

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**

**OPERATING AS RAFGSA**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

# THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION

## OPERATING AS RAFGSA

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Air Vice Marshall John Stringer - President Gp Cpt Carl Peters - Chairman Sqn Ldr Jon Arnold RAF - Fleet Manager Wg Cdr Neill Atkins Flt Lt Luke Dale Mr Martyn Pike Sq Ldr Alan Swan Sqn Ldr Andrew Watson Fg Off Ben Wightman	(Appointed 7 October 2020)
<b>Secretary</b>	Wilson (Company Secretaries) Ltd.	
<b>Charity number</b>	1140665	
<b>Company number</b>	7033180	
<b>Principal address</b>	RAFGSA Sports Federation Room 43 Kermode Hall RAF Halton Aylesbury Buckinghamshire HP22 5PG	
<b>Registered office</b>	Alexandra House St Johns Street Salisbury Wiltshire SP1 2SB	
<b>Auditor</b>	Cathedral Accountancy Ltd. 4 North Guildry Street Elgin Moray IV30 1JR	
<b>Bankers</b>	The Royal Bank of Scotland Holt's Farnborough Branch Victoria Road Farnborough GU4 7 NR	
<b>Solicitors</b>	Wilson Ltd Alexandra House St Johns Street Salisbury Wiltshire SP1 2SB	

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**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION  
OPERATING AS RAFGSA  
LEGAL AND ADMINISTRATIVE INFORMATION**

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**Investment advisors**

Black Rock  
PO Box 9036  
Chelmsford  
CM99 2XD

CCLA Investment Management Ltd  
80 Cheapside  
London  
EC2V 6DX

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**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association and by the Royal Air Force Gliding and Soaring Association Handbook, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

**Objectives and activities**

The vision of the Association is to provide an opportunity for RAF personnel to participate in the exhilarating sport of gliding, encouraging personal development and participation in competitive gliding. The mission of the RAFGSA is to enhance the efficiency of the Royal Air Force by providing Service personnel of all ranks the opportunity to participate in the demanding sport of Gliding, thereby encouraging mental and physical resilience and airmindedness among its members. Key to success is a focus on bringing gliding within reach of all members of the RAF. Participation in competitive gliding from basic up to elite is a key tenet of our success.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

**Achievements and performance**

During the year the charity continued to provide aircraft and facilities to member clubs and to assist in the provision of hazardous activities training to enable it to achieve its aim as set out in this report. This included the provision of a fleet of 54 aircraft and the provision of a full programme of training courses.

**Future plans**

The Association is being well supported by the RAF Charitable Fund annual grants in relation to New Member Engagement (NME) activity. This, in concert with the restricted scholarship fund (Malcolm Club Trust), is encouraging new Service personnel to take up the sport and develop those currently serving, through the Go for Solo scheme and instructor training initiatives. In addition to NME, the RAFGSA are working with the RAF's training command to run week long training courses, SOARING EAGLES for Service Personnel, which is providing valuable cash-flow at the club level at no cost to the Association.

The RAFGSA is mid-way through a comprehensive fleet overhaul plan, which has seen it rationalise its overall fleet, and seek approval to use restricted funds to finalise capital expenditure. The Association has been badly affected by the pandemic and resultant impact on the ability of clubs to operate. As such, the Association is keen to capitalise on its refurbished fleet and ensure that between NME and SOARING EAGLE activity, the membership fall is halted and a sustainable operating model is maintained.

**Financial review**

During the year the charity generated funds of £118,802 including grants received of £26,780 and incurred expenditure of £245,117 including depreciation of £70,918. At 31 March 2020 the charity's unrestricted funds stood at £1,972,605 of which £1,799,367 represented fixed assets. The remaining £173,238 represents net current assets which includes £17,393 designated for specific purposes. Restricted funds stood at £487,814 at 31 March 2021 of which £263,495 represented investments. This level of reserves is necessary to permit the charity to continue to meet its long term objectives and day to day operations.

**Strategy**

The RAF Sports Federation requires a 5-year rolling financial plan which outlines the Association's financial position and anticipated position. The plan is maintained by the Treasurer and is compiled in consultation with the Fleet Manager. The plan is ratified by all Trustees at the AGM and represents a rolling assessment of the funds required to support the charity's capital equipment purchase and operations.

**Funding sources**

The principal funding sources of the organisation are its member clubs and the RAF Sports Federation. These allow the charity to provide the facilities to enable it to meet its objectives.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**Taxation**

The company is a recognised charity and is not liable to corporation tax on its operations.

**Investment policy**

The charity has a low tolerance to financial risk and invests only in low risk investments.

The Charity has a broad strategy on identifying risks to its activities. These can be broadly separated into Air Safety risks, Operational risk (including reputational risk) and Financial risk. These risks are managed and mitigated by the Trustees, where appropriate (eg. The Air Safety Member provides expert input as part of the Aviation Duty Holder construct mandated by the Military Aviation Authority). Air Safety working and steering groups are held at least annually and are attended by the RAF Sports Federation to provide a level of oversight and external scrutiny. Operational risk is managed by a clear training and proficiency syllabus, which is in conjunction with the British Gliding Association (BGA). This provides the opportunity to share best-practice and standardise the Association's activity with other civilian gliding organisations. The financial risk is minimised by a conservative approach to investment strategy based on maintaining modest returns in low-risk investment vehicles. External, multi-layered scrutiny is achieved by separation of responsibilities, financial oversight by the RAF Sports Federation and an external Audit conducted annually.

It achieves this policy by having clear responsibilities for Health and Safety, specific policy statements for each area, carrying out risk assessments of all activities and by maintaining close working relationships with appropriate specialist personnel, especially fire and medical.

The Association has enjoyed an increasing membership based coupled with some high-yield initiatives, which this year have included Go For Solo, a sponsorship scheme to get 35 junior members of the RAF up to their first solo in a glider. This initiative has used a combination of the Association's capital reserves in addition to Grant funding and some of the reserved funds to increase the profile of the Association to increase the grass-roots Service membership base. In addition to the funded first solo initiative, financial support has been made available more broadly to RAF personnel to undertake instructor upgrade training. Such measures are vital to the Association's longevity so that a solid cadre of keen, motivated and talented gliding enthusiasts are developed who will represent the Service at the sport of gliding. An ongoing review of the evolving RAF basing strategy is being carried out which will undoubtedly lead to further changes in the Association's evolving identity to ensure that the local club footprint best supports the Service.

**Structure, governance and management**

The charity is a company limited by guarantee and registered in England & Wales (number 7033180), it is a registered charity (number 1140665). The financial statements are for the company alone.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Air Vice Marshall John Stringer - President

Gp Cpt Carl Peters - Chairman

Sqn Ldr Jon Arnold RAF - Fleet Manager

Wg Cdr Neill Atkins

Flt Lt Luke Dale

Chf Tech Paul Moslin

(Resigned 7 October 2020)

Mr Martyn Pike

Sq Ldr Alan Swan

Sqn Ldr Andrew Watson

Fg Off Ben Wightman

(Appointed 7 October 2020)

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION  
OPERATING AS RAFGSA  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

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New trustees are appointed by resolution of the Board. The appointment of the Chairman is subject to the approval of the RAF Sports Federation. Each year one third of the trustees resign, those longest in office retiring first, retiring trustees may be re-appointed by the other trustees.

**Training**

The RAF Sports Federation provide training support on the roles and responsibilities of a Trustee. The RAF Sports Federation manage the day to day financial activity of the Association, provide advice and support on matters of policy and attend Annual General Meetings to ensure that the Association is executing its responsibilities as a Service sporting association correctly and to provide a level of external scrutiny into the management of the Association.

**Organisational structure**

The RAFGSA Trustees are responsible for setting and maintaining the RAFGSA Strategy. Trustees are appointed into specific roles to provide clear responsibilities (Treasurer, Secretary, Fleet Manager, etc). Each role is defined by terms of reference in the RAFGSA Handbook. Day to day management of the Association is via the Executive Committee who are all Trustees.

**Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

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**Gp Cpt Carl Peters - Chairman**

Trustee

Dated: .....

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION  
OPERATING AS RAFGSA  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees, who are also the directors of The Royal Air Force Gliding and Soaring Association for the purpose 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 year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION  
OPERATING AS RAFGSA  
INDEPENDENT AUDITOR'S REPORT  
TO THE TRUSTEES OF THE ROYAL AIR FORCE GLIDING AND SOARING  
ASSOCIATION**

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**Opinion**

We have audited the financial statements of The Royal Air Force Gliding and Soaring Association (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Companies Act 2006.

**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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees is 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.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION  
OPERATING AS RAFGSA  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF THE ROYAL AIR FORCE GLIDING AND SOARING  
ASSOCIATION**

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**Matters on which we are required to report by exception**

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

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

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, is 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 is responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION  
OPERATING AS RAFGSA  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF THE ROYAL AIR FORCE GLIDING AND SOARING  
ASSOCIATION**

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**Use of our report**

This report is made solely to the charity's trustees, 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 trustees those matters we are required to state to them in an auditors' 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Cathedral Accountancy Ltd.**

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**Chartered Accountants  
Statutory Auditor**

4 North Guildry Street  
Elgin  
Moray  
IV30 1JR

Cathedral Accountancy Ltd. is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Notes							
<b><u>Income and endowments from:</u></b>							
Grants receivable	2	-	26,780	26,780	12,945	40,170	53,115
Charitable activities	3	71,616	-	71,616	109,094	-	109,094
Investments	4	114	8,092	8,206	600	6,673	7,273
Other income	5	12,200	-	12,200	-	-	-
<b>Total income</b>		<b>83,930</b>	<b>34,872</b>	<b>118,802</b>	<b>122,639</b>	<b>46,843</b>	<b>169,482</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	6	214,263	31,816	246,079	178,228	18,854	197,082
Other	10	2,090	-	2,090	2,435	347	2,782
<b>Total resources expended</b>		<b>216,353</b>	<b>31,816</b>	<b>248,169</b>	<b>180,663</b>	<b>19,201</b>	<b>199,864</b>
Net gains/(losses) on investments		-	45,021	45,021	-	(32,951)	(32,951)
Gross transfers between funds		-	-	-	11,460	(11,460)	-
<b>Net movement in funds</b>		<b>(132,423)</b>	<b>48,077</b>	<b>(84,346)</b>	<b>(46,564)</b>	<b>(16,769)</b>	<b>(63,333)</b>
Fund balances at 1 April 2020		2,105,028	439,737	2,544,765	2,151,592	456,506	2,608,098
<b>Fund balances at 31 March 2021</b>		<b>1,972,605</b>	<b>487,814</b>	<b>2,460,419</b>	<b>2,105,028</b>	<b>439,737</b>	<b>2,544,765</b>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION

## OPERATING AS RAFGSA

### BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11	1,799,367		1,903,085	
Investments	12	263,495		218,474	
		<u>2,062,862</u>		<u>2,121,559</u>	
<b>Current assets</b>					
Debtors	13	36,249		75,797	
Cash at bank and in hand		365,890		354,275	
		<u>402,139</u>		<u>430,072</u>	
<b>Creditors: amounts falling due within one year</b>	14	(4,582)		(6,866)	
Net current assets		<u>397,557</u>		<u>423,206</u>	
<b>Total assets less current liabilities</b>		<u>2,460,419</u>		<u>2,544,765</u>	
<b>Income funds</b>					
Restricted funds	15	487,814		439,737	
<u>Unrestricted funds</u>					
Designated funds	16	(12,993)		13,394	
General unrestricted funds		<u>1,985,598</u>		<u>2,091,634</u>	
		<u>1,972,605</u>		<u>2,105,028</u>	
		<u>2,460,419</u>		<u>2,544,765</u>	

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**BALANCE SHEET (CONTINUED)**  
***AS AT 31 MARCH 2021***

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledges his responsibilities for ensuring that the charity keeps 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 year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, 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.

The financial statements were approved by the Trustees on .....

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Gp Cpt Carl Peters - Chairman  
**Trustee**

**Company Registration No. 7033180**

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**Charity information**

The Royal Air Force Gliding and Soaring Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Alexandra House, St Johns Street, Sailsbury, Wiltshire, SP1 2SB.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are amounts which the charity has decided to set aside for specific purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Incoming resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1 Accounting policies**

**(Continued)**

**1.5 Resources expended**

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

Expenditure is recognised on the accruals basis and includes any irrecoverable VAT. Expenditure is recognised when the underlying transaction takes place. Costs are allocated to funds on an actual basis and apportioned on an equitable basis where they relate to more than one fund or heading.

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	10% straight line
Aircraft	10% straight line
Winches, trailers and other assets	6% and 10% straight line

Expenditure under £1,000 is not capitalised.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

**1.8 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.10 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1 Accounting policies****(Continued)****Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**2 Grants receivable**

	Unrestricted funds	Restricted funds	Total	Total
	2021 £	2021 £	2021 £	2020 £
Grants received	-	26,780	26,780	40,170
Funds received on winding up of ISRG	-	-	-	12,945
	-	26,780	26,780	53,115
<b>For the year ended 31 March 2020</b>	<b>12,945</b>	<b>40,170</b>		<b>53,115</b>
<b>Donations and gifts</b>				
RAF Central Fund	-	-	-	36,762
RAF Sports Board Lottery	-	-	-	3,408
Other	-	26,780	26,780	-
	-	26,780	26,780	40,170

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**3 Charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Insurance recharged	49,819	73,496
Capital levy	17,798	27,068
Maintenance levies	3,999	6,770
ISRG income	-	760
Chilean income	-	1,000
	<u>71,616</u>	<u>109,094</u>

**4 Investments**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income from unlisted investments	-	8,010	8,010	-	6,414	6,414
Interest receivable	114	82	196	600	259	859
	<u>114</u>	<u>8,092</u>	<u>8,206</u>	<u>600</u>	<u>6,673</u>	<u>7,273</u>

All income arises from sources within the UK.

**5 Other income**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net gain on disposal of tangible fixed assets	<u>12,200</u>	<u>-</u>

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**6 Charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Depreciation and impairment	70,918	58,763
BGA membership rebates	3,426	-
Insurance	80,911	81,335
Aircraft repairs and maintenance	66,158	7,706
Aircraft refurbishment	-	31,208
Trial flights	2,503	4,956
Expedition costs	100	3,131
ISRG costs	-	2,300
New member engagement	3,183	-
Other expenses relating to charitable activities	-	52
Covid support provided to Clubs	18,880	2,631
	<u>246,079</u>	<u>192,082</u>
Grant funding of activities (see note 7)	-	5,000
	<u>246,079</u>	<u>197,082</u>
	<u><u>246,079</u></u>	<u><u>197,082</u></u>
<b>Analysis by fund</b>		
Unrestricted funds	214,263	178,228
Restricted funds	31,816	18,854
	<u>246,079</u>	<u>197,082</u>
	<u><u>246,079</u></u>	<u><u>197,082</u></u>

**7 Grants payable**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grants to member clubs:		
Bannerdown roof repair	-	5,000
	<u>-</u>	<u>5,000</u>

**8 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

**9 Employees**

There were no employees during the year and consequently no employee earned over £60,000.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**10 Other**

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021 £	2020 £
Management expenses	472	-	472	1,342
Auditor's remuneration	1,618	-	1,618	1,440
	<u>2,090</u>	<u>-</u>	<u>2,090</u>	<u>2,782</u>
<b>For the year ended 31 March 2020</b>	<u>2,435</u>	<u>347</u>		<u>2,782</u>

**11 Tangible fixed assets**

	Leasehold land and buildings £	Aircraft £	Winches, trailers and other assets £	Total £
<b>Cost</b>				
At 1 April 2020	20,000	2,017,220	348,384	2,385,604
Disposals	-	(40,000)	-	(40,000)
At 31 March 2021	<u>20,000</u>	<u>1,977,220</u>	<u>348,384</u>	<u>2,345,604</u>
<b>Depreciation and impairment</b>				
At 1 April 2020	16,000	308,072	157,647	481,719
Depreciation charged in the year	2,000	51,022	18,696	71,718
Eliminated in respect of disposals	-	(7,200)	-	(7,200)
At 31 March 2021	<u>18,000</u>	<u>351,894</u>	<u>176,343</u>	<u>546,237</u>
<b>Carrying amount</b>				
At 31 March 2021	<u>2,000</u>	<u>1,625,326</u>	<u>172,041</u>	<u>1,799,367</u>
At 31 March 2020	<u>4,000</u>	<u>1,709,148</u>	<u>189,937</u>	<u>1,903,085</u>

**12 Fixed asset investments**

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
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**FOR THE YEAR ENDED 31 MARCH 2021**

<b>12</b>	<b>Fixed asset investments</b>	<b>(Continued)</b>	
			<b>Unlisted investments £</b>
	<b>Cost or valuation</b>		
	At 1 April 2020 & 31 March 2021		218,474
	<b>Carrying amount</b>		
	At 31 March 2021		218,474
	At 31 March 2020		218,474
<b>13</b>	<b>Debtors</b>		
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year:</b>		
	Trade debtors	12,003	34,787
	Other debtors	20,984	30,799
	Prepayments and accrued income	3,262	10,211
		36,249	75,797
<b>14</b>	<b>Creditors: amounts falling due within one year</b>		
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Other taxation and social security	-	2,835
	Trade creditors	3,052	-
	Accruals	1,530	4,031
		4,582	6,866

# THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION OPERATING AS RAFGSA

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019	Movement in funds			Balance at 1 April 2020	Movement in funds			Balance at 31 March 2021
		Income	Expenditure	Transfers		Revaluations, gains and losses	Expenditure	Income	
	£	£	£	£	£	£	£	£	£
Malcolm Clubs Fund	437,785	6,630	(5,303)	-	406,161	(32,951)	(4,849)	8,079	454,412
Paddy Hogg Fund	10,475	40	-	-	10,515	-	-	12	10,527
A W Gough Memorial Fund	576	2	-	-	578	-	-	1	579
GAPAN Scholarships	2,210	-	-	-	2,210	-	-	-	2,210
RAF Central Fund	-	40,171	(13,898)	(6,000)	20,273	-	(26,967)	26,780	20,086
Nuffield trust	5,460	-	-	(5,460)	-	-	-	-	-
	456,506	46,843	(19,201)	(11,460)	439,737	(32,951)	(31,816)	34,872	487,814

#### Malcolm Clubs Fund

The Malcolm Clubs Fund was established on the dissolution of Malcolm Clubs Ltd. The fund is to be used to support the charity's charitable objectives, principally to continue the Malcolm Clubs Gliding Scholarship Scheme.

#### Paddy Hogg Fund

The Paddy Hogg Fund is a memorial fund to give financial support to members involved in any gliding endeavour considered by the Executive Council to be worthy of the memory of Paddy Hogg.

#### A W Gough Memorial Fund

The A W Gough Memorial Fund provides an award to the individual nominated as "RAFGSA Member of the year".

#### GAPAN scholarships

The GAPAN scholarships are provided by the Guild of Air Pilots and Air Navigators to fund members' training.

#### RAF Central Funds

The RAF Central funds grants were to support certain activities of the charity.

#### Nuffield Trust

The Nuffield Trust grant was towards the purchase of a new trailer.

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
**OPERATING AS RAFGSA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**16 Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	<b>Movement in funds</b>		<b>Movement in funds</b>			
	<b>Balance at 1 April 2019</b>	<b>Maintenance levies charged</b>	<b>Balance at 1 April 2020</b>	<b>Maintenance levies charged</b>	<b>Expenditure</b>	<b>Balance at 31 March 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Engine Fund	5,660	3,895	9,555	2,082	(27,701)	(16,064)
Winch Fund	964	2,875	3,839	1,917	(2,685)	3,071
	<u>6,624</u>	<u>6,770</u>	<u>13,394</u>	<u>3,999</u>	<u>(30,386)</u>	<u>(12,993)</u>

Designated funds comprise amounts charged to the member clubs to provide against future expenditure on certain assets. The engine fund shows a significant deficit due to the high level of expenditure in the year, this will be recouped from member levies.

**17 Analysis of net assets between funds**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total 2020 £</b>
Fund balances at 31 March 2021 are represented by:						
Tangible assets	1,799,367	-	1,799,367	1,903,085	-	1,903,085
Investments	90	263,405	263,495	300	218,174	218,474
Current assets/ (liabilities)	<u>173,148</u>	<u>224,409</u>	<u>397,557</u>	<u>201,643</u>	<u>221,563</u>	<u>423,206</u>
	<u>1,972,605</u>	<u>487,814</u>	<u>2,460,419</u>	<u>2,105,028</u>	<u>439,737</u>	<u>2,544,765</u>

**18 Related party transactions**

**THE ROYAL AIR FORCE GLIDING AND SOARING ASSOCIATION**  
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**FOR THE YEAR ENDED 31 MARCH 2021**

**18 Related party transactions****(Continued)**

The charity had the following related party transactions during the year:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Income from member clubs		
Bannerdown	26,194	15,509
Chilterns	25,443	21,171
Cranwell	24,891	18,474
Fenland	7,179	6,474
Fulmar	3,979	3,265
Kestral	12,983	10,781
Wrekin	12,762	9,792

At the year end the charity was owed the following amounts by member clubs in respect of normal sales:

Bannerdown	10,188	-
Chilterns	7,178	-
Fenland	12,766	7,663
Fulmar	958	958
Kestral	3,697	351

**19 Members**

The company does not have a share capital but each of the members has guaranteed the debts of the company up to an amount of £10 per member.