



ARMY SAILING ASSOCIATION



Trustees' Annual Report and Financial Statement for the period 01 Nov 19 – 31 Oct 20

Reference and Administrative Information:

1. Charity Name: Army Sailing Association (ASA)
2. Principle Address: ASA
McKenzie Building
Fox Lines
Queens Lines
Aldershot
Hampshire
GU11 2LB
3. Charity Commission registered number: 1152679
4. Names of the Trustees who manage the Charity:

From	To	Name
01 Nov 19	31 Oct 20	Maj Gen N D Sexton BC
01 Nov 19	31 Oct 20	Brigadier (Retd) N Nottingham
01 Nov 19	31 Oct 20	Brigadier (Retd) A Jackson CBE
01 Nov 19	31 Oct 20	Col (Retd) D McCulloch
01 Nov 19	31 Oct 20	Col N Wilson
01 Nov 19	31 Oct 20	Lt Col AJ Fairs
01 Nov 19	31 Oct 20	Mr J Stevens
01 Nov 19	31 Oct 20	Cpl S Horsfield

Structure, Governance and Management

5. The Army Sailing Association became a Charitable Incorporated Organisation (CIO) from 01 Nov 13, governed by an amended Constitution dated 17 May 2013. The Constitution is supplemented by Rules and Bye-Laws that aid the management and conduct of the charity. The ASA has a management plan that is updated annually and approved by both the Trustees and Executive committee in Feb each year.
6. As stated in the Rules and Byelaws Para 4.6, the appointment of Admiral of the ASA is approved by the Flag Officers. The Commodore and other Flag Officers shall be proposed by the Admiral and approved by the Executive Committee.
7. As senior serving officers, some of the trustees have held ex-officio appointments as managing trustees of charitable funds. The Army offers regular courses and briefings on the role, duties and responsibilities of trustees and Charity Commission guidance is amplified in the Army's Service Fund Regulations.

Charity Object

8. The promotion of efficiency of the Armed Forces of the Crown by the provision and support of facilities and activities for the efficiency and well-being of personnel.
9. The Charity achieves its object in the following manner:
 - a. By encouraging sailing, including racing, amongst all ranks in the Army. In doing this, the ASA is accountable in two directions: it represents the interests of the membership of the Association and, also, it is appointed by the Army Board (through the Army Sport Control Board) as the authority, advisor and co-ordinator for the MOD (Army) of all sailing matters. In all matters the ASA shall seek to achieve a correct balance between the interests of its individual members and of its constituent clubs and, also, between the needs of recreational sailing, competitive sport and sail training.
 - b. By assisting Theatres and Commands in the establishment, maintenance and supervision, where appropriate, of Army sailing clubs world-wide.
 - c. By laying down and maintaining up-to-date regulations governing safety, coaching, competition rules and sailing qualifications.
 - d. By advising the Army Board on the best use of monies that become available to support Army Sailing.
 - e. By acting as a common voice for Army sailing in relationship to the Association of Service Yacht Clubs, the other Services, the MOD and the Royal Yachting Association (which is the national governing body for sailing). In particular, the ASA coordinates and administers the RYA National Training Schemes for sailing in the Army.

Summary of main achievements of the Charity during the year (2019-2020)

10. The global pandemic has taken its toll on activity levels across the ASA. With the usual seasonal shutdown in late autumn 2019 the COVID-19 restrictions introduced in Mar 2020 prevented any immediate restarting of sail racing or training. The continued combination of national lockdowns, dispersal of the force in order to protect core Defence outputs and the MOD's support to the government's pandemic response have all played a part in this reduced activity. Fortunately the brief lifting of national restrictions in the summer of 2020 did allow a partial restart of sailing with limited training and competition possible through the careful application of COVID-19 safe practices directed by the MOD and the RYA. The ASA was able to train around 200 personnel across dinghy sailing, windsurfing and kitesurfing and Army windsurfing and dinghy championships were also possible, albeit with reduced numbers of participants. The ASA's offshore racing team was able to run a reduced crew in some local inshore racing in the later summer which at least allowed the team to get used to sailing the new yacht. The ASA's sail training vessel was put to use in allowing soliders and officers to develop their skills with some weekday and weekend use. Eventually the combination of autumn and winter weather and the second wave of COVID-19 swiftly reduced activity back to little more than care and maintenance of facilities and equipment.

11. Though membership levels have remained constant the impact of the reduced income needed for operating the training centres due to closure has been significant, with the centres continuing to accrue their routine running costs while being closed. The centre managers have used all available avenues to reduce costs and it is expected that the ASA can afford to absorb these losses of income for a single year without recourse to the use of reserve funds. It is hoped that 2021 will allow a return to something resembling a normal year of activity both in outputs to service personnel and income generated otherwise the use of reserves will almost certainly be required. The early part of 2021 will be spent setting conditions for a return to a full season while tracking any government restrictions in place.

12. Looking ahead the Trustees will remain closely focused on keeping the ASA finances in order by balancing ambition and output with available funds so that delivery on the object can be met as soon as restrictions allow. The previously reported long-term location of the AOSC still remains a concern and is carried as a risk while contingency options continue to develop. A proposal to expand the AISTC has been considered but further work is required to ensure that the number of future users will match the aspiration, especially as the MOD's Integrated Review reports. Membership and participation remain critical to the ASA's purpose, with 2021 seeing a detailed review of membership, its demographic and the overall offer in order to help shape the future of the Association.

Financial Review

13. The ASA receives membership subscriptions from members and affiliation fees from local (Regimental and regional) sailing clubs. This is supplemented by investment income and profit from the sale of ASA and RYA items. Funding from income is made available to each discipline against management plans to promote activities in that discipline.

14. It also receives an operating grant for the Army's competitive teams from the Army Sports Control Board and other grants from the Army Central Fund and the Nuffield Trust for the Armed Forces for specific projects. Sponsorship has been raised through the Army Sport Control Board's sponsorship partner and continues to provide valuable income.

15. The ASA finances remain positive despite a heavy blow to income in 2020. Funds now need to stabilise as activity resumes, after the acquisition of the new racing yacht and the application of revised property and equipment values completed in 2019. Depreciation must also be applied this year in order to give a full assessment of the impact of the income reduction through 2020. The financial plan for the next five years delivers against the Objects of the Charity and reflects the ongoing viability of the ASA.

Future Plans

16. The ASA produces a rolling management and financial plan. This enables the Trustees to articulate a long term strategy, direct 5 year development objectives and set management tasks for the Flag Officers in the coming year. It includes an annual development and management action plan, individual sailing plans and the ASA financial plan to ensure that the strategy's objectives are matched by activities and resources. The ASA continues to investigate how inshore and offshore sailing opportunities can be improved for those based in the north of the Great Britain and in Northern Ireland.

Financial Reserves Policy

17. The seasonal nature of sailing activities and the cyclic nature of grant funding requires the ASA to maintain a reasonable level of financial reserves to maintain cash flow and support ongoing activities. Immediate cash requirements are held on deposit, with funds not immediately required but planned for future asset purchase, placed into investments.

18. The ASA holds reserves to mitigate for any potential reduced income from the ASCB for its operating grant, loss of sponsorship revenue and significant unplanned infrastructure or equipment costs. The reserve also enables the ASA to balance the longer-term risks of the rising operating costs and income generation from course fees for the AISTC and AOSC.

Investment Selection Policy

19. The trustees take a risk-averse view towards investments. Money is invested in the Common Investment Fund (CIF) and it is assessed that this is an appropriate means of maintaining both the worth of the investment and income to support activities and meets the requirements of Service Fund Regulations, The Trustees Act 2000 and the Charities Act 1993.

Public Benefit Statement

20. The ASA provides public benefit by assisting service personnel to more effectively perform their roles within the Armed Forces of the Crown. It does this by providing and supporting sporting activities. This assistance enables service personnel to face the challenges and danger associated with military service by developing and maintaining teamwork, skills, fitness, confidence, character, spirit and attitude, and morale. As a result, the fund promotes the efficiency of the Armed Forces of the Crown by enhancing the British Army's capability to undertake the roles demanded of it including the defence of the United Kingdom and its interests.

21. We confirm that we have paid due regard to the Charity Commission of England Wales's guidance on public benefit when deciding what activities the charity should undertake.

22. The Trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees



N D SEXTON
Maj Gen
Commodore



B J COOKE MBE
Lt Col
Treasurer

Independent examiner's report on the accounts

Section A: Independent Examiner's Report

Report to the trustees/
members of

Army Sailing Association

On accounts for the
year ended

31/10/2020

Charity number

1152679

Set out on pages

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/10/2020

Responsibilities and basis of report As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent
examiner's statement**

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

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

Signed:

Darren Warren
Darren Warren (Oct 12, 2021 14:28 GMT+1)

Date:

Oct 12, 2021

Name:

Darren Warren

**Relevant professional
qualification(s) or body
(if any):**

FMAAT

Address:

Paxton Independent Examiners

6 Alfred Street

Rushden. NN106YS

Charity Commission SOFA Report as at 31 October 2020

Charity No: 1152679
Army Sailing Association

	Unrestricted Funds	Restricted Income Funds	Endowment Funds	Total Funds	Prior Year Funds
	£	£	£	£	£
Income and endowments from:					
Donations and legacies	152,705	85,000	0	237,705	206,820
Charitable activities	376,740	0	0	376,740	181,596
Other trading activities	6,241	35,000	0	41,241	29,659
Investments	4,554	0	0	4,554	3,590
Separate material item of income	0	0	0	0	0
Other	831	0	0	831	33,980
Total	541,071	120,000	0	661,071	455,645
Expenditure on:					
Raising funds	19,890	0	0	19,890	29,606
Charitable activities	288,872	150,000	0	438,872	334,289
Separate material item of expense	0	0	0	0	0
Other	0	0	0	0	36,166
Total	308,763	150,000	0	458,763	400,061
Net income/(expenditure) before investment gains/(losses)	232,308	-30,000	0	202,308	55,584
Net gains/(losses) on investments	0	0	0	0	0
Extraordinary items	0	0	0	0	0
Transfers between funds	0	0	0	0	0
Gains/(losses) on revaluation of fixed assets	0	0	0	0	210,224
Net Movement in Funds	232,308	-30,000	0	202,308	265,808
 Total funds brought forward	 1,694,425	 30,000	 0	 1,724,425	 1,458,617
Total funds carried forward	1,926,733	0	0	1,926,733	1,724,425

Balance Sheet as at 31 Oct 20

Charity No: 1152679
Army Sailing Association

	Total Funds	Prior year Funds
Fixed assets		
Intangible assets	£0	£0
Tangible assets	£1,788,253	£1,688,296
Heritage assets	£0	£0
Investments	£97,604	£91,364
Total fixed assets	£1,885,857	£1,779,661
Current assets		
Stocks	£4,925	£4,964
Debtors	£4,113	£51,184
Investments	£0	£0
Cash at bank and in hand	£66,759	£57,843
Total current assets	£75,798	£113,991
Creditors: amounts falling due within one year	£34,921	£169,227
Net current assets/(liabilities)	£40,876	-£55,236
Total assets less current liabilities	£1,926,733	£1,724,425
Creditors: amounts falling due after more than one year	£0	£0
Provisions for liabilities	£0	£0
Total net assets or liabilities	£1,926,733	£1,724,425
Funds of the charity:		
Endowment funds	£0	£0
Restricted income funds	£0	£30,000
Unrestricted funds	£1,926,733	£1,694,425
Revaluation reserve	£0	£0
Total charity funds	£1,926,733	£1,724,425

Funds Movement

Fund Name	Fund balances brought forward	Income	Expenditure	Trasnsters	Gains and losses	Fund balances carried forward
General fund	1602215	271,756	14,074	-58,750	0	1829295
AISTC	-8827	91,861	-136,907	20,000	0	-33874
British Soldier	107137	111,464	-86,389	8,000	0	140212
Dinghies	-8553	0	-373	7,000	0	-1926
Kite Surfing	4131	7,006	-20,525	7,750	0	-1638
Offshore Sailing	681	58,984	-77,653	9,000	0	-8987
Windsurfing	-2361	0	-989	7,000	0	3650
Hull Replacement Fund	30000	120,000	-150000	0	0	0
Inshore Hull Replacement Fund	0	0	0	0	0	0
Totals	1,724,425	661,071	-458,763	0	0	1,926,733

Notes to the accounts:

1. Principal Accounting Policies

- a. **Accounting Convention.** The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the 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).
- b. **Incoming Resources.** Income is recognised in the period in which the charity is entitled to receipt, and the amount can be measured reasonable certainty. Grants from other agencies including donations and other income from activities are in furtherance of the charity's objects and are part of the general funds of the grant or donor.
- c. **Intangible Income.** Due to the close collaborative relationship and the manner in which the charity's activities complement those of the Army, intangible income, reflected in time and use of premises is not quantifiable or measurable and so is not recognised in the accounts.
- d. **Resources Expended and Basis of Allocation of costs.** Expenditure is included when incurred or exceptionally where a commitment is made which requires an accrual when payment is to be made in the subsequent accounting period. Similarly, where prepayments are made in the recognition of commitments falling due in a subsequent accounting period, the appropriate credit is entered in the accounts and reversed the following year. Grant payments are included in the SOFA when approved by the Trustees. Expenditure is recognised in the period in which it is incurred. The majority of costs are directly attributable to specific activities. Irrecoverable VAT is charged to the annual report and accounts.
- e. **Governance Costs.** Governance costs are the costs of professional advice, holding trustee meetings or committee meetings associated with decision making, any fee for audit or independent examination and any fee incurred in the preparation, statutory filing, printing or copying of the annual report and accounts.
- f. **Capitalisation and Depreciation of Tangible Fixed Assets.** All assets having a purchase value of more than £500 are capitalised. The cost of tangible fixed assets are written off by equal annual instalments over their expected useful lives using the following methods of depreciation:
- | | |
|-----------------------------------|---|
| Buidings | Straight line over a period of 25 years |
| Furniture, fixtures and equipment | Straight line over a period of 2 – 10 years |
| Yachts and boats | Straight line over a period of 2 - 10 years |
- Assets with a life of more than one year but with a purchase value of below £500 are included within the inventory but the cost is written off in the year it is incurred and is not depreciated over the useful life of the asset.
- g. **Fixed Asset Investment.** Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is shown in the SOFA.
- h. **Stocks.** Purchased stocks are valued at the lower cost or net realisable value making due allowance for any obsolete or slow-moving items.

i. **Funds Accounting.** Funds held by the charity are:

(1) **General Purpose/Unrestricted/Designated Funds.** These are funds that can be used in accordance with the charitable objects at the discretion of the Trustees. Designated funds are unrestricted funds which have been allocated/earmarked for a particular purpose by the Trustees and are declared in the Trustees' comments in accordance with Paragraph 12 to these notes stating what they are intended to be used for and when.

(2) **Endowment Funds.** Endowment funds are those investments and other gifts accepted by the unit, the capital sum or property being held in perpetuity and the income only being available for charitable use. The ASA currently has no endowment funds.

(3) **Restricted Funds.** These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

j. **Heritage Assets.** In the course of the ASA's history, the charity may have acquired gifts, memorabilia, regalia, silverware, antiques and other historical artefacts in the course of distinguished military service of the Crown. The value of these pieces is in large part derived from their close association with Army history which precludes the use of conventional valuation techniques being applied. Whilst the objects of the charity do not specifically include preservation and conservation, the pieces represent an essential element of celebrating the ASA's history and foster esprit-de-corps. Consequently the Trustees consider the charity to hold heritage assets both for functional use and as an element of national history on behalf of the nation. Heritage assets acquired prior to 1 Apr 06 are therefore not capitalised on the balance sheet but a description of those are recorded within the ASA property book. No heritage assets have been acquired since 1 Apr 06.

k. **Other Costs.** Other costs are those costs not incurred in the undertaking of charitable activity in furtherance of the objects of the charity, ie the provision of facilities, recreational programmes or activities in furtherance of military efficiency. They are also costs incurred in the making of grants and donations, in the costs of generating funds, ie the costs incurred in trading or fundraising undertaken by the charity, or in governance costs.

2. **Grants Made.** The charity has not made any grants or donations during the year.

3. **Related Party Transactions & Remuneration and Expenses.** Whilst the charity has a close working relationship with the Army, there are no transactions with the Army which require disclosure. The only transactions made by the charity in favour of the ASA are wholly attributable to the charitable activities of furthering military efficiency. The Trustees are senior Army officers or have other relevant experience and fulfil their role as trustees in accordance with the applicable laws and regulations. No expenses have been paid to the trustees.

4. Analysis of Capital Property.

	Buildings	Fixtures, fittings & Equipment	Yachts & Boats	Total
Balance b/f	1,116,000	33,319.58	538,976.47	1,688,296.05
Purchases			150,000	150,000
Revaluation			99,956.80	99,956.80
Depreciation				0.00
Balance c/f	1,116,000	33,319.58	788,932.80	1,938,252.85

5. Total Value of Investments by Category.

	Value (£)
Carrying value (market value at beginning of year)	91,364
Add additional to investments at cost (investments purchased)	0
Less disposals at carrying value (investments sold)	0
Add/(deduct) net gain/(loss) on revaluation (gain/loss at end of accounting period/audit)	6239.75
Carrying value (market value) at end of year	97,604.22

The Investments are held in unit trusts or other collective investments schemes and are categorised as GPF/unrestricted investments.

6. List of Debtors.

Debtor	Date of Debt	Amount
Army Sport Control Board	31/10/20	4,113.00
Total		4,113.00

Payment was received and processed from Fujitsu in Nov 2019 and related to sponsorship.

7. List of Creditors.

Creditor	Date of Credit	Amount
Army Sport Control Board	31/10/20	34,786.15
Maj Atkinson-Wiles		135.00
Total		34,921.15

8. **Paid Employees.** The ASA has no paid employees.

9. **Governance Costs.** There are no governance costs this year, until Paxton Independent Examiners have completed an independent examination of the accounts..

10. **Restricted Funds.** The ASA has two Restricted funds. These are the Offshore Hull Replacement (OHR) Fund and the Dinghy Hull Replacement (DHR) Fund. The sum in these funds represents proceeds from the sale of yachts, dinghies and windsurfers previously part-funded by grants from Nuffield Trust, ACF and other sources, and may only be used to assist in the funding of future replacement craft purchases.

11. **Heritage Assets.** Heritage Assets that are owned by the charity but purchased/acquired prior to 1 Apr 06 are not included in the charity's capital property value. A list/description of these assets is held by the ASA secretary and predominantly comprise cups and other trophies.

12. **Declarations.**

All of the charity's commitments are provided for in the accounts.

No guarantees have been given to third parties.

The charity has not received any loans that are outstanding at the year-end and secured on assets.

The charity has not granted any loans to institutions or companies connected with the charity.

The charity did not make any ex-gratia payments during the year.

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed.

The financial activities, assets and liabilities of all the charity's branches or sections have been included.

The Trustees have not changed the year end date or the length of the charity's financial year.

The ASA operates six designated funds to enable better management and control of the ongoing activities of the charity's object. These are:

- | | | |
|----|--|--|
| a. | Dinghy fund | To promote and develop dinghy sailing and racing. |
| b. | Offshore fund | To promote and develop offshore sailing and racing, including the Army Offshore Sailing Centre |
| c. | British Soldier | To run the Army racing yacht. |
| d. | Windsurfing | To promote and develop windsurfing. |
| e. | Kitesurfing | To promote and develop kitesurfing. |
| f. | Army Inshore sail Training Centre (South) | To manage the inshore sailing centre. |

All the charity's operations are continuing operations and there were not operations discounted or acquired during the year.

The charity has no intangible assets.

There were not inter-fund loans outstanding at the balance sheet date.

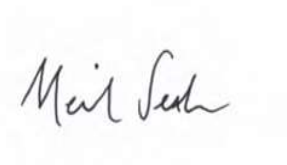
The charity has no subsidiary companies.

The charity has no material fixed assets which have not been capitalised and included in the balance sheet.

No internal transfers have occurred out of restricted funds, other than using funds in the hull replacement funds to assist in the purchase of new assets, with the prior agreement of the original donors of these funds.

All investments are held in investment assets in the UK unless otherwise stated.

These accounts were approved by the Trustees on 26 Feb 21 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Neil Sexton', written in a cursive style.

N D SEXTON CB
Maj Gen
Commodore

A handwritten signature in black ink, appearing to read 'BJ Cooke', written in a cursive style.

BJ COOKE MBE
Lt Col
Treasurer






Army Sailing Association IE

Final Audit Report

2021-10-12

Created:	2021-10-12
By:	Darren Warren (sales@paxtonsoftware.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA8RaHSjrfvmAZmpmQL-h3RYkjO01LsV7O

"Army Sailing Association IE" History

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