

# THE ROYAL ENGINEER YACHT CLUB

England & Wales · Charity number 1178311

## Details

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**Status** Registered

**Legal form** CIO

**Registered** 2018-05-09

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** RE Yacht Club (c/o RECCT)  
The Ravelin Building  
Brompton Barracks  
Dock Road  
Chatham  
Kent

**Phone** 01634 822355

**Email** [board.secretary@sappersailing.org](mailto:board.secretary@sappersailing.org)

**Website** <https://www.sappersailing.org/>

## Activities

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**Objects:** THE OBJECT OF THE CIO IS, FOR THE PUBLIC BENEFIT, THE PROMOTION OF THE EFFICIENCY OF THE ARMED FORCES OF THE CROWN BY: A. THE PROVISION AND SUPPORT OF SAILING FACILITIES, EQUIPMENT AND ACTIVITIES FOR THE EFFICIENCY AND WELL-BEING OF SERVICE PERSONNEL B. INCREASING PHYSICAL FITNESS OF MEMBERS OF THE SERVICES THROUGH SAILING C. PROVIDING OPPORTUNITIES FOR SERVICE PERSONNEL TO GAIN ADDITIONAL EXPERIENCE AND DEVELOP THE MILITARY VIRTUES OF COURAGE, SELF-RELIANCE, MENTAL ROBUSTNESS, ENDURANCE AND LEADERSHIP RELEVANT TO THEIR JOBS D. ENCOURAGING ESPRIT DE CORPS AND FOSTERING HIGH MORALE THROUGH REPRESENTATION IN SPORTING COMPETITION E. PROVIDING AN ASSOCIATION THAT SUPPORTS THE CORPS OF ROYAL ENGINEERS, ENABLES SERVING AND FORMER MEMBERS TO MIX TOGETHER, AND CREATES OPPORTUNITIES FOR MENTORING JUNIOR LEADERS BY OLDER, MORE EXPERIENCED MEMBERS.

**Activities:** Promotion of the efficiency of the armed forces of the Crown by: a. provision and support of sailing facilities, equipment and activities. b. increasing physical fitness through sailing. c. providing experience and developing leadership. d. encouraging esprit de corps through representation in sporting competitions. e. providing an association supporting serving and veteran Royal Engineers.

## Classification

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- **How:** Provides Services
- **What:** Armed Forces/emergency Service Efficiency
- **Who:** The General Public/mankind

## Geography

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- Belgium
- Cyprus
- Denmark
- France
- Germany
- Gibraltar
- Greece
- Guernsey
- Iceland
- Ireland
- Isle Of Man
- Italy
- Jersey
- Malta
- Netherlands
- Norway
- Portugal
- Scotland
- Spain
- Sweden
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£61,222	£104,637	-	-
2023-12-31	£133,650	£93,677	-	-
2022-12-31	£19,895	£81,094	-	-
2021-12-31	£193,366	£157,192	-	-
2020-12-31	£130,396	£147,010	-	-

## Trustees

Name	Role	Appointed
Brigadier Gavin Hatcher CBE		2025-12-14
Brigadier Stephen Hodder		2023-10-06
Lieutenant Colonel Charles Battey		2020-12-18
Lieutenant Colonel Murray Smith		2025-12-14
Lieutenant Colonel Timothy Ives		2023-10-06

**THE ROYAL ENGINEER YACHT CLUB**

England & Wales - Charity number 1178311

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# Accounts

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## **The Royal Engineer Yacht Club**

**Trustees' report and financial statements  
for the year ended 31st December 2024**

**Charity number: 1178311**

Charity number: 1178311

## **The Royal Engineer Yacht Club**

### **Trustees' report and financial statements for the year ended 31 December 2024**

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**Trustees' Report for the year ended 31 December 2024**

**Trustees**

Colonel JGJ Robinson  
Lieutenant Colonel T Ives  
Major General (Retired) A E Whitley CMG CBE  
Lieutenant Colonel C W Battey  
Brigadier (Retired) S Hodder

Commodore (Appointed 02/08/2021) (1)  
Vice-Commodore (Appointed 01/01/2024) (1)  
Chair (Appointed 06/10/2023)  
(Appointed 01/11/20)  
(Appointed 06/10/2023)

(1) Ex-officio, normally appointed for 3 years

**Non Trustee Appointments**

Lieutenant Colonel (Retired) J D Lewis  
Lieutenant Colonel (Retired) N Edwards  
Lieutenant Colonel J Bainger  
Brigadier (Retired) I Caws OBE

Secretary to the Board of Trustees (Appointed 01/09/20)  
Membership Secretary (Appointed October 2022)  
Honorary Secretary (Appointed October 2023)  
Honorary Treasurer (Appointed October 2023)

**Principal Office**

Royal Engineer Yacht Club  
The Ravelin Building  
Brompton Barracks  
Dock Road  
Chatham  
Kent ME4 4UG

**Independent Examiner**

Chris Deacon FCCA  
Vision Accounting Ltd  
Fortis House  
Cothey Way  
Ryde  
PO33 1QT

**Independent Bookkeeper**

Tracie Wilson MICB, AATQB, PM Dip  
Ms Friday Accountancy Services Ltd  
Registered Office Address: Onward Business Hub  
College Close  
Sandown  
Isle Of Wight  
PO36 8EB

**Bankers**

Lloyds PLC  
Piccadilly Branch  
PO Box 1000  
London BX1 1LT

**Trustees' Report for the year ended 31 December 2024**

**TRUSTEES' REPORT**

The Trustees present their annual report and independently examined financial statements for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 2 of the accounts and comply with the Charities Act 2011 and the Charities SORP 2012. In doing so they comply with the Statement of Trustees' Responsibilities shown below.

Trustees consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available (including levels of reserves held); thus, the going concern basis of accounting is deemed appropriate and there are no material uncertainties.

**Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its income 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102) (2019);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's Constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Trustees' Report for the year ended 31 December 2024**

**BACKGROUND**

The Royal Engineer Yacht Club (REYC) was founded in 1846, making it one of the senior yacht clubs in the United Kingdom. Full membership is open to all serving and ex-serving Royal Engineers, with non-voting membership available to individuals (civilian and military) who are closely associated with the Corps of Royal Engineers or the Club and who support its Object.

**ORGANISATION AND GOVERNANCE**

**Organisation**

REYC is a Charitable Incorporated Organisation (Association Model) (CIO (AM)) registered with the Charity Commission on 9 May 2018. Its governing document is its Constitution.

The Trustees manage the Club according to its Constitution and make Rules necessary for the proper conduct and management of the CIO. The Rules delegate day to day management to the Main Committee chaired by the Commodore, who is supported by the Vice Commodore and three Rear Commodores responsible for inshore, Offshore and Regions activities. It is the practice of the Club that any new or amended Rules shall be brought to the attention of Members at a General Meeting.

Accountancy support is provided by Ms Friday Accountancy Services Ltd, C/O Onward Business Hub, College Close, Sandown, PO36 8EB. The independently examined accounts accompanying this Trustees' Annual Report cover the year from 1 January to 31 December 2024, which is the Club's sixth full year as a CIO.

**Recruitment and Appointment of Trustees**

Our Constitution provides for three Trustees elected by Full Members at a General Meeting, two of whom are required to have served previously as Flag Officers of REYC. There are also two ex officio appointments, the Commodore and Vice Commodore, also elected by Members at a General Meeting. In this reporting year the Club has a full complement of trustees.

**Trustee Induction and Training**

Trustees are all provided with the necessary documents on appointment and suitably trained for their charitable role. Their experience of sailing provides them with knowledge to support sailing activities.

## Trustees' Report for the year ended 31 December 2024

### OUR CHARITABLE OBJECT

Our Charitable Object is, for the public benefit, the promotion of the efficiency of the armed forces of the Crown by:

- the provision and support of sailing facilities, equipment and activities for the efficiency and wellbeing of Service personnel;
- increasing physical fitness of members of the Services through sailing; providing opportunities for Service personnel to gain additional experience and develop the military virtues of courage, self-reliance, mental robustness, endurance and leadership relevant to their jobs;
- encouraging esprit de corps and fostering high morale through representation in sporting competitions;
- providing an association which supports the Corps of Royal Engineers and enables serving and former members to mix together, and creating opportunities for mentoring junior leaders by older, more experienced members.

### ACTIVITIES AND ACHIEVEMENTS IN 2024

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

The Club's activities are conducted as follows:

- The Offshore Division now has two yachts. The focus of the Offshore Division remains sail training; adventurous training; offshore racing and cruising.
- The Inshore Division is responsible for dinghy sailing, windsurfing and kite surfing, with teams from these disciplines participating in competitions and running an annual development week for novices,
- The Regions Division is responsible for coordinating and supporting Club activities across the UK.

All divisions are, again, to be congratulated for active participation in training, competition, adventurous expeditions and cruising. Our activities contributed substantially to the general wellbeing of serving soldiers, whether Club members or not. It has been noted that more serving personnel who are not formally members of the Club have been involved in REYC-facilitated sailing during 2024 than members. We continue to consider how we might formally recognise this position in furtherance of our Charitable Object. Again, non-serving members have contributed significantly to the management and development of the Club, in direct support of Corps sailing, and in mentoring less experienced people.

**Trustees' Report for the year ended 31 December 2024**

**Offshore Division**

2024 was a non-Fastnet year, therefore it followed the usual 'even' (non-Fastnet) year pattern of emphasising training and promoting offshore sailing activities to a new cohort of sailors.

The first part of the year was dominated by the effort to recover the Joint Services Challenge 72 yacht from South Georgia. The Atlantic Quest expedition allowed over 120 service personnel the opportunity to experience expedition sailing in some of the remotest locations on earth. The fringe benefits should last for years to come as the qualifications gained along the way diffuse into the club and Corps.

Back in the UK the club ran a full programme of offshore racing, delivered the annual 'Royal Engineer Sail Training Week', introducing 45 new soldiers to the sport and competed in Services and civilian sailing competition.

In the background, the club continued to run a successful charters programme. This allows serving personnel and veterans to use the boats for family events, reunions and work events. The boats are becoming more and more popular, with the new-to-us X-34, Ilex, proving to be an especially big hit for families.

Towards the end of the year, Offshore members started to plan the Fastnet Campaign for 2025, which will include an intensive training and preparation period with the opportunity to compete in a number of key offshore races.

**Inshore Division**

In 2024, Inshore continued to build on the previous year's successes, with notable activity across all water sports disciplines. The windsurfing team sent four members to Greece to compete with the Army Windsurfing Team, further strengthening the Corps presence. They also maintained support for various Army events, demonstrating ongoing commitment to developing competitive windsurfing skills.

The kitesurfing element saw significant growth. In addition, eight members participated in an overseas sports visit to Brazil alongside the Army Kitesurf Team. Looking ahead, 2025 will feature a ten-day kitesurf trip to Cyprus for 16 personnel.

Support for training and grassroots development remains strong. Over 20 newcomers experienced kitesurfing and dinghy sailing during the annual Inshore Sail Training Week, providing valuable exposure and foundational skills to a new generation of sailors.

## Trustees' Report for the year ended 31 December 2024

Dinghy racing remains vibrant, with continuous grassroots activity at the Royal School of Military Engineering. The ongoing weekly dinghy training, conducted by Medway Yacht Club on a six-week cycle introduces new members to the sport and sustains skills development for aspiring racers. At a higher level, several members have achieved strong performances in competition throughout most of the season's key race events.

The Wing Surfing grant secured in 2023 supported this more advanced activity in the Inshore Division. One member regularly competed on the national race circuit, showcasing the club's commitment to high-level competition. The Club also trained two new instructors to provide growth into the future.

### Regions Division

The Regions Division pulls together the wider community of the Royal Engineer Yacht Club, both serving and retired members. The regions Division remains the backbone and key support element of the other two Divisions.

The retired members remain essential to the running of the Club, providing substantial support to serving Club Officers. The reduction in the size of the Army and Corps has been coincident with increased administrative and legal demands of Coding our offshore yachts, organising Military training and responding to changes in the Defence Infrastructure Plan. The concomitant demands of operations and training have further reduced the time serving officers can commit to Club matters. To address these issues, we successfully introduced more widely the administrative, logistic and technical support the Honorary Rear Commodores Offshore has traditionally provided to the Offshore Committee. As an example, retired members were identified and organised into crews to deliver the Club's race yacht, Trojan, to Cork where she was to be raced by serving members in the Beaufort Cup at Cork Week. Serving members do not have the time to deliver our yachts to some race locations. So, without the support of the wider Club many activities would not take place.

In addition, the Regions Division organised and provided the Race Officers for the annual Meet at Lyminster in May 2024. Both the Club's two yachts and 7 members' boats participated.

Chatham Branch has closed. The members of Chatham Branch have established The Brompton Boat Club, as a CIO, with aims synergistic and supporting of the as the REYC. To that end, the Club has gifted the moorings to the Brompton Boat Club CIO in order that they can carry on the good work from the REYC in that specific region.

**Trustees' Report for the year ended 31 December 2024**

**CENTRAL CLUB ACTIVITIES**

**Club Administration**

The Club uses Sailing Club Manager (SCM) as the formal mechanism for managing membership, communications, chartering, events and voting. GoCardless, a direct debit management system that interfaces with SCM, supports members' financial transactions with the Club including annual membership subscriptions, donations, charter fees, and charges for all events. Members access these services through the membership portal on the Club's website, and further enhancements to improve the ease with which members manage their interactions with the Club are planned as Club officers improve their knowledge and understanding of SCM.

**Strategic Direction**

The REYC 10-Year Strategy was published at the end of 2021. During the course of 2022 and 2023 it became increasingly apparent that the rate of societal change as it affects the Club has been much greater than had then been envisaged. Whilst the Strategy and its associated Goals remain highly relevant, a Future Club Philosophy paper aired at the 2022 AGM made clear that we need to do more, and more quickly, than had ever been expected.

Consequently, the REYC has embarked on a comprehensive review of its 10-year Strategy to ensure alignment with its vision and evolving needs of its members. At the 3-year point, this is the first review of the Strategy. The purpose of this review is to: assess the effectiveness and relevance of the current Strategy; ensure the strategy aligns with the Club's 10-year vision and the interests of its members; and identify areas for amendment and those which need updating, and potential new initiatives. The review will examine the balance between the needs of serving and non-serving members, and associated governance and management matters.

Thus, the Strategy remains in place and in use as a guiding document. The review and its subsequent implementation will take time as the effects and implications of a much smaller Army and Corps, with increased commitments, are realised. These are having very significant effects on how much time serving officers of the Club can devote to furthering its aims and the pressures on serving members in terms of participating actively in a sport and, indeed, the competing demands of family life. What is clear is that the Club must evolve to give every opportunity to provide this sport to serving members whilst making full use of retired members to provide support.

**Annual Dinner**

Our annual dinner took place at the Hornet Services Sailing Club in Gosport. This is now the home of our offshore activities and not too distant from a centre for Service inshore sailing at Thorney Island. The formal event provided all members of the Club the opportunity to come together to socialise and award prizes.

**Trustees' Report for the year ended 31 December 2024**

**2024 FINANCIAL REVIEW**

**Financial Planning and Management**

The Vice Commodore is responsible for the Club's finances, assisted by the Honorary Treasurer. The Club's Finance Sub-Committee, chaired by the Vice Commodore, leads the production of the following year's budget and updates the 10 Year Financial Plan to underpin the Club's Strategy. The Financial Plan is reviewed annually as part of the regular budget setting process, with consideration given to anticipated income and expenditure and the planned hull and equipment replacement programme. A review of the Club's 10 Year Strategy will take place in 2025, three years on from its inception; this will include a review of financial performance and long-term financial sustainability.

Accountancy support from Ms Friday, implemented in 2022, is now well established and underpins the Club's capacity to both manage in-year income and expenditure against budget, and to prepare the accounts for Independent Examination annually. Changes to simplify the Club's asset management policy were implemented in 2024 to further improve the Club's financial management and long-term planning.

**Principal Funding**

The Club remains solvent, and its income continues to come primarily from: members' subscriptions and voluntary donations; Corps of Royal Engineers' grants; and grants provided principally through the Army Sailing Association including Army Welfare and Nuffield Trust grants.

**Reserves Policy**

The Club's reserves policy is to maintain a minimum of 6 months' operating capital held as cash.

The Club had invested the balance of its cash in a low risk, interest-earning account. This approach was reviewed in late 2024 to ensure the funds are invested as productively as possible, and two notice accounts were opened in 2025 to improve the income from these higher interest-bearing accounts.

**Principal Risks and Uncertainties**

Trustees maintain a Risk Register of the strategic, business and operational risks to which the Charity is exposed and receive regular updates from the Main Committee.

**Insurance**

The Trustees are satisfied that appropriate policies remain in place and will continue to seek the best value for money.

**Trustees' Report for the year ended 31 December 2024****Balance Sheet**

In 2024 the Club's total funds decreased by £43,415 to £393,930 (2023: increased by £39,972 to £437,346). This decrease is mostly accounted for by the significant reduction in grants to support the programme of inshore and offshore activities run in 2024. Notes to the Statement of Financial Activities and Balance Sheet provide supplementary information against each funding activity.

**Fund Designation**

The Club maintains one Unrestricted, four Designated and two Restricted Funds.

- **Unrestricted.** The Main Fund supports REYC activity in furtherance of the Club's Objects not supported by other Club Funds.
- **Designated:**
  - **Chatham.** The Chatham Fund primarily supported the Objects of the REYC on the River Medway. Regular annual income to the Fund came from Chatham Branch Members' mooring fees and other local activity, and typically marginally exceeded expenditure. The Club took the decision to close the Chatham Branch with effect from the end of 2024 and the Deed of Transfer and final administrative steps are expected to be complete before the AGM in October 2025. The Club now looks forward to working with the newly established Brompton Boat Club in support of Sapper sailing on the Medway.
  - **Inshore.** The Inshore Fund supports the Objects of the REYC in respect of inshore sailing, namely dinghy, board and kite sailing. Inshore boats and equipment are included in this Fund. It receives grants from the Main Fund as well as grants through the Army Sailing Association. Fees are currently not levied for the use of inshore Club boats and equipment.
  - **Offshore.** The Offshore Fund supports the Objects of the REYC in offshore sailing, namely sail training, adventurous training, sporting activities and cruising. The two Club-owned yachts are included in this Fund. The fund receives grants from the Main and Hulls Funds, as well as from the Army Sailing Association. Charter fees, set annually, are paid for the use of Club yachts.
  - **Hulls.** The Hulls Fund supports the REYC's equipment replacement programme. A percentage, set annually, of all offshore charter fees provides income to this Fund.
- **Restricted:**
  - **Hulls.** The Hulls Fund (Restricted) also supports REYC's equipment replacement programme. Income to this Fund comes from Members' donations and legacies and, as such, is accounted for separately from the Hulls Fund (Designated). Gift Aid is claimed from HMRC.
  - **H&M Trust.** The H&M Trust (Charity Number 272391) was set up by the owner of H&M Engineering, formerly in Chatham Dockyard, and makes annual grants to the REYC to support the costs incurred by non-commissioned soldiers of the Corps of Royal Engineers when undertaking sailing of any discipline. Accordingly, it is managed as a Restricted Fund.

Trustees' Report for the year ended 31 December 2024

**OBSERVATIONS ON THE FINANCIAL STATEMENT**

The Club's total expenditure in 2024 exceeded income by £43,415. This deficit reverses the surplus recorded last year (2023 - £39,972) and reflects primarily the significant decrease in grants received (2024 - £16,200; 2023 - £91,842). Charter income picked up in 2024 (£6,102) but remains below target. Membership income declined marginally (2024 - £14,015; 2023 - £15,040) but donations were well down (2024 - £1,293; 2023 - £2,804) following the withdrawal of the old direct debit system. This was offset to a degree by a retrospective Gift Aid claim in 2024 (£1,406) but the current system, which requires members to initiate donations annually through SCM, needs to be automated. From an expenditure perspective, 2024 was the first year of costs maintaining Ilex alongside the older Trojan, with much of the burden to monitor and organise maintenance now falling to volunteer members. The outcome of the ongoing Strategy Review will need to ensure we have a sustainable regime to maintain the two hulls matched to an achievable hull replacement programme. In doing so, it will also need to address how we are to increase core revenue streams alongside mechanisms to achieve a balanced and realistic grant programme.

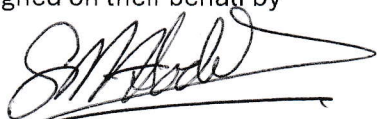
**CONCLUSION**

We have emerged from Covid 19 in a stronger position than we were pre-pandemic, having taken the opportunity to build resilience into our operations and administration by embedding many of the new ways of working forced upon us by Covid restrictions, Our accountancy support is now also more resilient and better suited to a charity of our size and nature, and the adoption of Sailing Club Manager is progressively allowing the coalescing of our administrative and financial management. On the water we continue to address the need to manage and maintain our offshore fleet without dedicated military bosun support. Our engagement with sailors across the Corps, both REYC members and others, is arguably better than it has been for many years, and this bodes well for continued achievement of our charitable Object.

Approved by the Trustees on

27 June 2025  
EWH

and signed on their behalf by



S P HODDER

Major General (Retd) A E Whitley CMG CBE WO  
Chair, Board of Trustees  
Royal Engineer Yacht Club

PA

**The Royal Engineer Yacht Club**

**Financial Statements for the year ended 31 December 2024**

**Bookkeeper's Statement**

I have prepared the financial statements on pages 12 to 22 for the year ended 31 December 2024 from the accounting records of the Royal Engineer Yacht Club.

Name: Tracie Wilson

Signature:



Date

27/06/2025

Ms Friday Accountancy Services

**Independent Examiners Report**

I report to the trustees on my examination of the accounts of The Royal Engineer Yacht Club for the year ended 31st December 2024, which are set out on pages 12 to 22.

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011, and considers that the audit requirement of Section 43(2) of the Charities Act 1993 (the Act) does not apply.

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 all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of 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 this report in order to enable a proper understanding of the accounts to be reached.

**Signed by the Independent Examiner:**

**Date:**

14/08/2025

Chris Deacon FCCA  
Fortis House  
Cothey Way  
Ryde  
PO33 1QT



**Statement of Financial Activities  
for the year ended 31 December 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income and endowments from:</b>					
Donations & Legacies	3	-	1,293.00	1,293.00	2,804.00
Grants	4	-	16,200.00	16,200.00	61,841.84
Grant towards new Ilex (Merlin) Designated	4	-	-	-	30,000.00
Gift Aid Tax Reclaimed	3	-	1,405.72	1,405.72	477.19
Fundraising	5	3,792.00	-	3,792.00	3,470.70
Subscriptions	6	14,015.00	-	14,015.00	15,040.00
Charter Hire	7	6,012.00	-	6,012.00	3,786.30
Other Income	8	17,903.41	-	17,903.41	15,755.35
Investment Income	9	600.71	-	600.71	474.18
<b>Total Income</b>		<b>42,323.12</b>	<b>18,898.72</b>	<b>61,221.84</b>	<b>133,649.56</b>
<b>Expenditure on:</b>					
Charitable activities	10 to 16	93,437.21	11,200.00	104,637.21	93,677.37
<b>Total Expenditure</b>		<b>93,437.21</b>	<b>11,200.00</b>	<b>104,637.21</b>	<b>93,677.37</b>
Net income / (expenditure) before revaluations		-51,114.09	7,698.72	-43,415.37	39,972.19
Gains / (losses) on revaluations of fixed assets	19	-	-	-	-
<b>Net income / (expenditure) before transfers</b>		<b>-51,114.09</b>	<b>7,698.72</b>	<b>-43,415.37</b>	<b>39,972.19</b>
<b>Transfers</b>					
Hulls (Designated)		-	-	-	-
Offshore (Designated)		-	-	-	-
<b>Net movement in funds for the year</b>		<b>-51,114.09</b>	<b>7,698.72</b>	<b>-43,415.37</b>	<b>39,972.19</b>
<b>Reconciliation of funds</b>					
Total funds at 1 January 2024		355,457.19	81,888.74	437,345.93	397,373.74
<b>Total funds at 31 December 2024</b>		<b>304,343.10</b>	<b>89,587.46</b>	<b>393,930.56</b>	<b>437,345.93</b>

All activities relate to continuing operations.

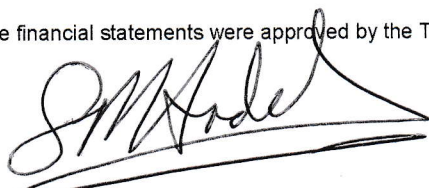
The notes on pages 14 to 22 form part of these financial statements.

**Balance Sheet**  
as at 31 December 2024

		Year Ended 31 December 2024		Year Ended 31 December 2023	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	19		<b>257,342.27</b>		293,901.20
<b>Current assets</b>					
Prepayments		<b>4,069.78</b>		8,498.02	
Debtors	20	<b>790.00</b>		285.00	
Cash at bank		<b>133,398.51</b>		<u>136,250.71</u>	
		<b>138,258.29</b>		145,033.73	
<b>Creditors:</b> amounts falling due within one year	21		<b>-170.00</b>		-1,589.00
Accruals			<b>-1,500.00</b>		
<b>Net current assets</b>			<b>136,588.29</b>		143,444.73
<b>Net assets</b>			<b>393,930.56</b>		437,345.93
Charity Funds					
Unrestricted funds	22		<b>304,343.10</b>		355,457.19
Restricted funds	22		<b>89,587.46</b>		<u>81,888.74</u>
<b>Total funds</b>			<b><u>393,930.56</u></b>		<b><u>437,345.93</u></b>

The financial statements were approved by the Trustees on the date:

and signed on their behalf by:



Chair of Board of Trustees



Board Secretary

The notes on pages 14 to 22 form part of these financial statements.

**Notes to the financial statements  
as at 31 December 2024**

**1 General administrative information**

The Royal Engineer Yacht Club is a Charitable Incorporated Organisation in England & Wales with the registration number 1178311. The address of the registered office is RE Corps Funds, Brompton Barracks, Dock Road, Chatham, Kent, ME4 4UG. The Charity's principal objectives continued to be the promotion of the efficiency of the Armed Forces of the Crown by: provision and support of sailing facilities; increasing physical fitness through sailing; encouraging Esprit de Corps through representation in sporting competitions; and providing an association which supports the Corps of Royal Engineers.

**2 Accounting policies**

**2.1 Basis of preparation of financial statements for the year ended 31st December 2024**

The financial statements have been prepared in accordance with the second edition of the 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) (2019).

The Royal Engineer Yacht Club 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 note(s).

**2.2 Preparation of the accounts on an going concern basis**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis in accounting in preparing the financial statements.

**2.3 Fund Accounting**

General unrestricted funds represent unrestricted income which is expendable at the discretion of the furtherance of the objects of the Charity.

Designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the Trustees to meet specific purposes.

Restricted funds represent income which is allocated by the donor for specific purposes. These are explained in detail on page 9 in the Trustees' report.

Investment income, gains and losses are allocated to the appropriate fund.

**2.4 Income**

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 income receivable can be measured reliably.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

**Tax reclaims on donations and gifts**

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Notes to the financial statements  
as at 31 December 2024****2 Accounting policies cont.****2.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is an obligation to committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis.

Cost of charitable activities includes the apportionment of support costs shown in note 10.

**2.6 Tangible fixed assets and depreciation**

Assets costing greater than or equal to £500 are capitalised and valued at historic cost. Depreciation is charged on assets using a straight-line basis over their estimated life on the following basis:

Yachts	A new depreciation policy has been introduced from 2024, going forward. Hulls are now complete and fully depreciated over 8 years.
Windsurfing and Dinghy	Depreciated over 4 years.
Other equipment	Moorings and misc property at Chatham are currently valued at zero. Silverware is a Heritage Asset and is not depreciated.

**2.7 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.8 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.9 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**2.10 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Notes to the financial statements  
for the year ended 31 December 2024**

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£	£
<b>3 Donations &amp; Legacies</b>				
Donation Hulls Fund	-	1,293.00	1,293.00	2,804.00
Donations	-	-	-	-
Tax reclaimed (Gift Aid on Hulls fund donations)	-	1,405.72	1,405.72	477.19
	<u>-</u>	<u>2,698.72</u>	<u>2,698.72</u>	<u>3,281.19</u>

Income from Donations and Legacies in 2023 comprised £3,281.19 restricted.

<b>4 Grants</b>	£	£	£	£
RE Sports Board	-	-	-	41,000.00
RE Sports Board (Offshore)	-	-	-	4,400.00
H&M Trust	-	5,000.00	5,000.00	2,500.00
Army Sports Lottery	-	11,200.00	11,200.00	13,941.84
Grant towards new Yacht (Merlin)	-	-	-	30,000.00
	<u>-</u>	<u>16,200.00</u>	<u>16,200.00</u>	<u>91,841.84</u>

Income from Grants in 2023 comprised £89,341.84 unrestricted and £2,500 restricted.

<b>5 Fundraising Events</b>				
RE Dinner	1,249.50	-	1,249.50	1,468.70
Lymington Meet	2,542.50	-	2,542.50	2,002.00
	<u>3,792.00</u>	<u>-</u>	<u>3,792.00</u>	<u>3,470.70</u>

<b>6 Subscriptions</b>	£	£	£	£
REYC	<u>14,015.00</u>	<u>-</u>	<u>14,015.00</u>	<u>15,040.00</u>

Income from subscriptions in 2023 was all unrestricted.

<b>7 Charter Hire (Offshore)</b>	£	£	£	£
Yacht Charter Hire Income (Merlin)	5,410.80	-	5,410.80	3,786.30
Yacht Charter 10% contribution to Hulls (D)	601.20	-	601.20	420.70
	<u>6,012.00</u>	<u>-</u>	<u>6,012.00</u>	<u>4,207.00</u>

Charter hire (offshore) income in 2023 was all unrestricted.

<b>8 Other income</b>	£	£	£	£
Mooring Fees	11,290.50	-	11,290.50	10,280.62
Property Sales (Inshore)	3,906.01	-	3,906.01	-
Property Sales (offshore)	1,603.00	-	1,603.00	-
Blue Ensign Permits	150.00	-	150.00	242.00
Conservancy - Chatham	953.90	-	953.90	1,403.04
RE Sail Training Week	-	-	-	1,560.00
Insurance Claim (Inshore)	-	-	-	1,468.99
Insurance Claim (Offshore)	-	-	-	380.00
	<u>17,903.41</u>	<u>-</u>	<u>17,903.41</u>	<u>15,334.65</u>

Other income in 2023 was all unrestricted.

<b>9 Investment income</b>	£	£	£	£
Bank interest receivable	<u>600.71</u>	<u>-</u>	<u>600.71</u>	<u>474.18</u>
Investment income in 2023 was all unrestricted.				
<b>Total income</b>	<u>42,323.12</u>	<u>18,898.72</u>	<u>61,221.84</u>	<u>133,649.56</u>

Notes to the financial statements  
for the year ended 31 December 2024

10 Analysis of expenditure by activities

		Direct costs	Grant funding of activities	Support costs	Total	Total
	Note	2024	2024	2024	2024	2023
		£	£	£	£	£
Yacht Club	11	4,192.00	-	12,219.35	16,411.35	16,729.97
Offshore	12	6,798.89	-	51,622.72	58,421.61	29,495.37
Inshore	13	4,661.85	11,200.00	6,485.65	22,347.50	34,178.49
Chatham	14	5,504.15	-	1,952.60	7,456.75	12,844.44
H&M Trust	15	-	-	-	-	429.10
Hulls (D)	16	-	-	-	-	-
		<b>21,156.89</b>	<b>11,200.00</b>	<b>72,280.32</b>	<b>104,637.21</b>	<b>93,677.37</b>

		Unrestricted funds	Restricted funds	Total funds	Total funds
		2024	2024	2024	2023
		£	£	£	£
<b>11 Yacht Club</b>					
<b>Direct costs including Fundraising</b>					
RE Dinner		1,277.00	-	1,277.00	2,301.75
RE Year Book		-	-	-	560.75
Ties		-	-	-	-
Lymington Meet		2,832.00	-	2,832.00	1,693.60
Blue Ensign Permits		83.00	-	83.00	78.00
		<b>4,192.00</b>	<b>-</b>	<b>4,192.00</b>	<b>4,634.10</b>
<b>Admin and Support costs</b>					
AGM Costs		60.00	-	60.00	162.50
Bank charges		-	-	-	-
Go Cardless Fees		244.59	-	244.59	101.63
Insurance		2,555.76	-	2,555.76	2,370.99
ASA Affiliation		-	-	-	-
Staff/Account Costs		-	-	-	-
Sailing Club Manager Software		2,688.00	-	2,688.00	2,688.00
Trophies/Engraving/ Flags		-	-	-	305.00
Stationery/sundry expenses		-	-	-	29.75
		<b>5,548.35</b>	<b>-</b>	<b>5,548.35</b>	<b>5,657.87</b>
<b>Governance</b>					
Bookkeeping and Accountancy Fees*		3,756.00	-	3,756.00	6,403.00
Legal (ICO reg)		2,915.00	-	2,915.00	35.00
		<b>6,671.00</b>	<b>-</b>	<b>6,671.00</b>	<b>6,438.00</b>
		<b>16,411.35</b>	<b>-</b>	<b>16,411.35</b>	<b>16,729.97</b>

\*Include accrued fees for preparation and Independent Examination of 2023 accounts, see Note 21  
Yacht Club expenditure in 2023 was all unrestricted.

Notes to the financial statements  
for the year ended 31 December 2024

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£	£
<b>12 Offshore</b>				
<b>Direct costs</b>				
Mooring Fees	5,901.59	-	5,901.59	1,758.75
Race Fees	897.30	-	897.30	1,328.37
Training Events	-	-	-	255.00
	<b>6,798.89</b>	<b>-</b>	<b>6,798.89</b>	<b>3,342.12</b>
<b>Support Costs &amp; Resources Expended</b>				
Go Cardless Fees (Charter)	11.24	-	11.24	18.12
Equipment Purchased, Repairs & Renewals	507.32	-	507.32	7,386.05
General Maintenance	9,011.92	-	9,011.92	9,245.18
Insurance	4,323.35	-	4,323.35	2,661.89
Lift & Cradle	188.00	-	188.00	1,882.50
Membership & Subscriptions	2,006.00	-	2,006.00	200.00
Planned Maintenance	2,645.01	-	2,645.01	1,755.88
Equipment Rental/Hire	300.00	-	300.00	-
RDSA registration Trojan	-	-	-	100.00
Travel and accommodation	2,043.00	-	2,043.00	-
Depreciation	30,586.88	-	30,586.88	2,903.61
	<b>51,622.72</b>	<b>-</b>	<b>51,622.72</b>	<b>26,153.23</b>
	<b>58,421.61</b>	<b>-</b>	<b>58,421.61</b>	<b>29,495.35</b>

Offshore expenditure in 2023 was all unrestricted

<b>13 Inshore</b>	£	£	£	£
<b>Direct costs</b>				
REYC Inshore training events	2,158.00	-	2,158.00	4,373.00
Travel & accommodation (Brazil Trip)	2,503.85	-	2,503.85	4,710.00
Medway YC Sail Training	-	-	-	1,300.00
Grant Expenditure Brazil ASL Grant	-	11,200.00	11,200.00	8,154.50
	<b>4,661.85</b>	<b>11,200.00</b>	<b>15,861.85</b>	<b>18,537.50</b>
<b>Support Costs</b>				
Promotional	-	-	-	551.99
Equipment maintenance	513.60	-	513.60	2,138.38
New equipment purchased	-	-	-	2,618.32
Subscriptions	-	-	-	-
Disposals	-	-	-	-
Depreciation	5,972.05	-	5,972.05	10,332.30
	<b>6,485.65</b>	<b>-</b>	<b>6,485.65</b>	<b>15,640.99</b>
	<b>11,147.50</b>	<b>-</b>	<b>22,347.50</b>	<b>34,178.49</b>

Inshore expenditure in 2023 was all unrestricted.

Notes to the financial statements  
for the year ended 31 December 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>14 Chatham</b>				
<b>Direct costs</b>				
Mooring Maintenance	2,551.00	-	2,551.00	4,944.00
Mooring Pontoon Licence (Peel Ports)	676.85	-	676.85	1,491.72
Crown Estates	1,600.00	-	1,600.00	1,600.00
Peel Ports Conservancy	676.30	-	676.30	1,226.84
Port of Sheerness	-	-	-	-
	<b>5,504.15</b>	<b>-</b>	<b>5,504.15</b>	<b>9,262.56</b>
<b>Support costs</b>				
Bank charges	-	-	-	2.50
Equipment (Admin)	-	-	-	79.99
Insurance	1,016.25	-	1,016.25	389.32
Stationery, Postage & Printing	-	-	-	77.48
Mooring Manager Expenses	586.35	-	586.35	324.00
R&R & Maintenance	-	-	-	415.74
Depreciation	-	-	-	2,292.85
Bad Debt write-off	285.00	-	285.00	-
Membership Subscription	65.00	-	65.00	-
	<b>1,952.60</b>	<b>-</b>	<b>1,952.60</b>	<b>3,581.88</b>
	<b>7,456.75</b>	<b>-</b>	<b>7,456.75</b>	<b>12,844.44</b>
<b>15 H&amp;M Trust Grants</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>429.10</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>429.10</b>
<b>16 Hulls Fund</b>				
<b>Support Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
			£	£
<b>17 Net Income / (Expenditure)</b>			<b>-43,415.37</b>	<b>39,972.19</b>
This is stated after charging:				
Depreciation of tangible fixed assets:				
- owned by the charity			<b>36,558.93</b>	15,528.76

During the year, no Trustees received any remuneration (2024 - £ Nil).

During the year, no Trustees received any benefits in kind (2024 - £ Nil).

During the year, no Trustees received any reimbursement of expenses (2024 - £ Nil).

Notes to the financial statements  
for the year ended 31 December 2024

	Total Year Ended 31 December 2024 £	Total Year Ended 31 December 2023 £
<b>18 Staff costs</b>		
Staff costs were as follows:		
Wages and salaries	0	0
Social security costs	0	0
	<u>0</u>	<u>0</u>
The average monthly number of employees during the year was as follows:		
Management and administration of the fund	No.	No.
	<u>0</u>	<u>0</u>

**19 Tangible fixed assets**

	Yachts £	Ilex Costs £	Windsurfing and Dinghy £	Other Equipment £	Total funds 2024 £	Total funds 2023 £
<b>Cost or valuation</b>						
At 1st January 2024	212,001.00	12,616.61	106,417.35	61,017.00	392,051.96	254,935.35
Additions	-	-	-	-	-	137,116.61
Disposals	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
<b>At 31st December 2024</b>	<u>212,001.00</u>	<u>12,616.61</u>	<u>106,417.35</u>	<u>61,017.00</u>	<u>392,051.96</u>	<u>392,051.96</u>
<b>Depreciation</b>						
At 1st January 2024	-	2,760.61	82,529.30	12,860.85	98,150.76	82,622.00
Charge for the year	26,500.12	2,760.61	5,972.05	1,326.15	36,558.93	15,528.76
Disposals	-	-	-	-	-	-
<b>At 31st December 2024</b>	<u>26,500.12</u>	<u>5,521.22</u>	<u>88,501.35</u>	<u>14,187.00</u>	<u>134,709.69</u>	<u>98,150.76</u>
<b>Net book value</b>						
<b>At 31st December 2024</b>	<u><u>185,500.88</u></u>	<u><u>7,095.39</u></u>	<u><u>17,916.00</u></u>	<u><u>46,830.00</u></u>	<u><u>257,342.27</u></u>	<u><u>293,901.20</u></u>
At 31 December 2023	212,001.00	9,856.00	23,888.05	48,156.15	293,901.20	172,313.00

**20 Debtors**

	£	£
Other debtors	<u>790.00</u>	<u>285.00</u>
(£720 cleared on 01/01/2025)		

**21 Creditors**

Amounts falling due within one year:	£	£
Other creditors	170.00	114.00
	<u>1,500.00</u>	<u>1,475.00</u>
	<u>1,670.00</u>	<u>1,589.00</u>

Accrual for the cost for the preparation of the accounts and financial statements for 2024

The cost of the preparation of the Financial Statements by Ms Friday Accountancy Services, £900

The Independent Examination by Vision Accounting, £600 including VAT

Notes to the financial statements  
for the year ended 31 December 2024

22 Statement of funds - current year

	Brought forward	Income	Expenditure	Gains/ (Losses)	Transfers	Carried Forward
	£	£	£	£	£	£
<b>Designated Funds</b>						
Chatham	22,302.55	12,244.40	-7,456.75	-	-	27,090.20
Offshore	125,929.59	7,013.80	-58,421.61	-	-	74,521.78
Inshore	18,788.67	3,906.01	-11,147.50	-	-	11,547.18
Hulls	43,812.70	601.20	-	-	-	44,413.90
	<b>210,833.51</b>	<b>23,765.41</b>	<b>-77,025.86</b>	-	-	<b>157,573.06</b>
<b>Unrestricted funds</b>						
REYC	144,623.68	18,557.71	-16,411.35	-	-	146,770.04
<b>Total unrestricted funds</b>	<b>355,457.19</b>	<b>42,323.12</b>	<b>-93,437.21</b>	-	-	<b>304,343.10</b>
<b>Restricted Funds</b>						
H&M Trust	6,227.55	5,000.00	-	-	-	11,227.55
ASL Grant Inshore Brazil 2024	-	11,200.00	-11,200.00	-	-	0.00
Hulls	75,661.19	2,698.72	-	-	-	78,359.91
	<b>81,888.74</b>	<b>18,898.72</b>	<b>-11,200.00</b>	-	-	<b>89,587.46</b>
<b>Total</b>	<b>437,345.93</b>	<b>61,221.84</b>	<b>-104,637.21</b>	-	-	<b>393,930.56</b>

Statement of funds - prior year 2023

	Brought forward	Income	Expenditure	Gains/ (Losses)	Transfers	Carried Forward
	£	£	£	£	£	£
<b>Designated Funds Chatham</b>						
Chatham	23,463.33	11,683.66	-12,844.44	-	-	22,302.55
Offshore	43,258.66	34,166.30	-29,495.37	-	78,000.00	125,929.59
Inshore	31,596.33	21,370.83	-34,178.49	-	-	18,788.67
Hulls	121,392.00	420.70	-	-	-78,000.00	43,812.70
	<b>219,710.32</b>	<b>67,641.49</b>	<b>-76,518.30</b>	-	-	<b>210,833.51</b>
<b>Unrestricted funds REYC</b>						
REYC	101,126.77	60,226.88	-16,729.97	-	-	144,623.68
<b>Restricted Funds H&amp;M Trust</b>						
H&M Trust	4,156.65	2,500.00	-429.10	-	-	6,227.55
Hulls	72,380.00	3,281.19	-	-	-	75,661.19
	<b>76,536.65</b>	<b>5,781.19</b>	<b>-429.10</b>	-	-	<b>81,888.74</b>
<b>Total</b>	<b>397,373.74</b>	<b>133,649.56</b>	<b>-93,677.37</b>	-	-	<b>437,345.93</b>

Notes to the financial statements  
for the year ended 31 December 2024

**23 Analysis of net assets between funds**

**Current year**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Tangible fixed assets	257,342.27	-	257,342.27	293,901.20
Current assets	48,670.83	89,587.46	138,258.29	145,033.73
Creditors due within one year	-1,670.00	-	-1,670.00	-1,589.00
	<b>304,343.10</b>	<b>89,587.46</b>	<b>393,930.56</b>	<b>437,345.93</b>

**Prior year**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Tangible fixed assets	293,901.20	-	293,901.20	172,313.35
Current assets	63,144.99	81,888.74	145,033.73	231,377.02
Creditors due within one year	-1,589.00	-	-1,589.00	-6,316.63
	<b>355,457.19</b>	<b>81,888.74</b>	<b>437,345.93</b>	<b>397,373.74</b>

**24 Related party transactions**

All transactions with related parties are disclosed in the Trustees Report and notes to the accounts.

**THE ROYAL ENGINEER YACHT CLUB**

England & Wales - Charity number 1178311

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# Accounts

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## **The Royal Engineer Yacht Club**

**Trustees' report and financial statements  
for the year ended 31st December 2023**

**Charity number: 1178311**

Charity number: 1178311

## The Royal Engineer Yacht Club

Trustees' report and financial statements  
for the year ended 31 December 2023

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**Trustees' Report for the year ended 31 December 2023**

**Trustees**

Colonel JGJ Robinson	Commodore (Appointed 02/08/2021) (1)
Lieutenant Colonel C W Battey	Vice-Commodore (Appointed 01/11/20) (1)
Major General (Retired) A E Whitley CMG CBE	Chair (appointed 06/10/2023)
Lieutenant Colonel T Ives	(appointed 06/10/2023)
Brigadier (Retired) S Hodder	(appointed 06/10/2023)
Lieutenant General R Wardlaw OBE	Trustee (Elected 04/10/19, Resigned 06/10/2023)
Colonel (Retired) R C Hencicott MBE	Trustee (Elected 01/11/20, Resigned 06/10/2023)
	Chair (Appointed 29/10/21, Resigned 06/10/2023)

(1) Ex-officio, normally appointed for 3 years

**Non Trustee Appointment**

Colonel (Retired) R D Richards	Honorary Secretary (Appointed November 2021, Resigned October 2023)
Major General (Retired) A E Whitley	Honorary Treasurer (Appointed November 2021, Resigned October 2023)
Lieutenant Colonel J Bainger	Honorary Secretary (Appointed October 2023)
Brigadier (Retired) I Caws OBE	Honorary Treasurer (Appointed October 2023)
Lieutenant Colonel (Retired) J D Lewis	Secretary to the Board of Trustees (Appointed 01/09/20)
Lieutenant Colonel (Retired) N Edwards	Membership Secretary (Appointed October 2022)

**Principal Office**

Royal Engineer Yacht Club  
The Ravelin Building  
Brompton Barracks  
Dock Road  
Chatham  
Kent ME4 4UG

**Independent Examiner**

Chris Deacon FCCA  
Vision Accounting Ltd  
Fortis House  
Cothey Way  
Ryde  
PO33 1QT

**Independent Bookkeeper**

Tracie Wilson MICB, AATQB, PM Dip  
Ms Friday Accountancy Services Ltd  
Registered Office Address: Onward Business Hub  
College Close  
Sandown  
Isle Of Wight  
PO36 8EB

**Bankers**

Lloyds PLC  
Piccadilly Branch  
PO Box 1000  
London BX1 1LT

Trustees' Report for the year ended 31 December 2023

## TRUSTEES' REPORT

The Trustees present their annual report and independently examined financial statements for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 2 of the accounts and comply with the Charities Act 2011 and the Charities SORP 2012. In doing so they comply with the Statement of Trustees' Responsibilities shown below.

Trustees consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available (including levels of reserves held); thus, the going concern basis of accounting is deemed appropriate and there are no material uncertainties.

### Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its income 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102) (2019);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's Constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## BACKGROUND

The Royal Engineer Yacht Club (REYC) was founded in 1846, making it one of the senior yacht clubs in the United Kingdom. Full membership is open to all serving and ex-serving Royal Engineers, with non-voting membership available to individuals (civilian and military) who are closely associated with the Corps of Royal Engineers or the Club and who support its Object.

## ORGANISATION AND GOVERNANCE

### Organisation

REYC is a Charitable Incorporated Organisation (Association Model) (CIO (AM)) registered with the Charity Commission on 9 May 2018. Its governing document is its Constitution.

## Trustees' Report for the year ended 31 December 2023

The Trustees manage the Club according to its Constitution and make Rules necessary for the proper conduct and management of the CIO. The Rules delegate day to day management to the Main Committee chaired by the Commodore, who is supported by the Vice Commodore and three Rear Commodores responsible for Inshore, Offshore and Regions activities. It is the practice of the Club that any new or amended Rules shall be brought to the attention of Members at a General Meeting.

Accountancy support is provided by Ms Friday Accountancy Services Ltd, C/O Onward Business Hub, College Close, Sandown, PO36 8EB. The independently examined accounts accompanying this Trustees' Annual Report cover the year from 1 January to 31 December 2023, which is the Club's fifth full year as a CIO.

### Recruitment and Appointment of Trustees

Our Constitution provides for three Trustees elected by Full Members at a General Meeting, two of whom are required to have served previously as Flag Officers of REYC. There are also two ex officio appointments, the Commodore and Vice Commodore, also elected by Members at a General Meeting. In this reporting year the Club has a full complement of trustees,

### Trustee Induction and Training

Trustees are all provided with the necessary documents on appointment and suitably trained for their charitable role. Their experience of sailing provides them with knowledge to support sailing activities.

### OUR CHARITABLE OBJECT

Our Charitable Object is, for the public benefit, the promotion of the efficiency of the armed forces of the Crown by:

- the provision and support of sailing facilities, equipment and activities for the efficiency and wellbeing of Service personnel;
- increasing physical fitness of members of the Services through sailing;
- providing opportunities for Service personnel to gain additional experience and develop the military virtues of courage, self-reliance, mental robustness, endurance and leadership relevant to their jobs;
- encouraging esprit de corps and fostering high morale through representation in sporting competitions;
- providing an association which supports the Corps of Royal Engineers and enables serving and former members to mix together, and creating opportunities for mentoring junior leaders by older, more experienced members.

### ACTIVITIES AND ACHIEVEMENTS IN 2023

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

The Club's activities are conducted as follows:

- The Offshore Division now has two yachts. The focus of the Offshore Division remains sail training; adventurous training; offshore racing and cruising.

Trustees' Report for the year ended 31 December 2023

- The Inshore Division is responsible for dinghy sailing, windsurfing and kite surfing, with teams from these disciplines participating in competitions and running an annual development week for novices.
- The Regions Division is responsible for coordinating and supporting Club activities across the UK.

All divisions are, again, to be congratulated for active participation in training, competition, adventurous expeditions and cruising. Our activities contributed substantially to the general wellbeing of serving soldiers, whether Club members or not. It has been noted that more serving personnel who are not formally members of the Club have been involved in REYC-facilitated sailing during 2023 than members. We continue to consider how we might formally recognise this position in furtherance of our Charitable Object. Again, non-serving members have contributed significantly to the management and development of the Club, in direct support of Corps sailing, and in mentoring less experienced people.

### Offshore Division

2023 has featured strong activity, both on and off the water. There have been some significant challenges but enthusiasm for offshore sailing is strong and the level of support we have received from all quarters – the field army, club volunteers, the Army Sailing Association and various 'friends of the REYC' – has been heartening.

In February 2022 we had sold off our much-used, much-loved Dehler 32, Right Royal. We bought a replacement, Ilex, a Danish built X-34 in January 2023.

Our J109 yacht, Trojan, took part in all of the usual events in the Solent – the Army Offshore Regatta, the Lymington Meet, Junior Offshore Group races, Royal Ocean Racing Club offshore series, and the Fastnet Race. The Fastnet Race campaign acted as a focal point for offshore activity in 2023. Participation was focussed solely on serving soldiers, while it received significant planning and logistical support from retired members, illustrating well the REYC model working to support serving military personnel. It should be noted that Trojan suffered damage early in the race and had to anchor to make repairs. The crew decided to persevere and, although finishing at the back of the fleet, completed the race. This met with approbation from the Royal Ocean Racing Club, the organizers, noting the REYC crew's grit, determination and sheer endurance.

Elsewhere the Club ran a flotilla training week, 'The Royal Engineer Sail Training Week', where we fielded yachts crewed by soldiers from across the Corps, and a series of skipper development weekends.

Perhaps the most significant activity was the start of a Royal Engineer expedition to sail to South Georgia using a Joint Services Adventurous Sail Training Centre yacht. Running into 2024 this expedition spanned 5 continents, 6 legs, 10 countries, over a 25 week period and included over 100 crew from across the Corps.

Looking ahead, the 2024 season already shows great promise. We have a full programme for offshore racing and the training pipeline to develop. The challenges are in maintaining our boats as 'fit for purpose', the increasing costs of boat and activity insurance and, above all, the very high levels of operational commitments on a, now, much smaller Corps.

Trustees' Report for the year ended 31 December 2023

**Inshore Division**

In 2023 the annual Inshore Sail Training Week took place at the Army Inshore Sail Training Centre (Thorney Island) over the period 19-23 June, bringing together some 25 students and instructors from across the Corps. Activities and training included dinghy sailing, kitesurfing, wing surfing and windsurfing, and the week again proved to be a great success in honing skills at all levels. Ten novice windsurfers showcased their growing skills and confidence in a race providing a fitting finale to the week. The Club has also expanded its pool of qualified instructors across all water sports disciplines, ensuring serving personnel across the Corps will have access to expert guidance and tuition. We are grateful for the support of Corps and Army funds, which support some of our key activities.

**Dinghy Sailing.** Sappers in training at 1 RSME Regiment in Chatham continued to utilize fully the Wednesday sail training sessions provided by Medway Yacht Club under contract. Our dinghy sailors serving in the north of the country also continue to have access to local clubs near Catterick and Ripon. Dinghy racing was included in the Sapper Games for the first time in a number of years, and a number of Corps sailors embraced the opportunity to compete at a high level at the National Dinghy Sailing Championships.

**Windsurfing.** Windsurfing continues to go from strength to strength. REYC members again made their presence felt at the Army Windsurf Championships, where they demonstrated their outstanding prowess in a competitive environment, which tested skills and race management fully.

**Kitesurfing.** A second Overseas Sports visit to Cyprus, following 2022's successful trip, provided BKSA level 1 and 2 certificates to 16 individuals. The Club has been active in competitions and this element of our sport continues to grow fast with an enthusiastic following.

**Regions Division**

The Regions Division organised and provided the Race Officers for the annual Meet at Lymington in May 2023. Both Club and 6 members' boats participated.

The RE Sail Training Week was supported by retired members sailing in company with the sail training fleet providing training for a serving skipper, yachting advice, setting courses and a Skippers Quiz.

The retired members support to serving Club Officers, already substantial, has increased over recent years. The reduction in the size of the Army and Corps has been coincident with increased administrative and legal demands of Coding the yachts, organising Military training and responding to changes in the Defence Infrastructure Plan. The concomitant demands of operations and training has further reduced the time serving officers can commit to Club matters. To address these issues, we are introducing more widely the administrative, logistic and technical support the Honorary Rear Commodores Offshore and inshore have traditionally provided to the Offshore Committee.

Following the decision to close Chatham Branch and divest the Club of the moorings. Members of Chatham Branch have established a local club, as a CIO, with synergistic aims as the REYC. The Club intends gifting the moorings to the new entity. All current members of Chatham Branch would remain Club members in their current membership categories should they so wish. The final elements of separating Chatham Branch from the REYC will occur on 31 December 2024.

## Trustees' Report for the year ended 31 December 2023

**Central Club Activities**

**Club Administration.** Implementation of Sailing Club Manager (SCM) to support Club administration began in 2021 and has continued to gather pace in 2023. It is now our formal mechanism for managing membership, communications, chartering, events and voting. We have also taken the opportunity to rationalise and update the direct debit management system used for raising subscriptions and Hulls Fund donations. The new system was implemented in early 2023 and interfaces with SCM, thereby adding functionality to handle member payments for all Club charges. At our AGM in 2022 members voted to allow future General Meetings to be held in either wholly virtual form or hybrid form, and for voting to take place remotely as appropriate. These changes have been reflected in amendments to our Constitution that have now been formally accepted by the Charity Commission and will allow the Club to continue to take advantage of some of the mechanisms we were forced to adopt temporarily during Covid restrictions.

**Strategic Direction.** During the course of 2022 it became increasingly apparent that the rate of societal change as it affects the Club has been much greater than had been envisaged only a year previously when REYC Strategy 2021 was published. This has become more evident in 2023. Whilst the Strategy and its associated Goals remain highly relevant, we realized that we need to do more, and more quickly, than had ever been expected. This was reflected in a Future Club Philosophy paper aired at the 2022 AGM and in a number of discussions and working groups examining how we maintain REYC's relevance to the needs of the modern Corps of Royal Engineers and its personnel. The breadth of our self-examination has embraced our membership model, the balance between the needs of serving and non-serving members, and associated governance matters. This debate has continued in 2023 and will be driven forward in 2024/25. Early indications are that radical change will probably produce insignificant benefit and would still not address many current challenges. A more evolutionary approach seems appropriate although speed will still need to be of the essence if we are to shape a Club to meet the demands of tomorrow rather than be left behind worrying about today's issues. Thus, the Strategy remains in place and in use as a guiding document, but close monitoring of progress towards achieving its specific Goals has been paused while we've focused on meeting immediate needs. The process is taking much longer than anticipated as the effects and implications of a much smaller Army and Corps, with increased commitments, are only being realised. These are having very significant effects on how much time serving officers of the Club can devote to furthering its aims and the pressures on serving members in terms of participating actively in a sport and, indeed, the competing demands of family life. What is clear is that the Club must evolve to give every opportunity to provide this sport to serving members whilst making full use of retired members to provide support.

**Annual Dinner.** Our annual dinner has customarily been in Chatham and has been a formal event at which all members of the Club can come together to socialise and where prizes, Corps colours and awards are presented. It has normally been held in the evening of the day on which the AGM takes place. In 2022 we needed to look for a new solution and we opted to hold both our AGM and our annual dinner at Hornet Services Sailing Club at Gosport. This is now the home of our offshore activities and not too distant from a centre for Service inshore sailing at Thorney Island. We chose a date to coincide with the end of the RE Sail Training Week (RESTW), at which all major disciplines of the Club co-located at Thorney Island, arranged a dinner that was less formal than in previous years and therefore more inclusive for Club members, and encouraged as many as possible to attend both the AGM and dinner. The new format and location were both deemed successful and repeated in 2023. It is anticipated that this will be the formula in future years.

**Trustees' Report for the year ended 31 December 2023**

**Key Appointments.** All Club appointments are voluntary. The last 2 year's reports observed that, with the Army shrinking, individual commitments were growing and it was becoming increasingly difficult for serving members to administer the Club. Nothing has changed in the interim and the trend is clear. Our preference remains for serving members to hold the majority of appointments in order to promote succession planning based on knowledge and to maintain a clear understanding of the outlook and needs of today's serving members who sit at the heart of our Charitable Object. Nonetheless, we could not currently run the Club without non-serving members taking up key roles which would otherwise be vacant. In the past year retired members have made significant contributions as Honorary Secretary, Honorary Treasurer and Membership Secretary. We still encourage retired members to support and mentor serving personnel in Club appointments and provide cover when they are deployed on operations.

**2023 FINANCIAL REVIEW****Principal Funding**

The Club's income continues to come primarily from members' subscriptions and voluntary donations, Royal Engineer Corps' grants, and grants provided through the Army Sailing Association including Army Welfare and Nuffield Trust grants.

The Club remains solvent. The financial plan for all divisions of the Club is reviewed at least annually to better inform any decisions to adjust spending, review the yacht replacement plan, and to support bids for external grants.

Accountancy support from Ms Friday for all Club funds, initiated in 2022, has significantly improved the Club's capacity to both manage in-year income and expenditure against budget, and to prepare the accounts for Independent Examination annually. Changes to simplify the Club's asset management policy are also planned for 2024 to further improve the Club's financial management and long-term planning.

**Reserves Policy**

The Club has a 10 Year Financial Plan, reviewed annually, reflecting income and expenditure including equipment replacement funded through the Hulls Fund and other sources. This is now aligned with a 10 Year Strategy, although consideration has also been given to the impact of two full yacht replacement cycles, which takes the current long term financial plan beyond the 10-year period.

The Club's reserves policy is to maintain a minimum of 6 months' operating capital held as cash. The Club has invested the balance of its cash in a low risk, interest earning account. This is being reviewed in 2024 to ensure the funds are invested as productively as possible.

**Insurance**

The Trustees are satisfied that appropriate policies remain in place and will continue to seek best value for money.

**Balance Sheet**

In 2023 the Club's accumulated funds increased by £39,972 to £437,346 (2022: decreased by £19,894 to £397,374). This increase is mostly accounted for by the significant increase in grants to support both the purchase of Ilex and the wider programme of inshore and offshore activities run in 2023. Notes to the Statement of Financial Activities and Balance Sheet provide supplementary information against each funding activity.

## Trustees' Report for the year ended 31 December 2023

**Fund Designation**

In furtherance of the Club's Object, the Club maintains one Unrestricted, four Designated and two Restricted Funds:

- **Unrestricted.** The Main Fund supports REYC activity not supported by other Club Funds.
- **Designated:**
  - **Chatham.** The Chatham Fund supports REYC principally on the River Medway and, when financially able, wider Club activity. Income to the Fund comes from Chatham Branch Member mooring fees and other local activity. The Club has taken the decision to close the Chatham Branch with effect from the end of 2024 and thereafter to work with the newly established Brompton Boat Club in support of Sapper sailing on the Medway.
  - **Inshore.** The Inshore Fund supports the Object of the REYC in respect of inshore sailing, namely dinghy, board and kite sailing. Inshore boats and equipment are included in this Fund. It receives grants from the Main Fund as well as grants through the Army Sailing Association. Fees are currently not levied for the use of inshore Club boats and equipment.
  - **Offshore.** The Offshore Fund supports REYC offshore sailing, namely sail training, adventurous training, offshore racing and cruising. The two Club-owned yachts are included in this Fund. The fund receives grants from the Main and Hulls Funds, as well as from the Army Sailing Association. Charter fees, set annually, are paid for the use of Club yachts.
  - **Hulls.** The Hulls Fund supports the REYC's equipment replacement programme. A percentage, set annually, of all offshore charter fees provides income to this Fund.
- **Restricted:**
  - **Hulls.** The Hulls Fund (Restricted) also supports the REYC's equipment replacement programme. Income to this Fund comes from Members' donations and legacies and, as such, is accounted for separately from the Hulls Fund (Designated). Gift Aid is claimed from Her Majesty's Revenue & Customs.
  - **H&M Trust.** The H&M Trust (Charity Number 272391) was set up by the owner of H&M Engineering, formerly in Chatham Dockyard, and makes annual grants to the REYC to support the costs incurred by non-commissioned soldiers of the Corps of Royal Engineers when undertaking sailing of any discipline. Accordingly, it is managed as a Restricted Fund.

**OBSERVATIONS ON THE FINANCIAL STATEMENT**

The Trustees make the following observations:

- **General.** The Club's total income in 2023 exceeded expenditure by £39,972. This reflects primarily the significant increase in grants received (2023 - £91,842; 2022 - £20,465), offset by increased expenditure on inshore and offshore activities enabled, in part, by the grants received. Charter income rose but was impacted significantly by the later than planned availability of Ilex (2023 - £3,786; 2022 - £1,143). Additionally, subscription income rose and donations to the Hulls Fund fell, both marginally, in 2023. Steps to increase income through these core revenue streams remain a focus for 2024.

Trustees' Report for the year ended 31 December 2023

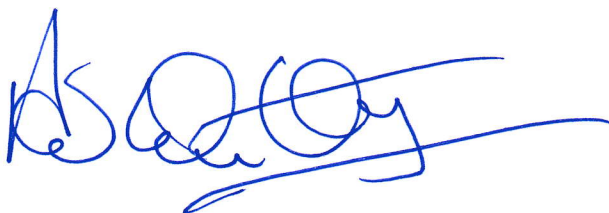
- **Hulls Fund (Restricted).** A successful claim for Gift Aid on eligible Hulls Fund donations from 2018 was made in 2023 and is reflected in these accounts. Subsequent claims for donations made in 2020 to 2022 have now also been made successfully, with income falling into 2024's accounts.
- **Debtors and Creditors.** The Trustees are satisfied that Debtors (£285) and Creditors (£1,589) are being managed properly.

**CONCLUSION**

We have emerged from Covid 19 in a stronger position than we were pre-pandemic, having taken the opportunity to build resilience into our operations and administration by embedding many of the new ways of working forced upon us by Covid restrictions. Our accountancy support is now also more resilient and better suited to a charity of our size and nature, and the adoption of Sailing Club Manager is progressively allowing the coalescing of our administrative and financial management. On the water we continue to address the need to manage and maintain our offshore fleet without dedicated military bosun support but have sufficient confidence in the future to have embarked (in early 2023) upon replacing the second yacht, sold a year previously. Our engagement with sailors across the Corps, both REYC members and others, is arguably better than it has been for many years, and this bodes well for continued achievement of our charitable Object.

Approved by the Trustees on  
and signed on their behalf

27 September 2024



Major General (Retd) A E Whitley CMG CBE WO  
Chair, Board of Trustees  
Royal Engineer Yacht Club

**The Royal Engineer Yacht Club**

**Financial Statements for the year ended 31 December 2023**

**Bookkeeper's Statement**

I have prepared the financial statements on pages 11 to 21 for the year ended 31 December 2023 from the accounting records of the Royal Engineer Yacht Club.

Name: Tracie Wilson

Signature:



Date

01/08/2024

Ms Friday Accountancy Services

**Independent Examiners Report**

I report to the trustees on my examination of the accounts of The Royal Engineer Yacht Club for the year ended 31st December 2023, which are set out on pages 11 to 21

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011, and considers that the audit requirement of Section 43(2) of the Charities Act 1993 (the Act) does not apply.

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 all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of 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 this report in order to enable a proper understanding of the accounts to be reached.

**Signed by the Independent Examiner:**

**Date:**

24/08/2024

Chris Deacon FCCA  
Vision Accounting  
Fortis House  
Cothey Way  
Ryde  
PO33 1QT



**Statement of Financial Activities  
for the year ended 31 December 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income and endowments from:</b>					
Donations & Legacies	3	-	2,804.00	2,804.00	4,403.00
Grants	4	59,341.84	2,500.00	61,841.84	20,465.00
Grant towards new Ilex (Merlin) Designated	4	30,000.00	-	30,000.00	-
Gift Aid Tax Reclaimed	3	-	477.19	477.19	-
Fundraising	5	3,470.70	-	3,470.70	-
Subscriptions	6	15,040.00	-	15,040.00	13,845.00
Charter Hire	7	3,786.30	-	3,786.30	1,143.00
Other Income	8	15,755.35	-	15,755.35	21,223.88
Investment Income	9	474.18	-	474.18	119.47
<b>Total Income</b>		<b>127,868.37</b>	<b>5,781.19</b>	<b>133,649.56</b>	<b>61,199.35</b>
<b>Expenditure on:</b>					
Charitable activities	10	93,248.27	429.10	93,677.37	81,093.85
<b>Total Expenditure</b>		<b>93,248.27</b>	<b>429.10</b>	<b>93,677.37</b>	<b>81,093.85</b>
<b>Net income / (expenditure) before revaluations</b>		<b>34,620.10</b>	<b>5,352.09</b>	<b>39,972.19</b>	<b>-19,894.50</b>
Gains / (losses) on revaluations of fixed assets	19	-	-	-	-
<b>Net income / (expenditure) before transfers</b>		<b>34,620.10</b>	<b>5,352.09</b>	<b>39,972.19</b>	<b>-19,894.50</b>
<b>Transfers</b>					
Hulls (Designated)		-78,000.00	-	-	78,000.00
Offshore (Designated)		78,000.00	-	-	-78,000.00
<b>Net movement in funds for the year</b>		<b>34,620.10</b>	<b>5,352.09</b>	<b>39,972.19</b>	<b>-19,894.50</b>
<b>Reconciliation of funds</b>					
Total funds at 1 January 2023		320,837.09	76,536.65	397,373.74	417,268.74
<b>Total funds at 31 December 2023</b>		<b>355,457.19</b>	<b>81,888.74</b>	<b>437,345.93</b>	<b>397,374.24</b>

All activities relate to continuing operations.

The notes on pages 13 to 21 form part of these financial statements.

**Balance Sheet**  
as at 31 December 2023

		Year Ended		Year Ended	
		31 December		31 December	
		2023		2022	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	19		293,901.20		172,313.35
<b>Current assets</b>					
Prepayments		8,498.02		2,430.09	
Debtors	20	285.00		795.00	
Cash at bank		<u>136,250.71</u>		<u>228,151.93</u>	
		145,033.73		231,377.02	
<b>Creditors:</b> amounts falling due within one year	21	-1,589.00		-4,316.63	
Liabilities				-2,000.00	
<b>Net current assets</b>			143,444.73		225,060.39
<b>Net assets</b>			437,345.93		397,373.74
<b>Charity Funds</b>					
Unrestricted funds	22		355,457.19		320,837.09
Restricted funds	22		<u>81,888.74</u>		<u>76,536.65</u>
<b>Total funds</b>			<u>437,345.93</u>		<u>397,373.74</u>

The financial statements were approved by the Trustees on the date:

and signed on their behalf, by:

Chair of Board of Trustees

Board Secretary

The notes on pages 13 to 21 form part of these financial statements.

**Notes to the financial statements  
as at 31 December 2023**

**1 General administrative information**

The Royal Engineer Yacht Club is a Charitable Incorporated Organisation in England & Wales with the registration number 1178311. The address of the registered office is RE Corps Funds, Brompton Barracks, Dock Road, Chatham, Kent, ME4 4UG. The Charity's principal objectives continued to be the promotion of the efficiency of the Armed Forces of the Crown by: provision and support of sailing facilities; increasing physical fitness through sailing; encouraging Esprit de Corps through representation in sporting competitions; and providing an association which supports the Corps of Royal Engineers.

**2 Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the second edition of the 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) (2019).

The Royal Engineer Yacht Club 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 note(s).

**2.2 Preparation of the accounts on an going concern basis**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis in accounting in preparing the financial statements.

**2.3 Fund Accounting**

General unrestricted funds represent unrestricted income which is expendable at the discretion of the furtherance of the objects of the Charity.

Designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the Trustees to meet specific purposes.

Restricted funds represent income which is allocated by the donor for specific purposes. These are explained in detail on page 8 in the Trustees' report.

Investment income, gains and losses are allocated to the appropriate fund.

**2.4 Income**

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 income receivable can be measured reliably.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

**Tax reclaims on donations and gifts**

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Notes to the financial statements  
as at 31 December 2023****2 Accounting policies****2.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is an obligation to committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis.

Cost of charitable activities includes the apportionment of support costs shown in note 10.

**2.6 Tangible fixed assets and depreciation**

Assets costing greater than or equal to £500 are capitalised and valued at historic cost. Depreciation is charged on assets using a straight - line basis over their estimated life on the following basis:

Yachts	not depreciated
Windsurfing and Dinghy	10%-100% per annum
Other equipment	10%-20% per annum

**2.7 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.8 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.9 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**2.10 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the financial statements  
for the year ended 31 December 2023

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£	£
<b>3 Donations &amp; Legacies</b>				
Donation Hulls Fund	-	2,804.00	2,804.00	4,153.00
Donations	-	0.00	0.00	250.00
Tax reclaimed (Gift Aid on Hulls fund donations)	-	477.19	477.19	-
	<u>-</u>	<u>3,281.19</u>	<u>3,281.19</u>	<u>4,403.00</u>

Income from Donations and Legacies in 2022 comprised £250 unrestricted and £4,153 restricted.

**4 Grants**

	£	£	£	£
RE Sports Board	41,000.00	-	41,000.00	3,600.00
RE Sports Board (Offshore)	4,400.00	-	4,400.00	-
H&M Trust	-	2,500.00	2,500.00	-
HQ Garrison Windsurfing (Inshore)	13,941.84	-	13,941.84	15,025.00
Grant towards new Yacht (Merlin)	30,000.00	-	30,000.00	1,840.00
	<u>89,341.84</u>	<u>2,500.00</u>	<u>91,841.84</u>	<u>20,465.00</u>

Income from Grants in 2022 comprised £20,465 unrestricted.

**5 Fundraising Events**

RE Dinner	1,468.70	-	1,468.70	1,372.00
Lymington Meet	2,002.00	-	2,002.00	-
	<u>3,470.70</u>	<u>-</u>	<u>3,470.70</u>	<u>1,372.00</u>

**6 Subscriptions**

	£	£	£	£
REYC	15,040.00	-	15,040.00	13,845.00

Income from subscriptions in 2022 was all unrestricted.

**7 Charter Hire (Offshore)**

	£	£	£	£
Yacht Charter Hire Income (Merlin)	3,786.30	-	3,786.30	1,143.00
	<u>3,786.30</u>	<u>-</u>	<u>3,786.30</u>	<u>1,143.00</u>

Charter hire (offshore) income in 2022 was all unrestricted.

**8 Other income**

	£	£	£	£
Mooring Fees	10,280.62	-	10,280.62	8,920.00
Property Sales (Inshore)	-	-	-	6,700.00
Property Sales (offshore)	-	-	-	500.00
Blue Ensign Permits	242.00	-	242.00	115.00
Conservancy - Chatham	1,403.04	-	1,403.04	1,280.00
RE Sail Training Week	1,560.00	-	1,560.00	1,745.00
Insurance Claim (Inshore)	1,468.99	-	1,468.99	464.88
Insurance Claim (Offshore)	380.00	-	380.00	-
Yacht Charter 10% contribution to Hulls (D)	420.70	-	420.70	127.00
	<u>15,755.35</u>	<u>-</u>	<u>15,755.35</u>	<u>21,223.88</u>

Other income in 2022 was all unrestricted.

**9 Investment income**

	£	£	£	£
Bank interest receivable	474.18	-	474.18	119.47

Investment income in 2022 was all unrestricted.

Total income	<u>127,868.37</u>	<u>5,781.19</u>	<u>133,649.56</u>	<u>61,199.35</u>
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Notes to the financial statements  
for the year ended 31 December 2023

## 10 Analysis of expenditure by activities

		Direct costs	Grant funding of activities	Support costs	Total	Total
	Note	2023	2023	2023	2023	2022
		£	£	£	£	£
Yacht Club	11	4,634.10	-	12,095.87	16,729.97	13,008.94
Offshore	12	3,342.12	-	26,153.25	29,495.37	20,937.22
Inshore	13	-	18,537.50	15,640.99	34,178.49	31,709.67
Chatham	14	9,262.56	-	3,581.88	12,844.44	10,596.67
H&M Trust	15	-	429.10	-	429.10	161.35
Hulls (D)	16	-	-	-	-	4,680.00
		<b>17,238.78</b>	<b>18,966.60</b>	<b>57,471.99</b>	<b>93,677.37</b>	<b>81,093.85</b>

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2023	2023	2023	2022
	£	£	£	£
<b>11 Yacht Club</b>				
<b>Direct costs</b> including Fundraising				
RE Dinner	2,301.75	-	2,301.75	1,651.00
RE Year Book	560.75	-	560.75	1,715.21
Ties	-	-	-	622.00
Lymington Meet	1,693.60	-	1,693.60	419.64
Blue Ensign Permits	78.00	-	78.00	78.00
	<b>4,634.10</b>	<b>-</b>	<b>4,634.10</b>	<b>4,407.85</b>
<b>Admin and Support costs</b>				
AGM Costs	162.50	-	162.50	-
Bank charges	-	-	-	280.24
Go Cardless Fees	101.63	-	101.63	-
Insurance	2,370.99	-	2,370.99	418.99
ASA Affiliation	-	-	-	890.00
Staff/Account Costs	-	-	-	2,009.71
Sailing Club Manager Software	2,688.00	-	2,688.00	2,578.80
Trophies/Engraving/ Flags	305.00	-	305.00	-
Stationery/sundry expenses	29.75	-	29.75	358.41
Computer Costs	-	-	-	338.03
Travel	-	-	-	1,648.91
	<b>5,657.87</b>	<b>-</b>	<b>5,657.87</b>	<b>8,601.09</b>
<b>Governance</b>				
Bookkeeping and Accountancy Fees*	6,403.00	-	6,403.00	-
Legal (ICO reg)	35.00	-	35.00	-
	<b>6,438.00</b>	<b>-</b>	<b>6,438.00</b>	<b>-</b>
	<b>16,729.97</b>	<b>-</b>	<b>16,729.97</b>	<b>13,008.94</b>

\*Include accrued fees for preparation and Independent Examination of 2023 accounts, see Note 21  
2022 Accounts, Accountancy fees were included within staff costs and not accrued  
Yacht Club expenditure in 2022 was all unrestricted.

Notes to the financial statements  
for the year ended 31 December 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>12 Offshore</b>				
<b>Direct costs</b>				
Mooring Fees	1,758.75	-	1,758.75	2,303.65
Race Fees	1,328.37	-	1,328.37	-
Training Events	255.00	-	255.00	-
	<u>3,342.12</u>	<u>-</u>	<u>3,342.12</u>	<u>3,450.77</u>
<b>Support Costs &amp; Resources Expended</b>				
Go Cardless Fees (Charter)	18.12	-	18.12	-
Equipment Purchased	7,234.80	-	7,234.80	-
General Maintenance	9,245.18	-	9,245.18	8,946.59
Insurance	2,661.89	-	2,661.89	902.26
Lift & Cradle	1,882.50	-	1,882.50	3,950.00
Membership & Subscriptions	200.00	-	200.00	-
Planned Maintenance	1,755.88	-	1,755.88	-
R&R equipment	151.25	-	151.25	49.99
RDSA registration Trojan	100.00	-	100.00	90.00
Promotional/advertising	-	-	-	200.00
Fuel	-	-	-	370.22
Bosuns costs	-	-	-	94.30
Certification & Inspection	-	-	-	-
Travel and accommodation	-	-	-	343.09
Property/Equipment disposal	-	-	-	1,010.00
Depreciation	2,903.61	-	2,903.61	1,530.00
	<u>26,153.23</u>	<u>-</u>	<u>26,153.23</u>	<u>17,486.45</u>
	<u>29,495.35</u>	<u>-</u>	<u>29,495.35</u>	<u>20,937.22</u>

Offshore expenditure in 2022 was all unrestricted

	£	£	£	£
<b>13 Inshore</b>				
<b>Direct costs</b>				
REYC Inshore training events	4,373.00	-	4,373.00	2,203.99
Travel & accommodation	4,710.00	-	4,710.00	4,451.71
Medway YC Sail Training	1,300.00	-	1,300.00	1,300.00
Grant Expenditure - new equipment	8,154.50	-	8,154.50	-
	<u>18,537.50</u>	<u>-</u>	<u>18,537.50</u>	<u>7,955.70</u>
<b>Support Costs</b>				
Promotional	551.99	-	551.99	-
Equipment maintenance	2,138.38	-	2,138.38	561.00
New Equipment purchased	2,618.32	-	2,618.32	7,381.30
Subscriptions	-	-	-	250.00
Disposals	-	-	-	10,219.67
Depreciation	10,332.30	-	10,332.30	5,342.00
	<u>15,640.99</u>	<u>-</u>	<u>15,640.99</u>	<u>23,753.97</u>
	<u>34,178.49</u>	<u>-</u>	<u>34,178.49</u>	<u>31,709.67</u>

Inshore expenditure in 2022 was all unrestricted.

Notes to the financial statements  
for the year ended 31 December 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>14 Chatham</b>				
<b>Direct costs</b>				
Mooring Maintenance	4,944.00	-	4,944.00	3,839.20
Mooring Pontoon Licence (Peel Ports)	1,491.72	-	1,491.72	1,400.00
Crown Estates	1,600.00	-	1,600.00	1,600.00
Peel Ports Conservancy	1,226.84	-	1,226.84	2,230.83
Port of Sheerness	-	-	-	-
	<b>9,262.56</b>	<b>-</b>	<b>9,262.56</b>	<b>9,070.03</b>
<b>Support costs</b>				
Bank charges	2.50	-	2.50	-
Equipment (Admin)	79.99	-	79.99	-
Insurance	389.32	-	389.32	67.02
Stationery, Postage & Printing	77.48	-	77.48	-
Mooring Manager Expenses	324.00	-	324.00	755.42
R&R & Maintenance	415.74	-	415.74	260.20
Depreciation	2,292.85	-	2,292.85	199.00
Bad Debt write-off	-	-	-	245.00
	<b>3,581.88</b>	<b>-</b>	<b>3,581.88</b>	<b>1,526.64</b>
	<b>12,844.44</b>	<b>-</b>	<b>12,844.44</b>	<b>10,596.67</b>
<b>15 H&amp;M Trust Grants</b>	-	429.10	-	-
	-	429.10	-	-
<b>16 Hulls Fund</b>				
<b>Support Costs</b>				
Yacht Sale Cost	-	-	-	4,680.00
	-	-	-	4,680.00
			£	£
<b>17 Net Income / (Expenditure)</b>			<b>39,972.19</b>	<b>-19,894.50</b>

This is stated after charging:

Depreciation of tangible fixed assets:  
- owned by the charity

15,528.76      7,071

During the year, no Trustees received any remuneration (2023 - £ Nil).

During the year, no Trustees received any benefits in kind (2023 - £ Nil).

During the year, no Trustees received any reimbursement of expenses (2023 - £ Nil).

Notes to the financial statements  
for the year ended 31 December 2023

	Total Year Ended 31 December 2023 £	Total Year Ended 31 December 2022 £
<b>18 Staff costs</b>		
Staff costs were as follows:		
Wages and salaries	0	836
Social security costs	0	0
	<u>0</u>	<u>836</u>
The average monthly number of employees during the year was as follows:		
Management and administration of the fund	<u>No</u>	<u>No.</u>
	<u>0</u>	<u>1</u>

There were no employees during 2023

**19 Tangible fixed assets**

	Yachts £	Ilex Costs £	Windsurfing and Dinghy £	Other Equipment £	Total funds 2023 £	Total funds 2022 £
<b>Cost or valuation</b>						
At 1 January 2023	87,501.00	-	106,417.35	61,017.00	254,935.35	329,346
Additions	124,500.00	12,616.61	-	-	137,116.61	14,819
Disposals	-	-	-	-	-	-89,230
Revaluation	-	-	-	-	-	-
At 31 December 2023	<u>212,001.00</u>	<u>12,616.61</u>	<u>106,417.35</u>	<u>61,017.00</u>	<u>392,051.96</u>	<u>254,935</u>
<b>Depreciation</b>						
At 1 January 2023	-	-	72,197.00	10,425.00	82,622.00	75,551
Charge for the year	-	2,760.61	10,332.30	2,435.85	15,528.76	7,071
Disposals	-	-	-	-	-	-
At 31 December 2023	<u>-</u>	<u>2,760.61</u>	<u>82,529.30</u>	<u>12,860.85</u>	<u>98,150.76</u>	<u>82,622</u>
<b>Net book value</b>						
At 31 December 2023	<u>212,001.00</u>	<u>9,856.00</u>	<u>23,888.05</u>	<u>48,156.15</u>	<u>293,901.20</u>	<u>172,313</u>
At 31 December 2022	<u>87,501</u>	<u>-</u>	<u>34,220</u>	<u>50,592</u>	<u>172,313</u>	<u>253,795</u>

**20 Debtors**

	£	£
Other debtors	<u>285</u>	<u>795</u>

**21 Creditors:**

	£	£
<b>Amounts falling due within one year:</b>		
Liability, Army Grant repayment	-	2,000
Other creditors	1,589.00	4,317
	<u>1,589.00</u>	<u>6,317</u>

Other creditors include an accrual for the cost for the preparation of the accounts and financial statements for 2023.

The cost of the preparation of the financial statements by Ms Friday Accountancy, £875

The Independent Examination by Vision Accounting, £600 including VAT

Notes to the financial statements  
for the year ended 31 December 2023

## 22 Statement of funds - current year

	Brought forward	Income	Expenditure	Gains/ (Losses)	Transfers	Carried Forward
	£	£	£	£	£	£
<b>Designated Funds</b>						
Chatham	23,463.33	11,683.66	-12,844.44	-	-	<b>22,302.55</b>
Offshore	43,258.66	34,166.30	-29,495.37	-	78,000.00	<b>125,929.59</b>
Inshore	31,596.33	21,370.83	-34,178.49	-	-	<b>18,788.67</b>
Hulls	121,392.00	420.70	-	-	-78,000.00	<b>43,812.70</b>
	<b>219,710.32</b>	<b>67,641.49</b>	<b>-76,518.30</b>	<b>-</b>	<b>-</b>	<b>210,833.51</b>
<b>Unrestricted funds</b>						
REYC	101,126.77	60,226.88	-16,729.97	-	-	<b>144,623.68</b>
<b>Total unrestricted funds</b>	<b>320,837.09</b>	<b>127,868.37</b>	<b>-93,248.27</b>	<b>-</b>	<b>-</b>	<b>355,457.19</b>
<b>Restricted Funds</b>						
H&M Trust	4,156.65	2,500.00	-429.10	-	-	<b>6,227.55</b>
Townsend Trust	-	-	-	-	-	-
Hulls	72,380.00	3,281.19	-	-	-	<b>75,661.19</b>
	<b>76,536.65</b>	<b>5,781.19</b>	<b>-429.10</b>	<b>-</b>	<b>-</b>	<b>81,888.74</b>
<b>Total</b>	<b>397,373.74</b>	<b>133,649.56</b>	<b>-93,677.37</b>	<b>-</b>	<b>-</b>	<b>437,345.93</b>

## Statement of funds - prior year

	Brought forward	Income	Expenditure	Gains/ (Losses)	Transfers	Carried Forward
	£	£	£	£	£	£
<b>Designated Funds</b>						
Chatham	23,860.00	10,200.00	-10,596.67	-	-	23,463.33
Offshore	137,998.00	4,197.88	-20,937.22	-	-78,000.00	43,258.66
Inshore	36,236.00	27,070.00	-31,709.67	-	-	31,596.33
Hulls	47,945.00	127.00	-4,680.00	-	78,000.00	121,392.00
	<b>246,039.00</b>	<b>41,594.88</b>	<b>-67,923.56</b>	<b>-</b>	<b>-</b>	<b>219,710.32</b>
<b>Unrestricted funds</b>						
REYC	98,684.24	15,451.47	-13,008.94	-	-	101,126.77
<b>Restricted Funds</b>						
H&M Trust	4,318.00	-	-161.35	-	-	4,156.65
Townsend Trust	-	-	-	-	-	-
Hulls	68,227.00	4,153.00	-	-	-	72,380.00
	<b>72,545.00</b>	<b>4,153.00</b>	<b>-161.35</b>	<b>-</b>	<b>-</b>	<b>76,536.65</b>
<b>Total</b>	<b>417,268.24</b>	<b>61,199.35</b>	<b>-81,093.85</b>	<b>-</b>	<b>-</b>	<b>397,373.74</b>

Notes to the financial statements  
for the year ended 31 December 2023

23 Analysis of net assets between funds

Current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Tangible fixed assets	293,901.20	-	293,901.20	172,313.35
Current assets	63,144.99	81,888.74	145,033.73	231,377.02
Creditors due within one year	-1,589.00	-	-1,589.00	-6,316.63
	<b>355,457.19</b>	<b>81,888.74</b>	<b>437,345.93</b>	<b>397,373.74</b>

Prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Tangible fixed assets	172,313.35	-	172,313.35	253,795
Current assets	154,840.37	76,536.65	231,377.02	164,649
Creditors due within one year	-6,316.63	-	-6,316.63	-1,176.000
	<b>320,837.09</b>	<b>76,536.65</b>	<b>397,373.74</b>	<b>417,268</b>

23 Related party transactions

All transactions with related parties are disclosed in the Trustees Report and notes to the accounts.

**THE ROYAL ENGINEER YACHT CLUB**

England & Wales - Charity number 1178311

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# Accounts

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## **The Royal Engineer Yacht Club**

**Trustees' report and financial statements  
for the year ended 31st December 2022**

**Charity number: 1178311**

**Charity number: 1178311**

## **The Royal Engineer Yacht Club**

### **Trustees' report and financial statements for the year ended 31 December 2022**

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**Trustees' Report for the year ended 31 December 2022**

**Trustees**

Lieutenant Colonel JGJ Robinson	Commodore (Appointed 02/08/2021) (1)
Lieutenant Colonel C W Battey	Vice-Commodore (Appointed 01/11/20) (1)
Lieutenant General R Wardlaw OBE	Trustee (Elected 04/10/19)
Colonel (Retired) R C Hendicott MBE	Trustee (Elected 01/11/20)
	Chair (Appointed 29/10/21)
Lieutenant Colonel (Retired) A F M Douglas	Trustee (Elected 29/10/21, Resigned 18/10/22)

(1) Ex-officio, normally appointed for 3 years

**Non Trustee Appointment**

Colonel (Retired) R D Richards	Honorary Secretary (Appointed November 2021)
Major General (Retired) A E Whitley	Honorary Treasurer (Appointed November 2021)
Lieutenant Colonel (Retired) J D Lewis	Secretary to the Board of Trustees (Appointed 01/09/20)

**Principal Office**

Royal Engineer Yacht Club  
The Ravelin Building  
Brompton Barracks  
Dock Road  
Chatham  
Kent ME4 4UG

**Independent Examiner**

Chris Deacon FCCA  
Vision Accounting  
Fortis House  
Cothey Way  
Ryde  
PO33 1QT

**Independent Bookkeeper**

Tracie Wilson MICB, AATQB, PM Dip  
Ms Friday Accountancy Services  
Office 4, George Street Chambers  
George Street  
Ryde  
PO33 2EW

**Bankers**

Lloyds PLC  
Piccadilly Branch  
PO Box 1000  
London BX1 1LT

## Trustees' Report for the year ended 31 December 2022

### TRUSTEES REPORT

The Trustees present their annual report and independently examined financial statements for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 2 of the accounts and comply with the Charities Act 2011 and the Charities SORP 2012. In doing so they comply with the Statement of Trustees' Responsibilities shown below.

Trustees consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available (including levels of reserves held); thus the going concern basis of accounting is deemed appropriate and there are no material uncertainties.

#### Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its income 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102) (2019);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's Constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### BACKGROUND

The Royal Engineer Yacht Club (REYC) was founded in 1846, making it one of the senior yacht clubs in the United Kingdom. Full membership is open to all serving and ex-serving Royal Engineers, with non-voting membership available to individuals (civilian and military) who are closely associated with the Corps of Royal Engineers or the Club and who support its Object.

### ORGANISATION AND GOVERNANCE

#### Organisation

REYC is a Charitable Incorporated Organisation (Association Model) (CIO (AM)) registered with the Charity Commission on 9 May 2018. Its governing document is its Constitution.

The Trustees manage the Club according to its Constitution and make Rules necessary for the proper conduct and management of the CIO. The Rules delegate day to day management to the Main Committee chaired by the Commodore, who is supported by the Vice Commodore and three Rear Commodores responsible for Inshore, Offshore and Regions activities. It is the practice of the Club that any new or amended Rules shall be brought to the attention of Members at a General Meeting.

**Trustees' Report for the year ended 31 December 2022**

Accountancy support was provided by Royal Engineer Corps' Funds at Chatham for the early part of the reporting year, but the opportunity has been taken during the year to transfer accountancy support to MS Friday Accountancy Services, Office 4, George Street Chambers, George Street, Ryde, PO33 2EW. This is partly due to a reduction in available capacity within Corps' Funds to provide continued support and primarily to seize an opportunity to place accountancy support in the hands of a small flexible accounting firm able to provide support in a more cost-effective form aligned more closely with the day-to-day needs of the Club. In recent years our accounts have been fully audited as it was expedient to do so alongside the various other accounts held by Corps' Funds, but our annual turnover did not necessitate this. Accordingly we have also taken the opportunity to submit our 2022 accounts for independent examination rather than full audit. The independently examined accounts accompanying this Trustees' Annual Report cover the year from 1 January to 31 December 2022, which is the Club's fourth full year as a CIO.

**Recruitment and Appointment of Trustees**

Our Constitution provides for three Trustees elected by Full Members at a General Meeting, two of whom are required to have served previously as Flag Officers of REYC. There are also two ex-officio appointments, the Commodore and Vice Commodore, also elected by Members at a General Meeting. We entered this reporting year with a full complement of trustees, but one of our elected trustees resigned in October 2022 and we took the decision to wait until the 2023 Annual General Meeting to seek election of a successor, rather than to co-opt or hold an interim election. The reduction by one elected trustee still leaves us within the numerical requirements of our Constitution.

**Trustee Induction and Training**

Trustees are all provided with the necessary documents on appointment and suitably trained for their charitable role. Their experience of sailing provides them with knowledge to support sailing activities.

**OUR CHARITABLE OBJECT**

Our Charitable Object is, for the public benefit, the promotion of the efficiency of the armed forces of the Crown by:

- the provision and support of sailing facilities, equipment and activities for the efficiency and well-being of Service personnel;
- increasing physical fitness of members of the Services through sailing;
- providing opportunities for Service personnel to gain additional experience and develop the military virtues of courage, self-reliance, mental robustness, endurance and leadership relevant to their jobs;
- encouraging esprit de corps and fostering high morale through representation in sporting competitions;
- providing an association which supports the Corps of Royal Engineers and enables serving and former members to mix together, and creating opportunities for mentoring junior leaders by older, more experienced members.

**ACTIVITIES AND ACHIEVEMENTS IN 2022**

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

The Club's activities are conducted as follows:

- The Offshore Division has only operated one yacht for the majority of 2022, having sold one in January as planned. The intention is to purchase a replacement second yacht as soon as Club circumstances and market conditions are right (this has now happened, with the acquisition of Ilex, an X-34, in February 2023). The focus of the Offshore Division remains sail training; adventurous training; competing in sailing regattas throughout the year and cruising.
- The Inshore Division is responsible for dinghy sailing, windsurfing and kite surfing, with teams from these disciplines participating in competitions and running an annual development week for novices.

**Trustees' Report for the year ended 31 December 2022**

- The Regions Division is responsible for coordinating and supporting Club activities across the UK.

The Club is now comfortably through the aftermath of Covid-related restrictions and all divisions are, again, to be congratulated for active participation in training, competition, adventurous expeditions and cruising. Our activities contributed substantially to the general well-being of serving soldiers, whether Club members or not. Indeed, a recent survey identified that more serving personnel who are not formally members of the Club have been involved in REYC-facilitated sailing during 2022 than members. We are now actively considering how we might formally recognise this position in furtherance of our Charitable Object. Again, non-serving members have contributed significantly to the management and development of the Club, in direct support of Corps sailing, and in mentoring less experienced people.

**Offshore Division**

2022 has featured strong activity, both on and off the water. There have been some significant challenges but enthusiasm for offshore sailing is strong and the level of support we have received from all quarters – the field army, club volunteers, the Army Sailing Association and various 'friends of the REYC' – has been heartening.

In February we sold off our much-used, much-loved Dehler 32, *Right Royal*. This has meant the 2022 season relied on one yacht and a team of willing volunteers to keep an ambitious programme on track. Despite operational commitments for our target audience being on the rise, and a theoretical reduction in capacity while we search for a new boat, we have managed to maintain almost exactly the same level of service delivery as 2021.

Our J109 yacht, *Trojan*, took part in all of the usual events in the Solent – the Army Offshore Regatta, the Lymington Meet, Junior Offshore Group races etc – but also spent the summer cruising and exploring the south west of the UK, the Irish Sea and even as far as the Hebrides. This allowed crews to build significant time at sea and the chance to take part in some more distant and challenging regattas including Cork Week and West Highland Week. Of particular note is that *Trojan* won the Beaufort Cup as part of Cork Week: the first time this trophy has been won by a non-Irish yacht.

Elsewhere the Club ran a flotilla training week, 'The Royal Engineer Sail Training Week', where we fielded seven yachts crewed by soldiers from across the Corps, and a series of skipper development weekends which have already yielded two more Yachtmaster (Offshore) qualified skippers, with several more approaching their exams in early 2023.

Looking ahead, the 2023 season already shows great promise. We have found a new yacht to complement *Trojan*, as planned, and hope to have her converted to sail-training specification and on the water by early spring. We have a full programme for offshore racing, including an assured entry in the coveted Rolex Fastnet Race, a training pipeline to develop, and we will be in full support of a Royal Engineer expedition to sail to South Georgia using a Joint Services Adventurous Sail Training Centre yacht.

**Inshore Division**

After a concerted effort to advertise inshore sail training activity, around 24 soldiers attended training in dinghy sailing, kitesurfing, winging and windsurfing at the Army Inshore Sail Training Centre at Thorney Island over the period 19-23 Sep 22. This brought all the Inshore disciplines together towards the end of the season and the final night coincided with a visit to Thorney Island by the Offshore element of the RE Sail Training Week. This was the first time for several years that we had managed to bring together both divisions of the Club on the water at the same time in the same place. It was a great success.

**Dinghy Sailing.** The contract continues for the delivery of sail training by Medway Yacht Club for soldiers under training at 1 RSME Regiment and has been renegotiated to include an RYA Level 1 dinghy qualification. During the course of the year 18 soldiers gained this qualification. Our dinghy sailors also continue to have access to local clubs near Catterick and Ripon thereby facilitating easier access to those serving in the north of the country. Three RE boats, including Stan and Townsend, raced at the Laser 2000 National Championships at Weymouth achieving 12<sup>th</sup>, 18<sup>th</sup> and 44<sup>th</sup> positions overall. Our dinghy sailors also successfully defended their position as Army Inter Corps Team Racing Champions, with 2022 marking the fifth consecutive year that Sappers have won the Lagos Trophy.

**Trustees' Report for the year ended 31 December 2022**

**Windsurfing.** As part of the Army Windsurfing team, Sappers were selected to compete at the Defi Wind event in Gruissan in France during the period 20-30 May 22. Army Foil training continues to progress, with strong REYC participation, with a development clinic delivered at the Army Inshore Sail Training Centre on 13-14 Aug 22. To help introduce windsurfing to novices, £10,000 of new equipment has been purchased using Army Welfare Grants and REYC funding.

**Kitesurfing.** An Overseas Sports Visit to Cyprus in Aug 22 provided qualifications or intermediate progression training to 11 individuals, including 9 new members of the REYC. This included a grassroots twin-tip race/freestyle competition. Members of the RE kitesurfing team competed in the Army inter-Corps championship on 5 – 9 Sep 22 and the inter-Service competition on 3 – 7 Oct 22. The kitesurfing team have also grown an instructor base during the year comprising two Senior Instructors and one Level 2 instructor.

**Regions Division**

The Regions Division organised and provided the Race Officers for the annual Meet at Lymington in Spring 2022.

A team of retired members took part in the Army Offshore Regatta, alongside serving soldiers, winning the Cruising Class for the second year running.

The RE Sail Training Week was supported by retired members sailing in company with the sail training fleet providing training for a serving skipper, yachting advice, setting courses and a Skippers Quiz.

A detailed review of Chatham Branch including the Medway moorings and facilities was completed in 2022. The review concluded that the effort required to ensure that the Branch was financially self-supporting, managerially sustainable, and made an effective contribution to our Charitable Object could not be justified. A concomitant reduction in the presence of serving Royal Engineers at Chatham over the past 15 years led to a decision to close Chatham Branch and divest the Club of the moorings. There has been resistance to this amongst a small number of members closely associated with the Branch so, to ensure proper process, closure implementation has taken significantly more Club officer time and effort than had been anticipated and has yet to conclude. Our understanding of the situation at the end of 2022 is that members of Chatham Branch are developing a proposal to take over the moorings as a separate entity. If this came to fruition the Club would gift the moorings which have now depreciated to negligible financial value. All current members of Chatham Branch would remain Club members in their current membership categories should they so wish.

**Central Club Activities**

**Club Administration.** Implementation of Sailing Club Manager (SCM) to support Club administration began in 2021 and has gathered pace in 2022. It is now our formal mechanism for managing membership, communications, chartering, events and voting. In parallel with the transfer of our accountancy support from Headquarters Royal Engineers to a civilian accountant, we have also taken the opportunity to rationalise and update the direct debit management system used for raising subscriptions and Hulls Fund donations. The new system will be implemented in early 2023 and will interface with SCM, thereby adding functionality to handle member payments for all Club charges. At our AGM in 2022 members voted to allow future General Meetings to be held in either wholly virtual form or hybrid form, and for voting to take place remotely as appropriate. These changes have been reflected in amendments to our Constitution that have now been formally accepted by the Charity Commission, and will allow the Club to continue to take advantage of some of the mechanisms we were forced to adopt temporarily during Covid restrictions.

**Strategic Direction.** During the course of 2022 it became increasingly apparent that the rate of societal change as it affects the Club has been much greater than had been envisaged only a year previously when REYC Strategy 2021 was published. Whilst the Strategy and its associated Goals remain highly relevant, we realized that we need to do more, and more quickly, than had ever been expected. This was reflected in a Future Club Philosophy paper aired at the 2022 AGM and in a number of discussions and working groups examining how we maintain REYC's relevance to the needs of the modern Corps of Royal Engineers and its personnel. The breadth of our self-examination has embraced our membership model, the balance between the needs of serving and non-serving members, and associated governance matters. This debate will continue into 2023 and early indications are that radical change will probably produce insignificant benefit and would still not address many current challenges. A more evolutionary approach seems appropriate although,

## Trustees' Report for the year ended 31 December 2022

speed will still need to be of the essence if we are to shape a Club to meet the demands of tomorrow, rather than be left behind worrying about today's issues. Thus the Strategy remains in place and in use as a guiding document, but close monitoring of progress towards achieving its specific Goals has been paused while we've focused on meeting immediate future needs.

**Annual Dinner.** Our annual dinner has customarily been in Chatham and has been a formal event at which all members of the Club can come together to socialise and where prizes, Corps colours and awards are presented. It has normally been held in the evening of the day on which the AGM takes place. In recent years costs have become increasingly prohibitive to the extent that in 2021 the dinner was reluctantly cancelled, although the AGM still went ahead at Chatham. In 2022 we needed to look for a new solution and we opted to hold both our AGM and our annual dinner at Hornet Services Sailing Club at Gosport. This is now the home of our offshore activities and not too distant from a centre for Service inshore sailing at Thorney Island. We chose a date to coincide with the end of the RE Sail Training Week (RESTW), at which all major disciplines of the Club co-located at Thorney Island, arranged a dinner that was less formal than in previous years and therefore more inclusive for Club members, and encouraged as many as possible to attend both the AGM and dinner. The new format and location were both deemed successful and more cost-effective and we are likely to try and repeat the formula in future years.

**Key Appointments.** All Club appointments are voluntary. Last year's report observed that, with the Army shrinking, individual commitments were growing and it was becoming increasingly difficult for serving members to administer the Club. Nothing has changed in the interim and the trend is clear. Our preference remains for serving members to hold the majority of appointments in order to promote succession planning based on knowledge and to maintain a clear understanding of the outlook and needs of today's serving members who sit at the heart of our Charitable Object. Nonetheless, we could not currently run the Club without non-serving members taking up key roles which would otherwise be vacant. In the past year retired members have made significant contributions as Honorary Secretary, Honorary Treasurer and we shortly hope to appoint a retired member as Membership Secretary, a role which has been filled on an interim basis for much of the year. We still encourage retired members to support and mentor serving personnel in Club appointments and provide cover when they are deployed on operations.

**Overall Activity Days.** The breakdown for the 2022 season in terms of 'person sailing days' using REYC owned yachts, dinghies and boards is as follows:

	Total Training Days
<b>Inshore</b>	<b>388</b>
<b>Offshore</b>	<b>547</b>
<b>Total</b>	<b>935</b>

Unit sponsored adventure training and the individual use of JSASTC yachts and facilities, together with larger expeditions, are not shown here. It should be noted that these activities are often enabled by the Club: expeditions are either led and organised by Club Members or indirectly supported via experience and qualifications of individuals developed through use of REYC assets. Whilst the total number of Offshore Training Days is almost identical to the total for 2021 it was achieved with just one REYC yacht and masks the pent up demand that might have been fulfilled if we had been able to replace our second yacht immediately. We anticipate a step change in 2023 when we will revert to a two yacht fleet. On the other hand, Inshore training days more than doubled in number in comparison with 2021 and have now recovered to pre-Covid levels.

## 2022 FINANCIAL REVIEW

### Principal Funding

REYC's income continues to come from member subscriptions, voluntary donations, Royal Engineer Corps' grants, and grants provided through the Army Sailing Association, e.g. Army Welfare and Nuffield Trust.

The Club remains solvent. The financial plan for all divisions of the Club is reviewed at least annually to better inform any decisions to change spending, review the yacht replacement plan, and to support bids for external grants.

**Trustees' Report for the year ended 31 December 2022**

Migration of the Chatham Branch account to being supported by the Corps Treasurer was achieved early in 2022. Accountancy support for all Club funds was subsequently transferred from the Corps Treasurer to MS Friday in the second half of the reporting period and was complete by year end.

**Reserves Policy**

REYC has a 10 Year Financial Plan, reviewed annually, reflecting income and expenditure including equipment replacement funded through the Hulls Fund and other sources. This is now aligned with our 10 Year Strategy, although we have also considered the impact of two full yacht replacement cycles, which takes our current long term financial plan beyond the 10 year period.

REYC's reserves policy is to maintain a minimum of 6 months' operating capital held as cash.

The Club invests the balance of its cash in a low risk, interest earning vehicle. In 2023, following the transition of our accountancy support, this will be reviewed to ensure we are investing as productively as possible.

**Insurance**

The Trustees are satisfied that appropriate policies remain in place and will continue to seek best value for money.

**Balance Sheet**

The accumulated funds decreased by £19,894 to £397,374 (2021: increased by £73,693 to £417,268). This decrease is mostly accounted for by an excess of expenditure over income within the Offshore Division (largely due to lack of charter income because of a focus on competition in a year when we had only one yacht), and by a significantly smaller excess of expenditure over income within the Inshore Division.

Notes to the Statement of Financial Activities and Balance Sheet provide supplementary information against each funding activity.

**Fund Designation**

The Club maintains one Unrestricted, four Designated and two Restricted Funds.

- **Unrestricted.** The Main Fund supports REYC activity not included in the other Club Funds in furtherance of the Object.
- **Designated.**
  - **Chatham.** The Chatham Fund supports the Object of the REYC principally on the River Medway and, when financially able, wider Club activity. Income to the Fund comes from Member mooring fees and other local activity.
  - **Inshore.** The Inshore Fund supports the Object of the REYC in inshore sailing, namely dinghy, board and kite sailing. Inshore boats and equipment are included in this Fund. It receives grants from the Main Fund as well as grants through the Army Sailing Association. Charter fees are currently not levied for the use of dinghies and boards.
  - **Offshore.** The Offshore Fund supports the Object of the REYC in offshore sailing, namely sail training, adventurous training, sporting activities and cruising. The Club-owned yachts are included in this Fund. It receives grants from the Main and Hulls Funds, as well as from the Army Sailing Association. Charter fees, set annually, are paid for the use of Club yachts.
  - **Hulls.** The Hulls Fund supports the REYC's equipment replacement programme. A percentage, set annually, of all charter fees provides income to this Fund.

**Trustees' Report for the year ended 31 December 2022****• Restricted.**

- **Hulls.** The Hulls Fund (Restricted) also supports the REYC's equipment replacement programme. Income to this Fund comes from Members' donations and legacies and, as such, must be accounted for separately from the Hulls Fund (Designated). Gift Aid is claimed from Her Majesty's Revenue & Customs.
- **H&M Trust.** The H&M Trust (Charity Number 272391) was set up by the owner of H&M Engineering, formerly in Chatham Dockyard, and makes annual grants to the REYC to support the costs incurred by non-commissioned soldiers of the Corps of Royal Engineers when undertaking sailing of any discipline. Accordingly, it is managed as a Restricted Fund.

**OBSERVATIONS ON THE FINANCIAL STATEMENT**

The Trustees make the following observations:

- a. **General.** From an accounting perspective our total expenditure in 2022 exceeded our income by £23,886. As mentioned above (under Balance Sheet) some of this arises from reduced charter income in a year in which we only had one offshore yacht which was predominantly campaigned on the race circuit rather than chartered, and an excess of expenditure over income within Inshore. The remainder is predominantly due to a reduction in grant income in 2022 compared with 2021
- b. **Hulls Fund (Restricted).** Action is still to be taken to claim Gift Aid on eligible Hulls Fund donations from 2017.
- c. **Debtors and Creditors.** The Trustees are satisfied that Debtors (£795) and Creditors (£6,317) are being managed properly. The Creditors total includes a sum of £2,000 grant funding to Inshore to be returned in 2023.

**Principal Risks and Uncertainties**

Trustees maintain a Risk Register of the strategic, business and operational risks to which the Charity is exposed and receive regular updates from the Main Committee.

The two major risks noted in last year's report (loss of bosun support and the closure of Dolphin Pool) are now being managed as routine business within the Offshore division. Although the final outcome is yet to emerge we are confident that our close alliance with the Army Sailing Association and Hornet Services Sailing Club will bear fruit.

As noted earlier in this report, the major risk we face as we move into 2023 is the increasing pace of societal change and the manifestation of this amongst the serving sailing community we seek to support. As with overcoming many problems, recognition of the facts is fundamental to over-coming the issues. We are very clear about what we face and are being proactive in mitigating the risk by adapting the way in which we operate, but we also recognise that there is a balance to be struck in achieving this without damaging the character and ethos of the Club, which is also important to many of our members.

The other risk we face is the shift of focus away from managing the Club for the benefit of the majority to address the protracted resistance of a few members who will not accept a Main Committee decision on Chatham Branch. In May 2022 the Main Committee decided to close the Branch for a variety of reasons, the detail of which is not pertinent to this report. This was endorsed by the Trustees who also agreed to a proposal that the Club should divest of its moorings on the River Medway. Since then significant management time and effort has been diverted into the matter to the inevitable detriment of the wider Club. Our efforts continue to resolve this issue and to mitigate the wider risk.

**Plans for the future**

The Trustees will continue to support the objectives of the Charity whilst endeavouring to ensure the Club remains aligned with the needs of the Corps and Army and continually changing societal norms.

**Trustees' Report for the year ended 31 December 2022**

**CONCLUSION**

We emerge from Covid 19 in a stronger position than we were pre-pandemic, having taken the opportunity to build resilience into our operations and administration by embedding many of the new ways of working forced upon us by Covid restrictions. Our accountancy support is now also more resilient and better suited to a charity of our size and nature, and the adoption of Sailing Club Manager is progressively allowing the coalescing of our administrative and financial management. On the water we continue to address the need to manage and maintain our offshore fleet without dedicated military bosun support, but have sufficient confidence in the future to have embarked (in early 2023) upon replacing the second yacht, sold a year previously. Our engagement with sailors across the Corps, both REYC members and others, is arguably better than it has been for many years and this bodes well for continued achievement of our charitable Object.

Approved by the Trustees on 6 September 2023  
and signed on their behalf




**Colonel (Retd) R C Hendicott MBE**  
**Chair, Board of Trustees**  
**Royal Engineer Yacht Club**

**The Royal Engineer Yacht Club****Financial Statements for the year ended 31 December 2022****Bookkeeper's Statement**

I have prepared the financial statements on pages 11 to 21 for the year ended 31 December 2022 from the accounting records of the Royal Engineer Yacht Club.

Name: Tracie Wilson  
Ms Friday Accountancy Services

Signature:



Date

3/8/2023

**Independent Examiners Report**

I report to the trustees on my examination of the accounts of The Royal Engineer Yacht Club for the year ended 31st December 2022, which are set out on pages 11 to 21

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act"). The audit requirement of Section 43(2) of the Charities Act 1993 does not apply since the charity's gross income does not exceed £250,000. Hence this report is as a result of Independent Examination.

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 all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of 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 this report in order to enable a proper understanding of the accounts to be reached.

**Signed by the Independent Examiner:****Date:** 23 August 2023

Chris Deacon FCCA  
Vision Accounting  
Fortis House  
Cothey Way  
Ryde  
PO33 1QT



**Statement of financial activities  
for the year ended 31 December 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income and endowments from:</b>					
Donations & Legacies	3	250.00	4,153.00	4,403.00	128,521
Subscriptions	4	13,845.00	-	13,845.00	13,969
Charter Hire	5	1,143.00	-	1,143.00	12,440
Grants	6	20,465.00	-	20,465.00	28,906
Other Income	7	21,223.88	-	21,223.88	9,490
Investment Income	8	119.47	-	119.47	40
<b>Total Income</b>		<b>57,046.35</b>	<b>4,153.00</b>	<b>61,199.35</b>	193,366
<b>Expenditure on:</b>					
Charitable activities	10	80,932.50	161.35	81,093.85	157,192
<b>Total Expenditure</b>		<b>80,932.50</b>	<b>161.35</b>	<b>81,093.85</b>	157,192
<b>Net income / (expenditure) before revaluations</b>		<b>-23,886.15</b>	<b>3,991.65</b>	<b>-19,894.50</b>	36,174
Gains / (losses) on revaluations of fixed assets	19	-	-	-	37,519
<b>Net income / (expenditure) before transfers</b>		<b>-23,886.15</b>	<b>3,991.65</b>	<b>-19,894.50</b>	73,693
<b>Transfers</b>					
Hulls (Designated)		78,000.00	-	-	-
Offshore (Designated)		-78,000.00	-	-	-
<b>Net movement in funds for the year</b>		<b>-23,886.15</b>	<b>3,991.65</b>	<b>-19,894.50</b>	73,693
<b>Reconciliation of funds</b>					
Total funds at 1 January 2022		344,723.24	72,545.00	417,268.24	343,575
<b>Total funds at 31 December 2022</b>		<b>320,837.09</b>	<b>76,536.65</b>	<b>397,373.74</b>	417,268

All activities relate to continuing operations.

The notes on pages 13 to 21 form part of these financial statements.

**Balance sheet  
as at 31 December 2022**

	Note	Year Ended 31 December 2022		Year Ended 31 December 2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	19		<b>172,313.35</b>		253,795
<b>Current assets</b>					
Prepayments			<b>2,430.09</b>		
Debtors	20		<b>795.00</b>	120,261	
Cash at bank			<b>228,151.93</b>	44,368	
			<u><b>231,377.02</b></u>	<u>164,649</u>	
<b>Creditors: amounts failing due within one year</b>	21		<b>-4,316.63</b>	-1,176	
Liabilities			<b>-2,000.00</b>		
<b>Net current assets</b>			<b>225,060.39</b>	<u>163,473</u>	
<b>Net assets</b>			<b>397,373.74</b>	<u>417,268</u>	
<b>Charity Funds</b>					
Unrestricted funds	22		<b>320,837.09</b>	344,723	
Restricted funds	22		<b>76,536.65</b>	72,545	
<b>Total funds</b>			<u><b>397,373.74</b></u>	<u>417,268</u>	

The financial statements were approved by the Trustees on the date:

and signed on their behalf, by:

Chair of Board of Trustees



Board Secretary



The notes on pages 13 to 21 form part of these financial statements.

**Notes to the financial statements  
as at 31 December 2022**

**1 General administrative information**

The Royal Engineer Yacht Club is a Charitable Incorporated Organisation in England & Wales with the registration number 1178311. The address of the registered office is RE Corps Funds, Brompton Barracks, Dock Road, Chatham, Kent, ME4 4UG. The Charity's principal objectives continued to be the promotion of the efficiency of the Armed Forces of the Crown by: provision and support of sailing facilities; increasing physical fitness through sailing; encouraging Esprit de Corps through representation in sporting competitions; and providing an association which supports the Corps of Royal Engineers.

**2 Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the second edition of the 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) (2019).

The Royal Engineer Yacht Club 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 note(s).

**2.2 Preparation of the accounts on an going concern basis**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis in accounting in preparing the financial statements.

**2.3 Fund Accounting**

General unrestricted funds represent unrestricted income which is expendable at the discretion of the furtherance of the objects of the Charity.

Designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the Trustees to meet specific purposes.

Restricted funds represent income which is allocated by the donor for specific purposes. These are explained in detail on page 8 in the Trustees' report.

Investment income, gains and losses are allocated to the appropriate fund.

**2.4 Income**

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 income receivable can be measured reliably.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

**Notes to the financial statements  
as at 31 December 2022****2 Accounting policies****2.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is an obligation to committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis.

Cost of charitable activities includes the apportionment of support costs shown in note 10.

**2.6 Tangible fixed assets and depreciation**

Assets costing greater than or equal to £500 are capitalised and valued at historic cost. Depreciation is charged on assets using a straight - line basis over their estimated life on the following basis:

Yachts	not depreciated
Windsurfing and Dinghy	10%-100% per annum
Other equipment	10%-20% per annum

**2.7 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.8 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.9 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**2.10 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2.11 Donated services and facilities**

This is no longer applicable for 2022. Previously, donated services, were included in income at a valuation which is an estimate of the financial cost borne by the donor, where the cost is measurable.

This amount is matched by donated expenditure.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Notes to the financial statements  
for the year ended 31 December 2022**

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	Total funds 2021
	£	£	£	£
<b>3 Donations &amp; Legacies</b>				
Donation Hulls Fund	-	4,153	4,153	3,978
Donations	250	-	250	-
Donated Assets	-	-	-	46,830
Donated Services (note 9)	-	-	-	77,713
	<b>250</b>	<b>4,153</b>	<b>4,403</b>	<b>128,521</b>

Income from Donations and Legacies in 2021 comprised £124,543 unrestricted and £3,978 restricted

**4 Subscriptions**

	£	£	£	£
REYC	<b>13,845</b>		<b>13,845</b>	13,969

Income from subscriptions in 2021 was all unrestricted.

**5 Charter Hire (Offshore)**

	£	£	£	£
Yacht Charter Hire Income	<b>1,143</b>	-	<b>1,143</b>	12,440
	<b>1,143</b>	-	<b>1,143</b>	12,440

Charter hire (offshore) income in 2021 was all unrestricted.

**6 Grants**

	£	£	£	£
RE Sports Board	<b>3,600</b>	-	<b>3,600</b>	16,000
H&M Trust	-	-	-	2,500
HQ Garrison Windsurfing	<b>15,025</b>	-	<b>15,025</b>	10,406
Welfare Grant Offshore	<b>1,840</b>	-	<b>1,840</b>	-
	<b>20,465</b>	-	<b>20,465</b>	28,906

Income from Grants in 2021 comprised £26,406 unrestricted and £2,500 restricted.

**7 Other income**

	£	£	£	£
Mooring Fees	<b>8,920</b>	-	<b>8,920</b>	9,215
RE Dinner	<b>1,372</b>	-	<b>1,372</b>	-
Property Sales (Inshore)	<b>6,700</b>	-	<b>6,700</b>	275
Property Sales (offshore)	<b>500</b>	-	<b>500</b>	-
Blue Ensign Permits	<b>115</b>	-	<b>115</b>	-
Conservancy - Chatham	<b>1,280</b>	-	<b>1,280</b>	-
Cyprus Inshore training camp	<b>1,745</b>	-	<b>1,745</b>	-
Sundry Income- Beaufort Cup Entry	<b>464.88</b>	-	<b>465</b>	-
Yacht Charter 10% contribution to Hulls (D)	<b>127</b>	-	<b>127</b>	-
	<b>21,223.88</b>	-	<b>21,223.88</b>	9,490

Other income in 2021 was all unrestricted.

**8 Investment income**

	£	£	£	£
Bank interest receivable	<b>119.47</b>	-	<b>119.47</b>	40

Investment income in 2021 was all unrestricted.

<b>Total income</b>	<b>57,046.35</b>	<b>4,153.00</b>	<b>61,199.35</b>	<b>193,366</b>
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**Notes to the financial statements  
for the year ended 31 December 2022**

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	Total funds 2021
	£	£	£	£
<b>9 Donated services and facilities</b>				
Administrative salaries	-	-	-	77,713
	-	-	-	77,713

**10 Analysis of expenditure by activities**

		Direct costs 2022	Grant funding of activities 2022	Support costs 2022	Total 2022	Total 2021
	Note	£	£	£	£	£
Yacht Club	11	4,407.85	-	8,601.09	13,008.94	16,519
Offshore	12	3,450.77	-	17,486.45	20,937.22	123,655
Inshore	13	4,355.70	18,625.00	8,728.97	31,709.67	9,659
Chatham	14	9,070.03	-	1,526.64	10,596.67	5,976
H&M Trust	15	-	161.35	-	161.35	1,383
Hulls (D)	16	-	-	4,680.00	4,680.00	-
		<b>21,284.35</b>	<b>18,786.35</b>	<b>41,023.15</b>	<b>81,093.85</b>	<b>157,192</b>

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	Total funds 2021
	£	£	£	£
<b>11 Yacht Club</b>				
<b>Direct costs</b>				
RE Dinner	1,651.00	-	1,651.00	-
RE Year Book	1,715.21	-	1,715.21	1,933
Ties	622.00	-	622.00	-
Lymington Meet	419.64	-	419.64	349
	<b>4,407.85</b>	<b>-</b>	<b>4,407.85</b>	<b>2,282</b>
<b>Support costs</b>				
Insurance	418.99	-	418.99	2,514
ASA Affiliation	890.00	-	890.00	-
Staff/Account Costs	2,009.71	-	2,009.71	8,160
Sailing Club Manager Software	2,578.80	-	2,578.80	3,563
Blue Ensign Permits	78.00	-	78.00	-
Computer Costs	338.03	-	338.03	-
Travel	1,648.91	-	1,648.91	-
Stationery/sundry expenses	358.41	-	358.41	-
Bank charges	280.24	-	280.24	-
	<b>8,601.09</b>	<b>-</b>	<b>8,601.09</b>	<b>14,237</b>
	<b>13,008.94</b>	<b>-</b>	<b>13,008.94</b>	<b>16,519</b>

Yacht Club expenditure in 2021 was all unrestricted.

**Notes to the financial statements  
for the year ended 31 December 2022**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>12 Offshore</b>				
<b>Direct costs</b>				
Race Fees	1,147.12	-	1,147.12	1,071
Mooring Fees	2,303.65	-	2,303.65	3,383
Planned Maintenance	0.00	-	0.00	9,940
	<b>3,450.77</b>	-	<b>3,450.77</b>	<b>14,394</b>
<b>Support Costs</b>				
Maintenance	8,946.59	-	8,946.59	25,512
Promotional/advertising	200.00	-	200.00	-
RYA registration Trojan	90.00	-	90.00	-
R&R equipment	49.99	-	49.99	-
Fuel	370.22	-	370.22	-
Bosuns costs	94.30	-	94.30	-
Certification & Inspection	-	-	-	949
Lift & Cradle	3,950.00	-	3,950.00	1,881
Insurance	902.26	-	902.26	2,270
Travel and accommodation	343.09	-	343.09	-
Yacht sale costs	-	-	-	-
Property/Equipment disposal	1,010.00	-	1,010.00	-
Depreciation	1,530.00	-	1,530.00	936
Donated Services	-	-	-	77,713
	<b>17,486.45</b>	-	<b>17,486.45</b>	<b>109,261</b>
	<b>20,937.22</b>	-	<b>20,937.22</b>	<b>123,655</b>

Offshore expenditure in 2021 was all unrestricted

	£	£	£	£
<b>13 Inshore</b>				
<b>Direct costs</b>				
REYC Inshore training events	2,203.99	-	2,203.99	-
Travel & accommodation	4,451.71	-	4,451.71	-
Medway YC Sail Training	1,300.00	-	1,300.00	2,754
	<b>7,955.70</b>	-	<b>7,955.70</b>	<b>2,754</b>
<b>Support Costs</b>				
Equipment maintenance	561.00	-	561.00	391
New Equipment purchased	7,381.30	-	7,381.30	-
Subscriptions	250.00	-	250.00	-
Disposals	10,219.67	-	10,219.67	-
Depreciation	5,342.00	-	5,342.00	6,514
	<b>23,753.97</b>	-	<b>23,753.97</b>	<b>6,905</b>
	<b>31,709.67</b>	-	<b>31,709.67</b>	<b>9,659</b>

Inshore expenditure in 2021 was all unrestricted.

During the year 2022, £18,625 was received in total from grant funding for training and equipment.

£3,600 towards the Inshore training Cyprus, although the grant was initially £5,600, £2,000 was returned in 2023 and is shown as a liability. £15,025, used towards expenditure of £7,381 and asset additions totalling £13,819.02, for new equipment.

**Notes to the financial statements  
for the year ended 31 December 2022**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>14 Chatham</b>				
<b>Direct costs</b>				
Mooring Maintenance	3,839.20	-	3,839.20	-
Mooring Pontoon Fees	1,400.00	-	1,400.00	-
Crown Estates	1,600.00	-	1,600.00	1,600
Peel Ports Conservancy	2,230.83	-	2,230.83	-
Port of Sheerness	-	-	-	2033
	<b>9,070.03</b>	<b>-</b>	<b>9,070.03</b>	<b>3,633</b>
<b>Support costs</b>				
Insurance	67.02	-	67.02	402
Mooring Manager Expenses	755.42	-	755.42	105
Sundry Costs	260.20	-	260.20	1,043
Depreciation	199.00	-	199.00	793
Bad Debt write-off	245.00	-	245.00	-
	<b>1,526.64</b>	<b>-</b>	<b>1,526.64</b>	<b>2,343</b>
	<b>10,596.67</b>	<b>-</b>	<b>10,596.67</b>	<b>5,976</b>
<b>15 H&amp;M Trust Grants</b>	<b>-</b>	<b>161.35</b>	<b>-</b>	<b>1,383</b>
	<b>-</b>	<b>161.35</b>	<b>-</b>	<b>1,383</b>
<b>16 Hulls Fund</b>				
<b>Support Costs</b>				
Yacht Sale Cost	4,680.00	-	4,680.00	-
	<b>4,680.00</b>	<b>-</b>	<b>4,680.00</b>	<b>-</b>
<b>17 Net Income / (Expenditure)</b>			<b>£</b>	<b>£</b>
			<b>-19,894.50</b>	<b>68,598</b>
This is stated after charging:				
Depreciation of tangible fixed assets:				
- owned by the charity			7,071	8,243

During the year, no Trustees received any remuneration (2022 - £ Nil).

During the year, no Trustees received any benefits in kind (2022 - £ Nil).

During the year, no Trustees received any reimbursement of expenses (2022 - £ Nil).

**Notes to the financial statements  
for the year ended 31 December 2022**

	<b>Total Year Ended 31 December 2022</b>	Total Year Ended 31 December 2021
	£	£
<b>18 Staff costs</b>		
Staff costs were as follows:		
Wages and salaries	835.71	1,830
Social security costs	0	337
	<b>835.71</b>	<b>2,167</b>
The average monthly number of employees during the year was as follows:		
Management and administration of the fund	<b>No.</b>	<b>No.</b>
	1	1

No employee received remuneration amounting to more than £60,000 in either year.

**19 Tangible fixed assets**

	<b>Yachts £</b>	<b>Windsurfing and Dinghy £</b>	<b>Other Equipment £</b>	<b>Total funds 2022 £</b>	Total funds 2021 £
<b>Cost or valuation</b>					
At 1 January 2022	165,501	101,818	62,027	329,346	244,997
Additions	-	14,819	-	14,819	46,830
Disposals	-78,000	-10,220	-1,010	-89,230	-
Revaluation	-	-	-	-	37,519
At 31 December 2022	<b>87,501</b>	<b>106,417</b>	<b>61,017</b>	<b>254,935</b>	329,346
<b>Depreciation</b>					
At 1 January 2022	-	66,855	8,696	75,551	67,308
Charge for the year	-	5,342	1,729	7,071	8,243
Disposals	-	-	-	-	-
At 31 December 2022	-	<b>72,197</b>	<b>10,425</b>	<b>82,622</b>	75,551
<b>Net book value</b>					
At 31 December 2022	<b>87,501</b>	<b>34,220</b>	<b>50,592</b>	<b>172,313</b>	253,795
At 31 December 2021	165,501	34,963	53,331	253,795	177,689

**20 Debtors**

	£	£
Other debtors	795	120,281

**21 Creditors:**

	£	£
<b>Amounts falling due within one year:</b>		
Liability, Army Grant repayment	2,000.00	-
Other creditors	4,316.63	1,176
	<b>6,316.63</b>	<b>1,176</b>

Notes to the financial statements  
for the year ended 31 December 2022

## 22 Statement of funds - current year

	Brought forward	Income	Expenditure	Gains/ (Losses)	Transfers	Carried Forward
	£	£	£	£	£	£
<b>Designated Funds</b>						
Chatham	23,860	10,200.00	-10,596.67	-	-	<b>23,463.33</b>
Offshore	137,998	4,197.88	-20,937.22	-	-78,000.00	<b>43,258.66</b>
Inshore	36,236	27,070.00	-31,709.67	-	-	<b>31,596.33</b>
Hulls	47,945	127.00	-4,680.00	-	78,000.00	<b>121,392.00</b>
	<b>246,039</b>	<b>41,594.88</b>	<b>-67,923.56</b>	<b>-</b>	<b>0.00</b>	<b>219,710.32</b>
<b>Unrestricted funds</b>						
REYC	98,684.24	15,451.47	-13,008.94	-	-	<b>101,126.77</b>
<b>Total unrestricted funds</b>	<b>344,723.24</b>	<b>57,046.35</b>	<b>-80,932.50</b>	<b>-</b>	<b>-</b>	<b>320,837.09</b>
<b>Restricted Funds</b>						
H&M Trust	4,318.00	-	-161.35	-	-	<b>4,156.65</b>
Townsend Trust	-	-	-	-	-	-
Hulls	68,227.00	4,153.00	-	-	-	<b>72,380.00</b>
	<b>72,545.00</b>	<b>4,153.00</b>	<b>-161.35</b>	<b>-</b>	<b>-</b>	<b>76,536.65</b>
<b>Total</b>	<b>417,268.24</b>	<b>61,199.35</b>	<b>-81,093.85</b>	<b>-</b>	<b>-</b>	<b>397,373.74</b>

## Statement of funds - prior year

	Brought forward	Income	Expenditure	Gains/ (Losses)	Transfers	Carried Forward
	£	£	£	£	£	£
<b>Designated Funds</b>						
Chatham	20,621	9,215	-5,976	-	-	23,860
Offshore	161,094	100,559	-123,655	-	-	137,998
Inshore	37,859	275	-9,569	-	7,761	36,236
Hulls	10,426	-	-	37,519	-	47,945
	<b>230,000</b>	<b>110,049</b>	<b>-139,290</b>	<b>37,519</b>	<b>7,761</b>	<b>246,039</b>
<b>Unrestricted funds</b>						
REYC	46,125	76,839	-16,519	-	-7,761	98,684
<b>Restricted Funds</b>						
H&M Trust	3,201	2,500	-1,383	-	-	4,318
Townsend Trust	-	-	-	-	-	-
Hulls	64,249	3,978	-	-	-	68,227
	<b>67,450</b>	<b>6,478</b>	<b>-1,383</b>	<b>-</b>	<b>-</b>	<b>72,545</b>
<b>Total</b>	<b>343,575</b>	<b>193,366</b>	<b>-157,192</b>	<b>37,519</b>	<b>-</b>	<b>417,268</b>

**Notes to the financial statements  
for the year ended 31 December 2022**

**23 Analysis of net assets between funds**

**Current year**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	<b>172,313.35</b>	-	<b>172,313.35</b>	253,795
Current assets	<b>154,840.37</b>	<b>76,536.65</b>	<b>231,377.02</b>	164,649
Creditors due within one year	<b>-6,316.63</b>	-	<b>-6,316.63</b>	-1,176
	<b>320,837.09</b>	<b>76,536.65</b>	<b>397,373.74</b>	<b>417,268</b>

**Prior year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	253,795	-	253,795	177,689
Current assets	92,104	72,545	164,649	166,830
Creditors due within one year	-1,176	-	-1,176	-944
	<b>344,723</b>	<b>72,545</b>	<b>417,268</b>	<b>343,575</b>

**24 Related party transactions**

All transactions with related parties are disclosed in the Trustees Report and notes to the accounts.

**25 Post balance sheet events**

The cost for the preparation of the accounts and financial statements for 2022 were not accrued.  
The cost of the preparation of the financial statements by Ms Friday Accountancy were £1,200  
The Independent Examination by Vision Accounting was £600 including VAT

**THE ROYAL ENGINEER YACHT CLUB**

England & Wales - Charity number 1178311

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# Accounts

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**Charity number: 1178311**

## **The Royal Engineer Yacht Club**

**Trustees' report and financial statements  
for the year ended 31 December 2021**

## **The Royal Engineer Yacht Club**

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## **The Royal Engineer Yacht Club**

### **Trustees' Report for the year ended 31 December 2021**

#### **Trustees**

Lieutenant Colonel JGJ Robinson	Commodore (Appointed 24/11/21) (1)
Lieutenant Colonel M E Johnson-Ferguson	Commodore (Retired 02/08/21) (1)
Lieutenant Colonel C W Battey	Vice-Commodore (Appointed 01/11/20) (1)
Brigadier (Retired) A P Carruth	Trustee (Retired 29/10/21) Chair (Retired 29/10/21)
Lieutenant General R Wardlaw OBE	Trustee (Elected 04/10/19)
Colonel (Retired) R C Hendicott MBE	Trustee (Elected 01/11/20) Chair (Appointed 29/10/21)
Lieutenant Colonel (Retired) A F M Douglas	Trustee (Elected 29/10/21)

(1) Ex-officio, normally appointed for 3 years.

#### **Non Trustee Appointment**

Lieutenant Colonel (Retired) J D Lewis	Secretary (Appointed 01/09/20)
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#### **Principal Office**

Royal Engineer Yacht Club  
The Ravelin Building  
Brompton Barracks  
Dock Road  
Chatham  
Kent ME4 4UG

#### **Independent Auditor**

Kreston Reeves LLP Chartered Accountants  
Montague Place  
Quayside  
Chatham Maritime  
Chatham  
Kent ME4 4QU

#### **Bankers**

Lloyds plc  
Piccadilly Branch  
PO Box 1000  
London BX1 1LT

## **The Royal Engineer Yacht Club**

### **Trustees' Report for the year ended 31 December 2021**

#### **TRUSTEES REPORT**

The Trustees present their annual report and audited financial statements for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 2 of the accounts and comply with the Charities Act 2011 and the Charities SORP 2012. In doing so they comply with the Statement of Trustees' Responsibilities shown below.

Trustees consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available (including levels of reserves held); thus the going concern basis of accounting is deemed appropriate and there are no material uncertainties.

#### **Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its income 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102) (2019);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Charity's Constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **BACKGROUND**

The Royal Engineer Yacht Club (REYC) was founded in 1846, making it one of the senior yacht clubs in the United Kingdom. Full membership is open to all serving and ex-serving Royal Engineers, with non-voting membership available to individuals (civilian and military) who are closely associated with the Corps of Royal Engineers or the Club and who support its Object.

#### **ORGANISATION AND GOVERNANCE**

##### **Organisation**

REYC is a Charitable Incorporated Organisation (Association Model) (CIO (AM)) registered with the Charity Commission on 9 May 2018. Its governing document is its Constitution.

The Trustees manage the Club according to its Constitution and make Rules necessary for the proper conduct and management of the CIO. The Rules delegate day to day management to the Main Committee chaired by the Commodore, who is supported by the Vice Commodore and three Rear Commodores responsible for Inshore, Offshore and Regions activities. It is the practice of the Club that any new or amended Rules shall be brought to the attention of Members at a General Meeting.

## **The Royal Engineer Yacht Club**

### **Trustees' Report for the year ended 31 December 2021**

Accountancy support is provided by Royal Engineer Corps' Funds at Chatham. The audited accounts accompanying this Trustees' Annual Report cover the year from 1 January to 31 December 2021, which is the Club's third full year as a CIO.

### **Recruitment and Appointment of Trustees**

There are three Trustees elected by Full Members at a General Meeting, two of whom are required to have served previously as Flag Officers of REYC. There are two ex-officio appointments, the Commodore and Vice Commodore, also elected by Members at a General Meeting.

### **Trustee Induction and Training**

Trustees are all provided with the necessary documents on appointment and suitably trained for their charitable role. Their experience of sailing provides them with knowledge to support sailing activities.

### **OUR CHARITABLE OBJECT**

Our Charitable Object is, for the public benefit, the promotion of the efficiency of the armed forces of the Crown by:

- the provision and support of sailing facilities, equipment and activities for the efficiency and well-being of Service personnel;
- increasing physical fitness of members of the Services through sailing;
- providing opportunities for Service personnel to gain additional experience and develop the military virtues of courage, self-reliance, mental robustness, endurance and leadership relevant to their jobs;
- encouraging esprit de corps and fostering high morale through representation in sporting competitions;
- providing an association which supports the Corps of Royal Engineers and enables serving and former members to mix together, and creating opportunities for mentoring junior leaders by older, more experienced members.

### **ACTIVITIES AND ACHIEVEMENTS IN 2021**

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

The Club's activities are conducted as follows:

- The Offshore Division has operated two yachts throughout this period, having reduced from four in the previous year. These are available for sail training; adventurous training; competing in sailing regattas throughout the year and cruising.
- The Inshore Division is responsible for dinghy sailing, windsurfing and kite surfing, with teams from these disciplines participating in competitions and running an annual development week for novices.
- The Regions Division is responsible for coordinating and supporting Club activities across the UK.

Despite Covid restrictions, all divisions are to be congratulated for active participation in training, competition, adventurous expeditions and cruising. Our activities contributed substantially to the general well-being of serving soldiers, whether Club members or not. Other members took part to support the Corps and mentor less experienced people.

### **Offshore Division**

The 2021 offshore sailing season got off to a relatively slow start due to the gradual easing of Covid pandemic restrictions at the start of the year. Despite this slow start our two offshore yachts, Trojan and Right Royal, were used extensively in 2021 and provided some excellent opportunities to get out on the water both for serving soldiers and the wider military sailing community. Demand for the yachts was high, capitalising on a pent up desire to get back on the water during the Covid pandemic.

## **The Royal Engineer Yacht Club**

### **Trustees' Report for the year ended 31 December 2021**

The high point of the 2021 season was Trojan's successful campaign to complete the Fastnet Race, maintaining the Club's unique record of participation in every race since the event started in 1925. The Fastnet campaign was led and skippered by WO2 Jason West and included entry into five of the qualifying RORC races; the Myth of Malham, Morgan Cup, De Guingand Bowl, St Malo Race and the Channel Race. In addition the crews completed pre-requisite medical and sea safety training courses. The format for 2021 was longer than in previous years with a finish in Cherbourg rather than in Plymouth and challenging wind and tide conditions. The race started with very strong winds in the Solent and finished with little wind but strong tides off Cherbourg making it very much a test of perseverance.

The Army Offshore Regatta (AOR) took place in September 2021 rather than its normal slot earlier in the season. The club won in both the IRC and Cruising Divisions and also won the best novice skipper prize. Although the club didn't win the coveted Dolphin trophy for overall points, it was a close fought regatta and the club put in a very good performance as the only club to enter yachts in all three categories. The Lymington Meet was also well attended with a strong mix of serving and retired crews; the RLymYC retained the Carlier Trophy by a fine margin in the fleet racing format despite a very strong performance by Trojan.

The RE Sail Training Week (RESTW) resumed in 2021 after a pause in 2020. The event was well supported by RE units and introduced a large number of first-time sailors to the sport as well as building mileage and confidence for some of the more experienced skippers and crews. The plan for 2022 is to build on the success of 2021 and to run Inshore and Offshore STWs concurrently in order to provide the opportunity for greater interaction between the two Divisions and to encourage cross-fertilisation of talent.

The decision was taken at the 2020 AGM to continue with a two-yacht offshore fleet. This will see Trojan retained as the Club's racing yacht, whilst Right Royal was sold off in early 2022 to be replaced in due course with a similar cruising yacht, assisted by an Army Sailing Association-administered Nuffield Trust grant, and reserves in our Hulls Fund. The exact age, nature and specification of the new yacht will be decided by a yacht replacement subcommittee and it is expected that a new yacht will be found and purchased during the 2022 season.

### **Inshore Division**

Dinghy Sailing, Windsurfing and Kitesurfing restarted quickly after pandemic restrictions eased and benefited greatly from the enthusiasm of a small pool of volunteers and several new members. As well as investing heavily in soldiers at 1 RSME, recruiting expanded with new posters and REYC branded team clothing. Investment in RE dinghy sailing over recent years has resulted in a growth in participation and an increasingly competitive race team. To consolidate these gains, regional hubs across the UK, with affiliations to local sailing clubs, will be established in 2022.

With support from REYC, 1 RSME Regiment organised structured sail training at Medway Yacht Club, delivering a total of 108 sail training sessions on Wednesday afternoons. The racing team upgraded and tuned the REYC Laser 2000 dinghies (Stan and Townsend) and competed strongly in two National Championships at Torbay (6th and 32nd) and Thorney Island (9th and 14th). In team racing, they successfully defended the Lagos Trophy (for the fourth time in a row), beating off strong competition from the Infantry and REME teams.

Although there are several talented and elite windsurfers and kites in the Corps, further investment, recruitment effort and training are required to grow participation and establish a foundation of volunteers and instructors. The RE Windsurfing team came 2nd in the Army Windsurfing Championships in Sep 21, pipped to the post by a strong AMS team. They secured strong individual results, finishing 4th & 5th overall. Capt Dave Curry was selected for an Army Elite Athlete Scholarship for iQ Foil Windsurfing. He competed strongly in several national events and attended the iQ Foil World Championships in Switzerland in August 21. A few intermediate windsurfers have been introduced to iQ Foil Windsurfing using the REYC held equipment.

The newest discipline, Kitesurfing, was formally established as part of the REYC in early 2020. On the back of a superb overseas sports visit in late 2020, team members participated in Army competitions and delivered an inclusive UK training event. In Nov 21, six RE kites from across the UK met at RMB Chivenor in North Devon. Despite light winds, a newly qualified instructor from 23 Engr Regt provided some great tips and techniques for kites to practice in the waves. They left feeling invigorated and determined to run more UK training events and an overseas expedition in 2022.

## The Royal Engineer Yacht Club

### Trustees' Report for the year ended 31 December 2021

#### Regions Division

The Regions Division successfully re-instated the annual Meet at Lymington, though delayed to September because of Covid restrictions. We expect to revert to a Spring Meet in 2022.

The RE Sail Training Week was supported by retired members sailing in company with the sail training fleet providing advice, setting courses and a Skippers Quiz.

Development of the Chatham Branch moorings and facilities has been progressing slowly since AGM 2020. Further development at Chatham will be contingent on the production of a business case considering whether the Branch can be financially self-supporting, managerially sustainable, and contributes effectively to our Charitable Object.

#### Central Club Activities

**Club Administration.** During 2021, the Main Committee selected Sailing Club Manager (SCM) as the preferred solution to improve administration, and work is now under way to implement it. The new system will be rolled out progressively covering, membership, communications, chartering, events and voting.

**Strategic Direction.** A 10 Year Strategic Plan, REYC Strategy 2021, has been produced which is to be implemented by the Main Committee from 2022. Trustees will monitor progress of activities to confirm they conform with Strategic Goals and our Charitable Object.

**Annual Dinner.** The Annual Dinner in Chatham, where prizes, Corps colours and awards are presented had to be cancelled. It provides an opportunity for all members of the Club to come together and we will look for alternative options for 2022 at more cost-effective venues, probably closer to our south coast sailing centre.

**Key Appointments.** All appointments are voluntary. With the Army shrinking, individual commitments are growing. It is increasingly difficult for serving members to administer the Club. The preference is for serving members to hold the majority of appointments in order to promote succession planning based on knowledge, but we are considering non-serving members taking up key roles which cannot be vacant. A retired member is now Hon Secretary and we will shortly do the same for the role of Hon Treasurer. Retired members will be encouraged to support and mentor serving personnel in Club appointments and provide cover when they are deployed on operations.

**Overall Activity Days.** The breakdown for the 2021 season in terms of 'person sailing days' using REYC owned yachts, dinghies and boards is as follows:

	Total Training Days
Inshore	184
Offshore	554
Total	738

Unit sponsored adventure training and the individual use of JSASTC yachts and facilities, together with larger expeditions, are not shown here. It should be noted that these activities are often enabled by the Club: expeditions are either led and organised by Club Members or indirectly supported via experience and qualifications of individuals developed through use of REYC assets.

#### 2021 FINANCIAL REVIEW

##### Principal Funding

REYC's income comes from Member subscriptions, voluntary donations, Royal Engineer Corps' grants, and grants provided through the Army Sailing Association, e.g. Army Welfare and Nuffield Trust.

The Club remains solvent. The financial plan for all divisions of the Club is reviewed at least annually to better inform any decisions to change spending, review the yacht replacement plan, and to support bids for external grants.

## The Royal Engineer Yacht Club

### Trustees' Report for the year ended 31 December 2021

The intention to migrate the Chatham Branch account to management with all other Club funds by the Corps Treasurer has not been concluded and will be a priority for early 2022.

#### Reserves Policy

REYC has a 12 Year Financial Plan, reviewed annually, reflecting income and expenditure including equipment replacement funded through the Hulls Fund and other sources. We intend to align this with the 10 year period of our Strategy.

REYC's reserves policy is to maintain a minimum of 6 months' operating capital held as cash.

The Club invests the balance of its cash in a low risk, interest earning vehicle. This will be reviewed in 2022 to ensure we are investing as productively as possible.

#### Insurance

Following a review of risks and activities, with advice from the Royal Yachting Association, REYC updated its insurance arrangements to ensure proper cover and transparency. This led to an increase in both cover and cost for insurance. The Trustees are satisfied that appropriate policies are now in place but will continue to seek best value for money.

#### Balance Sheet

The accumulated funds increased by £73,693 to £417,268 (2020: decreased by £17,438 to £343,575). This increase is accounted for largely by the increase in value of our capital assets - our yachts - which is very much at the whim of the used yacht market, and by the inclusion of the capital value of Club silver, shown on our balance sheet for the first time this year at the auditors' request.

Notes to the Statement of Financial Activities and Balance Sheet provide supplementary information against each funding activity.

#### Fund Designation

The Club maintains one Unrestricted, four Designated and two Restricted Funds.

- **Unrestricted.** The Main Fund supports REYC activity not included in the other Club Funds in furtherance of the Object.
- **Designated.**
  - **Chatham.** The Chatham Fund supports the Object of the REYC principally on the River Medway and, when financially able, wider Club activity. Income to the Fund comes from Member mooring fees and other local activity.
  - **Inshore.** The Inshore Fund supports the Object of the REYC in inshore sailing, namely dinghy, board and kite sailing. Inshore boats and equipment are included in this Fund. It receives grants from the Main Fund as well as grants through the Army Sailing Association. Charter fees are currently not levied for the use of dinghies and boards.
  - **Offshore.** The Offshore Fund supports the Object of the REYC in offshore sailing, namely sail training, adventurous training, sporting activities and cruising. The Club-owned yachts are included in this Fund. It receives grants from the Main and Hulls Funds, as well as from the Army Sailing Association. Charter fees, set annually, are paid for the use of Club yachts.
  - **Hulls.** The Hulls Fund supports the REYC's equipment replacement programme. A percentage, set annually, of all charter fees provides income to this Fund.
- **Restricted.**

## The Royal Engineer Yacht Club

### Trustees' Report for the year ended 31 December 2021

- **Hulls.** The Hulls Fund (Restricted) also supports the REYC's equipment replacement programme. Income to this Fund comes from Members' donations and legacies and, as such, must be accounted for separately from the Hulls Fund (Designated). Gift Aid is claimed from Her Majesty's Revenue & Customs.
- **H&M Trust.** The H&M Trust (Charity Number 272391) was set up by the owner of H&M Engineering, formerly in Chatham Dockyard, and makes annual grants to the REYC to support the costs incurred by non-commissioned soldiers of the Corps of Royal Engineers when undertaking sailing of any discipline. Accordingly, it is managed as a Restricted Fund.

### OBSERVATIONS ON THE FINANCIAL STATEMENT

The Trustees make the following observations:

- a. **General.** Activity levels in 2021 began to climb from virtually nil in 2020, but still have a long way to go to return to the pre-Covid levels of 2019. For example Inshore activity in 2021 totalled only 47% of that in 2019, and Offshore activity represented just 42% of 2019 activity. From an accounting perspective our total income in 2021 exceeded our expenditure and has reversed the situation we faced in 2020. However, this surplus of income over expenditure includes the fact that Club silver has been taken onto our Balance Sheet for the first time. Without this our excess of expenditure over income would have been £15,751, which is of a similar order to the 2020 figure. The following accounting points are to be noted:
  1. **Donated Service.** The combined salaries for the two Bosuns (£77,713) have been accounted for as cost neutral.<sup>1</sup>
  2. **Staff Costs.** Accountancy support costs provided by the HQ RE Accountant (£2,167).
  3. **Sundry Costs.** Day-to-day operational costs (£3,563) (eg postage, website fees, telephones).
- b. **Hulls Fund (Restricted).** Action continues to claim Gift Aid on eligible Hulls Fund donations for the four years from 2017. It is anticipated the total value could be circa £2,000.
- c. **Debtors and Creditors.** The Trustees are satisfied that Debtors (£120,281) and Creditors (£1,176) are being managed properly. The debt consists of two managed sums; RNSA Key Deposit (Chatham) (£245), and funds being held in the 32-day notice account managed by RECCT (£120,036).

### Principal Risks and Uncertainties

Trustees maintain a Risk Register of the strategic, business and operational risks to which the Charity is exposed and receive regular updates from the Main Committee.

Two major risks associated with the Offshore Division materialised this year. First, early in 2021 the Club was notified that provision of bosuns by the Corps would not be continued beyond spring 2022. Initial work was undertaken by the Main Committee to address this, but it was quickly realised that maintenance and handling of charters across the offshore fleet would be untenable in their current form. The Acting Commodore commissioned a study to look at alternatives, including the possibility that the Club may no longer own its own yachts. The Trustees endorsed the excellent work carried out by the study group and supported the final short-listing of 2 options; Club-employed bosun/s, or a yacht management company. These will be developed further in early 2022.

The second risk materialised whilst the offshore study was under way when the imminent closure of the berths and shore facilities at Dolphin Pool was announced. Quick reaction by the Main and Offshore Committees has secured one berth for Trojan at the Hornet Services Sailing Club (HSSC) and another berth is expected to be available for the replacement of Right Royal. The availability of the facilities at HSSC is now linked with the final solution for maintenance and day-to-day management of the offshore fleet. Detailed work continues, but the expectation is that two REYC yachts will be berthed at HSSC. The preferred outcome is that the Club can form a partnership with HSSC to help manage our yachts. This may take some time to

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<sup>1</sup> Cost neutral captured under Note 3 and 11.

## **The Royal Engineer Yacht Club**

### **Trustees' Report for the year ended 31 December 2021**

arrange and an alternative solution for yacht management may be required for the initial period as the Corps bosuns are withdrawn. The new arrangements are expected to be affordable, but more expensive and a review of the charter rates will be undertaken prior to the 2022 season. The Trustees noted that current charter rates are below those of other service yacht clubs.

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

The Trustees will continue to support the objectives of the Charity for the foreseeable future.

#### **CONCLUSION**

Since becoming a Charitable Incorporated Organisation our focus has been on accounting and auditing arrangements, introducing new management systems, managing risk associated with our Offshore fleet, and setting strategic direction for the Club. Much of this has been done whilst grappling with the challenges of Covid 19. We now have firm foundations in place and Trustees now expect to focus on developing sailing, growing the Club and strengthening our relationship with the serving Corps.

Approved by the Trustees on *25 May* 2022  
and signed on their behalf



**Colonel (Retd) R C Hendicott MBE**  
**Chair, Board of Trustees**  
**Royal Engineer Yacht Club**

## **Independent auditor's report to the Trustees of The Royal Engineer Yacht Club**

We have audited the financial statements of The Royal Engineer Yacht Club (the 'charity') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities in preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2020 and of its income and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## **Independent Auditor's report to the Trustees of The Royal Engineers Yacht Club (continued)**

### **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 we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement 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 the fact.

We have nothing to report in this regard.

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

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

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

### **Respective responsibilities of Trustees and auditor**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of the 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.

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA's (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 economic decisions of users taken on the basis of these financial statements.

## **Independent Auditor's report to the Trustees of The Royal Engineers Yacht Club (continued)**

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:

### Capability of the audit in detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

Based on our understanding of the charity and sector, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the audit engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

## **Independent Auditor's report to the Trustees of The Royal Engineers Yacht Club (continued)**

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an 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 charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



### **Kreston Reeves LLP**

Chartered Accountants  
Statutory Auditor  
Montague Place  
Quayside  
Chatham Maritime  
Kent  
ME4 4QU

Date: 31 May 2022

Kreston Reeves LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## The Royal Engineer Yacht Club

### Statement of financial activities for the year ended 31 December 2021

	Note	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	Total funds 2020
		£	£	£	£
<b>Income and endowments from:</b>					
Donations & Legacies	3	124,543	3,978	128,521	80,181
Subscriptions	4	13,969	-	13,969	16,319
Charter Hire	5	12,440	-	12,440	1,360
Grants	6	26,406	2,500	28,906	24,000
Other Income	7	9,490	-	9,490	8,491
Investment Income	8	40	-	40	45
<b>Total Income</b>		<b>186,888</b>	<b>6,478</b>	<b>193,366</b>	<b>130,396</b>
<b>Expenditure on:</b>					
Charitable activities	10	155,809	1,383	157,192	147,010
<b>Total Expenditure</b>		<b>155,809</b>	<b>1,383</b>	<b>157,192</b>	<b>147,010</b>
<b>Net income / (expenditure) before revaluations</b>		<b>31,079</b>	<b>5,095</b>	<b>36,174</b>	<b>(16,614)</b>
Gains / (losses) on revaluations of fixed assets	18	37,519	-	37,519	(824)
<b>Net income / (expenditure) before transfers</b>		<b>68,598</b>	<b>5,095</b>	<b>73,693</b>	<b>(17,438)</b>
Transfers		-	-	-	-
<b>Net movement in funds for the year</b>		<b>68,598</b>	<b>5,095</b>	<b>73,693</b>	<b>(17,438)</b>
<b>Reconciliation of funds</b>					
Total funds at 1 January 2021		276,125	67,450	343,575	361,013
<b>Total funds at 31 December 2021</b>		<b>344,723</b>	<b>72,545</b>	<b>417,268</b>	<b>343,575</b>

All activities relate to continuing operations.

The notes on pages 15 to 23 form part of these financial statements.

**The Royal Engineer Yacht Club**

**Balance sheet  
as at 31 December 2021**

	Note	£	Year Ended 31 December 2021 £	Year Ended 31 December 2020 £
<b>Fixed assets</b>				
Tangible assets	18		<u>253,795</u>	<u>177,689</u>
<b>Current assets</b>				
Debtors	19	120,281		2,597
Cash at bank		<u>44,368</u>		<u>164,233</u>
		164,649		166,830
<b>Creditors:</b> amounts falling due within one	20	<u>(1,176)</u>		<u>(944)</u>
<b>Net current assets</b>			<u>163,473</u>	<u>165,886</u>
<b>Net assets</b>			<u>417,268</u>	<u>343,575</u>
<b>Charity Funds</b>				
Unrestricted funds	21		344,723	276,125
Restricted funds	21		72,545	67,450
<b>Total funds</b>			<u>417,268</u>	<u>343,575</u>

The financial statements were approved by the Trustees on **25 May 22** and signed on their behalf, by:



Chair of Board of Trustees



Board Secretary

The notes on pages 15 to 23 form part of these financial statements.

## **The Royal Engineer Yacht Club**

### **Notes to the financial statements as at 31 December 2021**

#### **1 General administrative information**

The Royal Engineer Yacht Club is a Charitable Incorporated Organisation in England & Wales with the registration number 1178311. The address of the registered office is RE Corps Funds, Brompton Barracks, Dock Road, Chatham, Kent, ME4 4UG. The Charity's principal objectives continued to be the promotion of the efficiency of the Armed Forces of the Crown by: provision and support of sailing facilities; increasing physical fitness through sailing; encouraging Esprit de Corps through representation in sporting competitions; and providing an association which supports the Corps of Royal Engineers.

#### **2 Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the second edition of the 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) (2019).

The Royal Engineer Yacht Club 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 note(s).

##### **2.2 Preparation of the accounts on a going concern basis**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **2.3 Fund Accounting**

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.

Designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the Trustees to meet specific purposes.

Restricted funds represent income which is allocated by the donor for specific purposes. These are explained in detail on page 6 in the Trustees' report.

Investment income, gains and losses are allocated to the appropriate fund.

##### **2.4 Income**

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 income receivable can be measured reliably.

## The Royal Engineer Yacht Club

### Notes to the financial statements as at 31 December 2021

#### 2 Accounting policies

##### 2.5 Expenditure

Liabilities are recognised as expenditure as soon as there is an obligation to committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis.

Cost of charitable activities includes the apportionment of support costs shown in note 10.

##### 2.6 Tangible fixed assets and depreciation

Assets costing greater than or equal to £500 are capitalised and valued at historic cost. Depreciation is charged on assets using a straight – line basis over their estimated life on the following basis:

Yachts	not depreciated
Windsurfing and Dinghy	10%-100% per annum
Other equipment	10%-20% per annum

##### 2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### 2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### 2.11 Donated services and facilities

Donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. This amount is matched by donated expenditure.

The Royal Engineer Yacht Club

Notes to the financial statements  
for the year ended 31 December 2021

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	Total funds 2020
<b>3 Donations &amp; Legacies</b>				
	£	£	£	£
Donation Hulls Fund		3,978	3,978	2,468
Donated Assets	46,830	-	46,830	-
Donated Services (note 9)	77,713	-	77,713	77,713
	<b>124,543</b>	<b>3,978</b>	<b>128,521</b>	<b>80,181</b>

Income from Donations and Legacies in 2020 comprised £77,713 unrestricted and £2,468 restricted.

**4 Subscriptions**

	£	£	£	£
REYC	<b>13,969</b>	-	<b>13,969</b>	16,319

Income from subscriptions in 2020 was all unrestricted.

**5 Charter Hire (Offshore)**

	£	£	£	£
Yacht Charter Hire Income	<b>12,440</b>	-	<b>12,440</b>	1,360

Charter hire (offshore) income in 2020 was all unrestricted.

**6 Grants**

	£	£	£	£
RE Sports Board	16,000	-	16,000	14,000
H&M Trust	-	2,500	2,500	2,500
Nuffield Trust Grant	10,406	-	10,406	7,500
	<b>26,406</b>	<b>2,500</b>	<b>28,906</b>	<b>24,000</b>

Income from Grants in 2020 comprised £21,500 unrestricted and £2,500 restricted.

**7 Other income**

	£	£	£	£
Mooring Fees	9,215	-	9,215	4,879
RE Dinner	-	-	-	2,015
Property Sales	275	-	275	499
Sundry Income	-	-	-	1,098
	<b>9,490</b>	<b>-</b>	<b>9,490</b>	<b>8,491</b>

Other income in 2020 was all unrestricted.

**8 Investment income**

	£	£	£	£
Bank interest receivable	<b>40</b>	-	<b>40</b>	45

Investment income in 2020 was all unrestricted.

The Royal Engineer Yacht Club

Notes to the financial statements  
for the year ended 31 December 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>9 Donated services and facilities</b>				
Administrative salaries	77,713	-	77,713	77,713
	<b>77,713</b>	<b>-</b>	<b>77,713</b>	<b>77,713</b>

**10 Analysis of expenditure by activities**

		Direct costs	Grant funding of activities	Support costs	Total	Total
	Note	2021 £	2021 £	2021 £	2021 £	2020 £
Yacht Club	11	2,282	-	14,237	16,519	17,126
Offshore	12	14,394	-	109,261	123,655	111,537
Inshore	13	2,754	-	6,905	9,659	7,098
Chatham	14	3,633	-	2,343	5,976	10,073
H&M Trust	15	-	1,383	-	1,383	1,176
		<b>23,063</b>	<b>1,383</b>	<b>132,746</b>	<b>157,192</b>	<b>147,010</b>

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>11 Yacht Club</b>				
<b>Direct costs</b>				
RE Dinner	-	-	-	3,685
RE Year Book	1,933	-	1,933	1,186
Lymington Meet	349	-	349	(100)
	<b>2,282</b>	<b>-</b>	<b>2,282</b>	<b>4,771</b>
<b>Support costs</b>				
Insurance	2,514	-	2,514	5,023
Fees	-	-	-	3,058
Staff/Account Costs	8,160	-	8,160	2,161
Sundry Costs	3,563	-	3,563	2,113
	<b>14,237</b>	<b>-</b>	<b>14,237</b>	<b>12,355</b>
	<b>16,519</b>	<b>-</b>	<b>16,519</b>	<b>17,126</b>

Yacht Club expenditure in 2020 was all unrestricted.

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>12 Offshore</b>				
<b>Direct costs</b>				
Race Fees	1,071	-	1,071	17
Mooring Fees	3,383	-	3,383	3,617
Planned Maintenance	9,940	-	9,940	14,727
	<b>14,394</b>	<b>-</b>	<b>14,394</b>	<b>18,361</b>
<b>Support Costs</b>				
Maintenance	25,512	-	25,512	12,274
Certification & Inspection	949	-	949	2,225
Lift & Cradle	1,881	-	1,881	738
Insurance	2,270	-	2,270	-
Yacht sale costs	-	-	-	5,256
Profit on sale of boats	-	-	-	(6,687)
Depreciation	936	-	936	1,657
Donated Services	77,713	-	77,713	77,713
	<b>109,261</b>	<b>-</b>	<b>109,261</b>	<b>93,176</b>
	<b>123,655</b>	<b>-</b>	<b>123,655</b>	<b>111,537</b>

Offshore expenditure in 2020 was all unrestricted.

	£	£	£	£
<b>13 Inshore</b>				
<b>Direct costs</b>				
Medway YC Sail Training	<b>2,754</b>	<b>-</b>	<b>2,754</b>	<b>-</b>
<b>Support Costs</b>				
Equipment maintenance	391	-	391	1,645
Depreciation	6,514	-	6,514	5,453
	<b>6,905</b>	<b>-</b>	<b>6,905</b>	<b>7,098</b>
	<b>9,659</b>	<b>-</b>	<b>9,659</b>	<b>7,098</b>

Inshore expenditure in 2020 was all unrestricted.

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2021

14 Chatham	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Direct costs</b>				
Mooring Maintenance	-	-	-	3,245
Crown Estates	1,600	-	1,600	1,600
Peel Ports Conservancy	-	-	-	1,210
Port of Sheerness	2,033	-	2,033	-
	<b>3,633</b>	-	<b>3,633</b>	6,055
<b>Support costs</b>				
Insurance	402	-	402	402
Mooring Manager Expenses	105	-	105	64
Sundry Costs	1,043	-	1,043	1,128
Depreciation	793	-	793	2,424
	<b>2,343</b>	-	<b>2,343</b>	4,018
	<b>5,976</b>	-	<b>5,976</b>	10,073

Chatham expenditure in 2020 was all unrestricted.

15 H&M Trust	£	£
Grants	-	1,383
	<b>1,383</b>	1,176
	<b>1,383</b>	1,176

H&M Trust expenditure in 2020 was all unrestricted.

16 Net Income / (Expenditure)	£	£
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	8,243	9,534
Auditor's remuneration	1,170	906

During the year, no Trustees received any remuneration (2020 - £Nil).

During the year, no Trustees received any benefits in kind (2020 - £Nil).

During the year, no Trustees received any reimbursement of expenses (2020 - £Nil).

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2021

	Total Year Ended 31 December 2021 £	Total Year Ended 31 December 2020 £
<b>17 Staff costs</b>		
Staff costs were as follows:		
Wages and salaries	1,830	1,824
Social security costs	337	336
	<u>2,167</u>	<u>2,160</u>

The average monthly number of employees during the year was as follows:

	No.	No.
Management and administration of the fund	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

### 18 Tangible fixed assets

	Yachts £	Windsurfing and Dinghy	Other Equipment	Total funds 2021 £	Total funds 2020 £
<b>Cost or valuation</b>					
At 1 January 2021	127,982	101,818	15,197	244,997	305,035
Additions	-	-	46,830	46,830	13,088
Disposals	-	-	-	-	(72,302)
Revaluation	37,519	-	-	37,519	(824)
At 31 December 2021	<u>165,501</u>	<u>101,818</u>	<u>62,027</u>	<u>329,346</u>	<u>244,997</u>
<b>Depreciation</b>					
At 1 January 2021	-	60,341	6,967	67,308	63,764
Charge for the year	-	6,514	1,729	8,243	9,534
Disposals	-	-	-	-	(5,990)
At 31 December 2021	<u>-</u>	<u>66,855</u>	<u>8,696</u>	<u>75,551</u>	<u>67,308</u>
<b>Net book value</b>					
At 31 December 2021	<u>165,501</u>	<u>34,963</u>	<u>53,331</u>	<u>253,795</u>	<u>177,689</u>
At 31 December 2020	<u>127,982</u>	<u>41,477</u>	<u>8,230</u>	<u>177,689</u>	<u>241,271</u>

### 19 Debtors

	£	£
Other debtors	<u>120,281</u>	<u>2,597</u>

### 20 Creditors:

	£	£
<b>Amounts falling due within one year:</b>		
Other creditors	<u>1,176</u>	<u>944</u>

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2021

#### 21 Statement of funds - current year

	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Transfers £	Carried Forward £
<b>Designated Funds</b>						
Chatham	20,621	9,215	(5,976)	-	-	<b>23,860</b>
Offshore	161,094	100,559	(123,655)	-	-	<b>137,998</b>
Inshore	37,859	275	(9,659)	-	7,761	<b>36,236</b>
Hulls	10,426	-	-	37,519	-	<b>47,945</b>
	<b>230,000</b>	<b>110,049</b>	<b>(139,290)</b>	<b>37,519</b>	<b>7,761</b>	<b>246,039</b>
<b>Unrestricted funds</b>						
REYC	46,125	76,839	(16,519)	-	(7,761)	<b>98,684</b>
Total unrestricted funds	<b>276,125</b>	<b>186,888</b>	<b>(155,809)</b>	<b>37,519</b>	<b>-</b>	<b>344,723</b>
<b>Restricted Funds</b>						
H&M Trust	3,201	2,500	(1,383)	-	-	<b>4,318</b>
Townsend Trust	-	-	-	-	-	<b>-</b>
Hulls	64,249	3,978	-	-	-	<b>68,227</b>
	<b>67,450</b>	<b>6,478</b>	<b>(1,383)</b>	<b>-</b>	<b>-</b>	<b>72,545</b>
Total	<b>343,575</b>	<b>193,366</b>	<b>(157,192)</b>	<b>37,519</b>	<b>-</b>	<b>417,268</b>

#### Statement of funds - prior year

	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Transfers £	Carried Forward £
<b>Designated Funds</b>						
Chatham	25,815	4,879	(10,073)	-	-	20,621
Offshore	193,694	1,224	(33,824)	-	-	161,094
Inshore	36,958	7,999	(7,098)	-	-	37,859
Hulls	11,114	136	-	(824)	-	10,426
	<b>267,581</b>	<b>14,238</b>	<b>(50,995)</b>	<b>(824)</b>	<b>-</b>	<b>230,000</b>
<b>Unrestricted funds</b>						
REYC	22,013	111,190	(94,839)	-	7,761	46,125
	<b>22,013</b>	<b>111,190</b>	<b>(94,839)</b>	<b>-</b>	<b>7,761</b>	<b>46,125</b>
<b>Restricted Funds</b>						
H&M Trust	1,877	2,500	(1,176)	-	-	3,201
Townsend Trust	7,761	-	-	-	(7,761)	-
Hulls	61,781	2,468	-	-	-	64,249
	<b>71,419</b>	<b>4,968</b>	<b>(1,176)</b>	<b>-</b>	<b>(7,761)</b>	<b>67,450</b>
Total	<b>361,013</b>	<b>130,396</b>	<b>(147,010)</b>	<b>(824)</b>	<b>-</b>	<b>343,575</b>

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2021

#### 22 Analysis of net assets between funds

##### Current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tangible fixed assets	253,795	-	253,795	177,689
Current assets	92,104	72,545	164,649	166,830
Creditors due within one year	(1,176)	-	(1,176)	(944)
	<b>344,723</b>	<b>72,545</b>	<b>417,268</b>	<b>343,575</b>

##### Prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	177,689	-	177,689	241,271
Current assets	99,380	67,450	166,830	120,848
Creditors due within one year	(944)	-	(944)	(1,106)
	<b>276,125</b>	<b>67,450</b>	<b>343,575</b>	<b>361,013</b>

#### 23 Related party transactions

All transactions with related parties are disclosed in the Trustees Report and notes to the accounts.

#### 24 Post balance sheet events

On 2nd February 2022, the Charity completed the sale of its yacht Right Royal.

**THE ROYAL ENGINEER YACHT CLUB**

England & Wales - Charity number 1178311

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# Accounts

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**Charity number: 1178311**

**The Royal Engineer Yacht Club**

**Trustees' report and financial statements**

**for the year ended 31 December 2020**

## **The Royal Engineer Yacht Club**

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## **The Royal Engineer Yacht Club**

### **Trustees' Report For the year ended 31 December 2020**

The Trustees present the annual report and the audited financial statements of the Charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out at Note 2 to the accounts and comply with the Charity's Charter, the Charities Act 2011 and the Charities Statement of Recommended Practice Financial Reporting Standard 102 (2019). Trustees consider that in preparing these financial statements they have taken into account all information that could reasonably be expected to be available (including levels of reserves held); thus the going concern basis of accounting is deemed appropriate and there are no material uncertainties.

#### **OBJECTIVES AND ACTIVITIES**

The Object of the Charitable Incorporated Organisation (Association Model) is, for the public benefit, the promotion of the efficiency of the armed forces of the Crown by:

- a. The provision and support of sailing facilities, equipment and activities for the efficiency and well-being of Service personnel;
- b. Increasing physical fitness of members of the Services through sailing;
- c. Providing opportunities for Service personnel to gain additional experience and develop the military virtues of courage, self-reliance, mental robustness, endurance and leadership relevant to their jobs;
- d. Encouraging esprit de corps and fostering high morale through representation in sporting competitions;
- e. Providing an association which supports the Corps of Royal Engineers and enables serving and former members to mix together, and creating opportunities for mentoring junior leaders by older, more experienced members.

#### **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The Royal Engineer Yacht Club (REYC) was founded in 1846, making it one of the senior yacht clubs in the United Kingdom. Its membership is open to all serving and ex-serving Royal Engineers, as well as to individuals (civilian and military) who are closely associated with the Corps of Royal Engineers or the Club and who support its Object. The principal function of the REYC is to promote, organise, facilitate and support sailing and seamanship amongst its Members and the Corps of Royal Engineers, providing opportunity for the award of Royal Yachting Association and other qualifications.

The Club's activities are split into three divisions: Inshore, Offshore, and Regions. The Inshore Division is responsible for dinghy sailing, windsurfing and kite surfing, with teams from these disciplines participating in competitions and running an annual development week for novices. The Offshore Division started this period operating four yachts. However, two of the yachts were sold during the period leaving the remaining two yachts available for sail training; adventurous training; competing in sailing regattas throughout the year and cruising. The Regions Division is responsible for coordinating and supporting Club activities across the UK.

The REYC Fund provides Royal Engineers with the opportunity to take part in sailing activity. In pursuance of its Object, the Club:

- a. Maintains a fleet of windsurfers, which allows Members to compete in Army and Inter-Service competitions.
- b. Supports Inshore sailing by the maintenance of dinghies at Chatham, Catterick and the Army Inshore Sailing Centre Thorney Island.
- c. Maintains two offshore yachts berthed at Gosport.
- d. Supports its Members in attending and participating in competition and adventurous training.
- e. Organises regattas to promote the skills required for sailing and seamanship.

This Fund provides public benefit by assisting Service personnel to perform more effectively their roles within the Armed Forces of the Crown. It does this by providing and supporting sail training, adventurous training and 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.

## The Royal Engineer Yacht Club

### Trustees' Report (continued) For the year ended 31 December 2020

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

Last year the REYC completed the first of two significant equipment purchases. At the end of 2019 the Club used the legacy of the Townsend Memorial Trust to purchase and equip two Laser RS 2000 Dinghies to support the growth in experiencising dinghy sailing. £22,660 was expended on this capital purchase in 2019, but delivery did not take place until this reporting period in January 2020. Unfortunately, due to COVID 19 restrictions minimal use of this new equipment has occurred this year. The second significant equipment purchase will be a new offshore hull.

This year the REYC has sold two of its four yachts after the Trustees concluded in last year's report that the current fleet of four yachts was not sustainable on the basis of the current fleet mix, income over expenditure balance and availability of maintenance manpower. The 2019 General Meeting had agreed that the fleet be rationalised to three Hulls to support a balance of sail training, adventurous training, racing and cruising. *Ilex* and *Hebe* were prepared, advertised and sold, the detail of which is shown in the Statement of Financial Activities. The plan to own and operate three yachts was reviewed by Trustees in 2020 and they agreed that this was too ambitious. They proposed, and AGM 2020 agreed, that the Club would only sail and maintain two yachts (a racer/cruiser and a cruising yacht). One of the two remaining Hulls, *Right Royal*, should be replaced in 2021 and, during the transition, only two yachts would be kept on the water at one time. The replacement yacht is the second planned significant purchase to be procured from the proceeds of the sale, an Army Sailing Association administered Nuffield Grant, and a Hulls Fund contribution. COVID 19 has delayed the procurement of the new hull which may mean that it is not ready for use in 2021.

### ACHIEVEMENTS AND PERFORMANCE

**Introduction.** It has been a difficult year due to COVID 19. The majority of sailing activity takes place between Spring and Autumn each year due to potential inclement weather safety factors over the Winter months. For 2020 the REYC planned a normal active season for both Inshore and Offshore including racing, training and instruction. However, none of this activity took place in the Spring and early Summer due to Government restrictions. The Club continued to maintain its focus on increasing the opportunity for serving soldiers to participate in events, training and developing both individuals and teams, but was required to work within the guidelines set out by the Army. Army COVID 19 restrictions for the 2020 season were partially lifted for solo sports in October 2021, albeit with tight constraints, but otherwise did not allow any sport or adventurous training to take place, thereby preventing the Club from being able to achieve most of its Objects this year. Indeed, these Army restrictions are still in place, and are likely to remain well into the 2021 season, which will continue to restrict soldiers from being allowed out on the water. During the brief window between COVID lockdowns REYC competed in Army Dinghy and Windsurfing Championships at very short notice. The one exception has been elite individual sport, the rules for which have enabled some Inshore activity to be achieved. Additionally, strict Government guidelines have meant that the use of the yachts for members to undertake cruising activity has been hampered due to the confined spaces on a yacht and the social distancing required if the yacht were not entirely crewed by just one household. Serving and Retired Members remain actively involved in supporting the REYC, and we continue to plan activity for when restrictions allow for Members and soldiers to sail once more.

#### Inshore.

a. **Dinghy Sailing.** Novice dinghy sail training did not take place due to COVID 19 restrictions. Corps level racing was cancelled due to COVID 19, this included the Royal Engineer Games, which was to see the re-introduction of dinghy sailing at the event. The two new RS 2000 dinghies have not been used. The Corps won the Army Individual Dinghy Championship in early October 2020.

b. **Windsurfing.** Windsurfing has likewise been heavily curtailed by COVID 19. However, notable successes include a strong individual performance at the UK National Windsurfing Championships and a third place in the Army Windsurfing Championships in mid-October 2020. Individuals have been able to practice alone, but not as organised events or at clubs. The Club's 2020 equipment refresh has been completed and now provides three Paris 2024 Olympic Foil Boards that allow early planing in light winds. One is being use for a

## The Royal Engineer Yacht Club

### Trustees' Report (continued) For the year ended 31 December 2020

National level campaign by Capt Dave Curry who is supported by the Army and RYA. The others have had limited use this year, but once windsurfing returns in 2021 The Club will supplement the equipment available to advanced sailors and in turn will free other existing equipment to enable intermediate and novice sailors to progress.

**c. Kitesurfing.** Limited kitesurfing activity has taken place due to COVID 19. However, participation in kitesurfing is expected to grow throughout 2021. The acquisition of new kitesurfing equipment this year will enable a greater number of soldiers to access the discipline whilst instructor led training camps are planned in the second half of 2021 when restrictions are due to be lifted.

**Offshore.** COVID 19 restrictions throughout the year have prevented any Offshore activity taking place, and the Offshore Division continues to plan for when restrictions are lifted. The following activities did not take place in the 2020 season, but have been postponed until later in the 2021 season:

**a. Army Offshore Regatta.** The Army Offshore Regatta was postponed until 2021.

**b. Fastnet Race.** The Fastnet Race only takes place in odd numbered years, so was not planned for the 2020 season. Preparation is underway to compete in the race in 2021. The Club has only entered *Trojan* with an 'all serving' military crew, seeking to learn from its mistakes and poor performance in the 2019 race.

**c. RE Sail Training Week.** The RE Sail Training Week was postponed until 2021.

#### Regions.

**a. Lymington Meet.** The Club's annual Lymington Meet on the Solent is normally held in May with serving and retired Members in their yachts participating. The Lymington Meet was postponed once during 2020 and eventually until September 2021 due to COVID 19 restrictions and the likely timeframe in which restrictions can be lifted.

**b. Mary Cup.** The Club's annual Mary Cup event was postponed until 2021.

**Conclusion.** In terms of raw statistics, the number of training days achieved across all disciplines is very low due to COVID 19. However, due to the unforeseen global pandemic 2020's statistics should not be viewed as a downturn in the REYC. Throughout the year Club members have continued to plan and prepare for the return to on-the-water activity, using the Objects as the driving factor. If COVID 19 restrictions allow, Inshore activity will continue to build on 2019 in line with the effort made to target training and events that are accessible to all. The rationalisation of the fleet will mean that maintenance is at a higher standard and actual availability of the yachts will be enhanced. The breakdown for the 2020 season in terms of 'person sailing days' is as follows:

	Total Training Days
Inshore	10
Offshore	0
Total	10

These usage statistics only capture sailing activity that has been completed using REYC owned yachts, dinghies and boards. Unit sponsored adventure training and the individual use of JSASTC yachts and facilities together with larger expeditions, are not shown here as they are principally funded via separate mechanisms. It should, however, be noted that these latter activities are often enabled by the Club in furtherance of the Object: expeditions are either directly led and organised by Club Members or indirectly supported via the experience and qualifications of individuals that have been developed through the use of REYC assets.

## **The Royal Engineer Yacht Club**

### **Trustees' Report (continued) For the year ended 31 December 2020**

**Annual Dinner.** The Club's traditional annual dinner was held in the Royal Engineer Headquarters Mess on 6 Feb 20. The dinner is where prizes, Corps colours and awards are presented. It provides an opportunity for all members of the Club to come together and to thank invited guests from other yacht clubs and sailing institutions for their support to the Club. Special Flags were presented to two long standing members of the Club.

## **FINANCIAL REVIEW**

### **Principal Funding**

The REYC's income comes primarily from Members' subscriptions, voluntary donations, Royal Engineer Corps' grants, and grants provided through the Army Sailing Association, e.g. Army Welfare and Nuffield Trust.

The REYC remains solvent. The financial plan for all divisions of the Club is reviewed at least annually to better inform any decisions to change Club spending and the hulls plan, and also to support bids for external grants. For Offshore, the 12 year hulls forecast for three yachts based on current income and expenditure is not viable, therefore the REYC will now follow a plan that sees the Club maintaining two yachts. The work done last year to treat the Chatham Branch account in a similar manner to Offshore as required by Club Rules has proved successful, with their activity now managed through the Main account.

### **Reserves Policy**

The REYC has in place a 12 year Financial Plan, reviewed annually, that reflects the Club's income and expenditure including the equipment replacement programme funded through the Hulls Fund and other sources.

The REYC's reserves policy is to maintain a minimum of 6 months operating capital held as cash.

The REYC seeks to invest the balance of the cash in a suitable interest earning vehicle. Because of the change in governance and accounting arrangements, this interest was lower than 2019.

### **Insurance**

Following a review of risks and activities, the REYC, with advice from the Royal Yachting Association, updated its insurance arrangements to ensure proper cover and transparency. This has then led to an increase in cover and cost for insurance. The Trustees are satisfied that the appropriate policies are now in place.

## **FINANCIAL SUMMARY**

### **General**

Net expenditure was £17,438 (2019: net expenditure of £5,835).

### **Balance Sheet**

The accumulated funds decreased by £17,438 to £343,575 (2019: decreased by £5,835 to £361,013).

Notes to the Statement of Financial Activities and Balance Sheet provide supplementary information against each funding activity.

## The Royal Engineer Yacht Club

### Trustees' Report (continued) For the year ended 31 December 2020

#### Fund Designation

The REYC maintains one Unrestricted, four Designated and three Restricted Funds.

- a. Main.** The Main Fund, Unrestricted, supports REYC activity not included in the other Club Funds in furtherance of the Object.
- b. Chatham.** The Chatham Fund, Designated, supports the Object of the REYC principally on the River Medway and, when financially able, wider Club activity. Income to the Fund comes from Member mooring fees and other local activity.
- c. Inshore.** The Inshore Fund, Designated, supports the Object of the REYC in inshore sailing, namely dinghy, board and kite sailing. Inshore boats and equipment are included in this Fund. It receives grants from the Main Fund as well as grants through the Army Sailing Association. Charter fees are currently not levied for the use of dinghies and boards.
- d. Offshore.** The Offshore Fund, Designated, supports the Object of the REYC in offshore sailing, namely sail training, adventurous training, sporting activities and cruising. The Club-owned yachts are included in this Fund. It receives grants from the Main and Hulls Funds, as well as from the Army Sailing Association. Charter fees, set annually, are paid for the use of Club yachts.
- e. Hulls Fund.** The Hulls Fund, Designated, is to support the REYC's equipment replacement programme. A percentage, set annually, of all charter fees provides income to this Fund.
- f. H&M Trust.** The H&M Trust, Restricted, was set up by the owner of H&M Engineering formerly in Chatham Dockyard and makes annual grants to the REYC (and other Corps sports) to support the costs incurred by non-commissioned soldiers of the Corps of Royal Engineers when undertaking sailing of any discipline.
- g. Hulls Fund.** The Hulls Fund, Restricted, is to support the REYC's equipment replacement programme. Income to this Fund comes from Members' donations and legacies. Gift Aid is claimed from Her Majesty's Revenue & Customs.
- h. Townsend Memorial Trust.** The Townsend Memorial Trust, Restricted, was a legacy left to the REYC, initially through donation by Lieutenant Colonel Townsend of his yacht *Ragna R*. When she was sold this became a Fund in support of sail training for young soldiers and, exceptionally, young officers of the Corps of Royal Engineers. The Fund has its own Trustees who make grants in support of qualifying REYC activities including the purchase of sailing boats. Disbursement can only be authorised by its Trustees. The majority of the Trust's funds were used to purchase two dinghies in late 2019. In Oct 20 the Trustees of the fund agreed to pass management of the remaining funds to the Main Committee and the fund was closed.

#### OBSERVATIONS ON THE FINANCIAL STATEMENT

The Trustees make the following observations:

**a. General.** Club income and expenditure in 2020 was unlike any previous year as a result of almost no sailing. Club overheads and boat maintenance continued with the result that the Club had to draw on its reserves. This was considered essential in order that the Club was in a position to meet its objects when circumstances allowed. The following changes in accounting are to be noted:

1. Donated Service. The combined salaries for the two Bosuns (£77,713), accounted for as cost neutral<sup>1</sup>.
2. Staff Costs. Accountancy support costs provided by the HQ RE Accountant (£2,161).
3. Sundry Costs. Day-to-day operational costs (£2,113) (e.g. postage, website fees, telephones).<sup>2</sup>

<sup>1</sup> Cost neutral captured under note 3 and 11.

<sup>2</sup> Total figure £3,241 (£2,113 note 10 – Yacht Club and £1,128 note 13 – Chatham).

## The Royal Engineer Yacht Club

### Trustees' Report (continued) For the year ended 31 December 2020

**b. Inshore.** COVID prevented any inshore activities during the 2020 season (except individuals categorised as Elite Sports) and hence there was no additional expenditure.

**c. Offshore.** There was no Offshore income from charters or sailing in 2020 due to COVID but expenditure on the remaining two yachts continued in order to keep them ready for sailing if or when the opportunity arose.

**d. Hulls Fund (Restricted).** Action continues to claim Gift Aid on eligible Hulls Fund donations for the three years from 2017. It is anticipated the total value could be circa £2,000.

**e. Debtors and Creditors.** The Trustees are satisfied that Debtors (£2597) and Creditors (£944) are being managed properly. The debt consists of three managed sums; RNSA Key Deposit (Chatham) (£245); Chatham Float (£2,306.85) and a Direct debit Charge (£45).

**f. Other REYC Assets.** The audit does not include REYC Trophies with an insured value of £33,000 or REYC Memorabilia valued at £200. Pictures owned by the Corps of Royal Engineers in which the REYC has an interest have an insured value of £30,000.

### PLANS FOR THE FUTURE

The Trustees will continue to plan activities in support of the Object of the Charity.

### INDEPENDENT AUDITORS

Kreston Reeves LLP were retained as auditors.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Organisation

In 2011 the REYC became an Excepted Charity (EC) under the auspices of the Ministry of Defence. The transition to becoming a Charitable Incorporated Organisation (Association Model) (CIO (AM)) was initiated at the Club's Annual General Meeting (AGM) in 2017, a proposed management model was briefed in November 2017, and the Governance Review Report was presented to the 2018 AGM, which voted to form a CIO (AM). The Club's application and associated Constitution were accepted by the Charity Commission (CC) with the REYC CIO (AM) registered on 9 May 2018.

After registration the REYC applied to formally close the EC under Service Funds Regulations via the Army Personnel Services Group (APSG). The Club's accounts were formally audited under Service Funds Regulations as at 30 September 2018 and the associated Army Form N1514 (Rev 11/09) Service Non Public Funds Final Accounts Trustees' Report was submitted. The audit was endorsed by 8 Engineer Brigade in March 2019 and APSG agreed the dissolution of the EC on 9 Aug 2019. In accordance with the agreement of Club Members at the EC AGM in 2018, the Trustees agreed a Resolution to dissolve the EC and to transfer its Funds and Property to the CIO under a Deed signed on 13 September 2019.

The REYC has completed the movement of its financial accounts from 3 RSME Regiment to adopt CC approved civilian practices as required of a CIO with accountancy and audit support being provided by RE Corps' Funds at Chatham. 'Physical' banking arrangements have remained broadly unchanged with account migration through the course of 2019.

The first CIO Trustees' report to the CC in 2019 reflected REYC activity from its formation on 8 May 2018 until the end of the accounting period on 31 December 2018. The associated financial report reflected financial movement through the REYC account after the Service Funds audit at 30 September 2018 up to the end of the 2018 accounting year.

This submission covers the activity of the REYC for its second full year as a CIO to 31 December 2020. The formal transfer of Funds and Property from the EC to the CIO was completed last year. CIO Rules were presented to the 2019 AGM on 4 October 2019 and are effective from that date.

## **The Royal Engineer Yacht Club**

### **Trustees' Report (continued) For the year ended 31 December 2020**

#### **Recruitment and Appointment of Trustees**

New Trustees are elected by Full Members at a General Meeting. Two are required to have served previously as Flag Officers of the REYC; two are ex-officio appointments (the Commodore and Vice Commodore), and one further trustee is also appointed.

#### **Trustee Induction and Training**

The Trustees are all suitably trained for the purposes of their charitable role.

#### **Governing Document**

The Charity is governed by its Constitution, approved by the Charity Commission, dated 9 May 2018.

#### **Principal Risks and Uncertainties**

The Trustees regularly and actively review the strategic, business and operational risks to which the Charity is exposed and have established systems to enable regular reports to be submitted to them.

#### **Post balance sheet events**

At the time of signing the accounts the Trustees are aware of the continuing potential economic and social effects of the COVID 19. The full impact of the pandemic on the UK economy is yet to be seen, but the Charity will continue to seek to mitigate this risk by following the UK Government's guidelines and adapting/developing its own internal strategy.

#### **Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of 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:

- a. select suitable accounting policies and then apply them consistently;
- b. observe the methods and principles of the Charities SORP (FRS 102) (2019);
- c. make judgments and accounting estimates that are reasonable and prudent;
- d. state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

**The Royal Engineer Yacht Club**

**Trustees' Report (continued)  
For the year ended 31 December 2020**

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Memorandum of Association. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 26 May 2021 and signed on their behalf

A handwritten signature in blue ink, appearing to read 'M E Johnson-Ferguson', with a long horizontal flourish extending to the right.

**Lieutenant Colonel M E Johnson-Ferguson  
Trustee  
Royal Engineer Yacht Club**

## **The Royal Engineer Yacht Club**

### **Reference and administrative details of the Charity, its Trustees and Advisers for the year ended 31 December 2020**

#### **Trustees**

Lieutenant Colonel M E Johnson-Ferguson  
Colonel G P Hatcher OBE  
Lieutenant Colonel C W Battey

Commodore (Appointed 01/06/18) (1)  
Vice -Commodore (Retired 30/10/20)  
Vice-Commodore (Appointed 01/11/20) (1)

Colonel (Retired) A R M Wilson  
Brigadier (Retired) A P Carruth

Trustee (Chair) (Retired 30/10/20)  
Trustee (Appointed 4/10/19), Chair  
(Appointed 01/11/20)

Lieutenant General R Wardlaw OBE

Trustee (Appointed 04/10/19)

Colonel (Retired) R Hendicott MBE

Trustee (Appointed 01/11/20)

#### **Non-Trustee Appointment**

Lieutenant Colonel (Retired) J D Lewis

Secretary (Appointed 01/09/20)

(1) Ex-officio Trustee, normally appointed for 3 years

#### **Charity Registered Number**

1178311

#### **Principal Office**

Royal Engineer Yacht Club  
The Ravelin Building  
Brompton Barracks  
Dock Road  
Chatham  
Kent ME4 4UG

#### **Independent Auditor**

Kreston Reeves LLP  
Chartered Accountants  
Registered Auditors  
Montague Place  
Quayside  
Chatham Maritime  
Chatham  
Kent ME4 4QU

#### **Bankers**

Lloyds plc  
Piccadilly Branch  
PO Box 1000  
London BX1 1LT

## **The Royal Engineer Yacht Club**

### **Independent auditor's report to the Trustees of The Royal Engineer Yacht Club**

We have audited the financial statements of The Royal Engineer Yacht Club (the 'Charity') for the year ended 31 December 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2020 and of the Charity's income and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual report, 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.

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 statement 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 the fact.

We have nothing to report in this regard.

**The Royal Engineer Yacht Club**  
**Independent Auditor's report to the Trustees of The Royal Engineers Yacht Club (continued)**

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

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

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

**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of the 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.

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

We have been appointed auditor under section 151 of the Charities Act 2011 and report in accordance with this Act.

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 ISA's (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 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:

*Capability of the audit in detecting irregularities, including fraud*

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks.

## **The Royal Engineer Yacht Club**

### **Independent Auditor's report to the Trustees of The Royal Engineers Yacht Club (continued)**

Based on our understanding of the charity and sector, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the audit engagement

team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our

**The Royal Engineer Yacht Club**

**Independent Auditor's report to the Trustees of The Royal Engineers Yacht Club (continued)**

opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an 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 Charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**Kreston Reeves LLP**  
Chartered Accountants  
Statutory Auditor  
Chatham Maritime

Date: 16 July 2021

Kreston Reeves LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## The Royal Engineer Yacht Club

### Statement of financial activities for the year ended 31 December 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income and endowments from:</b>					
Donations & Legacies	3	77,713	2,468	80,181	6,292
Subscriptions	4	16,319	-	16,319	13,411
Charter Hire	5	1,360	-	1,360	18,529
Grants	6	21,500	2,500	24,000	27,855
Other Income	7	8,491	-	8,491	12,161
Investment Income	8	45	-	45	13
<b>Total Income</b>		<b>125,428</b>	<b>4,968</b>	<b>130,396</b>	<b>78,261</b>
<b>Expenditure on:</b>					
Charitable activities	9	145,834	1,176	147,010	83,305
<b>Total Expenditure</b>		<b>145,834</b>	<b>1,176</b>	<b>147,010</b>	<b>83,305</b>
<b>(Losses) / Gains on Revaluations of Fixed Assets</b>		<b>(824)</b>	<b>-</b>	<b>(824)</b>	<b>(791)</b>
<b>Transfers</b>		<b>7,761</b>	<b>(7,761)</b>	<b>(824)</b>	<b>-</b>
<b>Net movement in funds for the year</b>		<b>(21,230)</b>	<b>3,792</b>	<b>(17,438)</b>	<b>(5,835)</b>
<b>Reconciliation of funds</b>					
Total funds at 1 January 2020		297,355	63,658	361,013	366,848
<b>Total funds at 31 December 2020</b>		<b>276,125</b>	<b>67,450</b>	<b>343,575</b>	<b>361,013</b>

All activities relate to continuing operations.

The notes on pages 16 to 25 form part of these financial statements.

**The Royal Engineer Yacht Club**

**Balance sheet  
as at 31 December 2020**

	Note	£	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
<b>Fixed assets</b>				
Tangible assets	17		177,689	241,271
			<u>177,689</u>	<u>241,271</u>
<b>Current assets</b>				
Debtors	18	2,597		1,825
Cash at bank		<u>164,233</u>		<u>119,023</u>
		166,830		120,848
<b>Creditors:</b> amounts falling due within one	19	<u>(944)</u>		<u>(1,106)</u>
<b>Net current assets</b>			<u>165,886</u>	<u>119,742</u>
<b>Net assets</b>			<u>343,575</u>	<u>361,013</u>
<b>Charity Funds</b>				
Unrestricted funds	21		276,125	289,594
Restricted funds	21		67,450	71,419
<b>Total funds</b>			<u>343,575</u>	<u>361,013</u>

The financial statements were approved by the Trustees on 29 October 2021 and signed on their behalf, by:



**Brigadier (Retired) A P Carruth**  
Chair of Board of Trustees



**Lieutenant Colonel (Retired) J D Lewis**  
Board Secretary

The notes on pages 16 to 25 form part of these financial statements.

## **The Royal Engineer Yacht Club**

### **Notes to the financial statements as at 31 December 2020**

#### **1 General administrative information**

The Royal Engineer Yacht Club is a Charitable Incorporated Organisation in England & Wales with the registration number 1178311. The address of the registered office is RE Corps Funds, Brompton Barracks, Dock Road, Chatham, Kent, ME4 4UG. The Charity's principal objectives continued to be the promotion of the efficiency of the Armed Forces of the Crown by: provision and support of sailing facilities; increasing physical fitness through sailing; encouraging Esprit de Corps through representation in sporting competitions; and providing an association which supports the Corps of Royal Engineers.

#### **2 Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the second edition of the 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) (2019).

The Royal Engineer Yacht Club 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 note(s).

##### **2.2 Preparation of the accounts on a going concern basis**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Whilst the impact of the COVID-19 pandemic has been assessed by the Trustees, so far as is reasonably possible, due to its unprecedented impact on the worldwide economy it is difficult to evaluate with any certainty the potential outcomes on the Charity's future activities. However, taking into consideration the Charity's level of reserves, the Trustees believe that the Charity will be able to continue in operational existence for the foreseeable future.

##### **2.3 Fund Accounting**

General unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.

Designated funds represent amounts which have been put aside out of unrestricted funds at the discretion of the Trustees to meet specific purposes.

Restricted funds represent income which is allocated by the donor for specific purposes. These are explained in detail on page 4 in the Trustees' report.

Investment income, gains and losses are allocated to the appropriate fund.

## The Royal Engineer Yacht Club

### Notes to the financial statements as at 31 December 2020

#### 2 Accounting policies

##### 2.4 Income

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 income receivable can be measured

##### 2.5 Expenditure

Liabilities are recognised as expenditure as soon as there is an obligation to committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis.

Cost of charitable activities includes the apportionment of support costs shown in note 9.

##### 2.6 Tangible fixed assets and depreciation

Assets costing greater than or equal to £500 are capitalised and valued at historic cost. Depreciation is charged on assets using a straight – line basis over their estimated life on the following basis:

Yachts	not depreciated
Windsurfing and Dinghy	10%-100% per annum
Other equipment	10%-20% per annum

##### 2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### 2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### 2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

The Royal Engineer Yacht Club

Notes to the financial statements  
for the year ended 31 December 2020

	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020	Total funds 2019
	£	£	£	£
<b>3 Donations &amp; Legacies</b>				
Donation Hulls Fund	-	2,468	2,468	4,292
Legacy Hulls Fund	-	-	-	2,000
Donated Services	77,713	-	77,713	-
	<b>77,713</b>	<b>2,468</b>	<b>80,181</b>	<b>6,292</b>

Income from Donations and Legacies in 2019 comprised £nil unrestricted and £6,292 restricted.

**4 Subscriptions**

	£	£	£	£
REYC	16,319	-	16,319	13,411
	<b>16,319</b>	<b>-</b>	<b>16,319</b>	<b>13,411</b>

Income from subscriptions in 2019 comprised £13,411 unrestricted and £nil restricted.

**5 Charter Hire (Offshore)**

	£	£	£	£
Yacht Charter Hire Income	1,360	-	1,360	18,529
Oilskin Hire / other	-	-	-	-
	<b>1,360</b>	<b>-</b>	<b>1,360</b>	<b>18,529</b>

Income from Charter Hire in 2019 comprised £18,529 unrestricted and £nil restricted.

**6 Grants**

	£	£	£	£
RE Sports Board	14,000	-	14,000	14,000
H&M Trust	-	2,500	2,500	2,500
Army Sports Board	-	-	-	11,355
Nuffield Trust Grant	7,500	-	7,500	-
	<b>21,500</b>	<b>2,500</b>	<b>24,000</b>	<b>27,855</b>

Income from Grants in 2019 comprised £25,355 unrestricted and £2,500 restricted.

**7 Other income**

	£	£	£	£
Blue Ensign Permits	-	-	-	80
Mooring Fees	4,879	-	4,879	9,294
REYC Dinner	2,015	-	2,015	1,810
Property Sales	499	-	499	745
Sundry Income	1,098	-	1,098	232
	<b>8,491</b>	<b>-</b>	<b>8,491</b>	<b>12,161</b>

Other income in 2019 comprised £12,149 unrestricted and £12 restricted.

**8 Investment income**

	£	£	£	£
Bank interest receivable	45	-	45	13
	<b>45</b>	<b>-</b>	<b>45</b>	<b>13</b>

Investment income in 2019 comprised £13 unrestricted and £nil restricted.

The Royal Engineer Yacht Club

Notes to the financial statements  
for the year ended 31 December 2020

9 Analysis of expenditure by activities

		Direct costs	Grant funding of activities	Support costs	Total	Total
	Note	Year Ended 31 December 2020 £	Year Ended 31 December 2020 £	Year Ended 31 December 2020 £	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Yacht Club	10	4,771	-	12,355	17,126	11,856
Offshore	11	18,361	-	93,176	111,537	52,589
Inshore	12	-	-	7,098	7,098	5,593
Chatham	13	6,055	-	4,018	10,073	11,221
H&M Trust	14	-	1,176	-	1,176	2,046
		<b>29,187</b>	<b>1,176</b>	<b>116,647</b>	<b>147,010</b>	<b>83,305</b>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>10 Yacht Club</b>				
<b>Activities undertaken directly</b>				
REYC Dinner	3,685	-	3,685	2,483
REYC Year Book	1,186	-	1,186	1,186
Lymington Meet	(100)	-	(100)	225
	<b>4,771</b>	<b>-</b>	<b>4,771</b>	<b>3,894</b>
<b>Support costs</b>				
Insurance	5,023	-	5,023	2,399
Fees	3,058	-	3,058	2,590
Staff Costs	2,161	-	2,161	1,254
Sundry Costs	2,113	-	2,113	1,719
Depreciation	-	-	-	-
	<b>12,355</b>	<b>-</b>	<b>12,355</b>	<b>7,962</b>
	<b>17,126</b>	<b>-</b>	<b>17,126</b>	<b>11,856</b>

Yacht Club expenditure in 2019 comprised £11,856 unrestricted and £nil restricted.

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2020

11 Offshore	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Activities undertaken directly</b>				
Race Fees	17	-	17	1,298
Mooring Fees	3,617	-	3,617	6,366
Planned Maintenance	14,727	-	14,727	20,374
	<b>18,361</b>	<b>-</b>	<b>18,361</b>	<b>28,038</b>
<b>Support Costs</b>				
Maintenance	12,274	-	12,274	13,202
Certification & Inspection	2,225	-	2,225	1,313
Engine Service	-	-	-	1,117
Lift & Cradle	738	-	738	3,587
Oilskins Tools Equipment	-	-	-	-
Insurance	-	-	-	3,226
Yacht sale costs	5,256	-	5,256	-
(Profit)/loss on sale of boats	(6,687)	-	(6,687)	-
Depreciation	1,657	-	1,657	2,106
Donated Services	77,713	-	77,713	-
	<b>93,176</b>	<b>-</b>	<b>93,176</b>	<b>24,551</b>
	<b>111,537</b>	<b>-</b>	<b>111,537</b>	<b>52,589</b>

Offshore expenditure in 2019 comprised £52,589 unrestricted and £nil restricted.

### 12 Inshore

Activities undertaken directly	£	£	£	£
Medway YC Sail Training	-	-	-	2,207
Windsurfing C'ships	-	-	-	900
	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,107</b>
<b>Support Costs</b>				
Equipment maintenance	1,645	-	1,645	691
Depreciation	5,453	-	5,453	1,795
	<b>7,098</b>	<b>-</b>	<b>7,098</b>	<b>2,486</b>
	<b>7,098</b>	<b>-</b>	<b>7,098</b>	<b>5,593</b>

Inshore expenditure in 2019 comprised £5,593 unrestricted and £nil restricted.

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2020

13 Chatham	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Activities undertaken directly</b>				
Mooring Maintenance	3,245	-	3,245	3,463
Crown Estates	1,600	-	1,600	1,600
Peel Ports Conservancy	1,210	-	1,210	810
Port of Sheerness	-	-	-	443
Chatham Hist' D'yard Shore Facilities	-	-	-	360
Mary Cup	-	-	-	110
	<b>6,055</b>	<b>-</b>	<b>6,055</b>	<b>6,786</b>
<b>Support costs</b>				
Insurance	402	-	402	385
Mooring Manager Expenses	64	-	64	782
Mail Internet Advertising	-	-	-	190
Sundry Costs	1,128	-	1,128	489
Depreciation	2,424	-	2,424	2,589
	<b>4,018</b>	<b>-</b>	<b>4,018</b>	<b>4,435</b>
	<b>10,073</b>	<b>-</b>	<b>10,073</b>	<b>11,221</b>

Chatham expenditure in 2019 comprised £11,221 unrestricted and £nil restricted.

#### 14 H&M Trust

Grants	-	1,176	1,176	2,046
	<b>-</b>	<b>1,176</b>	<b>1,176</b>	<b>2,046</b>

H&M Trust expenditure in 2019 comprised £nil unrestricted and £2,046 restricted.

The Royal Engineer Yacht Club

Notes to the financial statements  
for the year ended 31 December 2020

	Total Year Ended 31 December 2020	Total Year Ended 31 December 2019
	£	£

**15 Net Income / (Expenditure)**

This is stated after charging:

Depreciation of tangible fixed assets:

- owned by the charity	9,534	6,490
Auditor's remuneration	906	840

During the year, no Trustees received any remuneration (2019 - £Nil).  
During the year, no Trustees received any benefits in kind (2019 - £Nil).  
During the year, no Trustees received any reimbursement of expenses (2019 - £Nil).

**16 Staff costs**

Staff costs were as follows:

	£	£
Wages and salaries	1,824	1,032
Social security costs	336	222
	<u>2,160</u>	<u>1,254</u>

The average monthly number of employees during the year was as follows:

	No.	No.
Management and administration of the fund	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

**17 Tangible fixed assets**

	Yachts £	Windsurfing and Dinghy	Other Equipment	Total funds 2020 £	Total funds 2019 £
<b>Cost or valuation</b>					
At 1 January 2020	193,208	91,846	19,981	305,035	304,610
Additions		9,972	3,116	13,088	22,659
Disposals	(64,402)		(7,900)	(72,302)	-
Revaluation	(824)			(824)	(22,234)
At 31 December 2020	<u>127,982</u>	<u>101,818</u>	<u>15,197</u>	<u>244,997</u>	<u>305,035</u>
<b>Depreciation</b>					
At 1 January 2020	-	54,888	8,876	63,764	78,717
Charge for the year		5,453	4,081	9,534	6,490
Disposals			(5,990)	(5,990)	-
Revaluation				-	(21,443)
At 31 December 2020	<u>-</u>	<u>60,341</u>	<u>6,967</u>	<u>67,308</u>	<u>63,764</u>
<b>Net book value</b>					
At 31 December 2020	<u>127,982</u>	<u>41,477</u>	<u>8,230</u>	<u>177,689</u>	<u>241,271</u>
At 31 December 2019	<u>193,208</u>	<u>36,958</u>	<u>11,105</u>	<u>241,271</u>	<u>225,893</u>

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2020

	Total Year Ended 31 December 2020 £	Total Year Ended 31 December 2019 £
<b>18 Debtors</b>		
Other debtors	<u>2,597</u>	<u>1,825</u>
<b>19 Creditors:</b>		
<b>Amounts falling due within one year:</b>	£	£
Other creditors	<u>944</u>	<u>1,106</u>
<b>20 Financial instruments</b>		
	2020 £	2019 £
<b>Financial assets</b>		
Financial instruments that are debt instruments measured at amortised cost	<u>2,597</u>	<u>1,825</u>
<b>Financial liabilities</b>		
Financial instruments that are debt instruments measured at amortised cost	<u>(944)</u>	<u>(1,106)</u>

Financial assets that are debt instruments measured at amortised cost comprise cash, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

The Royal Engineer Yacht Club

Notes to the financial statements  
for the year ended 31 December 2020

21 Statement of funds - current year

	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Transfers £	Carried Forward £
<b>Designated Funds</b>						
Chatham	25,815	4,879	(10,073)	-	-	20,621
Offshore	193,694	1,224	(33,824)	-	-	161,094
Inshore	36,958	7,999	(7,098)	-	-	37,859
Hulls	11,114	136	-	(824)	-	10,426
	<b>267,581</b>	<b>14,238</b>	<b>(50,995)</b>	<b>(824)</b>	<b>-</b>	<b>230,000</b>
<b>Unrestricted funds</b>						
REYC	22,013	111,190	(94,839)	-	7,761	46,125
	<b>22,013</b>	<b>111,190</b>	<b>(94,839)</b>	<b>-</b>	<b>7,761</b>	<b>46,125</b>
<b>Restricted Funds</b>						
H&M Trust	1,877	2,500	(1,176)	-	-	3,201
Townsend Trust	7,761	-	-	-	(7,761)	-
Hulls	61,781	2,468	-	-	-	64,249
	<b>71,419</b>	<b>4,968</b>	<b>(1,176)</b>	<b>-</b>	<b>(7,761)</b>	<b>67,450</b>
<b>Total</b>	<b>361,013</b>	<b>130,396</b>	<b>(147,010)</b>	<b>(824)</b>	<b>-</b>	<b>343,575</b>

Statement of funds - prior year

	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Transfers £	Carried Forward £
<b>Designated Funds</b>						
Chatham	27,509	9,527	(11,221)	-	-	25,815
Offshore	7,836	28,031	(52,589)	-	210,416	193,694
Inshore	16,094	745	(5,593)	-	25,712	36,958
Hulls	206,981	1,853	-	(737)	(196,983)	11,114
	<b>258,420</b>	<b>40,156</b>	<b>(69,403)</b>	<b>(737)</b>	<b>39,145</b>	<b>267,581</b>
<b>Unrestricted funds</b>						
REYC	21,054	29,301	(11,856)	-	(16,486)	22,013
	<b>21,054</b>	<b>29,301</b>	<b>(11,856)</b>	<b>-</b>	<b>(16,486)</b>	<b>22,013</b>
<b>Restricted Funds</b>						
H&M Trust	1,423	2,500	(2,046)	-	-	1,877
Townsend Trust	30,471	3	-	(54)	(22,659)	7,761
Hulls	55,480	6,301	-	-	-	61,781
	<b>87,374</b>	<b>8,804</b>	<b>(2,046)</b>	<b>(54)</b>	<b>(22,659)</b>	<b>71,419</b>
<b>Total</b>	<b>366,848</b>	<b>78,261</b>	<b>(83,305)</b>	<b>(791)</b>	<b>-</b>	<b>361,013</b>

## The Royal Engineer Yacht Club

### Notes to the financial statements for the year ended 31 December 2020

#### 22 Analysis of net assets between funds

##### Current year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	177,689	-	177,689	241,271
Current assets	99,380	67,450	166,830	120,848
Creditors due within one year	(944)	-	(944)	(1,106)
	<b>276,125</b>	<b>67,450</b>	<b>343,575</b>	<b>361,013</b>

##### Prior year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Tangible fixed assets	241,271	-	241,271	225,893
Current assets	49,429	71,419	120,848	141,671
Creditors due within one year	(1,106)	-	(1,106)	(716)
	<b>289,594</b>	<b>71,419</b>	<b>361,013</b>	<b>366,848</b>

#### 23 Related party transactions

All transactions with related parties are disclosed in the Trustees Report and notes to the accounts.