

**THE ROYAL AIR FORCE
RUGBY UNION**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR
THE YEAR ENDED
31ST DECEMBER 2020**

CHARITY REGISTRATION No: 1133022

COMPANY REGISTRATION No: 07024335

Independent Examiners Ltd
Unit 2
The Broadbridge Business Centre
Delling Lane
Bosham
Chichester
PO18 8NF

**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

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**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

START OF FINANCIAL YEAR 1st January 2020

END OF FINANCIAL YEAR 31st December 2020

TRUSTEE DIRECTORS

Air Vice-Marshal Paul Godfrey (Chairman)
Air Commodore Stephen Lushington (Chairman) (resigned 19 April 2021)
Air Commodore Mark Chappell (Director of Community Rugby)
Wing Commander Peter McAdam (Treasurer) (appointed 12 July 2021)
Squadron Leader Chris Cornish (resigned 12 July 2021)
Wing Commander Jonathan Latimer (Honorary Secretary) (appointed 19 April 2021)
Group Captain Allen Lewis (resigned 19 April 2021)
Wing Commander Erica Ferguson (Governance)
Air Commodore Paul Rose (Director of Representative Rugby)
Group Captain Blythe Crawford (Director Support) (appointed 19 April 2021)
Group Captain Mark Jackson (Director Engagement) (appointed 19 April 2021)

SECRETARY Erica Ferguson

COMPANY REGISTERED NUMBER 07024335

CHARITY REGISTERED NUMBER 1133022

DATE OF INCORPORATION 20th September 2009

REGISTERED OFFICE

Royal Air Force Sports Federation, Kermode Hall, RAF Halton, Aylesbury, Bucks, HP22 5AS.

BANKERS

Royal Bank of Scotland, Holt Military Banking, 200 Fowler Avenue, Fowler Business Park, Farnborough, Hampshire. GU14 7JP.

INDEPENDENT EXAMINER

P B Robinson MAAT FCIE, Independent Examiners Ltd, Unit 2, The Broadbridge Business Centre, Delling Lane, Chichester, West Sussex PO18 8NF

THE ROYAL AIR FORCE RUGBY UNION (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their report together with the financial statements of The Royal Air Force Rugby Union (the company) for the 12 months from 1 January 2020 to 31 December 2020. The Trustees confirm that the Report and financial statements of the company comply with the current statutory requirements, the requirements of the company'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 (FRS 102) (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

STRUCTURE, GOVERNANCE AND MANAGEMENT

• CONSTITUTION

The Royal Air Force Rugby Union is a company limited by guarantee governed by its Memorandum and Articles of Association dated 20 September 2009. It is registered with the Charities Commission, registered number 1133022.

• METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The Directors of the Company are also Charity Trustees for the purposes of charity law and under the Company's Articles are known as members of the Board of Trustees. The Charity is currently required to appoint a minimum of 3, but no more than 9 Trustees to the Board. It is stipulated that the nomination of a Trustee to the position of Chairman must additionally be approved by the AOC 22 Group as head of RAF Sport. Furthermore, the Articles of Association specify that with effect from 3 years after the incorporation of the Company, 20 September 2012 in this case, then one third of the Trustees must retire from the office annually. A retiring trustee who remains qualified may be re-appointed by the other Trustees.

• NOMINATION, APPOINTMENT AND TRAINING OF NEW TRUSTEES

In respect of the recruitment and training of new Trustees, a nominations sub-committee has been created in order that potential Trustee candidates can be brought to the attention of the Board. A transparent and broadly advertised process of recruitment is undertaken for all positions within the sub-committees of the Charity, and new Trustees are elected by the existing Board. All trustees are required to undertake training on appointment in the form of a number of briefings from RAF Sport Headquarters and the Company Secretary of the Royal Air Force Rugby Union, and are required to familiarise themselves with the Company's Memorandum and Articles of Association and the Charity Commission publication "The Essential Trustee".

• ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Charity is affiliated to the National Governing Body for the sport, the Rugby Football Union, and holds the status of Constituent Body. The Charity is therefore bound by the laws, regulations and protocols of the Independent Rugby Board and the Rugby Football Union, with all administration and governance of, and participation in Rugby Union activities adhering to National Governing Body guidelines. In addition, the charity is subject to the policies and protocols of the Ministry of Defence and the Royal Air Force in relation to accountancy procedures, funding and sponsorship of Service sport, and the participation of Servicemen and women and Ministry of Defence Civil Servants in competitive sports activities.

OPERATIONAL MANAGEMENT

With regards to the day-to-day operations of the Royal Air Force Rugby Union, the Board of Trustees provides overall direction and objectives to the Charity's sub-committees who are responsible for the delivery of those objectives. The Section Director from each of the functional sub-committees; along with the Board of Trustees, the Charity's Council Member to the Rugby Football Union and the Players' Representative; form the Royal Air Force Rugby Union Operations Board, which is responsible for coordinating all aspects of Rugby Union in the Service and which meets on a bi-monthly basis.

**THE ROYAL AIR FORCE RUGBY UNION
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**REPORT OF THE DIRECTORS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

THE OPERATIONS BOARD COMPRISES:

Chairman (Trustee and Company Director)
Deputy Chairman and Director of Representative Rugby (Trustee and Company Director)
Honorary Treasurer and Director of Finance (Trustee and Company Director)
Honorary Secretary (Trustee and Company Director)
Director of Corporate (Trustee and Company Director)
Director of Community Rugby and Development (Trustee and Company Director)
Rugby Football Union Council Member
Chief of Staff

REPRESENTATIVE PILLAR

Director First XV Men's Squad
Director First XV Women's Squad
Director Veterans' Squad
Director Academy Squad
Director Under 23s Squad
Director Spitfire Sevens Squad
Director of the Royal Air Force Rugby Union Referees' Society
Honorary Medical Adviser

The sub-committee Directors are provided with clear objectives, priorities and limitations and a budget is agreed for their activities. Whilst each sub-committee is allocated a Trustee to provide oversight and guidance, the operation of the functional sections is generally a democratic process undertaken by the sub-committees, without undue or unnecessary interference from the Board.

The over-arching administrative and governance requirements and adherence to regulations is coordinated by the Royal Air Force Rugby Union Honorary Secretary, who acts as the conduit between the Charity and the Rugby Football Union and ensures that all the Charity's activities comply with the regulation and guidance of the National Governing Body.

RISK MANAGEMENT

As part of the Trustees' responsibility in relation to protecting the Charity from risk, potential threats to the output of the Charity have been identified by the Trustees and contingency plans have been put in place to mitigate against potential damage.

The Trustees regularly examine the risk register which records the major strategic, business and operational risks that the charity faces. Trustees carefully monitor the income and expenditure at Management Committee and Board level to ensure financial stability and sustainability. The Risk Register is updated regularly and used to identify early warning of trends and to make strategic decisions at Trustee meetings.

OBJECTIVES AND ACTIVITIES

The Royal Air Force Rugby Union Association (RAFRU) has continued to support players, teams and influence Rugby development despite the Covid pandemic. Building on the very successful previous playing seasons the RAFRU continues to work hard to identify new opportunities and ways to drive forward improvements across all activities to meet its charitable objects. All activity is undertaken against the backdrop of 'best practice, Rugby Football Union (RFU) governance and the requirements of the Royal Air Force. Our focus remains to increase the numbers of people of taking part in the sport – be that playing, coaching or officiating. This is directly aligned with the RAFRU's charitable objects of:

'promoting the efficiency of Her Majesty's Armed Forces by increasing physical fitness, fostering the esprit de corps and raising morale of members of the Royal Air Force and other services through the promotion and encouragement in the playing of rugby union football'.

**THE ROYAL AIR FORCE RUGBY UNION
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**REPORT OF THE DIRECTORS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

OBJECTIVES AND ACTIVITIES (continued)

As such, the RAFRU is a vibrant organisation that has seen the numbers of people commit interest despite the ongoing restrictions. We have taken the time to review our outreach programmes and realise our ambition to grow. The RAFRU has fielded teams at all levels of competition and there have been some remarkable successes on the pitch. Our focus in 2020 has been to keep everyone engaged and continue education for the players, coaches, officials, medics and the Trustees.

Underpinning the Association's success are robust governance structures and mechanisms that have focused on financial sustainability and long-term planning. Consequently, this pause in playing activity has allowed further reflection and realignment to make the Association more effective and efficient than ever before and allowing review of our outreach programmes – undoubtedly the most important activity for the long-term viability for the RAFRU's success.

The Trustees consider that they have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to Charity Commission guidance on public benefit.

ACHIEVEMENTS AND PERFORMANCE

Activity on the pitch during 2020, like all areas of life was heavily impacted by the COVID-19 pandemic. Prior to COVID-19, all teams were well prepared, brimming with confidence and raring to go into what would have been a hugely competitive season. Sadly, the global pandemic curbed normal life and all sporting activities which prevented us from translating our progress and standard of play onto the pitch. Whilst not busy on the field, our personnel were very much involved in the Government's COVID Response and wider fundraising efforts to help those less fortunate than ourselves.

Bar one fixture in early 2020, all UK matches in 2020 were cancelled with teams implementing adaptive training regimes as law variations and the RFU Return to Play Roadmap came into effect. We continued to forge links with Premiership clubs and through our RFU Representative, our engagement with England was both continuous and increasingly more productive.

RAFRU's annual 'Girls Festival of Rugby' at RAF Halton was sadly, also cancelled but it will return in 2021 bigger and better with over 1000 girls aged between 14 - 18 from a variety of rugby clubs taking part. Despite COVID-19, RAFRU's outreach programme, RAF Akrotiri's Mini and Youth section continues to thrive and has seen a rise in the number of young players playing the sport weekly.

The number of RAFRU listed clubs is 37 and includes 4 Trade Teams and 4 Divisional Teams across the Community game. Trade Teams are made up of players from a 'profession' rather than geographic location and they continue to plan for post COVID activity; they include RAF Firefighters, RAF Police, RAF Movers and the RAF Regiment. Again, such opportunities provide many alternative playing and coaching platforms, and serves to increase the numbers of players taking part in rugby union.

Whilst the number of people currently participating in Rugby Union post COVID-19 is unclear, the excellent work and engagement off field suggests a spike in numbers of those playing, coaching or supporting rugby for the first time once activity resumes.

RAF station and club rugby involves some 1000 male players and 100 (and growing) female players. They are supported by 80 volunteer qualified coaches as well as 20 strength and conditioning coaches.

RAFRU's efforts off the pitch remained strong and focused throughout 2020 with the Operations Board taking the opportunity during the down time to develop our future strategy and implement several internal organisational and personality changes. We continued to shape our 5-yr vision and professionalise all corners of RAFRU with our 'Build Back Stronger' approach providing the springboard, post COVID into 2021, to fulfil our vision. Our focus will be the community level, where we hope to grow our involvement and player registration. At the Representative level we have set ambitious performance measures of effectiveness to determine our success. Whilst we intend to test and stretch all those involved with RAFRU, we have ensured the resource and support across all pillars is in place to achieve it. We saw immediate benefits following the appointment of a Director of Sports Science in mid-2020; a new and exciting role whose focus is on Strength & Conditioning, data analytics, technology exploitation and introducing best practices surrounding sport psychology and human performance. This is the right direction of travel at the higher levels, but across all corners, RAFRU will ensure the game is fun, competitive and sustainable at every level.

THE ROYAL AIR FORCE RUGBY UNION (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (Continued)

Social media continue to be RAFRU's main publicity outlet and it has been a resounding success for all pillars of the game. Not only has it enabled the Association to stay in touch with everyone involved with the many activities but it has also been an excellent platform for people looking for information as to how they can get involved with rugby union. Social media's utility is highlighted by the following statistics:



13:35 · 15/09/2021 · Twitter for iPhone

Twitter

- 13,500 followers
- Proactive Twitter interaction with other RAF Sports and Army

Facebook

- Used more for the 30-50 demographic

Instagram

- Relatively new platform
- 6,200 Followers

Looking forward, the Women's team will seek to develop new players, support new management team members, retain the Inter-Services Trophy. Despite the COVID-19 layoff, they are the reigning Women's Inter-Services Champions and we will use this success to capitalise in the growth of women's rugby, be it playing, coaching or refereeing. Much of the Women's 1st XV success is centred on the fact that all players play Premiership Rugby and there are approximately 5 international players within their ranks. Women's Community lead appointed with a focus to develop women's grass root teams.



The Men's Academy and U23s squads continue to hone the 'player pathway' which is aimed at drawing players from Community Pillar, through U23s/Academy into the Men's 1st XV.



Perhaps the most recognisable RAFRU 'brand' is the Men's 7s Squad. Despite not participating in any tournaments in 2020, they continued to support many charitable causes. Looking to the future, the 7s will focus on developing current and recruiting new players and, seek to establish an annual IS 7s tournament.

The Men's 1st XV saw 2020 as a re-building opportunity with many new players and old ones moving into coaching roles. Improvements to management cohesion and implementation of the 5yr strategy provided a sound baseline for the 2021/2 season. Aspirations for over 50% of the senior side to be playing at Level 4 or above and new uncapped players being brought into the fold. Beaten by both the RN and Army during the IS campaign, much of the focus has been on putting in place the structure, both on and off the pitch, to build for coming seasons. In particular, there has been much intellectual investment in how to improve the management of the squad and the early identification new up and coming new players. Again this links into the 'player pathway' and outreach programmes.

**THE ROYAL AIR FORCE RUGBY UNION
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**REPORT OF THE DIRECTORS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

ACHIEVEMENTS AND PERFORMANCE (Continued)



The RAFRU is incredibly well supported by a dedicated cadre of volunteers and officials. Late 2020, following the easing of lockdown 2.0, the RAFRURS developed six new match officials through coaching and training courses. The development pathway for referees within RAFRU continues to be developed in order to identify match officials linked to specific RAFRU Representative sides. The medical investment provided continuous improvement through innovation and liaison with professional bodies and player safety continued to dominate through RFU Liaison and medical advice. On the corporate front, a clear 5yr financial plan allowed greater empowerment and team responsibility with key ambassadors and SLT remaining engaged with sponsors. RAFRU is incredibly proud to work with a range of companies all striving for excellence and have formed lasting relationships that are reflective of our values and strategic interests; proving that success is not just a transaction but an enduring relationship.

All the above activity combines to ensure RAFRU continues to meet its objects of:

'promoting the efficiency of Her Majesty's Armed Forces by increasing physical fitness, fostering the esprit de corps and raising morale of members of the Royal Air Force and other services through the promotion and encouragement in the playing of rugby union football'.

FINANCIAL REVIEW

2020 was an exceptional year due to the Covid-19 pandemic. Income was down to £223,495 from £348,229, primarily due to lower sponsorship income of £161,175 (2019: £265,883). Expenditure was also reduced at £133,461 (2019: £171,415) resulting in a reduced excess of income over expenditure of £90,034 (2019: £176,814). Retained reserves remain buoyant at £383,189, up from £293,155 in 2019.

During the period under review the company incurred a late registration for VAT penalty of £8,745. The VAT position has been resolved and normalised going forward.

• PRINCIPAL FUNDING SOURCES

The principal funding for the RAFRU is provisioned through sponsorship deals with Industry partners. These are of great benefit and allocate funding to specific pillars and for the broader operating costs associated with the RAFRU. Funding is received from the Royal Air Force Central Fund and allocated to Operating Costs, New Member Engagement, Overseas Visits, Training Camps and Kit and Equipment. Players can also attract personal funding dependent on the level of playing ability.

• GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the company 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. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**THE ROYAL AIR FORCE RUGBY UNION
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**REPORT OF THE DIRECTORS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

• **RESERVES POLICY**

The target minimum Operating Reserve Fund for the Royal Air Force Rugby Union is **£30,000**, equal to **three** months of average operating costs. The calculation of average monthly operating costs includes all recurring, predictable expenses, based on the annual budget forecasts. Depreciation and other non-cash expenses are not included in the calculation. The calculation of average monthly expenses also excludes some expenses. Capital purchases, for example kit and equipment and medical items are reduced by **one third** of the annual total. Corporate and Development costs are also reduced to one third of the annual total. The amount of the Operating Reserve Fund target minimum should be calculated each year after approval of the Financial Plan and reported to the Managing Trustee.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Charities Act and the Companies Act require the Board of Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity as at the end of the financial period and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

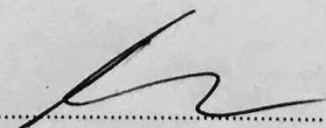
These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

I approve the attached statement of financial activities and balance sheet for the year ended 31st December 2020, and confirm that I have made available all information necessary for its preparation.

Date:

23 Dec 21

Signature



PRINT NAME:

P. J. M. A. O. M.

**THE ROYAL AIR FORCE RUGBY UNION
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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Incorporating income and expenditure account

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2020 £	TOTAL 2019 £
INCOME					
Donations & Legacies	3(a)	32,574	14,184	46,758	34,633
Charitable Activities	3(b)	3,172	8,948	12,120	40,079
Other Trading Activities	3(c)	154,907	9,710	164,617	273,517
TOTAL INCOME		190,653	32,842	223,495	348,229
EXPENSES					
Charitable Activities	4	82,848	50,613	133,461	171,415
TOTAL EXPENSES		82,848	50,613	133,461	171,415
NET INCOMING/ (OUTGOING)		107,805	(17,771)	90,034	176,814
Total Funds Brought Forward		220,092	73,063	293,155	116,341
Transfers between funds		(41,602)	41,602	-	-
Prior Year Adjustment		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		286,295	96,894	383,189	293,155

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 12 to 17 form part of these financial statements.

**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET
AS AT 31ST DECEMBER 2020**

	Note	Unrestricted Funds £	Restricted Funds £	31-Dec-20 Total £	31-Dec-19 Total
Fixed Assets					
Tangible assets	2	8,040	-	8,040	740
Current Assets					
Stock and Work in progress		-	-	-	-
Debtors and Prepayments	9	80,346	-	80,346	18,810
Cash at bank and in hand	10	219,559	96,894	316,453	332,177
Total Current Assets		299,905	96,894	396,799	350,987
Creditors: amounts falling due within one year	11	21,650	-	21,650	58,572
NET ASSETS		286,295	96,894	383,189	293,155
FUNDS OF THE CHARITY					
General Funds		286,295	-	286,295	220,092
Restricted Funds	6	-	96,894	96,894	73,063
TOTAL FUNDS		286,295	96,894	383,189	293,155

DIRECTORS' RESPONSIBILITIES:

The directors are satisfied that for the year ended on 31st December 2020 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 18.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The directors acknowledge their responsibility for ensuring that the company keeps proper accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and if its profit and loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

Approved by the Board of Directors on 23 OCT 21

Signed on their behalf by 

PRINT NAME:

P J McAdam

**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - Charities SORP (FRS102)) and incorporating update bulletin 1, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operation and in order to comply with the requirements of the SORP.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

The charity meets the definition of a public benefit entity under FRS 102.

Changes in Accounting Policies and Previous Accounts

There has been no change to the accounting policies (variation rules and methods of accounting) since last year, and no changes to the previous accounts.

The particular accounting policies adopted are set out below.

1. ACCOUNTING POLICIES

Income

Recognition of Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the charity will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and Donations

Grants and Donations are only included in the SOFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

Contractual Income and Performance Related Grants

This is only included in the SOFA once the charity has provided the related goods or services or met the performance related conditions.

Gifts in Kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

**THE ROYAL AIR FORCE RUGBY UNION
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

1. ACCOUNTING POLICIES (continued)

Income (continued)

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the Directors' annual report.

Investment Income

This is included in the accounts when receivable.

Expenditure and Liabilities

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Assets

Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a straight line basis over their estimated useful lives. The rates applied per annum are as follows:

Equipment	20% - 33%
Motor Vehicle	33%

2. TANGIBLE FIXED ASSETS

(all unrestricted)

		Equipment £	Motor Vehicle £	Total £
Cost	01-Jan-20	1,200	-	1,200
Additions		8,310	3,000	11,310
Disposals		-	-	-
Cost at	31-Dec-20	<u>9,510</u>	<u>3,000</u>	<u>12,510</u>
Depreciation	01-Jan-20	460		460
Charge		3,010	1,000	4,010
Disposals		-		-
Depreciation at	31-Dec-20	<u>3,470</u>	<u>1,000</u>	<u>4,470</u>
Net Book Value	31-Dec-20	<u>6,040</u>	<u>2,000</u>	<u>8,040</u>
Net Book Value	31-Dec-19	740	-	740

The annual commitments under non-cancellable operating leases and capital commitments are as follows:

31-Dec-20	Nil
31-Dec-19	Nil

**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

3. INCOME

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
(a) Donations and Legacies				
RAF Central Fund Grant	-	13,284	13,284	17,006
RAF Sports Federation Grant	-	-	-	950
Other Grants	32,574	900	33,474	16,677
	32,574	14,184	46,758	34,633
(b) Charitable Activities				
Personal Contributions/Membership	3,172	8,948	12,120	19,670
Inter Services	-	-	-	20,566
Miscellaneous	-	-	-	(157)
	3,172	8,948	12,120	40,079
(c) Other Trading Activities				
Sponsorship	152,000	9,175	161,175	265,883
Retail Sales	2,907	535	3,442	7,634
	154,907	9,710	164,617	273,517
	190,653	32,842	223,495	348,229

4. EXPENDITURE

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
Overseas Visits	2,781	14,321	17,102	18,861
Kit & Equipment	20,676	22,627	43,303	33,704
Inter Services	14,411	-	14,411	49,277
Operating Costs	26,362	3,036	29,398	12,915
Sponsorship Expense	2,175	-	2,175	15,540
Other Vice Presidents' Costs	-	978	978	11,437
Other 7s Costs	-	2,802	2,802	2,136
Other Women's Costs	-	5,523	5,523	9,130
Other Veterans' Costs	-	172	172	-
RAF Sports Federation Costs	-	-	-	950
Retail Cost of Sales	3,928	914	4,842	6,390
Miscellaneous	-	-	-	10,835
VAT Penalty	8,745	-	8,745	-
Depreciation	3,770	240	4,010	240
	82,848	50,613	133,461	171,415

5. DETAILS OF CERTAIN TYPES OF EXPENDITURE

	2020	2019
	£	£
Included in Operating Costs		
Independent examiner's fees	1,140	1,717
	1,140	1,717

**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

6. RESTRICTED FUNDS

	CURRENT YEAR				Balance 31-Dec-20 £
	Balance 01-Jan-20 £	Income £	Expenditure £	Transfers £	
Charitable Trust Grant	699	-	-	(699)	-
RAF Central Fund	-	13,284	13,284	-	-
7's Fund	30,496	3,250	12,836	10,034	30,944
Women's Fund	10,048	7,675	14,096	27,805	31,432
Veterans' Fund	24,648	1,200	7,151	4,462	23,159
Vice Presidents' Fund	7,172	7,433	3,246	-	11,359
	73,063	32,842	50,613	41,602	96,894

Transfers between funds represent annual internal grants from general funds

	PREVIOUS YEAR				Balance 31-Dec-19 £
	Balance 01-Jan-19 £	Income £	Expenditure £	Transfers £	
Charitable Trust Grant	939	-	240	-	699
RAF Central Fund	410	17,006	17,416	-	-
RAF Central Fund 7's	357	-	-	(357)	-
RAF Sports Fed Grant	-	950	950	-	-
7's Fund	25,874	15,750	13,289	2,161	30,496
Women's Fund	11,874	21,785	23,611	-	10,048
Veterans' Fund	3,798	22,900	2,050	-	24,648
Vice Presidents' Fund	5,731	12,878	11,437	-	7,172
	48,983	91,269	68,993	1,804	73,063

Charitable Trust Grant - to be used for specific equipment/services purchases by RAFRU.

Central Fund - to be used for operating costs, kit and equipment, overseas visits and development activities of RAFRU.

RAF Sports Federation Grant - to be used for specific equipment/services purchases by RAFRU.

7s - fund to be used to run the RAF Rugby Union 7's (Spitfire) Squad.

Womens - fund to be used to run the RAF Rugby Union Women's Squad.

Veterans - fund to be used to run the RAF Rugby Union Veterans' Squad.

Vice Presidents - fund to be used to foster the esprit de corps between retired and serving members of RAFRU by organising rugby related events for members of the Association and their guests.

7. STAFF COSTS AND NUMBERS

There are no staff paid by The Royal Air Force Rugby Union Association (2019: Nil).

The Royal Air Force donate the services of a staff member, as the Rugby Development Officer, in support of the RFU funding received as a Constituent Body.

8. DIRECTORS AND OTHER RELATED PARTIES

No payments were made to directors or any persons connected with them during this financial period. No material transaction took place between the organisation and a trustee or any person connected with them.

**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

9. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-20 £	Total 31-Dec-19 £
Accrued income	-	-	-	-
Debtors	37,969	-	37,969	185
Prepayments	42,377	-	42,377	18,625
	80,346	-	80,346	18,810

10. CASH AT BANK AND IN HAND

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-20 £	Total 31-Dec-19 £
Cash at Bank	219,359	96,894	316,253	331,977
Cash Float	200	-	200	200
	-	-	-	-
Cash at bank and in hand	219,559	96,894	316,453	332,177

11. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-20 £	Total 31-Dec-19 £
Creditors	20,510	-	20,510	16,472
Deferred Income	-	-	-	40,960
Accrual - Independent Examination	1,140	-	1,140	1,140
	21,650	-	21,650	58,572

12. DEFERRED INCOME

	Sponsorship	Six Nations	Ann. Dinner	Total
Deferred income brought forward 01/01/20	24,000	-	16,960	40,960
Utilised in the year	(24,000)	-	-	(24,000)
	-	-	16,960	16,960
Receipts for Centenary Dinner 2020 (was postponed to 2021 then cancelled)			3,550	3,550
Transferred to creditors as refunded in 2021			(20,510)	(20,510)
Deferred income as at 31/12/20	-	-	-	-

13. RISK ASSESSMENT

The directors actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The directors have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2020**

14. RESERVES POLICY

The directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The directors will endeavour not to set aside funds unnecessarily.

15. PUBLIC BENEFIT

The charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake.

**THE ROYAL AIR FORCE RUGBY UNION
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

The company's gross income exceeded £250,000 in the previous year and I am qualified to undertake the examination by being a qualified member of The Association of Charity Independent Examiners.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

P B Robinson MAAT FCIE
Independent Examiners Ltd
Unit 2
The Broadbridge Business Centre
Delling Lane
Bosham
Chichester
PO18 8NF



26th October 2021