

**TEAM ARMY SPORTS FOUNDATION**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 NOVEMBER 2021**

**Registered Company Number: 07773783**  
**Registered Charity Number: 1144004**

**TEAM ARMY SPORTS FOUNDATION**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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## TEAM ARMY SPORTS FOUNDATION

### REFERENCE AND ADMINISTRATIVE DETAILS

#### FOR THE YEAR ENDED 30 NOVEMBER 2021

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<b>Status</b>	The organisation is a charitable company limited by guarantee, incorporated 14 September 2011 and registered as a charity on 27 September 2011.
<b>Governing Document</b>	The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.
<b>Company Number</b>	07773783
<b>Charity Number</b>	1144004
<b>Registered Office</b>	Lime Cottage Tisbury Row Tisbury Salisbury England SP3 6RZ
<b>Trustees</b>	Major General Jonathan Cole (appointed chair 2 December 2020) Major General Colin McClean (Chair, resigned 2 December 2020) Major General Robin Anderton-Brown (appointed chair 4 January 2022) Dr Nicolas Anderson Brigadier Richard Dennis OBE Major General Neil Sexton Mr Andrew McMorran WO1 Sarah Cox Mr Graham Beale
<b>Bankers</b>	Barclays Bank Farnborough GU14 7PQ
<b>Auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

## **TEAM ARMY SPORTS FOUNDATION**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 30 NOVEMBER 2021**

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The Trustees present their report and the audited financial statements for the year ended 30 November 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Charities Statement of Recommended Practice (SORP 2015) (Second Edition, effective 1 January 2019).

#### **Structure, Governance and Management**

The trustees of the charity are drawn from a mix of current and ex-serving military personnel and experienced people from industry. This is intended to ensure that the Board has a good mix of knowledge and insight into Forces sport tempered with appropriate commercial experience.

If the Board feels it needs additional skills or knowledge it will identify and approach suitable people to see if they would be interested in volunteering to be a Trustee. Many senior serving officers and senior industry executives will already have experience of serving on charity boards.

The board of Trustees aims to meet 2-3 times per year, now mostly virtually. Whilst the board relies on a part time CEO (Maj Gen (retd) Lamont Kirkland CBE) and back-office capability to guide the day-to-day activities of the charity, all strategic and policy matters are decided by the board (the CEO does not serve as a Trustee). Given the realities of business life, not all trustees are able to attend every Trustee's board meeting. A board meeting will only go-ahead if the chair and CEO can attend and a majority of the trustees are available.

During the financial year, the Board comprised four serving or ex-serving officers, Maj Gen (retd) Jon Cole (chair), Major General Neil Sexton, Brig (retd) Richard Dennis and WO1 Sarah Cox. Between them they have a comprehensive understanding of the Armed Forces and how Forces sport is organised and funded. The charity continues to be well served by its non-military members: Dr Nic Anderson, of QinetiQ; Mr Andrew McMorran, CEO of Official Military Beer Company; and Mr Graham Beal from Ernst & Young who brings finance expertise.

The charity has no paid staff. Its key management personnel are its trustees who are unremunerated.

#### **Objectives and activities (Revised Nov 2019, further amended under a special resolution in Aug 2020 and subsequently further amended in Sep 2021 to reflect the direction of the Charities Commission)**

- The objects and objectives were last formally updated in Nov 2019 to encompass sport, challenge and adventure for serving and veteran forces whilst also supporting flagship grants to significant worthy pursuits.
- Having agreed to these minor changes, the objects were further amended in Aug 2020 to reflect the contribution the charity makes towards mental as well as physical wellbeing in its support to the serving and veteran community. This was passed at the special resolution in Aug 2020 and formally updated with the objects, features and principles for funding distribution in Dec 2020.
- Finally, the Charities Commission requested that the reference to '...Her Majesty' be amended to read '.....the Crown'. Therefore the The objects of the charity as stated in the Memorandum & Articles were updated again and now are:
  - to promote the efficiency of the armed forces of the Crown, including, by such charitable means as Trustees think fit including (but not limited to):
  - improving physical fitness and mental wellbeing, fostering esprit de corps, promoting diversity and inclusion and raising morale of serving armed forces personnel by encouraging participation in sports and adventurous activities and providing assistance in the provision of sporting facilities, and
  - the provision and support of facilities, amenities and activities for the well-being of serving and former armed forces personnel
  - the relief of serving or former armed forces personnel and their dependents and/or families who are in need by reason of youth, age, ill health, disability, financial hardship or other disadvantage.

## TEAM ARMY SPORTS FOUNDATION

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 30 NOVEMBER 2021

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- The charity aims to raise its funds through two major activities:
  - Attracting benevolent donations (from corporate donors and by association with 3<sup>rd</sup> party fundraising events),
  - Appealing to related industry partners and their wish to commit CSR or other charitable welfare funding to the TASF cause.

The charity seeks to achieve public benefit through the operation of the activities described above. The trustees confirm they have had regard to the Charity Commission's guidance on public benefit.

The charity does not actively fundraise through members of the public although some small donations are occasionally received.

#### Activities and Performance

The impact of COVID 19 delayed activities initially before resuming in earnest after July 2021. The event cycle was therefore curtailed but notably the second half of the FY was busy with several significant events:

	<u>Date</u>
Festival of Speed	Jul 21
Rundle Cup Polo	Jul 21
Royal Regatta, Henley	Aug 21
Olympic Reception	Sep 21
Remembrance Rugby	Nov 21

The principal donor to the charity (Ethos Fundraising Ltd) maintained a strong performance throughout the period as Covid restriction lifted and the charity was able to benefit from healthy donations amounting to:

<u>Donation from</u>	<u>Amount</u>
Ethos Fundraising Limited	£ 680,000
Others	£ 3952
	-----
<b>TOTAL</b>	<b>£ 683952</b>
	=====

Mainstream sporting activity was severely limited before the summer with successive lockdowns but there remained a growth of applications to the charity from those undergoing challenge and adventure pursuits. This changed for the second half of the FY but nevertheless the overall number of recipients were less than for pre-COVID period as they played catch-up while the situations eased. The significant initiative introduced during the period was the 'bounce back' grant to encourage the reactivation of sport and activity after the prolonged lockdown. This was particularly targeted at those for whom a higher purpose was relevant e.g. overcoming mental health issues. As a result, this attracted significant attention and was a success in kick-starting the programme. This feature was in part largely enabled by the generous support from Ultra Electronics in the current and previous FY.

The charity continues to support significant challenge and expeditionary activities which can attract the attention of donors into EFL (and therefore the charity) and enable TASF to award flagship grants. Most notable during FY was the support granted to Capt Preet Chandi (aka Polar Preet) and her expedition to undertake a solo and unsupported trek to the South Pole. (The grant was made to her Medical Regiment)

Finally, The charity continues to support other charities with similar aims in delivering on the objectives, particularly supporting those organisations which help veterans overcome mental and physical wellbeing issues.

## TEAM ARMY SPORTS FOUNDATION

### TRUSTEES' REPORT (continued)

#### FOR THE YEAR ENDED 30 NOVEMBER 2021

The total donated was **£294,975** and made up as follows:

<i>Recipient</i>	<i>Amount (£)</i>	<i>Recipient</i>	<i>Amount (£)</i>
On Course Foundation	3,000	UKAF Rugby	25,200
Royal Artillery Yacht Club	5,000	Armed Forces Para Snowsport Team	5,000
Armed Forces Para Snowsport Team	15,000	Armed Forces Hang & Paragliding	2,700
Veterans Sub-Aqua Club	3,000	Armed Forces Rally Team	13,500
Royal Signals	20,000	Royal Navy Polo Association	9,000
Team Endeavour Racing	3,000	Central Bank 3 Medical Regiment	48,000
Infantry Sailing	12,000	UK Armed Forces Rowing	4,000
True Heroes Racing	5,000	Turn to Starboard	15,000
Team BRIT	5,000	UKAF Golf	16,200
3 DIV	2,700	UKAF Cricket	3,000
RAF Tennis	2,700	Elite Athletes	6,000
Education through Expeditions	10,000	REME Charity	30,000
Fennec Endeavour Challenge	5,000	Frances Townend	1,000
RAF Rugby League	4,500	OMBC Donations	2,575
Royal Navy Hockey	5,400	Atlantic Flyers	5,000
Royal Navy Rugby League	4,500	UKAF Equestrian Association	3,000
		<b>Total</b>	<b>£294,975</b>

#### Annual Impact Report

The charity produced its first ever Impact Report in this period which was widely shared with donors and supporters. It was designed to highlight the support provided to a variety of good causes and provide the evidence of positive social value delivered by the charity on behalf of its donors.

#### Social Media

Alongside this Impact Report, the increased use of social media has had a significant effect on maintaining interest, extending reach and stimulating engagement with the charity and its activities. This proactive use of social media has provided the steady stream of information that results in corporate enquiries and their interest to also have an association with the charity. This has been a significant success and will be continued.

## TEAM ARMY SPORTS FOUNDATION

### TRUSTEES' REPORT (continued)

#### FOR THE YEAR ENDED 30 NOVEMBER 2021

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##### Grant making policy

The trustees have agreed a set of principles which help to determine how to distribute charity funds (revised Nov 2019):

- To respect, as far as possible, the wishes of donors
- To promote excellence and success by supporting the full breadth of Armed Forces representational level sports and by supporting individuals to compete at elite and international level
- To increase opportunity by maximising participation in sport through support to grass roots activity thus making sport more accessible
- To enable recovery and rehabilitation by supporting wounded, injured & sick (WIS) servicemen and veterans to take part in competitive sport with particular emphasis on activities which 'level the playing field' for para athletes
- Support AT activities which are very challenging, truly adventurous and provide highly rewarding developmental and recovery experiences for both serving and veteran personnel
- Aim to support a worthy and high-profile sporting or adventurous projects with an annual flagship grant
- To contribute an annual surplus to the reserve to ensure funds are available for lean years and to smooth out income levels for key beneficiaries
- Build a capital fund of roughly one year's grant making
- Partner with other charities with aims coherent with our own, through and with whom the Foundation can deliver its goals in order to promote coherence, good governance and sharing of best practice

When involved in fundraising events the charity will typically seek to partner with other charities and may explicitly identify other charities as recipients of funds (typically those whose objects are services welfare related and aligned with those of the charity).

##### Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees have considered the risks in the year and established appropriate mitigating action.

The following are the main risks the charity is exposed and how they are mitigated:

RISK	MITIGATION	COMMENT
TASF's main donor Ethos Fundraising Ltd (EFL) fails and stops trading	<ul style="list-style-type: none"><li>• TASF requires an understanding of EFL's sustainability.</li><li>• TASF requires cash planned for donation to be ring-fenced or paid regularly to reduce exposure</li><li>• TASF identifies alternative income streams</li></ul>	<p>EFL seeks to make payments into the charity at least quarterly</p> <p>Ultra Electronics have made donations directly to the charity to help enable a Covid Bounce Back fund</p> <p>Partnering with the Official Military Beer Company has resulted in increased donations</p>

**TEAM ARMY SPORTS FOUNDATION**

**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

**Risk management (continued)**

RISK	MITIGATION	COMMENT
The Armed Forces lose trust in Team Army/ Team Ethos as a concept	<ul style="list-style-type: none"> <li>• The Team Army/ Team Ethos programme and benefits need to be clear to all parties and proven through measured performance</li> <li>• The role of the Armed Forces and sports in working with Ethos, sponsors and TASF, along with the underpinning operating model, need to be clearer and better understood.</li> <li>• In the event of Ethos terminating, TASF could look to develop, as per mitigation above, into a Trading Fund in order to take over from Ethos.</li> <li>• TASF has a key part to play in giving donors (in whatever form) a shared passion for Forces sport and its benefits</li> </ul>	<p>There has been increased use of social media, particularly LinkedIn, to provide news stories to highlight the work of the charity in providing grants for good causes. This has proven to be exceptionally useful in broadcasting the work of the charity.</p> <p>The work that EFL does and the donations that the charity can support provides strong evidence of delivering social value, which is a prerequisite for industry working into government and defence. Generating and publishing an annual report has strengthened the relationship and relevance of Team Army</p>
TASF is unable to meet financial commitments	<ul style="list-style-type: none"> <li>• Be clear on financial exposure at any stage</li> <li>• Ensure the Board has appropriate financial expertise to help fiscal planning.</li> <li>• Build a suitable financial contingency to cover the unexpected.</li> <li>• Widen the numbers of direct donors to TASF</li> </ul>	<p>Cash reserve has been established and will be increased in the next FY.</p> <p>As a result of the increased activity on social media, there is now stronger interest within Defence industry to support the work of Team Ethos/ Team Army</p>
COVID-19 and its impact on the charity's business through reduced income	<ul style="list-style-type: none"> <li>• Preserve funds through reduced payments</li> <li>• Inform sports that grants will be withheld in the short term to reflect reduced sporting activity</li> <li>• Invite sports and other adventure pursuits to submit justified requests for funding only when activity resumes.</li> <li>• Reduce overheads wherever possible which includes management fees (covered in the 2020 renewal of the SLA with EFL)</li> </ul>	<p>The trustees are acutely aware of the likely impact on cashflow due to COVID-19 restrictions on sporting and social activities. However, taking action to preserve payments will help keep this situation under control and will remain under review.</p> <p>The support from EFL has remained strong, especially in Q3/Q4</p> <p>EFL management fees were reduced by 25% for the period</p>



## **TEAM ARMY SPORTS FOUNDATION**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 30 NOVEMBER 2021**

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##### **Finance Review**

The charity's income was £684,307 in this year of activity ended on 30 November 2021. The total expenditure was £358,992 for the year. The fund balance carried forward at 30 November 2020 was £325,315.

##### **Reserves policy**

In accordance with guidelines issued by the Charity Commission, the Trustees have adopted a policy regarding reserves which should ensure that there are adequate funds to ensure that the charity is able to meet all current and known future liabilities.

It has been a long term aim to build a sufficient reserve to meet one year's grant making and this was finally achieved during this period as the circumstances of the pandemic reduced demand for grants. At 30 November 2021 the Charity had reserves totalling £653,238 (2020 - £327,923) all of which were unrestricted. These reserves are available to be part of the funds to meet the charity's grant commitments (which are forecasted as being £341,250 as itemised on page 19). The Trustees believe the level of reserves is now sufficient for the Charity's needs.

As predicted and covered in the 2020 audit, COVID-19 impacted on the short-term cashflow for the charity but careful management of grants to reflect activity levels has meant the income and expenditure has been kept well under control, particularly helped by the charity having limited, on-going fixed costs.

##### **Plans for the future**

The charity's future plans are to:

- Continue to deliver suitable fundraising events as opportunities arise.
- Continue to work on attracting benevolent donations;
- Develop relationships with other charities whose objects are aligned with those of the Team Army Sports Foundation and become the chosen channel through which funds are directed to Forces sports;
- Identify corporate charitable schemes with a view to having specific forces sport (particularly for disabled athletes) nominated as the charity of choice for staff fundraising;
- Continue to maintain the reserve fund in line with the charity's short-term goals; and
- Continue to develop a funding profile and allocation to enable a post-Covid bounce back, especially targeted at those individuals and groups pursuing those one-off, iconic and inspirational activities.
- Maximise the use of social media to broaden awareness of the charity's work and effect
- Encourage industry to consider the charity when demonstrating its support and contribution to social value

##### **COVID-19 and its impact on plans going forward**

COVID has had relatively little impact on activities since July 2021 with most events and sports having fully resumed their activity levels. Moreover, the initiatives to introduce a bounce back fund, the evidence of Social Value delivery coupled with the proactive use of social media, means that 2022 looks to be a particularly strong year.

## TEAM ARMY SPORTS FOUNDATION

### TRUSTEES' REPORT (continued)

#### FOR THE YEAR ENDED 30 NOVEMBER 2021

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##### Trustees' responsibilities Statement

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the charitable company, enabling them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Trustees on 10 August 2022 and signed on their behalf by:



.....  
**Maj Gen (Retd) Jonathan Cole**  
Trustee

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

## TEAM ARMY SPORTS FOUNDATION

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### Opinion

We have audited the financial statements of Team Army Sports Foundation for the year ended 30 November 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and 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 parent charitable company's affairs as at 30 November 2021 and of the charitable company's net movement in funds, including the 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 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/group] 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

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 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.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates report the directors' report).

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TEAM ARMY SPORTS FOUNDATION**

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We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement [set out on page 8], the trustees (who are also the directors of the charitable company 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 charitable company'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**

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and the Companies Act 2006 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income and management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting of trustees' meeting minutes;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted around the year end;
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
TEAM ARMY SPORTS FOUNDATION**

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kathryn Burton (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 25th August 2022

**TEAM ARMY SPORTS FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

		<b>Unrestricted Funds</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Income from:</b>			
Donations and legacies	2	684,108	375,000
Other income		199	366
		-----	-----
<b>Total income</b>		<b>684,307</b>	<b>375,366</b>
		-----	-----
<b>Expenditure on:</b>			
Charitable activities	3	358,092	227,471
		-----	-----
Total expenditure	3	358,092	227,471
		-----	-----
<b>Net income/(expenditure)</b>		<b>326,215</b>	<b>147,895</b>
<b>Reconciliation of funds:</b>			
Funds at the start of the year		327,023	179,128
		-----	-----
<b>Funds at the end of the year</b>		<b>£653,238</b>	<b>£327,023</b>
		=====	=====

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

Movements in funds are disclosed in note 10 to the financial statements.

All income and expenditure is unrestricted in both 2021 and 2020 financial years.

The notes on pages 15 to 20 form part of these financial statements.

**TEAM ARMY SPORTS FOUNDATION (company number 07773783)**

**BALANCE SHEET**

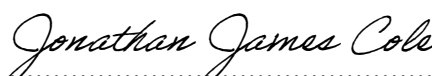
**AS AT 30 NOVEMBER 2021**

	Notes	£	2021	£	£	2020	£
<b>CURRENT ASSETS</b>							
Short term deposit and cash in hand			661,178			332,423	
<b>CREDITORS:</b> amounts falling due within one year	8	(7,940)			(5,400)		
		-----			-----		
<b>NET CURRENT ASSETS</b>			653,238			327,023	
			-----			-----	
<b>NET ASSETS</b>			653,238			327,023	
			=====			=====	
<b>FUNDS</b>							
Unrestricted funds	10		653,238			327,023	
			-----			-----	
<b>Total funds</b>			653,238			327,023	
			=====			=====	

The notes on pages 15 to 20 form part of these financial statements.

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small Companies.

The financial statements were approved and authorised for issue by the Board of Trustees on 10 August 2022 and were signed below on its behalf by:



Maj Gen (Retd) Jonathan Cole  
Trustee

**TEAM ARMY SPORTS FOUNDATION**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities (see below)	A	332,423	148,135
		-----	-----
<b>Change in cash and cash equivalents in the year</b>	B	332,423	148,135
Cash and cash equivalents at the beginning of the year		328,755	184,288
		-----	-----
<b>Cash and cash equivalents at the end of the year</b>		£661,178	£332,423
		=====	=====

**RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>A. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>		

**Net income for the reporting year (as per the statement of financial activities)**

Adjustments for:	326,215	147,895
Increase/(decrease) in creditors	2,540	240
	-----	-----
<b>Net cash used in operating activities</b>	£328,755	£148,135
	=====	=====

**B. RECONCILIATION OF NET INCOME TO NET CASH FROM OPERATING ACTIVITIES**

	At 1 December 2020	Cashflows	At 30 November 2021
Cash and cash equivalents	332,423	328,755	661,178
	-----	-----	-----
<b>Total cash and cash equivalents</b>	£332,423	£328,755	£661,178
	-----	-----	-----



# TEAM ARMY SPORTS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 NOVEMBER 2021

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#### 1. ACCOUNTING POLICIES

##### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (SORP 2015) (Second Edition, 1 January 2019) applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and Companies Act 2006. The financial statements have been prepared under the historic cost convention unless otherwise stated in the relevant accounting policy note(s). The charity meets the definition of a public benefit entity under FRS 102.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

##### **Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees to make significant judgements and estimates. It also requires management to exercise judgement in applying the Charity's accounting policies. There were no areas that required the use of judgements.

##### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The Trustees of the charity have concluded that there are no 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 reserve has been significantly increased and income levels have strengthened since last year. Furthermore, it is likely that income levels will increase in the next accounting period.

The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due and that the charity remains strong and viable as a going concern.

##### **Income recognition**

Income is recognised when the charity has met the following criteria: entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance is deferred until the criteria for income recognition are met.

In accordance with the Charities SORP FRS102, volunteer time is not recognised.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

# TEAM ARMY SPORTS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 NOVEMBER 2021

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#### 1. ACCOUNTING POLICIES (continued)

##### **Expenditure recognition and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities includes the costs of running the charity's communities as well as all other costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. These costs comprise charitable grants and donations, direct and support costs in respect to the support of army sports activities. It also includes governance costs.

Charitable grants and donations are awarded on the basis of requests from sports and activities in accordance with the grant packing policy. Each particular request is considered on its merits and generally awarded on a single year basis both in respect of any donors' wishes or reflecting subsequent requests. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

##### **Financial Instruments**

The charity only holds 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.

##### **Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

##### **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. Deposits for more than three months and up to one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

##### **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### 2. DONATIONS

A breakdown of donations can be found in the trustees report on page 4.

**TEAM ARMY SPORTS FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

**3. EXPENDITURE - 2021**

	<b>Direct costs</b>	<b>Grants</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2021</b>
			<b>£</b>
Charitable activities			
Services Sports Associations	-	294,975	294,975
Support costs	57,177	-	57,177
Governance costs (see below)	5,940	-	5,940
	-----	-----	-----
	63,117	294,975	358,092
	-----	-----	-----
<b>TOTAL EXPENDITURE</b>	<b>63,117</b>	<b>294,975</b>	<b>358,092</b>
	=====	=====	=====

**EXPENDITURE - 2020**

	<b>Direct costs</b>	<b>Grants</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2020</b>
			<b>£</b>
Charitable activities			
Services Sports Associations	-	157,895	157,895
Support costs	64,176	-	64,176
Governance costs (see below)	5,400	-	5,400
	-----	-----	-----
	69,576	157,895	227,471
	-----	-----	-----
<b>TOTAL EXPENDITURE</b>	<b>£69,576</b>	<b>£157,895</b>	<b>£227,471</b>
	=====	=====	=====

A full list of grant recipients can be seen in the Trustees Report on page 4.

**4. GOVERNANCE COSTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration	5,940	5,400
	-----	-----
	<b>£5,940</b>	<b>£5,400</b>
	=====	=====

**5. STAFF COSTS**

The charity had no staff in the year or in the prior year. Its key management personnel are its trustees who are unremunerated.

**6. TRUSTEES' REMUNERATION AND EXPENSES**

The Trustees received no remuneration or reimbursement of expenses during the year (2020: £nil).

**TEAM ARMY SPORTS FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

**7. TAXATION**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

<b>8. CREDITORS: amounts falling due within one year</b>	<b>2021 £</b>	<b>2020 £</b>
Accruals	5,940	5,400
Other	2,000	-
	-----	-----
	7,940	£5,400
	=====	=====

<b>9. GRANTS PAYABLE</b>	<b>2021 £</b>	<b>2020 £</b>
Payable in the year	303,975	157,895
Paid in the year	(303,975)	(157,895)
	-----	-----
Commitments at 30 November 2021	£ -	£ -
	=====	=====

In addition to the amounts payable, as noted above, the trustees have also authorised prior to the year-end certain grants which are subject to the recipient fulfilling certain conditions. The total amount authorised to the end of November 2021 but not accrued as expenditure at the year-end was £341,250 (2020: £155,481). A full list of these commitments is shown in note 12.

**10. MOVEMENT IN FUNDS - 2021**

	<b>At 1 December 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>At 30 November 2021 £</b>
<b>Unrestricted funds:</b>				
Total funds	£327,023	684,307	(358,092)	653,238
	=====	=====	=====	=====

**MOVEMENT IN FUNDS -2020**

	<b>At 1 December 2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>At 30 November 2020 £</b>
<b>Unrestricted funds:</b>				
Total funds	£179,128	£375,366	£(227,471)	£327,023
	=====	=====	=====	=====

**11. RELATED PARTIES**

During 2019/20 and 2020/21, no Trustees were associated with sports or association in receipt of charity grants.

Andrew McMorran, a Trustee of the charity is also the owner and director of The Official Military Beer Company Ltd, which donated £3,952 to the charity on the year.

There were no other related party transactions in the current or prior year.

**TEAM ARMY SPORTS FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

**12. FINANCIAL INSTRUMENTS**

**2021**  
**£**

**2020**  
**£**

Financial liabilities measured at amortised cost

-  
=====

-  
=====

Financial liabilities measured at amortised cost consist of trade creditors.

**13. GRANT COMMITMENTS - 2021/22**

The charity was committed to paying the following grants in 2021/22:

**Association**

**£**

Infantry Sailing	12,000
REME Sports	30,000
Royal Signals	20,000
3 Div Warrior Games	5,400
Yorkshire Regt	5,400
AFC Harrogate Sports	3,000
Cricket	13,900
Golf	18,000
Winter Sports	20,700
Military Rifle Corp (NRA)	5,400
Point to Point	11,250
IS Paragliding champs	1,800
Grand Mil Jockey Cite	2,700
Rugby	45,000
Equestrian	3,000
AFRT	13,500
Rowing	3,600
UKAF Minor Sports	20,000
Boxing	4,500
AFPST	13,500
Mission Motorsport	8,500
Turn to Starboard	10,000
Adaptive Motorcycling (True Heroes Racing)	4,500
Team Endeavouring Racing	3,000
Gwenneli Trust	10,000
HMS Oardacious (Navy Talisker)	5,000
Force Atlantic (Army Talisker)	5,000
IS T20 Cricket (Charity of the day)	4,000
Winter Sports	18,000
Rugby League	9,000
Polo (Rundle Cup)	9,000
Hockey	5,400
Tennis	2,700
Motorsport	4,500

-----  
£341,250

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**TEAM ARMY SPORTS FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**GRANT COMMITMENTS - 2020**

The charity was committed to paying the following grants in 2020/21:

<b>Association</b>	<b>£</b>
Infantry Cricket	2,700
Infantry Nordic	2,700
R Sigs	20,000
REME Sports	15,000
Yorks Regt	5,130
3 Div Warrior Games	5,400
UKAF Cricket	4,500
UKAF Golf	12,600
UKAF Rowing	1,800
UKAF Rugby	25,200
UKAF Winter Sports	7,200
Military Rifle comp	5,850
AF Rally Team	9,000
IS T20 Cricket	4,000
AF Para Snow Sport Team	5,000
RN Polo	13,500
RN Hockey	5,400
RN Motorsport	4,500
RN Rugby League	4,500
RA	240
REME	856
RSigs	230
AAC	72
HMS Medway	76
KRH	27
	<hr/>
	£155,481
	=====

**14. OPERATING LEASES**

The Charity was not committed to make any payments under non-cancellable operating leases in the next year (2020: none).