

Registered number: 06569008
Charity number: 1123854

ASCB Charitable Fund
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 March 2021

ASCB Charitable Fund
(A company limited by guarantee)

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Reference and administrative details of the Charity, its Trustees and Advisers
for the year ended 31 March 2021

| | |
|----------------------------------|--|
| Trustees | Major General D J Eastman MBE, Chairman Brigadier I A Rolland VR, Army Reserve Focus Brigadier D Clouston (resigned 28 July 2020) Brigadier S Anderson, Army Female Athletes (resigned 13 April 2021) Brigadier E J R Chamberlain, Sport Policy (resigned 12 November 2020) Brigadier A J W Sturrock (resigned 9 September 2020) Brigadier N C Allison Brigadier E N S Millar WO1 S Parker, Army Soldier Focus (resigned 3 July 2020) Mr D H A Rowe, NED Financial Advisor Brig R C Brown CEng FInstRE, Capital Projects (appointed 9 September 2020) WO1 D S Morgan, Army Soldier Focus (appointed 9 September 2020) |
| Company registered number | 06569008 |
| Charity registered number | 1123854 |
| Registered office | Army Sport Control Board Mackenzie Building Fox Lines, Queens Avenue Aldershot Hampshire GU11 2LB |
| Company secretary | Wilson (Company Secretaries) Limited |
| Lottery Licence Number | 160 1508 |
| Independent auditor | Kreston Reeves LLP Chartered Accountants Statutory Auditor Montague Place Quayside Chatham Maritime Chatham Kent ME4 4QU |

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Reference and administrative details of the Charity, its Trustees and Advisers (continued)
for the year ended 31 March 2021

| | |
|-------------------|---|
| Bankers | The Royal Bank of Scotland (Holt's Farnborough) Lawrie House Victoria Road Farnborough Hampshire GU14 7NR |
| Solicitors | Wilsons Alexandra House St John's Street Salisbury Wiltshire SP1 2SB |
| Director | Major General (Retd) S A Burley CB MBE Director ASCB |
| Secretary | Lt Col (Retd) P Ashman - Finance Manager ASCB |

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Trustees' report
for the year ended 31 March 2021

The ASCB Charitable Fund (ASCB CF) was formed on 8 October 2009. All assets from the ASCB Trust Fund were transferred into the incorporated Charity No 1123854. This report covers the ASCB's CF activities for the period 1 April 2020 to 31 March 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The ASCB CF objects were updated and revised in October 2009. The objects of the Charity are to promote for the public benefit:

- the promotion of the efficiency of the Armed Forces of the Crown, and in particular the British Army (including its auxiliary and reserve forces), by such charitable means as the Trustees shall think fit including but not limited to raising physical fitness, fostering esprit de corps and enhancing morale through participation in sports and adventure training;
- the advancement of any charitable purpose benefiting serving and former serving personnel of the British Army (including its auxiliary and reserve forces), and dependents of such persons;
- the support and encouragement of the Army Cadet Force and Army contingents of the Combined Cadet Force by such charitable means as the trustees shall think fit including but not limited to the promotion of physical fitness, development and training of its members.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Activities undertaken to achieve objectives

The ASCB CF meets its objects through the following which form the most significant part of the Charity's activities:

- Making an annual operating grant to each of the 45 sports Associations/Unions to help offset their running costs and activities. These grants include the Cyprus Sports Board (when bids are submitted) to help run sport in their respective theatre; a further grant is made to HQ RC Physical Development (PD) Branch for it to allocate to the UK's regional PD Branches.
- Making grants to Sports Associations/Unions for specific items of sporting equipment for which there is no public funding or other grants available. No target is set for this type of grant.
- Making capital grants to garrison/units and Associations for sports facilities/infrastructure for which no public funding is available.

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Trustees' report (continued)
for the year ended 31 March 2021

Objectives and activities (continued)

c. Grant-making policies

The Trustees exercise control over Grant making for the categories of grants as follows:

- The Associations and Unions Annual Operating, SEPF and Capital Equipment Grants;
- Trustees review and approve all bids for Capital projects;
- Ad Hoc Bids. All bids for funding that sit outside the Annual Operating Grants and Capital projects are submitted to Trustees for their review if over £20k; any bids for less than £20k are considered by DASCBC who has delegated authority for approval of ad hoc bids up to £20k.
- Trustees are appraised of all ad-hoc grants made by DASCBC at the Trustees meeting following approval of the grant;
- The ASCB Grants Committee meets once a month to scrutinise bids and award grants from the Army Sports Lottery (ASL) to support sporting activity such as overseas sports visits and training camps, International Competitor Grants and Olympic Competitor Grants. Further details of ASL grants can be found in Defence Instructions and Notices 2019DIN10-015. Policy guidance for the application of ASCB CF grants is contained in Defence Instructions and Notices 2017DIN10 050 and Overseas Sports Visits 2018DIN10 017.

d. Volunteers

There are 45 recognised sports played across the Army, several of which have many disciplines, and the majority of which are run by volunteers who are both serving and retired members of the Armed Forces. The volunteers are supported by the ASCB Secretariat based in Aldershot, staffed by full time staff who are in turn part publicly and privately funded. Volunteers are critical in supporting the ASCB's mission and enabling the delivery of Sport in the Army.

e. Main activities undertaken to further the Charity's purposes for the public benefit

The Trustees have regard to the Charity Commission's direction on public benefit in deciding how the Charity's resources are allocated and in particular believe that the activities of the Charity meet the public benefit test in that they: exist for the public benefit by advancing health; advance amateur sport; and promote the efficiency of the Armed Forces. The Army places a huge premium on sport in the Army. It helps the Army win in battle. It plays a vital role in welfare, morale, operational effectiveness and recovery. Sport produces soldiers who build and lead teams by habit and reflex. Participation in sport generates and maintains cohesion. Promotion of Sport in the Army is a Public Benefit.

Achievements and performance

a. Key performance indicators

The Trustees have set the ASCB's mission as "promoting and delivering sport within the Army ensuring that participation returns to being a significant element of the Army offer for both recruiting and retention and that sport is promoted to link with society in order to enhance the Army's national reputation" the public benefit test. They measure success as promoting the opportunity to participate in sport and against a number of criteria including: the numbers taking part in sport; the variety of sports undertaken; the standard at which sport is played from unit to international standard; the building of sports infrastructure.

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Trustees' report (continued)
for the year ended 31 March 2021

Achievements and performance (continued)

b. Review of activities

This is the tenth year of reporting for the ASCB CF. The report on the ASCB's public funding through a Grant in Aid (GiA) and the Army Central Fund (ACF) grant for the secretariat's operating costs for FY 2020/21 was discussed and cleared by the Trustees at their meeting on 5 December 2019. The ASCB continues to meet its obligations to provide 'Public Benefit' as laid down in the Charity Commissions guidelines. As with last year, considerable progress has been achieved over this reporting period to provide the Army Reserve with the same opportunities to participate in sport at all levels in the Army, including the employment of a Reserve Secretary to coordinate Reserve sport. Reserve sport is now incorporated, coordinated and funded through regular sports.

The COVID-19 pandemic has had a clear impact this year reducing activity and participation in sport in the Army. The ASCB CF remains very healthy; as at 31 March 2021 the fund was valued at £14.976m up by £4.231m from last year's value of £10.745m. The decrease in income of £0.501m to £6.636m (£7.137m: 2020) was due to receiving a BA(G) Global settlement in 2019/20 of £0.729m coupled with an increase in sponsorship trading of £0.140m from £0.190m in 2019/20 to £0.329m in 2020/21. The investments have performed well this year despite the impact of COVID 19 on the global stock market providing an unrealised gain of £2.167m. The Trustees are aware that by increasing participation and opportunities, there will be a corresponding increase in demand for resources and are dependent upon the continued success of the Army Sports Lottery (ASL) to meet the growing demand. Despite the impact that COVID-19 has had on sport the income from the Army Sports Lottery (ASL) has remained stable; £5.983m in 2019/20 and £5.976m in 2020/21. The ASCB CF grant making activities have significantly decreased due to COVID-19 sport and travel restrictions, reducing grants by £1.058m from £3.547m in 2020 to £2.489m this year. Sport in the Army is supported by public funding for the provision and maintenance of synopsis scaled sports facilities, along with the Sports Equipment Public Funding (SEPF), which is distributed by the chain of command and the ASCB. This level of public funding remains unchanged, which in turn places additional demand for financial support from non public funding streams.

The ASCB CF Trustees are very grateful for the outstanding financial support which the ASCB receives from other military charities such as the Army Central Fund (ACF), the Army Welfare Grants Committee (AWGC) and the Nuffield Trust (NT). The ASCB CF has achieved the following in terms of grants:

- **Sports Associations & Unions Annual Grant.** The Trustees approved annual grants of £1.385m (£0.862m operating grants, £0.294m Sports Equipment Public Funding and £0.091m of capital grants, £0.138m SOTR) to the Associations & Unions for FY 2020/21, which was an increase of £0.272m on the £1.113m approved by the Trustees in 2019/20. The ASCB CF Trustees have been conscious that Sports Associations & Unions' activity levels would increase as the Army's commitment to operations at scale has declined. The construct of the annual grants figure of £1.385m is shown at Annex A.
- **ASCB CF Grants Infrastructure.** The list of ongoing capital infrastructure grants authorised by Trustees is attached at Annex B. This Annex lists the Grants approved by the Trustees totalling £3.307m, the current spend against the projects of £0.148m, and the balance available, £3.159m, to complete the projects.
- **Ulysses Trust.** We continue to support the Ulysses Trust to assist Army Cadet Force overseas expeditions which is in line with the ASCB CF objects.
- **ASL Grants.** Due to COVID-19 travel restrictions the ASL has only made a small number of Director's Discretionary grants for UK based activity. The travel restrictions, and a temporary suspension of discretionary overseas activity by the Army, have meant no overseas sports visits or training camp grants. Given the ongoing uncertainty with international travel it is likely this will also have an impact in FY 21/22.

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Trustees' report (continued)
for the year ended 31 March 2021

Achievements and performance (continued)

c. Investment policy and performance

The financial objective of the Charity is to generate sufficient funds to support the ASCB's Associations & Unions' annual running costs and to provide non public funding for the development of sports infrastructure, equipment and activities.

The Investment Objectives are:

- The ASCB CF aims to generate growth in real terms in capital over the long-term.
- The Trustees have a total return approach. There is no specific requirement for income.
- ASCB CF assets should be invested widely and be diversified by asset class and by security.
- Asset classes may include cash, bonds, equities, property, hedge funds, structured products, Private Equity, commodities and any other assets deemed suitable.
- The base currency of the investment portfolio is Sterling.

The Investment Risk approach is shown below:

- The ASCB Trustees meet three times annually to consider and approve the different categories of grants. These decisions are made in light of the income that the ASL is forecast to produce and the assets of the ASCB CF.
- When considering grants to Associations and Unions the Trustees consider the size and availability of funds and forecast growth of the fund.
- The medium term risk is that the income from the ASL undershoots forecasts.
- Therefore the ASCB CF can accept volatility in capital values for at least a 12 month period.
- The ASCB maintains a Risk Register which is reviewed at every Trustees meeting, which includes financial risk.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Trustees Going Concern Assessment is at Annex C. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The ASCB CF is fortunate as the ASCB Secretariat is funded by MoD GIA funding and the annual ACF grant, and consequently there is no requirement to dedicate funds as an operating Reserve. The ASCB CF Trustees have directed that we maintain sufficient reserves to be able to operate the CF and make annual grants for 18 months without any income stream. They also direct that we do monitor the Pension liability annually, and maintains funds within the Unrestricted Funds balance to cover our commitment (50%) of the assessed pension liability based on the most recent Actuarial assessment (£2.55m).

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Trustees' report (continued)
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c. Principal risks and uncertainties

The ASCB CF Risk Register captures the principal risks and uncertainties and covers the whole of the ASCB's activities; it is reviewed at Trustees meetings with each Risk afforded an Impact and Likelihood assessment. The key principal risk in delivering sport is a failure in assurance by the ASCB in providing a robust assurance system for the Associations and Unions, and a failure by the Association and Unions to exercise effective command and control over their respective sports. To mitigate this risk, the Trustees approved an additional assurance post to review current assurance across Army sport; the post was filled in November 2017 and has made significant progress in providing assurance to Trustees that Associations & Unions are delivering sport in a safe environment. The key risk from an enabling perspective is a significant reduction in income from the Army Sports Lottery, and income from direct sponsorship and ASCB sponsorship, hence the preservation of a reserve and investments.

d. Risk management objectives and policies

The ASCB CF has a comprehensive Risk Register that aims to identify major risks across all activities of the ASCB CF. The Register is reviewed by the Trustees formally three times a year and contingency plans exist to treat/tolerate and or transfer the identified risks.

e. Results for the year

Overall, and due in large part to a lack of activity during the pandemic, the fund has increased by £4.231m from £10.745m to £14.976m. The Trustees continue to have confidence in the investments which are held within the Armed Forces Common Investment Fund (AFCIF); despite the impact of COVID-19 on the global market our investments remain healthy and well managed. ASL income has remained stable despite COVID-19 restrictions on sport. We continue to maintain Unrestricted Funds at an appropriate level to ensure the Charity is able to continue to meet its objectives should our income streams reduce and to cover our commitment to the pensions for our staff (supported by an Actuary Review). The Trustees remains content that our income continues to provide sufficient funds to meet their grant making.

- **Fundraising.** Unlike the majority of Charitable Funds, the ASCB CF is not currently required to raise funds through public charitable donations or appeals. The ASCB CF generates its funds through three sources. Firstly, the Trustees changed investment holdings to accumulation units in August 2018 having confirmed that income from investments (dividend) was no longer required. Secondly, income of £0.329m from sponsorship. £0.03m from BAE Systems, a civilian sponsorship scheme, which provides individual scholarship grants aimed at developing young athletes to the elite level. Not reflected in these accounts is civilian sponsorship of Army sports which is conducted between sports and sponsors and does not come through ASCB. In overall terms civilian sponsorship contributed approximately £0.873m to Army Sport. Thirdly, is the funding derived from the ASL, which is kept under regular review by the Trustees, who are happy to report the inflow of funds continues to increase despite the reduced numbers of eligible members (see below).

- **ASL Income.** ASL continues to generate essential non-public income for sport. ASL income this FY amounted to £5.976m broadly the same as the previous FY (£5.983m in 2019/20). The ASL marketing strategy, including increased awareness and marketing through social media and working closely with Army training units, is working well. COVID-19 has had an impact on ticket sales but nothing significant; we will continue to monitor ticket sales as COVID-19 restrictions are lifted and we return to business as usual. The targeted number of ticket sales is set at 130,000 per week. This FY £1.623m was distributed to 1,728 prize winners and, as previously reported, grants totalling £38,490 were approved, largely Director's Discretionary Grants and International Competitor Grants. £4.184m was transferred into the ASCB CF; an increase of £0.926m on the £3.258m paid over in the previous financial year.

- **Income.** Income for this accounting period is slightly down from last year due to no BA(G) settlement (c£730k in 2019/20). However the investment of a further £2.5m with Blackrock and the recovery of the stock market has resulted in an unrealised gain of £2.1m. The restrictions on overseas travel has resulted in reduced costs for OSVs which has increased the pay over from the ASL to the CF by c£1m.

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Trustees' report (continued)
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- **Investments.** The majority of the ASCB CF investments continue to be managed by BlackRock through the Armed Forces Common Investment Fund (AFCIF). The overall value of our investments amounted to £11.4m. Membership of the AFCIF provides the ASCB CF with a number of benefits such as growth and dividend yield through the scale of the fund, reduced management fees, and strong governance through an Advisory Board, which keep a very close eye on performance and governance. The Secretariat receives detailed reviews of AFCIF performance along with regular meetings with the BlackRock management team. The increase in year end valuation of investments reflects how effective BlackRock has performed in line with the defined benchmark, despite the unprecedented market conditions created by COVID-19. Trustees reviewed and updated their investment policy statement at their meeting Away Day in February 2019, a further review was conducted in April 2021.

- **ASCB CF Operating Costs.** The majority of the operating costs of the ASCB CF are relatively small as staff salaries, office accommodation and consumables are funded equally by MoD GIA and the annual ACF Grant. None of our Trustees or the Secretariat are remunerated by the ASCB CF. The ASCB CF governance costs amount to £7.4k. Support costs have decreased from last year from £233k to £160k, due to last year's expenditure to set up new sponsorship arrangements, media and communications costs and the annual sports awards, not being required this year. The ASL running costs were £183k (primarily salaries for the staff that run it) a reduction of £23.5k.

- **Debtors.** Debtors has increased from £116.3k in 2019/20 to £381.7k in 2020/21. This increase relates to sponsorship payments made prior to the trading company Corporate Gift Aid transfer to the CF. All debtors are current and recoverable.

- **Creditors.** There has been a marked reduction in the level of creditors (which includes accruals) due to the payment of the Wavell Road project of £1.8m (£750k Nuffield Trust, £200 ACF, £850k ASCB grant).

Structure, governance and management

a. Constitution

The ASCB CF is a company limited by guarantee. It was incorporated on 17 April 2008 and adopted by written special resolution on 8 October 2009. The ASCB CF was registered at Companies House on 22 October 2009 (Company No: 6569008) along with the Memorandum and Articles of Associations of the ASCB CF. The transfer of assets from the ASCB Trustee Fund to the ASCB CF was completed on 30 October 2009. The governing documents are lodged with the Charity's Solicitors (Wilsons). With effect from 31 March 2012 the TA Sports Board was disbanded and merged into the ASCB along with its assets. The ASCB's governing documents have been amended accordingly.

b. Methods of appointment or election of Trustees

The ASCB CF has its own Board of Trustees which is formed by 8 ex officio members, 2 invited members and an elected Financial Adviser. Those Trustees who are ex officio members of the Board represent the Army's command structure and who have an interest in developing the moral component of fighting power through sport in the Army. The General Officer Commanding Regional Command (GOC RC) is the Chairman of the Board. Trustees are normally appointed for a 3 year term and can be renewed for up to a maximum of 9 years. The Trustees meet three times a year in the spring, summer and autumn and require a minimum of at least 3 Trustees to form a quorum. Elected Trustees are selected through nomination of the ex officio members and endorsed by the Chairman and President. The Reserves are represented by Assistant Commander HQ Home Command who is an ex officio Trustee, assisted by a member of the ASCB Secretariat (SO2 Army Reserve Sport). The military Trustees lie outside the Chairman's (GOC RC's) direct chain of command and therefore act independently. Induction of new Trustees is conducted by the Director ASCB (DASCB). Training of Trustees is undertaken through a combination of civilian courses and military run seminars and a Trustee Training Register is held by HQ ASCB. All Trustees are likely to be Trustees of other Service Charities and may have undertaken Trustee training as part of their induction with those other Charities.

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Trustees' report (continued)
for the year ended 31 March 2021

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The ASCB Secretariat employs a Director and a small HQ staff. The Trustees delegate the day to day running of the ASCB CF to DASCB and his immediate staff. DASCB and his staff operate under the ASCB Charter and a Financial Framework.

DASCB manages and governs sport played in the Army through 45 Sports Associations/Unions who receive direction within Army policy for sport (AGAI Volume 1, Chapter 5 Sport) and an annual Directive issued by DASCB. Each Association/Union receives an annual operating grant from the ASCB and is required to issue its own Management Plan as part of their annual bid for operating funds. The ASCB reports to the Ministry of Defence through the United Kingdom Armed Forces Sport Board (DASCB is a member) and to the Army HQ through Commander Home Command (Comd HC) who is President of the ASCB. The ASCB's Sponsor Branch is the Directorate of Personnel Policy at Army HQ. The ASCB and its Associations and Unions maintain strong links with the relevant National Governing Bodies (NGB) for each sport. There is a clear division between the ASCB's military reporting lines and the ASCB CF which reports to the Charity Commission.

d. Pay policy for key management personnel

The ASCB CF employs 6 members of staff, 4 to manage and run the Army Sports Lottery (ASL), a Media Support Officer and the Army Elite Sport Programme Manager. Staff pay and pay scales are linked to the Civil Service pay system (for non industrial staff).

e. Related party relationships

The only significant related party relationship is between the ASCB Secretariat and the ASCB CF; the ASCB Secretariat are classified as Crown Civil Servants. Funding of the ASCB Secretariat is through a 50:50 combination of Grant In Aid funding and an annual grant from the Army Central Fund. The roles of the ASCB Secretariat and the ASCB CF are inextricably linked and complimentary in supporting the ASCB's mission.

Plans for future periods

Progress on the funded Capital projects is shown below:

- Army Rowing Clubhouse and Storage at Abingdon for £0.55m storage has been provided for army boats not regularly used and to provide a Clubhouse at Abingdon on the River Thames; this project has been reinvigorated by the appointment of a new Chair who is proposing a larger facility by combining both Rowing and Canoeing's requirements;
- The Trustees approved a grant of £0.75m as part funding to the rebuild of the Wavell Sports Pavilion in Catterick. A further £0.30m was committed by the Trustees in March 2020 to underwrite the project's financial risk. The total cost of the project is £2m with grants also secured from Nuffield Trust (£0.75m) and ACF (£0.20m). The project is underway and the funds have been transferred to DBS less the risk funding ;
- Sports Accommodation at Aldershot remains a priority for the Trustees and £1m has been allocated for the proposed joint venture with SERFCA at Thornhill Barracks in Aldershot this remains the Trustees' preferred solution to the project;
- The Trustees have approved an annual grant of £30k to the Ulysses Trust for the 3 years from 2019 to 2022 a total commitment of £90k.
- Gosport Gatehouse. New facilities for Army Sailing, the Trustees have approved £0.05m.
- Royal Military Academy Sandhurst (RMAS) Menage. The Trustees approved £0.052m to prove the riding facilities within RMAS for the use of all riding disciplines. This project completed in 2020/21.

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Trustees' report (continued)
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Plans for future periods (continued)

- **ASCB Storage Facility.** The ASCB Secretariat has expanded over the past 2 years. As a result old storage facilities have been developed into office space. There is a requirement for a storage facility, this is a joint venture with the Army School of Physical Training. The Trustees have approved a grant of £0.217m for this project.

- **Strength and Conditioning Gym.** The Trustees have approved, in principle, a contribution of £2m to build an Army Strength and Conditioning Gym.

The Trustees held a strategy day in February 2019 to consider the Trust's key strategic objectives and to prioritise the Charitable Fund expenditure, noting the additional funding available through increased Army Sports Lottery ticket sales. The initiatives included:

- Providing funding to support the build of a Northern sporting centre of excellence (based probably in Catterick);
- Meeting any shortfall in public funding in providing sports training courses for officials, coaches and competitors.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

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Trustees' report (continued)
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Auditor

The auditor, Kreston Reeves LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the Board of Trustees on 21 JULY 2021
their behalf by:

and signed on



Major General D J Eastman MBE
Trustee

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Independent auditor's report to the Members of ASCB Charitable Fund

Opinion

We have audited the financial statements of ASCB Charitable Fund (the 'Parent Charity') and its subsidiary (the 'Group') for the year ended 31 March 2021 which comprise the Consolidated Statement of financial activities, the Consolidated Balance sheet, the Charity Balance sheet, the Consolidated Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2021 and of the Group's income and application of resources, including its income and expenditure 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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Independent auditor's report to the Members of ASCB Charitable Fund (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the Directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charity or to cease operations, or have no realistic alternative but to do so.

ASCB Charitable Fund
(A company limited by guarantee)

Independent auditor's report to the Members of ASCB Charitable Fund (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

ASCB Charitable Fund
(A company limited by guarantee)

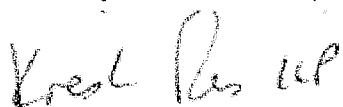
Independent auditor's report to the Members of ASCB Charitable Fund (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity'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 Charity and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
Chatham Maritime

Date: 6 September 2021

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ASCB Charitable Fund
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 March 2021

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 4 | - | 47,502 | 47,502 | 30,000 |
| Charitable activities | 6 | 5,975,947 | - | 5,975,947 | 5,983,415 |
| Other trading activities | 5 | 329,617 | - | 329,617 | 190,000 |
| Investments | 7 | 13,741 | - | 13,741 | 38,298 |
| Other income | 8 | 287,436 | - | 287,436 | 895,506 |
| Total income | | 6,606,741 | 47,502 | 6,654,243 | 7,137,219 |
| Expenditure on: | | | | | |
| Raising funds | 9 | 1,864,454 | - | 1,864,454 | 1,916,689 |
| Charitable activities | 11 | 2,682,995 | 43,076 | 2,726,071 | 3,895,744 |
| Total expenditure | | 4,547,449 | 43,076 | 4,590,525 | 5,812,433 |
| Net income before net gains/(losses) on investments | | 2,059,292 | 4,426 | 2,063,718 | 1,324,786 |
| Net gains/(losses) on investments | | 2,167,685 | - | 2,167,685 | (366,883) |
| Net movement in funds | | 4,226,977 | 4,426 | 4,231,403 | 957,903 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 10,736,138 | 9,030 | 10,745,168 | 9,787,265 |
| Net movement in funds | | 4,226,977 | 4,426 | 4,231,403 | 957,903 |
| Total funds carried forward | | 14,963,115 | 13,456 | 14,976,571 | 10,745,168 |

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 38 form part of these financial statements.

ASCB Charitable Fund
(A company limited by guarantee)
Registered number: 06569008

Consolidated balance sheet
as at 31 March 2021

| | Note | 2021 £ | 2020 £ |
|--|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 15,000 | 15,000 |
| Investments | 15 | 11,446,004 | 6,778,319 |
| | | <u>11,461,004</u> | <u>6,793,319</u> |
| Current assets | | | |
| Debtors | 16 | 381,792 | 116,379 |
| Cash at bank and in hand | | 5,738,077 | 8,015,619 |
| | | <u>6,119,869</u> | <u>8,131,998</u> |
| Creditors: amounts falling due within one year | 17 | (2,604,302) | (4,180,149) |
| Net current assets | | <u>3,515,567</u> | <u>3,951,849</u> |
| Total net assets | | <u><u>14,976,571</u></u> | <u><u>10,745,168</u></u> |
| Charity funds | | | |
| Restricted funds | 18 | 13,456 | 9,030 |
| Unrestricted funds | 18 | 14,963,115 | 10,736,138 |
| Total funds | | <u><u>14,976,571</u></u> | <u><u>10,745,168</u></u> |

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:



21 JULY 2021

Major General D J Eastman MBE
Trustee

The notes on pages 20 to 38 form part of these financial statements.

ASCB Charitable Fund
(A company limited by guarantee)
Registered number: 06569008

Charity balance sheet
as at 31 March 2021

| | Note | 2021 £ | 2020 £ |
|--|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 15,000 | 15,000 |
| Investments | 15 | 11,446,005 | 6,778,320 |
| | | <u>11,461,005</u> | <u>6,793,320</u> |
| Current assets | | | |
| Debtors | 16 | 445,052 | 291,920 |
| Cash at bank and in hand | | 5,435,273 | 7,839,974 |
| | | <u>5,880,325</u> | <u>8,131,894</u> |
| Creditors: amounts falling due within one year | 17 | (2,568,770) | (4,177,750) |
| Net current assets | | <u>3,311,555</u> | <u>3,954,144</u> |
| Total net assets | | <u><u>14,772,560</u></u> | <u><u>10,747,464</u></u> |
| Charity funds | | | |
| Restricted funds | 18 | 13,456 | 9,030 |
| Unrestricted funds | 18 | 14,759,104 | 10,738,434 |
| Total funds | | <u><u>14,772,560</u></u> | <u><u>10,747,464</u></u> |

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:



21 JULY 2021

Major General D J Eastman MBE
Trustee

The notes on pages 20 to 38 form part of these financial statements.

ASCB Charitable Fund
(A company limited by guarantee)

Consolidated statement of cash flows
for the year ended 31 March 2021

| | 2021 £ | 2020 £ |
|--|-------------|-----------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | 208,717 | 1,736,167 |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 13,741 | 38,298 |
| Purchase of investments | (2,500,000) | - |
| Net cash (used in)/provided by investing activities | (2,486,259) | 38,298 |
| Change in cash and cash equivalents in the year | (2,277,542) | 1,774,465 |
| Cash and cash equivalents at the beginning of the year | 8,015,619 | 6,241,154 |
| Cash and cash equivalents at the end of the year | 5,738,077 | 8,015,619 |

The notes on pages 20 to 38 form part of these financial statements

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

1. General information

The Charity is a private company limited by guarantee, incorporated in England and Wales (company number: 06569008), a charity registered in England and Wales (charity number: 1123854). The Charity's registered office is shown on page 1. The principal objectives are shown within the Trustees Report on page 2.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Consolidated Statement of financial activities (SOFA) and Consolidated Balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

The Trustees whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Whilst the impact of the COVID-19 pandemic has been assessed by the Trustees, so far as is reasonably possible, due to its unprecedented impact on the worldwide economy it is difficult to evaluate with any certainty the potential outcomes on the Charity's future activities. However, taking into consideration the Charity's level of reserves, the Trustees believe that the Charity will be able to continue in operational existence for the foreseeable future.

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets, other than the freehold land, are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following basis:

| | |
|---------------|-------------------|
| Freehold land | - not depreciated |
|---------------|-------------------|

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

2. Accounting policies (continued)

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.12 Pensions

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

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.14 Capital expenditure

Capital expenditure is charged to the Statement of financial activities.

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Tangible fixed assets

The Charity has recognised tangible fixed assets with a carrying value of £15,000 at the reporting date (see note 14). These assets are stated at their cost less provision for depreciation and impairment. The Charity's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For its land and buildings the Charity determines, at acquisition, reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Charity undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Charity's forecasts for the foreseeable future which do not include any restructuring activities that the Charity is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

4. Income from donations and legacies

| | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------|--|---------------------------------------|---------------------------------------|
| BAE Systems grant | 32,226 | 32,226 | 30,000 |
| SOTR grant | 15,276 | 15,276 | - |
| | <u>47,502</u> | <u>47,502</u> | <u>30,000</u> |
| Total 2020 | <u>30,000</u> | <u>30,000</u> | |

5. Income from other trading activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------------|--|---------------------------------------|---------------------------------------|
| Sponsorship income | 329,617 | 329,617 | 190,000 |
| Total 2020 | <u>190,000</u> | <u>190,000</u> | |

6. Income from charitable activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------------|--|---------------------------------------|---------------------------------------|
| ASL ticket sales | 5,975,947 | 5,975,947 | 5,983,415 |
| Total 2020 | <u>5,983,415</u> | <u>5,983,415</u> | |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

7. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------|--|---------------------------------------|---------------------------------------|
| Interest receivable | 13,741 | 13,741 | 38,298 |
| | <u>13,741</u> | <u>13,741</u> | |
| Total 2020 | 38,298 | 38,298 | |
| | <u>38,298</u> | <u>38,298</u> | |

8. Other income

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------------------------|--|---------------------------------------|---------------------------------------|
| Un-cashed cheques written back | - | - | 14,912 |
| SEPF Repayment from GIA | 150,000 | 150,000 | 150,000 |
| BA(G) Global Settlement | - | - | 729,695 |
| Ferry account closure | - | - | 899 |
| Returned grants | 137,436 | 137,436 | - |
| | <u>287,436</u> | <u>287,436</u> | <u>895,506</u> |
| Total 2020 | 895,506 | 895,506 | |
| | <u>895,506</u> | <u>895,506</u> | |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

9. Expenditure on raising funds

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|--|---------------------------------------|---------------------------------------|
| ASL prizes and costs | 1,623,000 | 1,623,000 | 1,663,981 |
| Sponsorship agent's fees | 118,437 | 118,437 | 114,013 |
| ASCB Trading - Legal and professional fees | 1,698 | 1,698 | - |
| ASCB Trading - Travel expenses | - | - | 6,551 |
| ASCB Trading - Auditors' remuneration | 2,060 | 2,060 | 2,000 |
| ASCB Trading - Accountancy fees | 1,115 | 1,115 | - |
| Staff costs | 118,144 | 118,144 | 130,144 |
| | <u>1,864,454</u> | <u>1,864,454</u> | <u>1,916,689</u> |
| Total 2020 | <u>1,916,689</u> | <u>1,916,689</u> | |

10. Analysis of grants

| | Grants to Institutions 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|--|---------------------------------------|---------------------------------------|
| Association, capital and equipment grants | 2,189,264 | 2,189,264 | 2,316,462 |
| BAE Systems grant | 27,800 | 27,800 | 30,000 |
| Elite Sports grants | 284,518 | 284,518 | 301,697 |
| Sports lottery grants | (13,539) | (13,539) | 898,751 |
| SOTR grants | 15,276 | 15,276 | - |
| | <u>2,503,319</u> | <u>2,503,319</u> | <u>3,546,910</u> |
| Total 2020 | <u>3,546,910</u> | <u>3,546,910</u> | |

Of the total grants payable in the year of £2,503,319 (2019: £3,546,910), £2,460,243 (2019: £3,516,910) was from unrestricted funds and £43,076 (2019: £30,000) was from restricted funds.

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

11. Analysis of expenditure by activities

| | Direct costs 2021 £ | Grant funding of activities (note 10) 2021 £ | Support costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------------------------|------------------------------------|---|-------------------------------------|-----------------------------------|-----------------------------------|
| Grants to controlling bodies | 7,347 | 2,189,264 | 157,668 | 2,354,279 | 2,596,628 |
| BAE Systems grant | - | 27,800 | - | 27,800 | 30,000 |
| Elite Sports expenditure | 55,675 | 284,518 | - | 340,193 | 357,719 |
| ASL grants | - | (13,539) | 2,062 | (11,477) | 911,397 |
| SOTR grants | - | 15,276 | - | 15,276 | - |
| | <u>63,022</u> | <u>2,503,319</u> | <u>159,730</u> | <u>2,726,071</u> | <u>3,895,744</u> |
| Total 2020 | <u>116,213</u> | <u>3,546,910</u> | <u>232,621</u> | <u>3,895,744</u> | |

Analysis of direct costs

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------|--|-----------------------------------|-----------------------------------|
| Staff costs | <u>63,022</u> | <u>63,022</u> | <u>116,213</u> |
| Total 2020 | <u>116,213</u> | <u>116,213</u> | |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

Analysis of support costs

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-----------------------------|--|---------------------------------------|---------------------------------------|
| Computer costs | 16,277 | 16,277 | 47,763 |
| Meeting expenses | 246 | 246 | 1,570 |
| Sundry expenses | 2,062 | 2,062 | 12,646 |
| Travel and accomodation | - | - | 7,764 |
| Bank charges | 2,617 | 2,617 | 4,124 |
| Gambling Commission charges | 1,508 | 1,508 | 1,508 |
| Training | - | - | 2,573 |
| Office costs | 14,873 | 14,873 | 34,700 |
| Marketing | 42,403 | 42,403 | 23,702 |
| Staff welfare | 1,485 | 1,485 | 849 |
| Insurance | 3,588 | 3,588 | 6,000 |
| Staff costs | 65,921 | 65,921 | 30,578 |
| Legal and professional fees | 734 | 734 | 41,924 |
| Trustee and staff training | 600 | 600 | 600 |
| Auditors' remuneration | 7,416 | 7,416 | 7,200 |
| Accountancy fees | - | - | 9,120 |
| | <hr/> 159,730 <hr/> | <hr/> 159,730 <hr/> | <hr/> 232,621 <hr/> |
| Total 2020 | <hr/> 232,621 <hr/> | <hr/> 232,621 <hr/> | |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

12. Staff costs

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|-----------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Wages and salaries | 211,320 | 239,350 | 211,320 | 239,350 |
| Social security costs | 20,030 | 21,648 | 20,030 | 21,648 |
| Pension costs | 15,737 | 15,937 | 15,737 | 15,937 |
| | 247,087 | 276,935 | 247,087 | 276,935 |

The average number of persons employed by the Charity during the year was as follows:

| | Group 2021 No. | Group 2020 No. | Charity 2021 No. | Charity 2020 No. |
|----------------|-------------------------------|-------------------------------|---------------------------------|---------------------------------|
| Administration | 5 | 4 | 5 | 4 |
| Elite Sports | 1 | 1 | 1 | 1 |
| Assurance | 1 | 1 | 1 | 1 |
| Media | 1 | 1 | 1 | 1 |
| | 8 | 7 | 8 | 7 |

No employee received remuneration amounting to more than £60,000 in either year.

None of the employees of the Charity were considered to be key management personnel. The key management personnel of the Charity are considered to be the Trustees and those identified as being the key management personnel of the ASCB GIA/ACF Fund (HQ ASCB Operating Costs).

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

14. Tangible fixed assets

Group and Charity

| | Freehold property £ |
|--------------------------|------------------------------------|
| Cost or valuation | |
| At 1 April 2020 | 15,000 |
| At 31 March 2021 | 15,000 |
| Net book value | |
| At 31 March 2021 | 15,000 |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

15. Fixed asset investments

| Group | Listed investments £ |
|--------------------------|-------------------------------------|
| Cost or valuation | |
| At 1 April 2020 | 6,778,319 |
| Additions | 2,500,000 |
| Revaluations | 2,167,685 |
| | <u>11,446,004</u> |
| At 31 March 2021 | <u><u>11,446,004</u></u> |
| Net book value | |
| At 31 March 2021 | <u><u>11,446,004</u></u> |
| At 31 March 2020 | <u><u>6,778,319</u></u> |

All of the listed fixed asset investments are held in BLK Armed Forces Charities Growth & Income A Acc shares.

| Charity | Investments in subsidiary companies £ | Listed investments £ | Total £ |
|--------------------------|--|-------------------------------------|--------------------------|
| Cost or valuation | | | |
| At 1 April 2020 | - | 6,778,319 | 6,778,319 |
| Additions | 1 | 2,500,000 | 2,500,001 |
| Revaluations | - | 2,167,685 | 2,167,685 |
| | <u>1</u> | <u>11,446,004</u> | <u>11,446,005</u> |
| At 31 March 2021 | <u><u>1</u></u> | <u><u>11,446,004</u></u> | <u><u>11,446,005</u></u> |
| Net book value | | | |
| At 31 March 2021 | <u><u>1</u></u> | <u><u>11,446,004</u></u> | <u><u>11,446,005</u></u> |
| At 31 March 2020 | <u><u>-</u></u> | <u><u>6,778,319</u></u> | <u><u>6,778,319</u></u> |

The wholly-owned trading subsidiary, ASCB Trading Limited, which is incorporated in England and Wales, pays all its profits to the Parent Charity.

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

16. Debtors

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Due within one year | | | | |
| Trade debtors | 152,016 | 24,000 | 15,276 | - |
| Amounts owed by group undertakings | - | - | 200,000 | 200,000 |
| Other debtors | 229,776 | 92,379 | 229,776 | 91,920 |
| | 381,792 | 116,379 | 445,052 | 291,920 |

17. Creditors: Amounts falling due within one year

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade creditors | 14,940 | 2,400 | - | - |
| Amounts owed to group undertakings | - | - | 1 | 1 |
| Other taxation and social security | 20,593 | - | - | - |
| Accruals and deferred income | 463,460 | 494,395 | 463,460 | 494,395 |
| Other creditors | - | 950,000 | - | 950,000 |
| Accrued grant awards | 2,105,309 | 2,733,354 | 2,105,309 | 2,733,354 |
| | 2,604,302 | 4,180,149 | 2,568,770 | 4,177,750 |

| | Group 2021 £ | Group 2020 £ | Company 2021 £ | Company 2020 £ |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Analysis of deferred income | | | | |
| Deferred income at 1 April 2019 | 475,240 | 366,450 | 475,240 | 366,450 |
| Resources deferred during the year | 446,816 | 475,240 | 446,816 | 475,240 |
| Amounts released from previous years | (475,240) | (366,450) | (475,240) | (366,450) |
| Deferred income at 31 March 2020 | 446,816 | 475,240 | 446,816 | 475,240 |

ASCB Charitable Fund
(A company limited by guarantee)

**Notes to the financial statements
for the year ended 31 March 2021**

18. Statement of funds

Statement of funds - current year

| | As restated Balance at 1 April 2019 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2021 £ |
|---------------------------|---|------------------|--------------------|-------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| ASCB Unrestricted | 10,736,138 | 6,606,741 | (4,547,449) | 2,167,685 | 14,963,115 |
| Restricted funds | | | | | |
| BAE Systems | 9,030 | 32,226 | (27,800) | - | 13,456 |
| SOTR | - | 15,276 | (15,276) | - | - |
| | 9,030 | 47,502 | (43,076) | - | 13,456 |
| Total of funds | 10,745,168 | 6,654,243 | (4,590,525) | 2,167,685 | 14,976,571 |

The BAE Systems funds are held for the purpose of sports scholarships to elite athletes.

The Statement of Training Requirement (SOTR) grant is provided by Army HQ to ensure that all sports have the required (qualified) officials and coaches to safely operate Army Sport.

Statement of funds - prior year

| | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2020 £ |
|---------------------------|---------------------------------|------------------|--------------------|-------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| ASCB Unrestricted | 9,778,235 | 7,107,219 | (5,782,433) | (366,883) | 10,736,138 |
| Restricted funds | | | | | |
| BAE Systems | 9,030 | 30,000 | (30,000) | - | 9,030 |
| Total of funds | 9,787,265 | 7,137,219 | (5,812,433) | (366,883) | 10,745,168 |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

19. Summary of funds

Summary of funds - current year

| | As restated Balance at 1 April 2019 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2021 £ |
|------------------|---|------------------|--------------------|-------------------------|-------------------------------------|
| General funds | 10,736,138 | 6,606,741 | (4,547,449) | 2,167,685 | 14,963,115 |
| Restricted funds | 9,030 | 47,502 | (43,076) | - | 13,456 |
| | <u>10,745,168</u> | <u>6,654,243</u> | <u>(4,590,525)</u> | <u>2,167,685</u> | <u>14,976,571</u> |

Summary of funds - prior year

| | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 March 2020 £ |
|------------------|---------------------------------|------------------|--------------------|-------------------------|-------------------------------------|
| General funds | 9,778,235 | 7,107,219 | (5,782,433) | (366,883) | 10,736,138 |
| Restricted funds | 9,030 | 30,000 | (30,000) | - | 9,030 |
| | <u>9,787,265</u> | <u>7,137,219</u> | <u>(5,812,433)</u> | <u>(366,883)</u> | <u>10,745,168</u> |

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 15,000 | - | 15,000 |
| Fixed asset investments | 11,446,004 | - | 11,446,004 |
| Current assets | 6,106,413 | 13,456 | 6,119,869 |
| Creditors due within one year | (2,604,302) | - | (2,604,302) |
| Total | <u>14,963,115</u> | <u>13,456</u> | <u>14,976,571</u> |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 15,000 | - | 15,000 |
| Fixed asset investments | 6,778,319 | - | 6,778,319 |
| Current assets | 8,122,968 | 9,030 | 8,131,998 |
| Creditors due within one year | (4,180,149) | - | (4,180,149) |
| Total | 10,736,138 | 9,030 | 10,745,168 |

21. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2021 £ | Group 2020 £ |
|--|--------------------|--------------------|
| Net income for the year (as per Statement of Financial Activities) | 4,231,403 | 957,903 |
| Adjustments for: | | |
| Losses / (gains) on investments | (2,167,685) | 366,883 |
| Dividends, interests and rents from investments | (13,741) | (38,298) |
| Increase in debtors | (265,413) | (315,236) |
| Increase/(decrease) in creditors | (1,575,847) | 764,915 |
| Net cash provided by operating activities | 208,717 | 1,736,167 |

22. Analysis of cash and cash equivalents

| | Group 2021 £ | Group 2020 £ |
|--|--------------------|--------------------|
| Cash in hand | 5,738,077 | 8,015,619 |
| Total cash and cash equivalents | 5,738,077 | 8,015,619 |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

23. Analysis of changes in net debt

| | At 1 April 2020 | Cash flows | At 31 March 2021 |
|--------------------------|--------------------|--------------------|---------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 8,015,619 | (2,277,542) | 5,738,077 |
| | <u>8,015,619</u> | <u>(2,277,542)</u> | <u>5,738,077</u> |

24. Pension commitments

The employees are members of the Principal Civil Service Pension Scheme (PCSPS), an unfunded defined benefit pension scheme. Contributions on a 'pay-as-you-go' basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the scheme for the purpose of determining contribution rates. ASCB is unable to identify its share of the underlying assets and liabilities of the scheme. An estimated £2.55m would be due to PCSPS if the Charity were to close. This has not been provided for in these financial statements on the basis that the Charity is a going concern.

25. Operating lease commitments

At 31 March 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2021 £ | Group 2020 £ | Charity 2021 £ | Charity 2020 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Not later than 1 year | 12,000 | 12,000 | - | 12,000 |
| Later than 1 year and not later than 5 years | 48,000 | 48,000 | - | 48,000 |
| Later than 5 years | 180,000 | 192,000 | - | 192,000 |
| | <u>240,000</u> | <u>252,000</u> | <u>-</u> | <u>252,000</u> |

ASCB Charitable Fund
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2021

26. Related party transactions

There have not been any related party transactions during the financial year, and there are no balances outstanding at the Balance Sheet date.

27. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

| Name | Company number | Registered office or principal place of business | Principal activity |
|------------------------|-----------------------|---|---|
| ASCB Trading Limited | 11997374 | Alexandra House, St Johns Street, Salisbury, Wiltshire, United Kingdom, SP1 2SB | To further the objects of and generate profits for ASCB Charitable Fund |
| Class of shares | Holding | Included in consolidation | |
| Ordinary | 100% | Yes | |

The financial results of the subsidiary for the year were:

| Name | Income £ | Expenditure £ | Profit/(Loss) / Surplus/ (Deficit) for the year £ | Net assets £ |
|----------------------|---------------------|--------------------------|--|-------------------------|
| ASCB Trading Limited | 329,617 | (123,310) | 206,307 | 204,011 |

| ASSOCIATIONS/UNIONS | 2020/21 | | | | |
|--|-----------------------|----------------|---------------|----------------|------------------|
| | DASCB RECOMMENDATIONS | | | | |
| | Operating | SERF | Capital | SOTR | Total |
| ANGLING ASSOCIATION | 32,000 | 5,370 | 0 | 0 | 37,370 |
| ARCHERY | 500 | 500 | 700 | 0 | 1,700 |
| ARMED FORCES RALLY TEAM | 15,000 | 5,600 | 0 | 0 | 20,600 |
| ARMY TUG OF WAR ASSOCIATION | 10,200 | 5,000 | 0 | 0 | 15,200 |
| ATHLETICS ASSOCIATION | 28,000 | 7,000 | 0 | 1,000 | 36,000 |
| BADMINTON ASSOCIATION | 6,000 | 8,000 | 500 | 0 | 14,500 |
| BASKETBALL ASSOCIATION | 8,500 | 3,200 | 0 | 300 | 12,000 |
| BOXING ASSOCIATION | 12,700 | 10,000 | 4,000 | 16,400 | 43,100 |
| CANOE UNION | 4,700 | 14,050 | 19,500 | 750 | 39,000 |
| CRICKET ASSOCIATION | 32,500 | 11,800 | 10,000 | 1,000 | 55,300 |
| CYCLING UNION | 28,900 | 10,000 | 0 | 0 | 38,900 |
| EQUITATION | 44,000 | 2,800 | 0 | 4,800 | 51,600 |
| FENCING UNION | 1,100 | 3,510 | 5,000 | 1,500 | 11,110 |
| FOOTBALL ASSOCIATION | 30,000 | 4,530 | 0 | 19,800 | 54,330 |
| GLIDING ASSOCIATION | 15,800 | 12,800 | 40,000 | 4,400 | 73,000 |
| GOLF ASSOCIATION | 20,300 | 7,000 | 0 | 10,800 | 38,100 |
| HANG/PARA GLIDING ASSOCIATION | 4,500 | 4,500 | 0 | 0 | 9,000 |
| HOCKEY ASSOCIATION | 11,200 | 10,000 | 10,000 | 6,000 | 37,200 |
| ICE HOCKEY | 9,800 | 2,300 | 0 | 0 | 12,100 |
| JUDO ASSOCIATION | 7,300 | 5,800 | 0 | 4,700 | 17,800 |
| LAWN TENNIS ASSOCIATION | 12,500 | 3,800 | 0 | 3,000 | 19,300 |
| MARTIAL ARTS ASSOCIATION | 13,500 | 5,000 | 0 | 2,800 | 21,300 |
| MODERN PENTATHLON ASSOCIATION | 6,000 | 5,600 | 0 | 600 | 12,200 |
| MOTOR SPORTS ASSOCIATION - 2 WHEEL | 24,000 | 12,000 | 0 | 0 | 36,000 |
| MOTOR SPORTS ASSOCIATION - 4 WHEEL | 28,000 | 18,600 | 0 | 1,000 | 47,600 |
| NETBALL ASSOCIATION | 17,500 | 3,200 | 0 | 1,500 | 22,200 |
| PARACHUTING ASSOCIATION | | | | | 0 |
| POLO ASSOCIATION | 16,400 | 0 | 0 | 0 | 16,400 |
| POWERLIFTING UNION | 3,500 | 9,800 | 0 | 3,500 | 16,800 |
| REAL TENNIS & RACKETS ASSOCIATION | 5,300 | 2,600 | 0 | 0 | 7,900 |
| SHOOTING ASSOCIATION | 35,000 | 17,800 | 0 | 1,500 | 54,300 |
| ROWING CLUBS ASSOCIATION | 21,700 | 7,400 | 0 | 5,000 | 34,100 |
| RUGBY LEAGUE | 45,000 | 21,500 | 0 | 0 | 66,500 |
| RUGBY UNION | 0 | | | 19,400 | 19,400 |
| SAILING ASSOCIATION | 20,000 | 8,150 | 0 | 3,500 | 31,650 |
| SPORT CLIMBING | 7,200 | 1,400 | 0 | 6,000 | 14,600 |
| SQUASH RACKETS ASSOCIATION | 15,900 | 5,900 | 0 | 2,000 | 23,800 |
| SURF RIDERS UNION | 2,000 | 3,400 | 0 | 3,400 | 8,800 |
| SWIMMING UNION | 30,000 | 9,300 | 0 | 7,350 | 46,650 |
| TABLE TENNIS ASSOCIATION | 0 | 1,500 | 1,600 | | 3,100 |
| TRIATHLON ASSOCIATION | 49,500 | 5,000 | 0 | 2,500 | 57,000 |
| VOLLEYBALL ASSOCIATION | 6,700 | 3,090 | | 3,700 | 13,490 |
| WATERSKIING & WAKEBOARDING ASSOCIATION | 13,900 | 5,900 | 0 | 0 | 19,800 |
| WINTER SPORTS ASSOCIATION | 48,500 | 9,500 | 0 | 0 | 58,000 |
| ASSOCIATION TOTALS | 745,100 | 294,200 | 91,300 | 138,200 | 1,268,800 |
| PD BRANCHES | 57,000 | | | | 57,000 |
| SPONSORSHIP REGT/CORPS | | | | | 0 |
| DIRECTORS CONTINGENCY | 60,000 | | | | 60,000 |
| TOTAL | 862,100 | 294,200 | 91,300 | 138,200 | 1,385,800 |

Approved Grants

Approved - Accruals

| Sponsors Name | Project/Event | ASCB Provisional Amount | Paid | Balance |
|---------------|---------------------------|-------------------------|---------|------------|
| DASCB | Gosport Gatehouse 2020/21 | £50,000 | £0 | £50,000 |
| Army Rowing | New Boathouse | £550,000 | £41,691 | £508,309 |
| ASCB | Sports Accommodation | £1,000,000 | £0 | £1,000,000 |
| DASCB | Storage Facility | £217,000 | £0 | £217,000 |
| DASCB | Ulyssess 3 Years | £90,000 | £60,000 | £30,000 |
| DASCB | WMG - Japan | £300,000 | £0 | £300,000 |
| | | | | £2,105,309 |

Approved - not accrued

| Sponsors Name | Project/Event | ASCB Provisional Amount | Paid | Balance |
|---------------|---|-------------------------|----------|------------|
| DASCB | Strength and Conditioning | £2,000,000 | £0 | £2,000,000 |
| DASCB | Corps Grants (Festival of Sport) ¹ | £250,000 | £0 | £250,000 |
| DASCB | Nuffield Trust Wavell Pavilion - RIC | £300,000 | £106,124 | £193,876 |
| | | | | £2,443,876 |

ASCB CHARITABLE FUND – GOING CONCERN QUESTIONNAIRE

| | | Y | N | N/A | Comments |
|-----------|--|---|---|-----|---|
| 1. | Forecast and budgets | | | | |
| 1.1. | Has management prepared monthly cash flow forecasts and/or monthly budgets covering, as a minimum, a period of twelve months from the expected date of approval of the accounts? | Y | | | The Fin Man produces regular FOO for review by the Director and these are presented to the Board at each of their 3 meetings per year. The Board endorse annual grants at their December meeting based upon an annual forecast prepared by the Fin Man and presented by the Director; this includes the annual grant allocations to Army Sports Associations and Unions. Income to the Charity is from the Army Sports Lottery. The Charity is 'cash rich' and has no anticipated cash flow issues. In addition the reserves policy requires 18 months of operating capital to be retained. |
| 1.2. | Has management developed a list of assumptions that underlie the forecasts, updated as necessary for the effects of COVID-19? Such assumptions might include: <ul style="list-style-type: none"> gross profit margins that are realistic and consistent with past performance, the existing and anticipated pricing structure and order book; expected sales mix and yield; the patterns of expected debtor collections; levels of stock holding and WIP; payment terms with creditors; capital asset replacements; inflation, contractual terms and seasonal fluctuations; and overhead levels? | | | NA | The main activity is the generation of income through the Army Sports Lottery and approved grants – commitments are minimal to the overall activity of the Charity. The majority of expenditure is discretionary and made based on the forecasted income and expenditure, approved by the Trustees in December prior to the start of the next FY. |
| 1.3. | In determining the appropriateness of the going concern basis has management adequately taken into account: <ul style="list-style-type: none"> the stability of the cost base; whether businesses in the supply chain are at risk; significant staff absences; risks of losing key suppliers and significant customers; potential losses on long-term contracts; and adequacy of insurance policies? | | | NA | |
| 1.4. | Have the forecasts been tested by performing sensitivity analyses on the critical assumptions, particularly in relation to differing levels of activity? | | | NA | Main income remains stable and relatively unaffected by COVID. COVID has reduced activity thus offering savings and thus increased the overall wealth of the Fund. |

| | | | | | |
|-----------|--|---|--|----|--|
| | | | | | |
| 2. | Borrowing requirements | | | | |
| 2.1 | Has the entity taken advantage of the government furlough scheme, bank or other loans or other forms of financial assistance? | | | NA | |
| 2.2 | Do the forecasts take into account the uncertainties over timing of cash flows, length of support, top-up loans and repayment requirements? | | | NA | |
| 2.3 | Are the covenants on current borrowings satisfied at the balance sheet date? | | | NA | |
| 2.4 | Have the monthly forecast cash flow projections been compared to facilities available to establish whether or not there are projected deficits? | | | NA | |
| 3. | Timing of cash flows | | | | |
| 3.1 | Has management analysed all known liabilities, commitments and repayment dates in the future, including the period beyond twelve months from the approval date of the accounts? | Y | | | Forecast accruals and commitments (out to a 3-5 year horizon for some commitments) included in the regular budget forecast and return. |
| 3.2 | Where there are projected outflows that are unmatched by inflows, has management considered how the additional funds will be raised? | | | NA | |
| 4. | Contingent liabilities | | | | |
| 4.1 | Has management considered the exposure of the entity to contingent liabilities, for example, those arising through: <ul style="list-style-type: none"> • legal proceedings; • guarantees and/or warranties; • product liability not covered by insurance; • intra-group guarantees; and • retentions? | | | NA | |
| 5. | Products, services and markets | | | | |
| 5.1 | For each of the main products or services, has management considered the relative strength of the entity's products within the market and considered whether there are any factors associated with COVID-19 or other economic or political factors that may cause the market to change? | | | NA | |
| 5.2 | Has management considered whether the entity is likely to secure future market share as projected in forecasts and whether inflationary increases are reasonable? | | | NA | |
| 5.3 | If there is a high risk of losing existing customers has management considered the likelihood of finding alternative sales markets? | | | NA | |
| 6. | Financial and operational risk management and adaptability | | | | |
| 6.1 | Has management's sensitivity analysis evaluated the risk to the entity of: <ul style="list-style-type: none"> • adverse movements in interest rates; • adverse movements in currency exchange rates; and • exposure to risk through major fixed-price or fixed-rate contracts? | | | NA | |
| 6.2 | Has management developed an adequate plan to enable it to take effective action to alter the amounts and timing of its cash flows so that it can respond to unexpected needs or opportunities? | | | NA | |

| | | | | | |
|-----------|---|---|--|----|----------------|
| | | | | | |
| 7. | Documentation | | | | |
| 7.1 | Has the going concern assessment been documented in sufficient detail to explain the basis of management's conclusion with respect to going concern? | Y | | | Detailed below |
| 7.2 | Where management has identified that a material uncertainty exists, has a suitable document been drafted that discloses the principal events or conditions that may cast significant doubt on the entity's ability to continue as a going concern and management's plans to deal with these events or conditions? | | | NA | |

ASCB CHARITABLE FUND GOING CONCERN NOTES

Income. The ASCB CF generates the majority of the income through the operation of the Army Sports Lottery. Membership of the Lottery is based upon serving soldiers who entry fees are extracted at source from their pay. This income has remained stable over the past 5 years and has only seen a minor drop in sales as a result of COVID. The Army Sports Lottery sales income is expected to return to pre-COVID levels in 2021/22.

Expenditure. The Charity has significant income and only just over 3% of income is expended on operating costs, primarily the salaries of the 4 staff. The majority of the expenditure is discretionary and approved by the Trustees supported by a current financial position.

Reserve Funds Policy. The ASCB CF reserves policy requires the fund to hold a minimum of 18 months operating (including lottery prizes) capital. The fund has sufficient funds to operate for 18 months, with no impact on normal charitable activity, in the event of a loss of income.

Forecast of Committed Expenditure. The Trustees approved all major expenditure (grants) on 3 December 2020 for 2021-22. In addition the committed and approved grants were reviewed and agreed. Both approvals are documented in the Record of Actions and Decisions, a copy of which is at Enclosure 1.

Enclosure:



20201214-ROD_ASC
B_Trustees_Meeting

1. ASCB CF Trustees meeting ROADS 3 Dec 20.