

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st AUGUST 2023**

PORTSMOUTH NAVAL GLIDING CENTRE LTD

(A COMPANY LIMITED BY GUARANTEE)

**CHARITY REGISTRATION No: 1148381
COMPANY No: 08111423**

PORTSMOUTH NAVAL GLIDING CENTRE LTD

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PORTSMOUTH NAVAL GLIDING CENTRE LTD

TRUSTEES REPORT FOR THE YEAR ENDED 31st AUGUST 2023

CHARITY NUMBER:	1148381
START OF FINANCIAL YEAR:	1 September 2022
END OF FINANCIAL YEAR:	31 August 2023
TRUSTEES	<p>The governing body is the Board of Trustees. The Board has powers to co-opt and elects the Chairman and Vice Chairman.</p> <p>Board members:</p> <p>Captain D Durston Royal Navy (Chairman) Mr T World (Company Secretary) Mr J Stewart (Finance) Commodore M W Westwood Royal Navy Commander B Wainwright Royal Navy (Chairman – RNGSA) Commander J Bird Royal Navy (From 25 January 2023)</p>
LEGAL STATUS:	Company Limited by Guarantee Registered Charity
GOVERNING INSTRUMENT:	Memorandum and Articles of Association Incorporated 19 June 2012
REGISTERED OFFICE:	Field View Peach Grove Palestine Andover Hampshire SP11 7EP
PRIMARY BANKERS:	Barclays Bank Leicester LE87 2BB
INDEPENDENT EXAMINER:	Peter Nicholls, MBE, MAAT PN Independent Examinations, 5 Nursery Road, Havant, Hampshire, PO9 3BG

PORTSMOUTH NAVAL GLIDING CENTRE LTD
(A Company limited by Guarantee)

TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

Trustees' Responsibilities:

The Charities Act 2011 and Companies Act 2006 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 trust and of the surplus of the trust for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in existence.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the trust. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members have not required the charitable company to obtain an audit of its accounts for the year in accordance with section 476 of the Companies Act 2006 - however in accordance with section 144(2) of the Charities Act 2011 the accounts have been examined by an independent examiner whose report appears on page 6.

Objects:

The objects for which the charity is established are restricted to: the promotion of the efficiency of His Majesty's Armed Forces for the benefit of the public by fostering esprit de corps and raising morale of members of the Naval Service and the auxiliaries, in particular (but not by way of limitation) through promoting, encouraging participation in and providing or assisting in the provision of services, facilities and equipment for gliding and soaring; and to help young people towards responsible adulthood by encouraging valuable personal attributes and high standards of conduct in particular (but not by way of limitation) through gliding and soaring and related activities based on the customs of the Royal Navy.

Activities and achievements:

The Portsmouth Naval Gliding Centre (PNGC) was established as a Company Limited by Guarantee on 1 Sep 2012. The PNGC continued to meet its first objective by providing gliding and soaring experience for Service personnel and potential officer candidates. It meets its second primary objective by providing gliding opportunities for cadets, students and scout groups.

Financial Review:

Overall, the worth of PNGC Ltd had increased by £4.1K to £366.3K of which the bulk £320K (£392.5K less the provision of £72.5K) was represented by fixed assets. The bank holding of £53.4K easily covered liabilities of £24K but may be put under strain by site works planned for the coming year. It has been confirmed that a large repair expense in the coming year will be covered by the aircraft insurance policy.

Investment Policy:

No investments are held.

Financial Reserves Policy:

It is the policy of the trustees to maintain a level of income sufficient to meet the anticipated demands on its resources and to maintain a level of free reserves to ensure that the charity will be able to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The Board does not consider that it has sufficient reserves but hopes to increase the bank balance as normal flying operations have resumed.

Risk Assessment:

The major risks to which the Charity is exposed, as identified by the trustees, have been reviewed and systems established to mitigate those risks.

Public Benefit Statement:

This fund provides public benefit by assisting Service personnel more effectively perform their roles within the Armed Forces of the Crown. It does this by providing and supporting gliding and soaring recreational activities. This assistance enables Service personnel to face the challenges and danger associated with military service by developing and maintaining teamwork, spirit and attitude, and morale. As a result, the fund promotes the efficiency of the Armed Forces of the Crown by enhancing the Royal Navy's and Royal Marines' capability to undertake the roles demanded of it including the defence of the United Kingdom and its interests.

The trustees confirm that they have paid due regard to the Charity Commission of England and Wales's guidance on public benefit when deciding what activities the charity should undertake.

Signed on behalf of the Trustees

Signed on Original

T World

15 November 2023

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS TO THE TRUSTEES OF PORTSMOUTH NAVAL GLIDING CENTRE LTD

I report to the Trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

As the trustees of the Company (and its directors 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 under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts 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 Commissioners under section 145(5)(b) of the 2011 Act.

independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me any cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 130 of the 2011 Act or section 386 of the 2006 Act; or.
2. The accounts do not accord with those records; or.
3. the accounts do not comply with the requirements of Section 396 of the 2006 Act 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; and
4. have not been prepared, in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I confirm that there are no other matters to which your attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed on Original

Peter Nicholls, MBE, MAAT
PN Independent Examinations,
5 Nursery Road,
HAVANT,
Hampshire, PO9 3BG

Dated: 15 November 2023

PORTSMOUTH NAVAL GLIDING CENTRE LTD

BALANCE SHEET

31-Aug-23

31-Aug-22

ASSETS

<u>Fixed Assets</u>	<u>Note</u>			
Property - Aircraft	7	£ 328,117.30		£ 328,117.30
Property - Equipment	7	£ 64,425.18		£ 58,503.34
			£ 392,542.48	£ 386,620.64
<u>Current Assets</u>				
Stocks	8	£ 1,896.20		£ 400.00
Miscellaneous Debtors	9	£ 14,882.60		£ 14,400.00
Current Accounts		£ 53,416.65		£ 51,681.18
		<u>£ 70,195.45</u>		<u>£ 66,481.18</u>

LIABILITIES

Miscellaneous Creditors	10	£ 23,958.71		£ 15,885.81
		<u>£ 23,958.71</u>		<u>£ 15,885.81</u>
Net Current Assets			£ 46,236.74	£ 50,595.37
Net Assets			£ 438,779.22	£ 437,216.01
<u>Less Provisions</u>				
Liabilities to Grant Authorities			£ 72,500.00	£ 75,000.00
Net Assets			<u>£ 366,279.22</u>	<u>£ 362,216.01</u>

For year ended 31 August 2023 the company was entitled to exemption under section 477(2) of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibility for:

- (i) Ensuring the company keeps accounting records which comply with Section 386; and
- (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its profit and loss for the financial year in accordance with Section 393, and which otherwise comply with the requirements of the Companies Act relating to the accounts, so far as applicable to the company.

Approved by the Trustees on 15 November 2023 and signed on their behalf by:

Signed on Original

Tony World
Director and Trustee

STATEMENT OF FINANCIAL ACTIVITIES
For the twelve months to 31 August 2023

	Note	<i>Previous Year</i>
Income		
Voluntary Income	£ 16,600.00	£ -
Charitable Activities	£ 58,665.35	£ 66,248.18
Other Income	£ 3,156.00	£ 300.00
Total Income	3 <u>£ 78,421.35</u>	<u>£ 66,548.18</u>
Expenditure		
Charitable Activities	£ 74,358.14	£ 52,140.39
Total Expenditure	4 <u>£ 74,358.14</u>	<u>£ 52,140.39</u>
Net Income	£ 4,063.21	£ 14,407.79
Net Movement in Funds	£ 4,063.21	£ 14,407.79
Total Funds Brought Forward	£ 362,216.01	£ 347,808.22
Total Funds Carried Forward	<u>£ 366,279.22</u>	<u>£ 362,216.01</u>

Movement on all reserves and all recognised gains and losses are shown above

Notes to the Accounts dated 31 August 2023

Note 1 - Accounting policies

a. The financial statements are prepared under the historic cost convention (as modified by the revaluation of fixed asset investments) and in accordance with applicable accounting standards: Charities SORP 2019, UK Accounting Standards and the Charities Acts.

b. Company Status

The company is a charity limited by guarantee. The Trustees are named on page 3. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

c. Income

i. Donations are included in the Statement of Financial Activities (SOFA) when the PNGC becomes entitled to the donation or grant and it is reasonably certain that it will be received.

ii. Income from fund raising is reported gross in the SOFA

iii. Intangible income is not included in the accounts.

d. Expenditure and Liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the PNGC to the expenditure.

e. Assets

i. Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £100. They are valued at cost or a reasonable value on receipt.

ii. Aircraft depreciation is actioned by annual valuation of assets.

iii. Equipment depreciation is at 20% straight line per annum.

Note 2 - Investments None are held

Note 3 - Income

			Previous Year
<u>Voluntary Income</u>			
RNRMC Grant	£ 15,000.00	£ -	
RN Sports Lottery	£ 1,000.00	£ -	
Bursaries	£ 600.00	£ -	
	<u>£ 16,600.00</u>		£ -
<u>Charitable Activities</u>			
Flying Fees/Subscriptions	£ 49,580.89	£ 59,742.20	
Introductory Flights	£ 3,526.76	£ 3,455.98	
Hire of Equipment	£ 5,057.70	£ 3,050.00	
Misc Income	£ 500.00	£ -	
	<u>£ 58,665.35</u>		£ 66,248.18
<u>Other</u>			
Reduction In Grant Authority Liability	£ 2,500.00	£ -	
Gain on Sale	£ 656.00	£ 300.00	
	<u>£ 3,156.00</u>		£ 300.00
Total Income	<u>£ 78,421.35</u>		<u>£ 66,548.18</u>

Note 4 - Expenditure

			Previous Year
<u>Charitable Activities</u>			
Airfield Expenses	£ 8,000.00	£ 3,824.45	
Landing Fees	£ 539.00	£ 743.40	
BGA /LAA/CAA	£ 6,461.00	£ 2,266.00	
Clubhouse & General Expenses	£ 778.02	£ 57.03	
AvGas	£ 3,719.04	£ 6,490.41	
Glider Mainenance	£ 10,123.96	£ 2,613.50	
Tug Maintenance & Repair	£ 3,384.94	£ 3,647.16	
Motor Glider Maint & Repair & Fuel	£ 724.19	£ 6,007.37	
Ground Equipment Expenses	£ 4,033.00	£ 3,443.45	
Ground Fuel	£ 3,518.68	£ 1,356.83	
Equipment Hire	£ 393.47	£ 2,072.10	
Travel/Retrieve	£ 280.90	£ 259.70	
Radio Licences & Repairs	£ 20.00	£ 60.00	
Parachutes	£ 560.00	£ 720.00	
Log Books	£ 90.74	£ 162.74	
Insurance	£ 11,221.60	£ 5,000.00	
Victuals	£ -	£ 231.41	
Equipment Depreciation	£ 13,206.16	£ 3,196.66	
Course Expenses	£ 2,529.61	£ -	
Miscellaneous	£ -	£ 218.94	
<u>Governance Costs</u>			
Account Examination	£ 520.00	£ 500.00	
<u>Support Costs</u>			
Office Expenses	£ 933.76	£ 2,117.80	
Rent	£ 2,949.27	£ 7,048.74	
Bank & Card Charges	£ 370.80	£ 102.70	
	<u>£ 74,358.14</u>		<u>£ 52,140.39</u>
Total Expenditure	<u>£ 74,358.14</u>		<u>£ 52,140.39</u>

Note 5 - Paid Employees - None

Note 6 - Trustees and Other Related Parties

- a. No expenses or emoluments have been paid to the trustees
- b. There are no amounts due to or from the trustees.

Note 7 - Tangible Fixed Assets - Property Account

	Aircraft	Equipment
Valuation as at 1 Sep 22	£ 328,117.30	£ 58,503.34
Additions	£ -	£ 19,128.00
Depreciation	£ -	£ (13,206.16)
Valuation at 31 Aug 23	<u>£ 328,117.30</u>	<u>£ 64,425.18</u>

Note 8 - Stocks

Propane	£ 277.20
Diesel	£ 1,619.00
	<u>£ 1,896.20</u>

Note 9 - Debtors

Course Fees	£ 14,620.00
DIO Rent Prepaid	£ 262.60
	<u>£ 14,882.60</u>

Note 10 - Creditors - amounts falling due within one year

Glidex/Members' Accounts	£ 5,278.74
Insurance	£ 17,500.00
Trial Flights	£ 660.00
Account Examination	£ 520.00
	<u>£ 23,958.74</u>

Note 11 - Endowment or Restricted Income Funds

There are no restricted or designated funds.

Note 12 - Movements in Funds

<u>At 1 Sep 22</u>	Incoming	Outgoing	Change in Grant Liability	<u>At 31 Aug 23</u>
£362,216.01	£ 75,921.35	£ (74,358.14)	£ 2,500.00	£366,279.22

Note 13 - Other Information

- a. The fund does not have any material commitments not provided for in the accounts.
- b. The fund has not given any guarantees to any third party that could be called on at the year end.