sport from the grassroots level through to our top athletes.

The Sport England funding application for 2017/21 was highly successful and ensured continued funding to enable us to continue to develop our sport. A change in policy however has meant a reduced level of funding for our Talent Programme with funding for non-Olympic talent programmes to terminate within the current four year funding period.

While our application was viewed positively by Sport England the level of future funding is not guaranteed and there is a need to demonstrate increased self-reliance and to develop and diversify our income streams. However currently Sport England are also assisting the organisation with additional funding to support membership consultancy and to revamp our driving programme to produce more marketable products for a wider audience. The Board hope that continued Sport England support will accelerate the progress in delivering our sporting and business objectives.

The organisation's membership offer is currently under review with an aim to revitalise our offer for what is a diverse community and a challenging environment that has seen membership of many sports governing bodies decline. Members join our organisation for both functional and emotive reasons and creating connections with our community and offering relevant products and services will be key to growing our membership. It is recognised that there are further opportunities in terms of products and services we can offer to ensure the development of new income streams. An innovative approach together with investment will enable the development of a broad educational programme to supplement our existing range of courses and qualifications. A more business focussed approach with more ambitious targets for expanding our reach and network will also facilitate growth and income generation.

Overall the Company believes that it is effective in meeting its obligations as a governing body and recognises the need for continuous improvement in all aspects of our delivery and the services we provide to our membership. Our aim is to continue to build on the strong foundations that have been established over a number of years by aligning the Company structure and committees with the various disciplines and stakeholders within our sport. It is our intention that that this will result in an improved process of two way communication that will foster greater engagement and increased participation from the grass roots through to elite our competition.

Signed by:


P. Foley-Brickley
Chairman

This report was approved by the Board on 30th August 2017.

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

BOARD OF DIRECTORS REPORT FOR THE YEAR ENDED 31st MARCH 2017

The directors present their report and the financial statements of the Company for the year ended 31 March 2017.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

Analysis of the development and performance of the business, its financial position and future developments is given in the strategic report on page 3 to 5.

GOING CONCERN

The Company generated a small surplus in 2016. The 2017 financial year sees the Company post a reasonable surplus as planned; the Company continues to have a strong net asset position and cash reserves. Looking forward the Company has committed funding from Sport England up to March 2021 in addition to its income from membership, affiliations and other development activities. The Board has approved the budget for the financial year ending 31 March 2018.

The Sport England Funding application process and allocations for 2017-21 have been confirmed. The level of activities and particular programmes that the business can support is dependent on the outcome of any particular Sport England funding round and subject to the achievement of key targets. While there has been a material reduction in funding overall (particularly in relation to Talent) the organisation continues to facilitate the development of the sport, enhance participation and increase our income from products and services to reduce our reliance on grant funding. However should the funding be reduced or terminated at any stage the Directors can take necessary actions to mitigate programme costs.

As a result, the directors are confident that the Company is a going concern for the foreseeable future.

DIRECTORS

The following directors have held office since 1st April 2016:

| | |
|--|---|
| P. Foley-Brickley (Chairman) | S. Sopp |
| P. James | P. G. Donovan |
| N. McGarry | A. Dobson (Resigned 15 th January 2017) |
| M. Winter | S. Waring (Appointed 15 th January 2017) |
| N. Campbell (Resigned 2 nd June 2017) | C. Lobb (Appointed 14 th November 2016) |
| J. Naylor | |

DIRECTORS' AND OFFICERS INDEMNITY INSURANCE

Subject to the provisions of the Companies Act 2006 (the Act), the Articles provide for the Directors and Officers of the Company to be appropriately indemnified. In accordance with section 233 of the Act the Company has arranged an appropriate Directors and Officers insurance policy to provide cover in respect of legal action against its Directors. The Company's Articles allow the Company to provide the Directors with funds to cover the costs incurred in defending legal proceedings. The Company is therefore treated as providing an indemnity for its Directors and Company Secretary which is a qualifying third party indemnity provision for the purposes of the Act.

FINANCIAL RISK MANAGEMENT

Cash flow risk

The Company has very seasonal cash flows.

- Membership income is primarily received in Q4 and Q1 at the beginning of the year.
- Sport England Grants are received in Q1 and Q3.
- However the costs incurred are biased towards the Q1 and Q2 summer season.

This seasonality is managed through careful budgeting which is reviewed and approved by the board and utilising the cash reserves that the federation holds to mitigate the short term cash flow timing issues that the seasonality of income and expenditure causes.

Credit risk

The Company's credit risk is very low as the Company receives income primarily from membership in advance or from Sport England public funding therefore the risk of default is very low. Historically the Company has no history of bad debts.

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

BOARD OF DIRECTORS REPORT FOR THE YEAR ENDED 31st MARCH 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors ("the Board") are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board has 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 Board 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 profit or loss of the Company for that year.

In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 Board is 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.

In so far as the Board is aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Board has taken all steps that it ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR


Although a small company, an audit is undertaken to meet the terms and conditions of the Sports Council's grant funding.

Menzies LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

STRATEGIC REPORT

The Company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

Registered Office:
Unit 3 The Forum
Hanworth Lane
Chertsey
Surrey
KT16 9JX

Signed by

P. Foley-Brickley
Chairman

This report was approved by the Board on 30th August 2017.

THE BRITISH WATER SKI FEDERATION LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH WATER SKI FEDERATION
LIMITED
YEAR ENDED 31ST MARCH 2017

We have audited the financial statements of The British Water Ski Federation Limited for the year ended 31 March 2017 on pages 9 to 21.

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 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 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 DIRECTOR AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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 (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note [20] to the financial statements.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 2017 and of its net outgoings for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities;
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion

- the information given in the Report of the Board for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' and strategic reports 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' or strategic reports.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the director's report.

Centrum House
36 Station Road
Egham
Surrey TW20 9LF

Menzies LLP

JANICE MATTHEWS FCA
(Senior Statutory Auditor)
For and on behalf of
MENZIES LLP
Chartered Accountants
& Statutory Auditor

14 September 2017

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)
INCOME STATEMENT AND STATEMENT OF RETAINED EARNINGS FOR THE YEAR ENDED 31st MARCH 2017

| | Notes | Unrestricted | Lascelles Fund | World Class | Year ended 31 st March 2017 | Year ended 31 st March 2016 |
|--|-------|-------------------------|----------------------------|----------------------------|--|--|
| | | General Activities £ | Restricted Activities £ | Restricted Activities £ | Total £ | Total £ |
| Income | | | | | | |
| BWSF income (page 23) | | 803,309 | - | - | 803,309 | 776,262 |
| Lascelles Fund | 14 | - | 10,031 | - | 10,031 | 52 |
| World Class Performance | 15 | - | - | 1,000 | 1,000 | 12,831 |
| World Class Talent | 16 | - | - | 129,287 | 129,287 | 132,521 |
| Total Incoming Resources | | 803,309 | 31 | 130,287 | 943,627 | 921,666 |
| Expenditure | | | | | | |
| BWSF expenses (page 24) | | (759,738) | - | - | (759,738) | (750,972) |
| Lascelles Fund | 14 | - | (11,000) | - | (11,000) | (9,515) |
| World Class Performance | 15 | - | - | (1,000) | (1,000) | (12,831) |
| World Class Talent | 16 | - | - | (129,287) | (129,287) | (132,521) |
| Total Resources Expended | | (759,738) | (11,000) | (130,287) | (901,025) | (905,839) |
| Net incoming/(outgoing) resources before taxation | | 43,570 | (969) | - | 42,602 | 15,827 |
| Tax on net incoming/(outgoing) resources | 6 | (104) | - | - | (104) | (166) |
| Net incoming/(outgoing) resources after taxation | | 43,466 | (969) | - | 42,498 | 15,661 |
| Fund balance b/forward at 1 st April 2016 | | 827,630 | 25,990 | - | 853,620 | 837,959 |
| Fund balance c/forward at 31 March 2017 | 13 | 871,096 | 25,021 | - | 896,118 | 853,620 |

All of the activities of the Company are classed as continuing.
A statement of comprehensive income has not been prepared as there are no gains or losses other than those dealt with in the income statement.
The notes on pages 11 to 21 form part of these accounts.

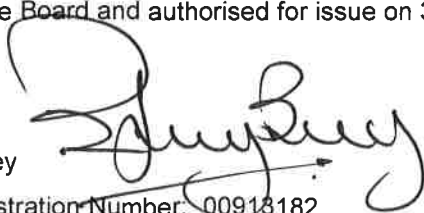
THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)
Company registration number: 00913182
BALANCE SHEET AS AT 31st MARCH 2017

| | | <u>31/3/2017</u> | <u>31/3/2016</u> |
|--|-------|------------------|------------------|
| | Notes | £ | £ |
| Fixed Assets | | | |
| Intangible Assets | 7 | 67,642 | 78,916 |
| Tangible Assets | 8 | <u>449,013</u> | <u>452,378</u> |
| | | 516,655 | 531,294 |
| Current Assets | | | |
| Stock | 9 | - | 2,156 |
| Debtors | 10 | 120,455 | 119,606 |
| Bank balances and cash | | <u>563,221</u> | <u>544,916</u> |
| | | 683,676 | 666,678 |
| Less: Creditors: Amounts falling due within one year | 11 | <u>(264,713)</u> | <u>(296,952)</u> |
| Net Current Assets | | 418,963 | 369,726 |
| Total Assets less Current Liabilities | | <u>935,618</u> | <u>901,020</u> |
| Less: Creditors: Amounts falling due after more than one year | 12 | <u>(39,500)</u> | <u>(47,400)</u> |
| | | (39,500) | (47,400) |
| Net Assets | | <u>£896,118</u> | <u>£853,620</u> |
| Funds | | | |
| Members Funds | | | |
| General Fund | 13 | 871,096 | 827,630 |
| Restricted Funds | | | |
| Lascelles Fund | 13/14 | 25,021 | 25,990 |
| World Class Funds | 15/16 | <u>-</u> | <u>-</u> |
| | | 25,021 | 25,990 |
| | | <u>£896,118</u> | <u>£853,620</u> |

The accounts are prepared in accordance with the provisions applicable to entities subject to the small entities regime.

Approved by the Board and authorised for issue on 30th August 2017

Director
P. Foley-Brickley



Director
P. James



Company Registration Number: 00913182

The notes on pages 11 to 21 form part of these accounts.

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

1. Accounting Policies

1.1 General Information

The principal activity of the Company during the year was the governance and development of the sport of water skiing and wakeboarding which it manages through its affiliate and membership structure.

The Company is a private company limited by guarantee registered number 00913182 and is incorporated and domiciled in England. The address of its registered office is Unit 3, The Forum Hanworth Lane, Chertsey KT16 9JX.

The Company is a Public Benefit Entity as defined within accounting standard FRS 102.

1.2 Statement of compliance with accounting standards

The individual financial statements of The British Water Ski Federation Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the United Kingdom and the Companies Act 2006. The principal accounting policies which have been consistently applied are set out below.

1.3 Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The financial statements are presented in Sterling (£).

1.4 Going Concern

The Company meets its day to day working capital requirements through its cash reserves. Given the size of the cash reserves and the committed Sport England funding and the projected membership income the Company's forecasts, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its cash reserves. Therefore making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements

1.5 Cash flow statement exemption

The Board has taken advantage of the exemption in Financial Reporting Standard 102 from including a cash flow statement in the financial statements on the grounds that the Company is small.

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

1.6 Income

Income represents amounts receivable by the Federation principally in respect of subscriptions from members, sponsorship, donations and grant funding. Income is carried forward as deferred income where funding is for a specific event which is not due to occur until subsequent financial years.

During the year, 100% of turnover generated was attributable to UK operations. Subscriptions and grants received in advance in respect of future periods are accounted for as deferred income.

1.7 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

1.8 Equipment

Equipment and other fixed assets costing more than £1,000 are capitalised. Any assets costing less than this are charged to the Income Statement in the accounting period of purchase.

1.9 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 less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|--|
| Plant & Machinery | 10% Straight line. |
| Fixtures, fittings & equipment | 10% Straight line. |
| Buildings | 2/3 of HQ purchase price depreciated straight line over 50 years from purchase date of Oct 2009. |

1.10 Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost or valuation less amortisation. Amortisation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

| | |
|------------------|--------------------|
| Database Project | 10% Straight line. |
|------------------|--------------------|

1.11 Stock

Stock is measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price less costs to sell.

1.12 Grants

Revenue grants received are recognised in the Income Statement on an accruals basis as the related expenditure is incurred. Any unspent amounts are carried forward in deferred income. Grants related to capital items are amortised and recognised as income over the same period as the associated asset is written down. Any amounts in relation to future periods are carried forward as deferred income.

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

1.13 Operating Leases

Rentals applicable to operating leases are charged to the income and expense account over the period in which the cost is incurred.

1.14 Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.15 Pension costs

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the profit and loss account

2. Critical accounting estimates

The Company's principal accounting policies are described in note 1. The application of these policies necessitates the use of estimates and judgements in a number of areas. Accordingly, the actual amounts may differ from these estimates. The main areas involving estimation are set out below:

Provision for slow moving and obsolete stock:

Stocks are branded retail items. These items are carried at the lower of cost and net realisable value. As a result it is necessary to consider the recoverability of the cost of the stock items and the associated provisioning required.

The provision is made based on a number of factors including the age of stocks, the risk of obsolescence and the expected future usage.

Useful economic life of long term assets

We have set out in the accounting policy for tangible and intangible assets in note 1 the useful economic lives which have been adopted. These lives are reviewed annually to ensure that they remain appropriate and that the remaining life is reasonable.

3. Income

| | Year ended 31/3/2017 £ | Year ended 31/3/2016 £ |
|----------------------------------|------------------------------|------------------------------|
| Membership & affiliations income | 291,896 | 298,931 |
| Coaching and driving income | 119,157 | 107,214 |
| Grant Income | 302,578 | 293,684 |
| Other services Income | <u>89,678</u> | <u>76,434</u> |
| Total income | <u>803,309</u> | <u>776,262</u> |

THE BRITISH WATER SKI FEDERATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

4. Net incoming/(outgoing) resources is stated after charging the following:-

| | Year ended 31/3/2017 £ | Year ended 31/3/2016 £ |
|---------------------------------|------------------------------|------------------------------|
| Audit Services | 7,940 | 9,212 |
| Depreciation | 9,599 | 7,390 |
| Amortisation | 11,274 | 11,274 |
| Operating Lease Charges - Other | <u>7,742</u> | <u>8,602</u> |

5. Directors and Employees

| | Year ended 31/3/2017 £ | Year ended 31/3/2016 £ |
|--------------------------|------------------------------|------------------------------|
| Staff costs | | |
| Wages and Salaries | 241,622 | 246,168 |
| National Insurance Costs | 21,213 | 23,313 |
| Pension costs | 16,648 | 16,904 |
| Redundancy Payments | 3,201 | - |
| | <u>282,684</u> | <u>286,385</u> |

Included within wages and salaries is £59,605 (2016 - £60,230) paid to one of the directors of the Company (P. G. Donovan being the only paid director).

During the year 2016/17, one director (P. G. Donovan) accrued benefits under a company pension scheme.

The key management personnel are considered to be the Board of directors. The remuneration paid to key management personnel is disclosed above.

| Average number of employees during the year: | No. | No. |
|--|----------|-----------|
| Administration | 7 | 8 |
| World Class | 2 | 2 |
| | <u>9</u> | <u>10</u> |

Two employee's employment with the Company terminated on 23rd February 2017 due to redundancy and to align the Company's staffing levels with the 2017-21 grant funding and agreed programmes / related targets.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

6. Taxation

(a) Analysis of charge in the year

| | Year Ended 31/03/2017 £ | Year Ended 31/03/2016 £ |
|--|--|--|
| Current tax: | | |
| In respect of the year: | | |
| UK Corporation tax based on the results for the year at 20% (2016 - 20%) | 104 | 166 |
| Tax on profit on ordinary activities | 104 | 166 |
| | 104 | 166 |

Corporation tax is provided on income arising from bank deposits and any activities outside of the scope of the mutual trading of the association.

No deferred tax adjustment or provision arises.

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is calculated at the small company rate of corporation tax in the UK of 20% (2016 - 20%).

| | Year Ended 31/03/2017 £ | Year Ended 31/03/2016 £ |
|---|--|--|
| Net incoming/(outgoing) resources on ordinary activities before taxation | 42,602 | 15,827 |
| Net incoming/(outgoing) resources from ordinary activities by rate of tax | 8,520 | 3,165 |
| Net (income)/expenses not allowable for tax purposes | (8,416) | (2,999) |
| Total current tax expense | 104 | 166 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2017

7. Intangible Fixed Assets

| | Database Project £ |
|--|-----------------------------------|
| Cost: | |
| As at 1 st April 2016 | 112,738 |
| Additions | - |
| As at 31 st March 2017 | <u>112,738</u> |
| Accumulated Amortisation: | |
| As at 1 st April 2016 | 33,822 |
| Provision to 31 st March 2017 | 11,274 |
| As at 31 st March 2017 | <u>45,096</u> |
| Net Book Value: | |
| As at 31 st March 2017 | <u>67,642</u> |
| As at 31 st March 2016 | <u>78,916</u> |

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

8. Tangible Assets

| | Plant & Machinery | Freehold Land & Buildings | Fixtures, Fittings & Equipment | Total |
|--|----------------------------------|--|---|----------------|
| Cost: | £ | £ | £ | £ |
| As at 1 st April 2016 | 73,452 | 477,120 | 15,835 | 566,407 |
| Additions | 4,815 | - | 1,419 | 6,234 |
| As at 31st March 2017 | 78,267 | 477,120 | 17,254 | 572,641 |
| Accumulated Depreciation: | | | | |
| As at 1 st April 2016 | 71,847 | 40,547 | 1,635 | 114,029 |
| Provision to 31 st March 2017 | 562 | 6,300 | 2,738 | 9,600 |
| As at 31st March 2017 | 72,409 | 46,847 | 4,372 | 123,628 |
| Net Book Value: | | | | |
| As at 31 st March 2017 | 5,859 | 430,273 | 12,882 | 449,013 |
| As at 31st March 2016 | 1,605 | 436,573 | 14,200 | 452,378 |

9. Stocks

| | 31/3/2017 | 31/3/2016 |
|---------------|------------------|------------------|
| | £ | £ |
| Retail Stocks | - | 2,156 |
| Total | - | 2,156 |

The stock was deemed at nil value as it became outdated, so therefore the provisions of £7,500 from last year as well as the value of £2,156 have been written off to the P&L.

10. Debtors

| | 31/3/2017 | 31/3/2016 |
|--------------------------------|------------------|------------------|
| | £ | £ |
| Trade Debtors | 64,691 | 50,164 |
| Prepayments and accrued income | 55,149 | 69,442 |
| Total | 119,840 | 119,606 |

At the 31st March 2017 and 31st March 2016 there was no allowance for irrecoverable amounts as there was no indication of any doubtful debts or default. This has been determined by reference to past default experience.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

11. Creditors: Amounts Falling Due Within One Year

| | 31/3/2017 | 31/3/2016 |
|------------------------------|------------------|------------------|
| | £ | £ |
| Trade creditors | 18,735 | 37,718 |
| Other Creditors | 612 | 753 |
| Corporation Tax | 104 | 166 |
| PAYE | 7,261 | 8,548 |
| Accruals and deferred income | 232,309 | 239,927 |
| VAT payable | 5,691 | 9,840 |
| Total | 264,713 | 296,952 |

12. Creditors: Amounts Falling Due Greater Than One Year

| | 31/3/2017 | 31/3/2016 |
|-----------------|------------------|------------------|
| | £ | £ |
| Deferred income | 39,500 | 47,400 |
| | 39,500 | 47,400 |

Deferred income includes £7,900 (2016 - £15,800) that relates to income receivable after five years.

13. Reserve funds

| | General Fund | Lascelles Funds (Note 14) | World Class Performance (Note 15) | World Class Talent (Note 16) | Total 2017 | Total 2016 |
|--|-------------------------|--|--|---|-----------------------|-----------------------|
| | £ | £ | £ | £ | £ | £ |
| Balance brought forward | 827,630 | 25,990 | - | - | 853,620 | 837,959 |
| Net outgoing resources for the year | 43,466 | (969) | - | - | 42,498 | 15,661 |
| Balance carried forward | 871,096 | 25,021 | - | - | 896,118 | 853,620 |

THE BRITISH WATER SKI FEDERATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

| | | |
|---|---------------------------------|---------------------------------|
| 14. Lascelles Fund | Year ended 31/3/2017 | Year ended 31/3/2016 |
| | £ | £ |
| Donation received | 10,000 | - |
| Interest Received | 31 | - |
| 52Grants | (11,000) | Awarded (9,515) |
| | <hr/> | <hr/> |
| Net outgoing resources | (969) | (9,463) |
| Balance as at 1 st April | 25,990 | 35,453 |
| | <hr/> | <hr/> |
| Balance as at 31st March | 25,021 | 25,990 |
| | <hr/> <hr/> | <hr/> <hr/> |
| 15. World Class Performance Fund | Year ended 31/3/2017 | Year ended 31/3/2016 |
| | £ | £ |
| Deferred Income B/fwd 1 st April | 6,967 | 19,798 |
| Funds released to P&L account | (1,000) | (12,831) |
| | <hr/> | <hr/> |
| Deferred Income at 31st March | 5,967 | 6,967 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Funds released to P&L account | 1,000 | 12,831 |
| Expenditure | (1,000) | (12,831) |
| | <hr/> | <hr/> |
| Net incoming resources | - | - |
| | <hr/> <hr/> | <hr/> <hr/> |
| 16. World Class Talent Fund | Year ended 31/3/2017 | Year ended 31/3/2016 |
| | £ | £ |
| Deferred Income B/fwd 1 st April | 44,140 | 49,205 |
| Sport England Grant Funding | 127,456 | 127,456 |
| Sundry Income | - | - |
| Funds released to P&L account | (129,287) | (132,521) |
| | <hr/> | <hr/> |
| Deferred Income at 31st March | 42,310 | 44,140 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Funds released to P&L account | 129,287 | 132,521 |
| Expenditure | (129,287) | (132,521) |
| | <hr/> | <hr/> |
| Net incoming resources | - | - |

THE BRITISH WATER SKI FEDERATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

17. Related Party Transactions

Transactions undertaken with related parties such as are required to be disclosed under FRS102 are as follows:

The directors of the Company are all members of the Federation either directly or through membership of constituent water ski clubs and pay a small membership subscription.

S Sopp, N McGarry, and A Dobson are all Chairmen of their respective clubs.

The following directors all also hold an interest in the following clubs and sites by virtue of being director/shareholder of the relevant organisation:

P Foley-Brickley was a director and shareholder of JVP Leisure Ltd during the financial year (resigned August 2016) which owns and operates Festival Wakeboard Park. The operator paid £1,200 (2016 £1,200) to the Company as affiliation/accreditation fees.

S Waring is the sole director of Han-Sea Limited, trading as Wake and Ski Boats UK. The operator paid £420 (2016 £420) to the Company as affiliation fees.

18. Grant Funded Income & Expenditure

| | Year ended 31/3/2017 £ | Year ended 31/3/2016 £ |
|--|---------------------------------------|---------------------------------------|
| Programme Support & Core - General Activities | | |
| Sport England Grant Funding | 302,578 | 293,684 |
| Core Costs / Back Office £112,693 | _____ | _____ |
| Coaching Programme £31,480 | _____ | _____ |
| Development programmes & Related Staffing £121,998 | 302,578 | 293,684 |
| Infrastructure (staffing) £36,407 | ===== | ===== |
| Programme Support - Restricted Activities | | |
| Sport England Grant Funding £127,456 & UK Sport Reserves £2,831 | 130,287 | 145,351 |
| | _____ | _____ |
| Talent Development | 130,287 | 145,351 |
| | ===== | ===== |

All grant funded income was expended as detailed above on the agreed programmes and KPIs as detailed in the Company's 2013-17 Sport England funded Whole Sport Plan.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

19. Commitments under Operating Leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 31/3/2017 | 31/3/2016 |
|-------------------------|------------------|------------------|
| | £ | £ |
| Payable in 1 year | 7,045 | 8,581 |
| Payable in 2 to 5 years | 5,331 | 11,830 |
| | <u>12,379</u> | <u>20,411</u> |

20. APB Ethical Standards

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

21. Company Status

The Company is limited by guarantee and has no share capital. Members' liability is limited by individual guarantees to a maximum of £1 each in accordance with the Articles of Association.

22. Control

The Company is under the control of the Board.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2017

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on page 8.

THE BRITISH WATER SKI FEDERATION LIMITED
(A company limited by guarantee)
DETAILED INCOME STATEMENT
GENERAL ACTIVITIES

| INCOME | Year ended 31/3/2017 | Year ended 31/3/2016 |
|-----------------------------------|---------------------------------|---------------------------------|
| | £ | £ |
| Business Income | | |
| Membership & Affiliations | 291,896 | 298,931 |
| Sport England Grant | 126,301 | 123,405 |
| Sponsorship & Donations | 7,200 | 9,000 |
| Royalties | 312 | 305 |
| Bank Interest Received | 490 | 780 |
| Social Functions & Presentations | 6,642 | 3,631 |
| Sundry Income | 778 | 2,051 |
| Magazine Advertising Income | 11,655 | 10,651 |
| IT Project Grant | 7,900 | 7,900 |
| | 453,174 | 456,654 |
| Development Income | | |
| Coaching Programmes | 95,558 | 86,588 |
| Driving Programmes | 23,599 | 20,626 |
| Sponsorship & Partners | 160 | - |
| Sport England | 176,277 | 170,279 |
| | 295,594 | 277,493 |
| Excellence Income | | |
| Competition Income | 30,933 | 22,777 |
| Licences & Levies | 23,608 | 16,678 |
| Team Uniforms & Tracksuits | - | 160 |
| Sponsorship, Partners & Donations | - | 2,500 |
| | 54,541 | 42,115 |
| Total Income | 803,309 | 776,262 |

THE BRITISH WATER SKI FEDERATION LIMITED
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DETAILED STATEMENT

| EXPENDITURE | Year ended 31/3/2017 | Year ended 31/3/2016 |
|---|---------------------------------|---------------------------------|
| | £ | £ |
| Business Expenses | | |
| Salaries & Staff Expenses | 284,634 | 269,998 |
| Establishment Costs | 53,353 | 58,577 |
| Telephone | 4,373 | 3,700 |
| Insurance | 42,332 | 37,265 |
| Leasing Costs – Office Equipment | 2,320 | 3,435 |
| Legal & Professional Fees | 47,726 | 36,711 |
| Audit Fees & Services | 7,940 | 9,212 |
| Irrecoverable VAT | 26,141 | 24,523 |
| Depreciation | 20,873 | 18,663 |
| Bank Charges | 4,586 | 5,657 |
| Meeting Costs | 3,797 | 8,801 |
| Printing, Postage & Stationery | 17,697 | 20,186 |
| General Expenses | 5,314 | 15,616 |
| Publicity & Associations | 4,789 | 4,401 |
| IT Project | 7,443 | 3,339 |
| Social Functions & Presentations | 4,348 | 5,681 |
| Magazine Expenses | 42,908 | 43,520 |
| | 580,574 | 569,285 |
| Development Expenses | | |
| Printing, Postage & Stationery | 1,250 | 3,500 |
| Development Car Costs & Leases | 13,679 | 12,457 |
| Development Programmes | 89,408 | 109,010 |
| | 104,337 | 124,967 |
| Excellence Expenses | | |
| Meeting Costs | 2,710 | 171 |
| Excellence Programmes | 72,117 | 56,549 |
| | 74,827 | 56,720 |
| Total Expenses | 759,738 | 750,972 |
| Surplus for the year on Ordinary Activities | 43,570 | 25,290 |
| Surplus before taxation | 43,570 | 25,290 |
| Taxation | (104) | (166) |
| Surplus after tax | 43,466 | 25,124 |