

THE CROQUET ASSOCIATION

Detailed Commentary on the Accounts for the Year ended 31 December 2014

The figures below are given to the nearest £100.

1 Income and Expenditure Account

Total income increased by £2,300 compared to the previous year, while total expenditure increased by £13,800. A comfortable surplus of £12,900 in 2013 was turned into a modest deficit of £1,400 before tax in 2014. As will be seen from the detail below, the difference is almost entirely due to the cost of sending the England team for the MacRobertson shield at the beginning of the year.

1.1 Income

- **Individual subscriptions.** Rates remained unchanged from the previous year. Revenue rose by £500, suggesting a small increase in numbers.
- **Club subscriptions** rose by £1,700 with rates again unchanged. Based crudely on the per capita fee, this represents an increase of 3.4% in the number of club members, reversing the apparent fall in 2013.
- **Levies** (25% of entries to club tournaments advertised in the Fixtures Book) tend to fluctuate slightly from year to year, probably influenced by weather conditions as much as anything else. In 2014 they rose by 4% compared to 6% in 2013.
- **Commercial activities.** Shop profits fell by £1,400 (3.6%), whilst corporate events fell by £300 and advertising rose by £400. The shop figures represent a correction after the rises of the previous two years; turnover fell by 3% to £144,000, but the gross profit margin increased. Corporate events remained flat while advertising revenue exceeded budget expectations by £900.
- **Sponsored events.** There was no sponsorship in 2014.
- **Tournaments.** Income from entry fees for both AC and GC tournaments rose, by 20% and 24% respectively, but was largely offset by increased court hire costs.
- **Investment income** fell by £400, the result of continued diminishing interest rates.
- **Donations & Royalties.** A donation of £1,000 was received in the year.

1.2 Expenditure

- **Publications.** There were no significant changes in the costs of the Gazette and website.
- **Marketing & Development** includes coaching, development (excluding grants) and marketing. Again, costs under individual headings showed only minor fluctuations, but added up to a reduction of £1,400 in total. It should be noted, though, that activities in these areas cost the CA remarkably little.
- **International.** The cost of international matches was £17,300 more than in 2013. The MacRobertson Shield was held in New Zealand from late December 2013 to mid-January, so that the travel costs for the England team, who had to fly out over Christmas, were particularly high. The other significant item was the £1,700 cost of junior bursaries, the same as in 2013.
- **Grants to clubs and federations.** 9 development grants costing just over £28,000, £2,000 more than in 2013, were awarded to Cheltenham, Guildford & Godalming, Nailsea,

Sussex County, Colchester, Lym Valley, Penrith, Tyneside and Bury Whitehead Park. The cost of new club grants fell by £600 to £3,000, but were awarded to only 5 clubs (6 in 2013). The recipients were Eardisley, Llandovery, Lodsworth, Mid-Suffolk and St. Agnes. The £2,000 decrease in the total cost of all grants arose because a grant awarded in an earlier year was written back into the accounts when problems with land tenure meant that the club concerned could no longer take up the award..

- **Staff costs.** Individual salaries were raised only marginally but the retirement of a long-serving member of the office staff, plus the introduction of the Employer's Allowance, which reduced our NIC bill, led to an overall saving of 3%.
- **Depreciation of the Office building and equipment.** See Notes 1 and 3 to the published accounts for further details. Note also that the equipment figures in Note 3 include Publishing items as well as CA Office equipment.
- **Central administration costs** increased marginally. **Meetings expenses** (which cover room hire and travel costs) increased by £2,600, returning to their normal level after the reduction in 2013 caused by the cancellation of one Council meeting, and the reduced attendance at another, both because of bad weather..

1.3 Corporation Tax rose by reference to the 2013 liability, mainly because the accumulated trading losses from earlier years are now exhausted, so that there is tax due on shop profits from sales to non-members as well as investment income.

1.4 Net transfer from (to) Special Funds. Details are given in Note 5. .

2. Balance Sheet as at 31 December 2014

2.1 Current Assets and Current Liabilities

- **Fixed assets** remained unchanged in 2013, other than the depreciation of building and equipment assets as described in Notes 1 and 3.
- **Loans to clubs.** There was one new loan of £720 in 2014 and £900 was repaid from the 2 existing loans.
- **Stock held for resale.** Stock levels fell by 19% to £42,300. This is still a large portion of the CA's assets, but is less than 6 months' purchases, and includes a substantial stock of Dawson balls acquired during the year to protect the CA's position in the event of an interruption to the supply of these.
- **Debtors and prepayments** have returned to normal after the inclusion in the 2013 figure of a large part of the MacRobertson Shield expenditure.
- **Creditors and accrued expenses** have increased, principally because of development grants awarded during the year but not paid out by the year end (Clubs have 3 years from the date of the award to complete their project and claim payment).
- **Cash at bank and in hand** rose by £57,000. This is mainly due to the reduced stock value, reduced debtors and prepayments, increased creditors, and the surplus for the year before depreciation and tax. Most of the cash is held in deposit accounts.

Peter Death
9 July 2015