

Special Boat Service Association

(A charitable incorporated organisation)

Annual Report and Financial Statements Year Ended 31 March 2021

Company registration number: CE008612

Charity registration number: 1168876

Special Boat Service Association

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Special Boat Service Association

Reference and Administrative Details

Trustee

Mr R Corn

Principal Office

HQ Sqn
RM Poole
Hamworthy
Poole
Dorset
BH15 4NQ

Company Registration Number

CE008612

Charity Registration Number

1168876

Solicitors

Wilsons Solicitors LLP
4 Lincoln's Inn Fields
London
WC2A 3AA

Bankers

The Royal Bank of Scotland Plc
Holt's Military Banking
Lawrie House
Victoria Road
Farnborough
GU14 7NR

Auditor

PKF Francis Clark
Chartered Accountants and Statutory Auditors
Towngate House
2 - 8 Parkstone Road
Poole
Dorset
BH15 2PW

Special Boat Service Association

Trustee's Report

The Board of Trustees are pleased to present the annual report and accounts for the charity for the year ending 31 March 2021.

The financial statements have been prepared under the accounting policies set out in note 1 of the financial statements and comply with the charity's trust deed, applicable law and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

Our Principal Charitable Objectives

The main objectives of the Association as set out in the Constitution are:

(i) To promote the efficiency of the Special Boat Service by:

- Maintaining contact between serving and former members of the Service and providing for social gatherings for them;
- Fostering esprit de corps, comradeship and the welfare of the Service and perpetuating its deeds;
- Preserving the traditions of the Service including the practice of understatement, humility, and modesty;
- Perpetuating the memory of those members of the Service who have died in the service of their country;
- Assisting Service members or former members of the Service, their families, and dependants by the provision of facilities and services and by such other means as the Board shall from time to time determine.

(ii) To relieve members or former members of the Service or their dependants who are in need by virtue of financial hardship or sickness by:

- Making grants of money to them; or
- Providing or paying for goods, services, or facilities for them; or
- Making grants of money to other persons or bodies who provide goods, services, or facilities to those in need; or
- Provide advice and counselling to them during bereavement or injury or during times of crises or conflict.

(iii) To relieve members or former members of Allied Forces Units or their families and dependants, and the families or dependants of deceased members of such Units, who are in need by virtue of financial hardship or sickness, by such means as the Board shall from time to time determine.

Public benefit

The Association exists to provide a lifetime of support to the Special Boat Service, members of the Special Boat Service Association, and their dependants – by providing appropriate charitable assistance when public funding is unavailable. By improving morale and esprit de corps amongst members of the association, the support provided directly contributes to the quality of the Special Boat Service as a key component of the Nations Armed Forces, and thereby to the defence of the Nation.

In compiling this report, we have referred to the guidance contained in the Charity Commission's general guidance on public benefit and compiled the review of our aims and objectives to reflect how our activities deliver public benefit.

Special Boat Service Association

Trustee's Report

Achievements and performance

a. Review of achievements and performance

The Association has provided the following benefits to its members during this financial year and has secured funding to the construction of the Resilience and Recovery Centre commenced the tender process to select the contractor to deliver the project in the 2020/21 financial year.

Welfare

How we have helped and supported:

We have provided direct welfare support to: Serving Members - £43,000 Veterans - £257,000 Dependants - £36,000

Other projects we support: Dependants Health Care - £175,000 Families Fund - £30,000 Command Fund - £78,000 Operation Armour - £74,000 K9 Fund - £6,000 Community Centre - £45,000 WT Memorial - £32,000 Command Knife Project - £18,000

Reunions / Pilgrimages - £ 78,000

TOTAL: £ 872,000

Who and how we help

- ☐ **Veterans**
- ☐ **The Unit and their family**
- ☐ **Bereaved Families**
- ☐ **Children of Service**
- ☐ **Wounded Warriors**
- ☐ **Amenities**

Ongoing through life support to Veterans who have sustained life changing injuries during Service.

Various levels of support which are not limited to; counselling funding for long term illnesses, bereavement and marital support for Operators returning from deployment, as well as respite care to help families with children with disabilities and ongoing support to children affected by serving parents PTSD.

The Aviva Private Healthcare Scheme has proved to be a success to our serving members. The cover provides instant referrals and provides access to specialists. This gives an enhanced peace of mind for deployed operators knowing their families are receiving the best care.

Support offered to Bereaved Families operates on a case by case basis; examples of support are financial aid with funeral costs, wakes, memorial services and counselling.

The Association is continuing to help children via counselling and financial support for further education and coping with the loss of a loved one. The SBSA family is ever-growing increasing the need for child support.

The Unit's Operational Tempo is continuing to increase and the SBSA stands ready to support in any future injuries or casualties sustained in conflict.

Special Boat Service Association

Trustee's Report

Operation Armour

The Association continue to fund Operation Armour. Our total commitment is £450,000, a human performance imitative focused on Physical & Mental Resilience for Serving Members.

Our Amenities portfolio is continuing to be utilised by both Veterans and Serving Members. The SBSA now have 4 properties across England and Europe offering much needed R&R. The properties provide good value and quality respite holidays for Association Members and their families.

Structure, governance, and management

a. Constitution

The Association, which was incorporated as a charitable incorporated organisation in 2016, is governed by a constitution, which was approved by the Charity Commission on 23 August 2016. It is registered with the Charity Commission with charity number 1168876. The constitution is reviewed annually by the Board and is updated if required, following deliberation and confirmation of change by vote at the Annual General Meeting.

b. Method of appointment or election of Trustees

The composition and size of the Board of Trustees is reviewed regularly to assess the skills profile of the Board relevant to its requirement to meet the needs of the Charity. The Board is responsible for appointing trustees, who are recruited from as broad a network of personal contacts as possible, and who serve for one year, with re-election at the Annual General Meeting.

c. Policies adopted for the induction and training of Trustees

All new trustees are briefed on their responsibilities and their statutory obligations under charity law. In addition, all trustees are encouraged to attend appropriate trustee training courses, such as the one-day courses for the Chair, Investment Training for Trustees and Trustee Training Course. All trustees are given the opportunity to meet key members of staff.

d. Organisational structure and decision making

The Association is managed by a Board of Trustees, comprising of 14 trustees in total, of whom 2 are ex- officio and 12 are elected. The trustees receive no remuneration and elected members serve for 4 years, but can be re-elected at the Annual General Meeting. For security purposes and with the agreement of the Charity Commission, details of the Board of Trustees are only available from the Chief Executive Officer at the principal office.

The Trustees meet four times a year. The Trustees agree the strategy and areas of focus of activity on behalf of the Association, including consideration of fundraising, grant making, investments, reserve policy, risk management strategy and performance. The day-to-day administration and conduct of the Association is delegated to the Chief Executive Officer.

The Board is supported by the following committees, which have written terms of reference. These committees meet prior to the Board of Trustees Meeting to make recommendations concerning the extension, cessation or suspension of grants, activities and resources towards their directed tasks:

- Investment
- Finance
- Welfare & Grant making

Special Boat Service Association

Trustee's Report

- Fundraising
- Governance
- Membership
- Trustee Nomination

e. Welfare and Grant making policy

During Trustees meetings, trustees will consider welfare grants to the fund of over £50,000. The CEO has delegated authority to make individual welfare grants of up to £5,000 and financial delegation to enable him to carry out the general management and day to day business of the charity, in accordance with the approved annual budget as agreed by the Board. The Chairman of Trustees and CEO acting together has delegated authority to approve welfare grants of more than £5,000 but less than £10,000. The Grants committee has delegated authority to approve individual welfare grants of more than £10,000 but less than £50,000. Any bids falling outside of these parameters may be considered for approval by a quorum of at least five Trustees as and when they are received.

f. Related party relationships

The Association continues to maintain active links with similar and like-minded Service and civilian charities.

g. Risk management

The Board of Trustees has assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the Association and are satisfied that systems are in place to mitigate exposure to major risks. The Association maintains two Insurance Policies; Employers and Public Liability and Accidental Death Policy which are reviewed annually. The majority of capital is invested with Cazenove Capital Management and the performance and monitoring of this investment is conducted by the Investment committee on a regular basis.

h. Reserves policy

The Trustees have reviewed the level of free reserves available to use for charitable activities. Free reserves are unrestricted general funds that have not been designated and total £1,895,072 (2020: £1,821,805) The Trustees have designated a Lifetime care fund which will maintain 3 years of financial help to current long term wounded, injured and sick members. This designated fund is based on the required care for known obligations to care for members. It is difficult to quantify the financial impact of unknown obligations to support members' future needs. However, the Trustees are satisfied that Current free reserves are sufficient to allow the charity to continue to operate and manage future obligations as they occur. The current fund value is £2,031,600.

During the previous financial year, the Trustees created a new designated fund called Operations Costs Fund, with the purpose that any investment income earned from this fund would go towards the running costs of the charity and cover some operational costs. The agreed value of this fund is £6,000,000 (2020: £3,000,000).

i. Financial review

The Association relies on income from donations, fundraising and investment income. The majority of its funds are invested with Schrodors (Cazenove Capital Management). The portfolio provides a monthly income of £15k and capital growth.

Special Boat Service Association

Trustee's Report

For the year ending 31st March 2021, the wholly owned subsidiary Frankton Trading Ltd accounts have been consolidated into the Associations financial records.

The net increase (decrease) in funds of £1,521,913 (2020: (£702,070)) comprises the surplus of income over expenditure of £387,212 (2020: (£28,870)), plus other gains (losses) of £1,134,701 (2020: (£673,200)). Within the cash at bank figure the association holds £414,974 (2020: £429,858) with Cazenove as an immediate cash reserve account.

The charity has continued with its Fundraising Campaign, which aims to continue until we raise sufficient funds for the SBSA to be in a position to provide long term financial assistance and support to SBSA Members and their dependants; and to increase the General Fund with the long term aim to become self-sufficient from capital investment The Association has raised £1,608,152 (2020: £1,689,951) during the reporting period.

The Association has continued to identify welfare cases and provided support to them. In addition a Dependants Healthcare Private Insurance Policy for serving members immediate family members which was initiated in December 2011 and remains in place. During the period of the accounts, the direct charitable expenditure was £1,636,706 (2020: £1,982,681), which includes welfare, memorials and funeral expenditure of £698,456 (2020: £1,056,422).

At the end of the financial year, the Board judged that the Charity holds sufficient funds to meet its obligations, and the trustees are satisfied with the result for the year. There have been no changes in accounting policies.

The Trustees are monitoring closely the impact that COVID-19 will have on the charity's income, both fundraising and dividend income and believe the short to medium term impact on liquidity will not affect the ability of the charity to fulfil its aims and commitments. The Board are satisfied that the Association will continue to be a going concern for the 12 months following the approval of these financial statements.

j. Investment policy

The Trustees delegated the management of the Associations Capital Fund to Schrodgers (Cazenove Capital Management). The investment Policy of this portfolio is to produce a balance between income and capital growth, to generate a 'total return'. The capital investment is categorised as a Specialist - Progressive attitude to risk.

Disclosure of information to auditor

The member has taken steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The member confirms that there is no relevant information that he knows of and of which he knows the auditor is unaware.

The annual report was approved by a trustee of the charity on 14/10/21 and signed on its behalf by:


.....
Mr R. Corn
Trustee

Special Boat Service Association

Statement of Trustee's Responsibilities

The Trustees (who are also the directors for the purposes of company law) are responsible for preparing the trustee's report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable incorporated organisation and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and 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 charitable incorporated organisation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable incorporated organisation's transactions and disclose with reasonable accuracy at any time the financial position of the charitable incorporated organisation 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 charitable incorporated organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by a trustee of the charity on 14/10/21 and signed on its behalf by:


.....
Mr R Corn
Trustee

Special Boat Service Association

Independent Auditor's Report to the Members of Special Boat Service Association

Opinion

We have audited the financial statements of Special Boat Service Association (the 'charitable parent') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2021 and of the group's results 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 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 Charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Special Boat Service Association

Independent Auditor's Report to the Members of Special Boat Service Association

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.

Opinion 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 and Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and Trustee's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable incorporated organisation and its environment obtained in the course of the audit, we have not identified material misstatements in the and the Trustee's Report.

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

- adequate accounting records have not been kept by the parent charitable incorporated organisation, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable incorporated organisation financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustee

As explained more fully in the Statement of Trustee's Responsibilities (set out on page 7), the trustees 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Special Boat Service Association

Independent Auditor's Report to the Members of Special Boat Service Association

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:

As part of our audit planning, we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. We gained an understanding of the Charity and the sector in which the Charity operates as part of this assessment to identify the key laws and regulations affecting the Charity. As part of this, we reviewed the Charity's website for an indication of any regulations in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were Charity legislation, health and safety regulations and breaches of The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Charities SORP - FRS 102.

We discussed with management and trustees how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the Charity complies with laws and regulations and deals with reporting any issues if they arise. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Charity's ability to continue trading and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and trustees regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries we also discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.
- Reviewed filings with the Charity Commission and whether there were any serious incident reports made during the year, of which there were none.
- Discussed with management if any health and safety incidents have been recorded during the year, of which there were none.
- Review of the GDPR policy and enquiries to management as to the occurrence of any reportable breaches, of which there were none.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance, of which there were none.
- Reviewed Board minutes.

Special Boat Service Association

Independent Auditor's Report to the Members of Special Boat Service Association

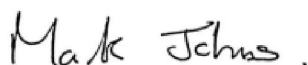
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewed estimates and judgements made in the accounts for any indication of bias, of which there were none.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable parent members 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 group'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 parent and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Johns FCA FCCA (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Chartered Accountants and Statutory Auditors
Towngate House
2 - 8 Parkstone Road
Poole
Dorset
BH15 2PW

Date: 28 October 2021

Special Boat Service Association

Consolidated Statement of Financial Activities

Year Ended 31 March 2021

(Including Consolidated Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	2	153,193	92,070	245,263
Other trading activities	3	1,734,842	-	1,734,842
Investment income	4	320,321	-	320,321
Other income		44,500	-	44,500
Total income		2,252,856	92,070	2,344,926
Expenditure on:				
Raising funds	5	(321,008)	-	(321,008)
Charitable activities	6	(1,480,508)	(156,198)	(1,636,706)
Total expenditure		(1,801,516)	(156,198)	(1,957,714)
Net income/(expenditure)		451,340	(64,128)	387,212
Transfers between funds		2,534,076	(2,534,076)	-
Other recognised gains and losses				
Other gains/losses	15	1,112,032	22,669	1,134,701
Net movement in funds		4,097,448	(2,575,535)	1,521,913
Reconciliation of funds				
Total funds brought forward		7,284,677	3,837,761	11,122,438
Total funds carried forward	20	11,382,125	1,262,226	12,644,351

Special Boat Service Association

Consolidated Statement of Financial Activities

Year Ended 31 March 2021

(Including Consolidated Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	452,956	127,593	580,549
Other trading activities	3	1,807,170	-	1,807,170
Investment income	4	253,260	-	253,260
Total income		2,513,386	127,593	2,640,979
Expenditure on:				
Raising funds	5	(687,169)	-	(687,169)
Charitable activities	6	(1,974,490)	(8,190)	(1,982,680)
Total expenditure		(2,661,659)	(8,190)	(2,669,849)
Net (expenditure)/income		(148,273)	119,403	(28,870)
Transfers between funds		(1,099,295)	1,099,295	-
Other recognised gains and losses				
Other gains/losses	15	(662,843)	(10,357)	(673,200)
Net movement in funds		(1,910,411)	1,208,341	(702,070)
Reconciliation of funds				
Total funds brought forward		9,195,088	2,629,420	11,824,508
Total funds carried forward	20	7,284,677	3,837,761	11,122,438

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 20.

Special Boat Service Association

Consolidated Balance Sheet

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	16,860	8,309
Tangible assets	13	2,851,889	323,958
Heritage assets	14	17,500	17,500
Investments	15	9,813,334	9,995,024
		<u>12,699,583</u>	<u>10,344,791</u>
Current assets			
Stocks	16	100,189	139,535
Debtors	17	408,441	706,547
Cash at bank and in hand		802,913	604,186
		<u>1,311,543</u>	<u>1,450,268</u>
Creditors: Amounts falling due within one year	18	<u>(1,366,775)</u>	<u>(672,621)</u>
Net current (liabilities)/assets		<u>(55,232)</u>	<u>777,647</u>
Net assets		<u>12,644,351</u>	<u>11,122,438</u>
Funds of the group:			
Restricted funds		1,262,226	3,837,761
Unrestricted income funds			
Unrestricted funds		<u>11,382,125</u>	<u>7,284,677</u>
Total funds	20	<u>12,644,351</u>	<u>11,122,438</u>

The financial statements on pages 12 to 40 were approved by the trustees, and authorised for issue on 14/10/21 and signed on their behalf by:

.....

 Mr R Corn
 Trustee

Company Registration Number: CE008612

Special Boat Service Association

Balance Sheet

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	16,860	8,309
Tangible assets	13	2,851,577	321,642
Heritage assets	14	17,500	17,500
Investments	15	9,813,335	9,995,025
		<u>12,699,272</u>	<u>10,342,476</u>
Current assets			
Stocks	16	44,581	82,572
Debtors	17	463,032	764,176
Cash at bank and in hand		795,165	592,043
		<u>1,302,778</u>	<u>1,438,791</u>
Creditors: Amounts falling due within one year	18	<u>(1,357,085)</u>	<u>(658,390)</u>
Net current (liabilities)/assets		<u>(54,307)</u>	<u>780,401</u>
Net assets		<u>12,644,965</u>	<u>11,122,877</u>
Funds of the charity:			
Restricted funds		1,262,226	3,837,761
Unrestricted income funds			
Unrestricted funds		<u>11,382,739</u>	<u>7,285,116</u>
Total funds	20	<u>12,644,965</u>	<u>11,122,877</u>

The financial statements on pages 12 to 40 were approved by the trustees, and authorised for issue on 14/10/21 and signed on their behalf by:

.....
Mr R Corn
Trustee

Company Registration Number: CE008612

Special Boat Service Association

Consolidated Statement of Cash Flows

Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income/(expenditure)		1,521,913	(702,070)
Adjustments to cash flows from non-cash items			
Depreciation	5	36,357	36,802
Amortisation	5	3,625	683
Investment income	4	(320,321)	(253,260)
Revaluation of investments		(1,134,701)	673,200
		106,873	(244,645)
Working capital adjustments			
Decrease/(increase) in stocks	16	39,346	(38,781)
Decrease/(increase) in debtors	17	298,106	(117,253)
Increase in creditors	18	589,202	338,768
Increase in deferred income		104,952	66,080
Net cash flows from operating activities		1,138,479	4,169
Cash flows from investing activities			
Interest receivable and similar income	4	5,173	25,676
Purchase of intangible fixed assets	12	(12,176)	(8,992)
Purchase of tangible fixed assets	13	(2,570,690)	(242,836)
Sale of tangible fixed assets		50,900	-
Purchase of investments		(814,267)	(2,196,621)
Sale of investments		2,086,160	949,268
Income from dividends	4	315,148	227,584
Net cash flows from investing activities		(939,752)	(1,245,921)
Net increase/(decrease) in cash and cash equivalents		198,727	(1,241,752)
Cash and cash equivalents at 1 April		604,186	1,845,938
Cash and cash equivalents at 31 March		802,913	604,186

All of the cash flows are derived from continuing operations during the above two periods.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Charities Act 2011.

Basis of preparation

Special Boat Service Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2021.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus for the financial year of £1,522,088 (2020 - deficit of £701,631).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Inter-company transactions, balances, and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised on a receivable basis when receipt is probable, and the amount can be reliably measured.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Donated services and facilities

The Ministry of Defence provides support in the form of utilities, services, buildings, grounds, and maintenance. The trustees are unable to precisely ascertain the cost of this provision but estimate the value based on the cost of purchasing such services externally. These amounts are recognised as intangible income and expenditure in the statement of financial activities. The income is within voluntary income (gifts in kind) and the equal expenditure is within costs of generating voluntary income.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Investment income

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight-line basis over their estimated useful lives.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Heritage assets

Heritage assets include a work of art, which is included in the balance sheet at cost. In addition, the Association holds a collection of memorabilia displayed or available in the SBSA office. These assets are not capitalised as to obtain a valuation would not be cost effective and too onerous for the Association.

Expenditure, which in the Trustees' view, is required to preserve or clearly prevent further deterioration of individual collection items is recognised in the Income and Expenditure account when it is incurred.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Website	20% straight line

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	20% - 33% straight line
Static homes	20% straight line
Respite accommodation and accessories	10% - 20% straight line
Asset under construction	no depreciation

Impairment of fixed assets

Impairment reviews are carried out on a periodic basis. If an asset is found to have a carrying value materially higher than its recoverable amount it is written down accordingly.

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Concessionary loans

Concessionary loans include those receivable from third parties which are interest free or below market rates and are made to advance charitable purposes. All loans are measured at cost, less impairment.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow-moving stocks. Cost is determined using the first-in, first-out (FIFO).

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the group.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

2 Income from donations and legacies

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds	2021	2020
		£	£	£
Donations and legacies;				
Donations from individuals	25,845	92,070	117,915	467,414
Legacies	50,000	-	50,000	23,695
Gift aid reclaimed	77,348	-	77,348	89,440
	153,193	92,070	245,263	580,549

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

3 Income from other trading activities

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Trading income;			
Sales of goods and services	26,967	26,967	24,243
Local fundraising and street collection income	1,581,185	1,581,185	1,665,708
Membership subscriptions	1,000	1,000	950
Income from trading subsidiary	125,690	125,690	116,269
	<u>1,734,842</u>	<u>1,734,842</u>	<u>1,807,170</u>

4 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Income from dividends;			
Dividends receivable from other listed investments	315,148	315,148	227,584
Interest receivable and similar income;			
Other interest receivable	5,173	5,173	25,676
	<u>320,321</u>	<u>320,321</u>	<u>253,260</u>

5 Expenditure on raising funds

a) Costs of generating donations and legacies

		Unrestricted funds		
	Note	General	Total	Total
		£	2021	2020
			£	£
Fundraising		<u>208,116</u>	<u>208,116</u>	<u>598,997</u>

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

b) Costs of trading activities

	Unrestricted funds		
	General	Total	Total
Note	£	2021	2020
		£	£
Trading subsidiary costs	112,892	112,892	88,172
	112,892	112,892	88,172

6 Expenditure on charitable activities

	Total	Total
	2021	2020
	£	£
Welfare and funerals	410,217	427,958
Memorials	8,279	11,335
Gifts and grants	210,255	482,284
Grant repayments	107,691	-
Reunions and pilgrimages	69,705	134,845
Operational costs	269,225	384,139
Investment management fees	45,643	46,956
Motor and static home expenses	18,593	37,150
Staff costs (see analysis below)	444,120	408,238
Depreciation and amortisation	37,978	35,480
Governance costs (see note below)	15,000	14,295
	1,636,706	1,982,680

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Analysis of staff costs

	Total 2021 £	Total 2020 £
Wages, salaries, and pensions (Admin)	62,277	50,880
National insurance (Admin)	5,671	4,979
Wages, salaries, and pensions (Fundraising)	153,398	158,859
National insurance (Fundraising)	16,594	16,932
Wages, salaries, and pensions (Governance)	21,815	26,595
National insurance (Governance)	3,023	3,175
Wages, salaries, and pensions (Welfare)	164,286	132,704
National insurance (Welfare)	17,056	14,114
	<u>444,120</u>	<u>408,238</u>

In accordance with the charitable objective 'to relieve members or former members of the Service or their dependants who are in need by virtue of financial hardship or sickness', grants of £210,255 (2020: £482,284) have been made to individuals during the year.

7 Analysis of Governance costs

	Unrestricted funds	Total 2021 £	Total 2020 £
	General £		
Audit fees			
Audit of the financial statements	12,360	12,360	12,000
Other fees paid to auditors	2,640	2,640	2,000
Trustee remuneration and expenses	-	-	295
	<u>15,000</u>	<u>15,000</u>	<u>14,295</u>

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021	2020
	£	£
Audit fees	12,360	12,000
Other non-audit services	2,640	2,000
Depreciation of fixed assets	36,357	36,802
Amortisation of goodwill	3,625	683

9 Trustee remuneration and expenses

During the year the group made the following transactions with trustees.:

£Nil (2020: £295) of travel expenses were reimbursed to the trustees during the year.

No trustee, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	£	£
Staff costs during the year were:		
Wages and salaries	382,125	354,990
Social security costs	42,344	39,200
Pension costs	19,651	14,048
	444,120	408,238

The monthly average number of persons (including senior management team) employed by the group during the year was as follows:

	2021	2020
	No	No
Employees	10	9

The number of employees whose emoluments fell within the following bands was:

	2021	2020
	No	No
£70,001 - £80,000	1	1

The total employee benefits of the key management personnel of the group were £78,013 (2020 - £74,631).

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

11 Taxation

The group is a registered charity and is therefore exempt from taxation.

12 Intangible fixed assets

Group and charity

	Website £	Total £
Cost		
At 1 April 2020	8,992	8,992
Additions	12,176	12,176
At 31 March 2021	21,168	21,168
Amortisation		
At 1 April 2020	683	683
Charge for the year	3,625	3,625
At 31 March 2021	4,308	4,308
Net book value		
At 31 March 2021	16,860	16,860
At 31 March 2020	8,309	8,309

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

13 Tangible fixed assets

Group

	Static home £	Office equipment £	Kayaks £	Asset under construction £	Total £
Cost					
At 1 April 2020	144,571	25,979	23,723	231,530	425,803
Additions	-	7,824	-	2,562,866	2,570,690
Disposals	(46,000)	-	-	-	(46,000)
At 31 March 2021	98,571	33,803	23,723	2,794,396	2,950,493
Depreciation					
At 1 April 2020	86,450	9,849	5,548	-	101,847
Charge for the year	25,056	8,929	2,372	-	36,357
Eliminated on disposals	(39,600)	-	-	-	(39,600)
At 31 March 2021	71,906	18,778	7,920	-	98,604
Net book value					
At 31 March 2021	26,665	15,025	15,803	2,794,396	2,851,889
At 31 March 2020	58,121	16,130	18,175	231,530	323,956

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

13 Tangible fixed assets continued

Charity

	Static home £	Office equipment £	Kayaks £	Asset under construction £	Total £
Cost					
At 1 April 2020	144,571	21,659	23,723	231,530	421,483
Additions	-	7,824	-	2,562,866	2,570,690
Disposals	(46,000)	-	-	-	(46,000)
At 31 March 2021	98,571	29,483	23,723	2,794,396	2,946,173
Depreciation					
At 1 April 2020	86,450	7,845	5,548	-	99,843
Charge for the year	25,056	6,925	2,372	-	34,353
Eliminated on disposals	(39,600)	-	-	-	(39,600)
At 31 March 2021	71,906	14,770	7,920	-	94,596
Net book value					
At 31 March 2021	26,665	14,713	15,803	2,794,396	2,851,577
At 31 March 2020	58,121	13,814	18,175	231,530	321,640

14 Heritage assets

Group and charity

	Art £	Total £
Cost		
At 1 April 2020	17,500	17,500
At 31 March 2021	17,500	17,500
Net book value		
At 31 March 2021	17,500	17,500

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

15 Fixed asset investments

Group

	2021 £	2020 £
Other investments	9,813,334	9,995,024

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 April 2020	9,995,024	9,995,024
Revaluation	1,134,701	1,134,701
Additions	814,267	814,267
Disposals	(2,130,658)	(2,130,658)
At 31 March 2021	9,813,334	9,813,334
Net book value		
At 31 March 2021	9,813,334	9,813,334
At 31 March 2020	9,995,024	9,995,024

Charity

	2021 £	2020 £
Shares in group undertakings and participating interests	1	1
Other investments (see analysis above)	9,813,334	9,995,024
	9,813,335	9,995,025

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
Additions	1	1
At 31 March 2021	1	1
Net book value		
At 31 March 2021	1	1

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Subsidiaries

The loss for the financial period of Frankton Trading Limited was £175 (2020 - £439) and the aggregate amount of capital was reserves at the end of the period was £-614 (2020 - £-439).

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
Subsidiary undertakings					
Frankton Trading Limited	England	ordinary	0%	100%	running a shop in Hamworthy

16 Stock

	2021 £	Group 2020 £	2021 £	Charity 2020 £
Stocks	100,189	139,535	44,581	82,572

17 Debtors

	2021 £	Group 2020 £	2021 £	Charity 2020 £
Due from group undertakings	-	-	55,543	58,628
Prepayments	22,863	206,336	21,911	205,337
Accrued income	6,000	121,876	6,000	121,876
Other debtors	379,578	378,335	379,578	378,335
	408,441	706,547	463,032	764,176

Group debtors includes £300,000 (2020: £300,000) receivable after more than one year.

Charity debtors includes £355,543 (2020: £358,629) receivable after more than one year.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

18 Creditors: amounts falling due within one year

	2021	Group 2020	2021	Charity 2020
	£	£	£	£
Other taxation and social security	12,098	14,293	11,735	12,762
Other creditors	130,516	16,625	130,516	16,625
Pension scheme creditor	2,354	2,146	2,354	2,146
Accruals	1,017,825	540,527	1,008,825	527,827
Deferred income	203,982	99,030	203,655	99,030
	<u>1,366,775</u>	<u>672,621</u>	<u>1,357,085</u>	<u>658,390</u>

19 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £19,651 (2020 - £14,048). Contributions totalling £2,354 (2020: £2,146) were payable to the scheme at the end of the year and are included in creditors.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

20 Funds

Group

Unrestricted funds

General

Unrestricted general fund

Designated

Toby Gutteridge fund

Lifeline Care fund

Resilience fund

Welfare staff salary fund

Rehabilitation Centre fund

Operational Costs fund

WT Memorial fund

Total unrestricted funds

Restricted funds

Families Centre fund

Help for Heroes

Memorial Garden

Individuals donation fund

Rehabilitation Centre fund

Resilience Building fund

Command Dagger fund

Esprit De Corps

Armed Forces Covenant

K9 fund

Total restricted funds

Total funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
Unrestricted funds						
<i>General</i>						
Unrestricted general fund	1,821,366	2,198,532	(1,678,582)	(1,558,890)	1,112,032	1,894,458
<i>Designated</i>						
Toby Gutteridge fund	300,000	-	-	-	-	300,000
Lifeline Care fund	2,031,600	-	-	-	-	2,031,600
Resilience fund	121,711	31,754	(98,559)	92,966	-	147,872
Welfare staff salary fund	-	-	-	500,000	-	500,000
Rehabilitation Centre fund	-	-	-	500,000	-	500,000
Operational Costs fund	3,000,000	-	-	3,000,000	-	6,000,000
WT Memorial fund	10,000	22,570	(24,375)	-	-	8,195
	5,463,311	54,324	(122,934)	4,092,966	-	9,487,667
Total unrestricted funds	7,284,677	2,252,856	(1,801,516)	2,534,076	1,112,032	11,382,125
Restricted funds						
Families Centre fund	11,024	-	-	-	-	11,024
Help for Heroes	108,241	27	(108,268)	-	-	-
Memorial Garden	-	8,950	-	-	-	8,950
Individuals donation fund	92,329	-	-	-	22,669	114,998
Rehabilitation Centre fund	3,326,167	73,728	-	(2,575,686)	-	824,209
Resilience Building fund	250,000	-	-	-	-	250,000
Command Dagger fund	-	9,065	-	-	-	9,065
Esprit De Corps	-	-	(10,000)	10,000	-	-
Armed Forces Covenant	-	-	(31,610)	31,610	-	-
K9 fund	50,000	300	(6,320)	-	-	43,980
	3,837,761	92,070	(156,198)	(2,534,076)	22,669	1,262,226
Total restricted funds	11,122,438	2,344,926	(1,957,714)	-	1,134,701	12,644,351

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Unrestricted funds						
<i>General</i>						
Unrestricted general fund	6,653,447	2,504,668	(2,627,941)	(4,045,965)	(662,843)	1,821,366
<i>Designated</i>						
Toby Gutteridge fund	300,000	-	-	-	-	300,000
Lifetime Care fund	2,031,600	-	-	-	-	2,031,600
Resilience fund	185,041	-	-	(63,330)	-	121,711
Bowra 1000	25,000	8,718	(33,718)	-	-	-
Operational Costs fund	-	-	-	3,000,000	-	3,000,000
WT Memorial fund	-	-	-	10,000	-	10,000
	2,541,641	8,718	(33,718)	2,946,670	-	5,463,311
Total unrestricted funds	9,195,088	2,513,386	(2,661,659)	(1,099,295)	(662,843)	7,284,677
Restricted funds						
Families Centre fund	11,024	-	-	-	-	11,024
Help for Heroes	110,100	81	(1,940)	-	-	108,241
Memorial Garden	172,488	77,512	-	(250,000)	-	-
Individuals donation fund	99,094	-	-	3,592	(10,357)	92,329
Rehabilitation Centre fund	2,230,464	-	-	1,095,703	-	3,326,167
Resilience Building fund	-	-	-	250,000	-	250,000
A I Education fund	6,250	-	(6,250)	-	-	-
K9 fund	-	50,000	-	-	-	50,000
	2,629,420	127,593	(8,190)	1,099,295	(10,357)	3,837,761
Total restricted funds	11,824,508	2,640,979	(2,669,849)	-	(673,200)	11,122,438

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Charity

Unrestricted funds

General

Unrestricted general fund

Designated

Toby Gutteridge fund

Lifeline Care fund

Resilience fund

Welfare staff salary fund

Rehabilitation Centre fund

Operational Costs fund

WT Memorial fund

Total unrestricted funds

Restricted funds

Families Centre fund

Help for Heroes

Memorial Garden

Individuals donation fund

Rehabilitation Centre fund

Resilience Building fund

Command Dagger fund

Esprit De Corps

Armed Forces Covenant

K9 fund

Total restricted funds

Total funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
Unrestricted funds						
<i>General</i>						
Unrestricted general fund	1,821,805	2,079,815	(1,559,690)	(1,558,890)	1,112,032	1,895,072
<i>Designated</i>						
Toby Gutteridge fund	300,000	-	-	-	-	300,000
Lifeline Care fund	2,031,600	-	-	-	-	2,031,600
Resilience fund	121,711	31,754	(98,559)	92,966	-	147,872
Welfare staff salary fund	-	-	-	500,000	-	500,000
Rehabilitation Centre fund	-	-	-	500,000	-	500,000
Operational Costs fund	3,000,000	-	-	3,000,000	-	6,000,000
WT Memorial fund	10,000	22,570	(24,375)	-	-	8,195
	5,463,311	54,324	(122,934)	4,092,966	-	9,487,667
Total unrestricted funds	7,285,116	2,134,139	(1,682,624)	2,534,076	1,112,032	11,382,168
Restricted funds						
Families Centre fund	11,024	-	-	-	-	11,024
Help for Heroes	108,241	27	(108,268)	-	-	-
Memorial Garden	-	8,950	-	-	-	8,950
Individuals donation fund	92,329	-	-	-	22,669	114,998
Rehabilitation Centre fund	3,326,167	73,728	-	(2,575,686)	-	824,209
Resilience Building fund	250,000	-	-	-	-	250,000
Command Dagger fund	-	9,065	-	-	-	9,065
Esprit De Corps	-	-	(10,000)	10,000	-	-
Armed Forces Covenant	-	-	(31,610)	31,610	-	-
K9 fund	50,000	300	(6,320)	-	-	43,980
	3,837,761	92,070	(156,198)	(2,534,076)	22,669	1,262,226
Total restricted funds	11,122,877	2,226,209	(1,838,822)	-	1,134,701	12,644,965

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Unrestricted funds						
<i>General</i>						
Unrestricted general fund	6,653,447	2,416,936	(2,476,440)	(4,109,295)	(662,843)	1,821,805
<i>Designated</i>						
Toby Gutteridge fund	300,000	-	-	-	-	300,000
Lifetime Care fund	2,031,600	-	-	-	-	2,031,600
Resilience fund	185,041	-	(63,330)	-	-	121,711
Bowra 1000	25,000	8,718	(33,718)	-	-	-
Operational Costs fund	-	-	-	3,000,000	-	3,000,000
WT Memorial fund	-	-	-	10,000	-	10,000
	2,541,641	8,718	(97,048)	3,010,000	-	5,463,311
Total Unrestricted funds	9,195,088	2,425,654	(2,573,488)	(1,099,295)	(662,843)	7,285,116
Restricted funds						
Families Centre fund	11,024	-	-	-	-	11,024
Help for Heroes	110,100	81	(1,940)	-	-	108,241
Memorial Garden	172,488	77,512	-	(250,000)	-	-
Individuals donation fund	99,094	-	-	3,592	(10,357)	92,329
Rehabilitation Centre fund	2,230,464	-	-	1,095,703	-	3,326,167
Resilience Building Fund	-	-	-	250,000	-	250,000
A I Education fund	6,250	-	(6,250)	-	-	-
K9 fund	-	50,000	-	-	-	50,000
Total restricted funds	2,629,420	127,593	(8,190)	1,099,295	(10,357)	3,837,761
Total funds	11,824,508	2,553,247	(2,581,678)	-	(673,200)	11,122,877

Special Boat Service Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

The specific purposes for which the funds are to be applied are as follows:

TG Loan Fund - a secured loan of £300k has been granted to a member of the Association to enable him to purchase a property, which has been reflected by way of a legal charge and secured against this property.

Lifetime Care Fund - The Trustees have agreed a reserves policy to maintain 3 years of financial help to the current long-term wounded, injured and sick members.

Resilience Fund - The Trustees have agreed to provide £ 450K over 3 years to support the Unit with strength and conditioning consultancy, human performance talks etc, within that fund they will be able to purchase new gym equipment / adapt areas within the gym etc. The main purpose is to assist the lads with their physical fitness, so they are in the best shape possible.

Bowra 1000 Fund - This fund has been set aside to cover the costs and provide support to a fundraising event being undertaken by an injured Veteran of the Association, who is looking to raise a considerable sum for us and 3 other charities.

Operational Costs Fund - During the financial year 2019 - 2020 the Trustees created a new designated fund called Operations Costs Fund, with the purpose that any investment income earned from this fund would go towards the running costs of the charity and cover some operational costs. The agreed value of this fund was £3,000,000 due to the increase in reserves during this financial year it has been agreed to add a further £ 3,000,000 to this fund taking it up to £ 6,000,000.

WT Memorial Fund - The WT Memorial fund is as a result of a legacy donation, for the specific use of supporting part of the Unit and provide funding for all suitable forms of expenditure that are agreed by the current active OC and the CEO that respects the standards of the Unit and wishes of the bereaved family.

Welfare staff salary fund –We received a very generous donation during the year and this amount was allocated to cover the Welfare team staff costs in the coming years.

Families Centre Fund - the Families Centre Fund is to be used to purchase fixtures, fittings, and equipment once the RM Poole Community Centre is established.

Help for Heroes - is restricted to providing direct, practical support to sick, injured, and wounded members and the SBSA and their dependants.

Rehabilitation Centre Funds - this relates to a grant awarded from HM Treasury's allocation of banking fines and is restricted to support the construction of a rehabilitation centre at RM Poole.

Resilience Building Fund - we received a generous donation which must be used to help fund the purchase of equipment and essentials for the Gym within the new Resilience building.

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

Housing Adaptations Fund - is grants received for the purpose of providing an extension to a former member's house to assist with a disability.

Memorial Garden - This fund has been set up to help finance the building of a new Memorial Garden on the Base, Various Donors have contributed towards this worthwhile cause.

Individuals Donation fund - This fund was set up by a individuals who contributed £80K with Gift Aid to make the £100K, SBSA can use the interest it makes / future growth to spend as it wishes, the value has fallen so no funds have been spent.

AI Education Fund - This fund is to fund education needs for children of members killed in action.

K9 Fund - An essential element in SBS operations is the use of service dogs who support personnel through a variety of ways and skills. From locating explosive devices and arms caches to front line services in pursuit of an enemy. Like all personnel, service dogs are supported through the SBS. However, long term care is not available especially after retirement. The SBSA has raised £50,000 for a restricted fund to support these dogs throughout their life with medical and rehabilitation costs. Due to the nature of their past injuries and training, these dogs are uninsurable. This fund will support retired and injured service dogs.

Esprit De Corps – The grant was given to enable us to provide events / meetings to help our members get together to foster a unity among them, and help with their general wellbeing etc.

Armed Forces Covenant - Due to the Covid Pandemic and the problems it was causing, we received a grant from the Armed Forces Covenant to specifically cover the wages of the staff at the Community Centre Nursery.

Command Dagger fund - The grant was supplied to help with the design and production of a new Service Dagger for the Unit

21 Analysis of net assets between funds

Group

	Unrestricted funds		Restricted funds	Total funds at 31 March 2021
	General £	Designated £		
Intangible fixed assets	16,860	-	-	16,860
Tangible fixed assets	1,277,680	500,000	1,074,209	2,851,889
Heritage assets	17,500	-	-	17,500
Fixed asset investments	637,650	8,987,667	188,017	9,813,334
Current assets	1,311,543	-	-	1,311,543
Current liabilities	(1,366,775)	-	-	(1,366,775)
Total net assets	1,894,458	9,487,667	1,262,226	12,644,351

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

21 Analysis of net assets between funds continued

	Unrestricted funds		Restricted funds	Total funds at 31 March 2020
	General £	Designated £	£	£
Intangible fixed assets	8,309	-	-	8,309
Tangible fixed assets	323,958	-	-	323,958
Heritage assets	17,500	-	-	17,500
Fixed asset investments	693,952	5,463,311	3,837,761	9,995,024
Current assets	1,450,268	-	-	1,450,268
Current liabilities	(672,621)	-	-	(672,621)
Total net assets	1,821,366	5,463,311	3,837,761	11,122,438

Charity

	Unrestricted funds		Restricted funds	Total funds at 31 March 2021
	General £	Designated £	£	£
Intangible fixed assets	16,860	-	-	16,860
Tangible fixed assets	1,277,368	500,000	1,074,209	2,851,577
Heritage assets	17,500	-	-	17,500
Fixed asset investments	637,651	8,987,667	188,017	9,813,335
Current assets	1,302,778	-	-	1,302,778
Current liabilities	(1,357,085)	-	-	(1,357,085)
Total net assets	1,895,072	9,487,667	1,262,226	12,644,965

	Unrestricted funds		Restricted funds	Total funds at 31 March 2020
	General £	Designated £	£	£
Intangible fixed assets	8,309	-	-	8,309
Tangible fixed assets	321,642	-	-	321,642
Heritage assets	17,500	-	-	17,500
Fixed asset investments	693,953	5,463,311	3,837,761	9,995,025
Current assets	1,438,791	-	-	1,438,791
Current liabilities	(658,390)	-	-	(658,390)
Total net assets	1,821,805	5,463,311	3,837,761	11,122,877

Special Boat Service Association

Notes to the Financial Statements

Year Ended 31 March 2021

22 Analysis of net funds

Group

	At 1 April 2020	Cash flow	At 31 March 2021
	£	£	£
Cash at bank and in hand	604,186	198,727	802,912
Net debt	604,186	198,727	802,913

Group

	At 1 April 2019	Cash flow	At 31 March 2020
	£	£	£
Cash at bank and in hand	1,845,938	(1,241,752)	604,186
Net debt	1,845,938	(1,241,752)	604,186

23 Related party transactions

Charity

During the year the charity made the following related party transactions:

Frankton Trading Limited

(Frankton Trading Limited is a wholly owned subsidiary of the Special Boat Service Association.)

During the year management fees of £6,000 (2020: £15,000) were received by Special Boat Service Association. One ordinary share was issued by Frankton Trading Limited to the Special Boat Service Association in the prior year and £1 is owing to Frankton Trading Limited at the year end, A loan has been issued from the Special Boat Service Association to Frankton Trading Limited totalling £58,629 which is included in other debtors. At the balance sheet date, the amount due from Frankton Trading Limited was £55,543 (2020 - £58,628).