

Charity registration number 1183562

ROYAL NAVAL SAILING ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

ROYAL NAVAL SAILING ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

K Daniels
M Fox
Sir C R Gardner KBE
K Jay
G Jenkins
J Landale (Appointed 23 June 2023)
G P Marshall
W P Shirley

Charity number

1183562

Principal address

Haslar Marina
10 Haslar Road
Gosport
PO12 1NU

Independent examiner

Frances Wilde FCCA DChA
Warner Wilde
Chartered Certified Accountants
4 Marigold Drive
Bisley
Surrey
GU24 9SF

Bankers

Barclays Bank Plc
Leicester
Leicestershire
LE87 2BB

ROYAL NAVAL SAILING ASSOCIATION

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ROYAL NAVAL SAILING ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in notes 1 to 28 of the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's object is to promote the efficiency of the Royal Navy (RN) by:

- the provision of facilities and activities for the sport of sailing to improve health and physical fitness and to promote esprit de corps of serving personnel;
- promoting the Royal Navy by supporting participation of members of the naval cadet forces.

RNSA provides public benefit by assisting RN Service personnel to perform their roles within the Armed Forces of the Crown more effectively. It does this by providing, enabling and supporting sailing activities across the disciplines of sailing development, yachting, dinghy sailing and windsurfing. This assistance helps equip Naval personnel with the skill sets needed to face the challenges and danger associated with military service by developing teamwork, fitness, confidence, character, an ability to overcome challenges and experience to better understand the maritime environment, all underpinned by enhancing morale.

Having now completed our third year as a CIO, we can report that the governance and procedures are robust with an effective relationship between trustees, the executive team and volunteers. RNSA's 5-year plan (2020-2025) is based on a strategy designed to be ambitious, financially sound and to maximise impact. This plan and its associated change objectives are reviewed at each Board meeting and pleasingly remain on track to deliver. Work to make sailing more accessible is a primary focus and driving up grassroots participation with associated development pathways to help our beneficiaries achieve sailing at more competitive levels is at the heart of it.

The membership of the RNSA at the end of 2022 sat at 5100, which is consistent with a steady increase over recent years. This is encouraging as the subscriptions raised from membership represent the primary source of income. This funding is supported by modest levels of sponsorship and donations. Potential beneficiaries are far greater than this membership number and there is a strategic focus on how to introduce sailing and all its benefits to more of the Royal Navy. This work is looking to evolve the Charitable Object and liaison with the Charity Commission has commenced.

The impact of RNSA is keenly felt across the Naval Service, with participation rates in the top 3 of all Navy sports. Feedback from a selection of participants is included below and the breadth and depth of engagement can be seen via social media interaction and in the RNSA's Annual Journal. To continue to drive momentum and engagement, participation numbers are tracked and trends analysed. Time is often the overriding factor in determining whether sailors choose to participate in sport. Work and family pressures seem to be increasing and addressing this in 2023 will be fundamental to ever greater engagement. RNSA's Annual Meeting was held in April 2022 via Zoom to maximise attendance and a copy of it made available to all members via the RNSA's website.

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

ROYAL NAVAL SAILING ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

A really positive year for RNSA as the regeneration post the Covid-19 era delivered some 768 event days for 6209 personnel.

The five Royal Navy Sailing Centres continue to deliver very effectively, especially in terms of their grassroots impact. They provide sailing and powerboat RYA courses as well as taster sessions and recreational sailing. Most also provide paddle sports under the Adventurous Training banner and this helps signpost the sailing opportunities, which are often the next natural step. It cannot be over emphasised how important these organisations are and the value RNSA's beneficiaries derive from the provision of support, that includes the loan of dinghies, powerboats and safety related assets to enable sustained year-round delivery. The Andrew Simpson Foundation Centres represent an important partnership and have also been used to support grassroots taster sessions away from dockyard ports, with a number of events held at Portland and Reading. Using a commercial element to enhance delivery has attracted Navy grassroots funding and successfully allowed RNSA to reach a wider audience of beneficiaries.

RNSA's yachts (Jolly Jack Tar, Cutlass and Jackaroo) have proved successful this season with a strong throughput of Naval personnel. Windsurfing had a relatively quiet year due to the combination of a lack of skilled volunteers, a clash with a period of national mourning and some unhelpful weather at a couple of key events. The necessary foundations and model are in place for new momentum in 2023 with a high expectation of success. Dinghy sailing has been popular at the entry level and there has also been some notable success at the higher level of competition. Work continues to establish robust pathways between the two, including the use of training camps, coaching sessions and development regattas. RNSA teams have all been very successful at the Inter-Service regattas routinely beating the Army and RAF.

Successful output is reinforced by a strong Safety Management Plan and the associated systems to implement it across the full scope of activity. RNSA conducted First Party Assurance with the anticipated Second Party Assurance by the Navy deferred to 2023 as RNSA was seen as an exemplar for other sports and thus not the immediate priority.

Feedback

A view from a lead volunteer (also a beneficiary) as he steps down after 4 years:

In terms of numbers, this year has been our most successful in the Offshore Community with a good mix of Inshore and Offshore events. In total more than 300 crew members sailed in a total of 35 events over 74 days. Those are the headline figures in terms of participation, but it has been another successful year; two RORC Podium finishes as well as winning our second RORC Trophy in 2 years. The Dillon Perpetual Ladies Trophy is awarded to the crew that accumulatively over the season has had more than 30% female participation. We achieved 2nd at Cork Week in the Beaufort Cup, receiving a charitable donation of 3000 Euros for RNSA. We also participated in the IRC Europeans, held in the Netherlands, where we walked away with a credible 4th place, top British boat and narrowly missed out on 3rd. To top it all off we retained our interservice title by winning the Services Offshore Regatta and making it 3 from 3 for me as Rear Commodore! The biggest thing to take away from all this success is the fact that every event has had a different crew whose first time racing together has been as they approach the starting line for each event. Many boats we race against have the same crew week in, week out and know their boats inside out. The fact that our scratch crews hold their own at the highest levels is indicative of the sailing talent that exists in the RN.

From Graham, one of RNSA's J80 (Jackaroo) volunteer skippers:

I have had a brilliant year sailing Jackaroo. Having been in the military and never having the opportunity to do any sailing, sailing Jackaroo has been a fantastic and exciting experience. I have learnt so much about the world of yacht racing, which I knew very little about before, and this has enhanced my sailing no end. I am immensely grateful for Jackaroo and the team behind her, and the continued ability to get people out on the water.

ROYAL NAVAL SAILING ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

The charity is a Charitable Incorporated Organisation

The trustees who served during the year and up to the date of signature of the financial statements were:

K Daniels

P R Davies

(Retired 9 December 2022)

M Fox

Sir C R Gardner KBE

K Jay

G Jenkins

J Landale

(Appointed 23 June 2023)

G P Marshall

W P Shirley

Trustees are appointed by the Board following an interview with the Chairman and CEO and supportive recommendations. The Board looks for diversity, the engagement of participants and a blend of the right skills. Enthusiasm for the Charity's purpose and identity is key.

The trustees' report was approved by the Board of Trustees.



Sir Chris Gardner KBE

Chair of the Board of Trustees

Dated: 26/9/23

ROYAL NAVAL SAILING ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ROYAL NAVAL SAILING ASSOCIATION

I report to the trustees on my examination of the financial statements of Royal Naval Sailing Association (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

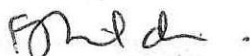
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting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

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do 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 financial statements to be reached.



Frances Wilde FCCA DChA

Warner Wilde
Chartered Certified Accountants
4 Marigold Drive
Bisley
Surrey
GU24 9SF

Dated: 4 October 2023

ROYAL NAVAL SAILING ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
	Notes						
Income and endowments from:							
Donations and legacies	3	224,115	-	-	-	224,115	231,891
Charitable activities	4	35,308	-	10,792	-	46,100	20,227
Other trading activities	5	34,001	-	-	-	34,001	26,188
Investments	6	10,278	-	2,705	-	12,983	8,423
Material other income		-	-	-	-	-	167,222
Other income	7	43,861	-	-	-	43,861	39,653
Total income and endowments		347,563	-	13,497	-	361,060	493,604
Expenditure on:							
Raising funds	8	29,827	-	2,050	-	31,877	28,911
Charitable activities	9	278,653	527	61,207	-	340,387	315,423
Other	15	16,682	-	1,159	-	17,841	(2,564)
Total expenditure		325,162	527	64,416	-	390,105	341,770
Net gains/(losses) on investments	16	(51,144)	-	(15,266)	-	(66,410)	36,322
Net (outgoing)/incoming resources before transfers		(28,743)	(527)	(66,185)	-	(95,455)	188,156
Gross transfers between funds		(5,563)	5,563	-	-	-	-
Net movement in funds		(34,306)	5,036	(66,185)	-	(95,455)	188,156
Fund balances at 1 January 2022		841,632	10,222	491,386	108,184	1,451,424	1,263,268
Fund balances at 31 December 2022		807,326	15,258	425,201	108,184	1,355,969	1,451,424

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

ROYAL NAVAL SAILING ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Endowment funds	Total
	Notes	2021 £	2021 £	2021 £	2021 £	2021 £
Income and endowments from:						
Donations and legacies	3	231,891	-	-	-	231,891
Charitable activities	4	14,060	-	6,167	-	20,227
Other trading activities	5	26,188	-	-	-	26,188
Investments	6	7,424	-	999	-	8,423
Material other income		-	-	59,038	108,184	167,222
Other income	7	39,653	-	-	-	39,653
Total income and endowments		319,216	-	66,204	108,184	493,604
Expenditure on:						
Raising funds	8	27,826	-	1,085	-	28,911
Charitable activities	9	253,331	338	61,754	-	315,423
Other	15	(2,564)	-	-	-	(2,564)
Total expenditure		278,593	338	62,839	-	341,770
Net gains/(losses) on investments	16	32,418	-	3,904	-	36,322
Net (outgoing)/incoming resources before transfers		73,041	(338)	7,269	108,184	188,156
Gross transfers between funds		(4,489)	4,489	-	-	-
Net movement in funds		68,552	4,151	7,269	108,184	188,156
Fund balances at 1 January 2021		773,080	6,071	484,117	-	1,263,268
Fund balances at 31 December 2021		841,632	10,222	491,386	108,184	1,451,424

ROYAL NAVAL SAILING ASSOCIATION

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	17	438,250		500,672	
Investments	18	645,854		733,606	
		<u>1,084,104</u>		<u>1,234,278</u>	
Current assets					
Stocks	20	20,858		27,112	
Debtors	21	46,719		24,181	
Cash at bank and in hand		260,534		205,749	
		<u>328,111</u>		<u>257,042</u>	
Creditors: amounts falling due within one year	22	(56,246)		(39,896)	
Net current assets			271,865		217,146
Total assets less current liabilities			<u>1,355,969</u>		<u>1,451,424</u>
Capital funds					
Endowment funds	23	108,184		108,184	
Income funds					
Restricted funds	24	425,201		491,386	
Unrestricted funds					
Designated funds	25	15,258		10,222	
General unrestricted funds		807,326		841,632	
		<u>822,584</u>		<u>851,854</u>	
		<u>1,355,969</u>		<u>1,451,424</u>	

The financial statements were approved by the Trustees on 26/9/23



Sir Chris Gardner KBE
Trustee

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Royal Naval Sailing Association is a Charitable Incorporated Organisation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities and the resulting expenditure are recognised when either a legal or constructive obligation is recognised.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Dinghies	25% first year, then 10% on cost (legacy dinghies 10% on cost)
Boards	25% first year, then 10% on cost (legacy boards 10% on cost)
Equipment	3 year straight line
Yachts	10% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Trophies

Cups and trophies donated to the association are not reflected in the accounts. The most recent valuation, for insurance purposes, of trophies held by the association, is £17,600.

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Donations and gifts	543	20,655
Grants receivable	11,000	8,120
Membership fees	212,572	203,116
	<u>224,115</u>	<u>231,891</u>
Donations and gifts		
Adam Gosling Legacy	-	20,000
Other	543	655
	<u>543</u>	<u>20,655</u>
Grants receivable for core activities		
NSSC	11,000	8,000
RNRM Sports lottery	-	120
	<u>11,000</u>	<u>8,120</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

	Dinghies	Yachting	Windsurfing	Sailing Development	Total 2022	Total 2021
	2022	2022	2022	2022		
	£	£	£	£	£	£
Sales within charitable activities	1,376	-	50	9,350	10,776	10,492
Performance related grants	-	-	530	10,792	11,322	6,417
Miscellaneous income	14,700	9,302	-	-	24,002	3,318
	<u>16,076</u>	<u>9,302</u>	<u>580</u>	<u>20,142</u>	<u>46,100</u>	<u>20,227</u>
Analysis by fund						
Unrestricted funds - general	16,076	9,302	580	9,350	35,308	14,060
Restricted funds	-	-	-	10,792	10,792	6,167
	<u>16,076</u>	<u>9,302</u>	<u>580</u>	<u>20,142</u>	<u>46,100</u>	<u>20,227</u>
Performance related grants						
RNRM Sports Lottery - Grassroots Fund	-	-	530	8,507	9,037	(1,380)
RNSCB (SEG)	-	-	-	2,285	2,285	(4,787)
Other	-	-	-	-	-	250
	<u>-</u>	<u>-</u>	<u>530</u>	<u>10,792</u>	<u>11,322</u>	<u>6,417</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

(Continued)

For the year ended 31 December 2021

	Dinghies	Yachting	Windsurfing	Sailing Development	Total 2021
	£	£	£	£	£
Sales within charitable activities	1,217	280	75	8,920	10,492
Performance related grants	-	-	250	6,167	6,417
Miscellaneous income	1,008	-	2,310	-	3,318
	<u>2,225</u>	<u>280</u>	<u>2,635</u>	<u>15,087</u>	<u>20,227</u>
Analysis by fund					
Unrestricted funds - general	2,225	280	2,635	8,920	14,060
Restricted funds	-	-	-	6,167	6,167
	<u>2,225</u>	<u>280</u>	<u>2,635</u>	<u>15,087</u>	<u>20,227</u>
Performance related grants					
RNRM Sports Lottery - Grassroots Fund	-	-	-	1,380	1,380
RNSCB (SEG)	-	-	-	4,787	4,787
Other	-	-	250	-	250
	<u>-</u>	<u>-</u>	<u>250</u>	<u>6,167</u>	<u>6,417</u>

5 Other trading activities

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Sponsorships	7,000	-
RNSA shop income	27,001	26,188
Other trading activities	<u>34,001</u>	<u>26,188</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Investments

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Investment income	10,237	2,705	12,942	7,422	999	8,421
Interest receivable	41	-	41	2	-	2
	<u>10,278</u>	<u>2,705</u>	<u>12,983</u>	<u>7,424</u>	<u>999</u>	<u>8,423</u>

7 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Other income	68	111
RNSA Moorings recharged costs and licence fees	36,033	32,712
Insurance commissions	4,560	3,930
Journal advertising income	3,200	2,900
	<u>43,861</u>	<u>39,653</u>

An analysis of the RNSA Moorings income is shown in note 27.

8 Raising funds

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Fundraising and publicity</u>						
Advertising	2,642	-	2,642	1,726	-	1,726
<u>Trading costs</u>						
Other trading, RYA and shop	20,352	-	20,352	19,210	-	19,210
Investment management	6,833	2,050	8,883	6,890	1,085	7,975
	<u>29,827</u>	<u>2,050</u>	<u>31,877</u>	<u>27,826</u>	<u>1,085</u>	<u>28,911</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Charitable activities

	Dinghies		YachtingWindsurfing		Sailing Development	Total 2022	Total 2021
	2022	2022	2022	2022	2022		
	£	£	£	£	£	£	£
Staff costs	119,050	-	-	-	-	119,050	115,746
Depreciation and impairment	64,543	-	-	-	-	64,543	65,117
Rent	14,450	-	-	-	-	14,450	14,450
Journal costs	17,730	-	-	-	-	17,730	15,609
Telephone and internet	1,593	-	-	-	-	1,593	1,482
Computer and website	10,630	-	-	-	-	10,630	14,215
Utilities	4,601	-	-	-	-	4,601	2,900
Printing, postage and stationery	4,841	-	-	-	-	4,841	5,020
Events	-	-	-	-	310	310	-
Subscriptions and Affiliation Fees	-	-	-	-	2,809	2,809	2,050
Sailing output	-	13,162	11,786	2,615	3,640	31,203	19,719
Boat Insurance	-	2,594	1,540	903	4,287	9,324	10,466
Boat running costs	-	10,420	16,271	-	6,615	33,306	28,562
	237,438	26,176	29,597	3,518	17,661	314,390	295,336
Grant funding of activities (see note 11)	6,500	-	-	-	-	6,500	700
Share of support costs (see note 12)	15,429	-	-	-	-	15,429	11,414
Share of governance costs (see note 12)	4,068	-	-	-	-	4,068	7,973
	263,435	26,176	29,597	3,518	17,661	340,387	315,423
Analysis by fund							
Unrestricted funds - general	208,153	24,977	29,597	2,991	12,935	278,653	253,331
Unrestricted funds - designated	-	-	-	527	-	527	338
Restricted funds	55,282	1,199	-	-	4,726	61,207	61,754
	263,435	26,176	29,597	3,518	17,661	340,387	315,423

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Charitable activities

(Continued)

For the year ended 31 December 2021

	Dinghies	Yachting	Windsurfing	Sailing Development	Total 2021
£	£	£	£	£	£
Staff costs	115,746	-	-	-	115,746
Depreciation and impairment	65,117	-	-	-	65,117
Rent	14,450	-	-	-	14,450
Journal costs	15,609	-	-	-	15,609
Telephone and internet	1,482	-	-	-	1,482
Computer and website	14,215	-	-	-	14,215
Utilities	2,900	-	-	-	2,900
Printing, postage and stationery	5,020	-	-	-	5,020
Subscriptions and Affiliation Fees	-	-	-	2,050	2,050
Sailing output	-	3,752	10,491	4,096	19,719
Boat Insurance	-	2,345	2,795	707	10,466
Boat running costs	-	4,313	17,215	-	28,562
	234,539	10,410	30,501	4,803	15,083
					295,336
Grant funding of activities (see note 11)	-	-	-	-	700
					700
Share of support costs (see note 12)	11,414	-	-	-	-
					11,414
Share of governance costs (see note 12)	7,973	-	-	-	-
					7,973
	253,926	10,410	30,501	4,803	15,783
					315,423
Analysis by fund					
Unrestricted funds - general	198,339	10,410	30,501	4,465	9,616
					253,331
Unrestricted funds - designated	-	-	-	338	-
					338
Restricted funds	55,587	-	-	-	6,167
					61,754
	253,926	10,410	30,501	4,803	15,783
					315,423

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Description of charitable activities

Running costs of the charity, specifically all the costs relating to maintaining income, enabling output and running the RNSA website.

Dinghies

Dinghies offers sailing opportunities at all levels to take part in faster sessions, training camps, inter-service events, match racing and foreign tours. RNSA owns a sports boat - SB20 that runs out of the Hamble and is used to introduce new sailors and train up helms for local and National and occasional international events. There are also opportunities to campaign your own boat and support for race entry fees.

Yachting

Yachting covers a broad range of activities from the grassroots level training sessions to entry in the biennial Fastnet and other offshore races, National, European and international events including the Services Offshore Race. RNSA owns 3 yachts, 2 in Portsmouth and one in Plymouth which regularly take sailors of all levels.

Windsurfing

Windsurfing offers entry level courses, training and inter-service events, training camps and foreign tours. RNSA owns a range of windsurfing boards and kit which can be hired on a seasonal basis.

Sailing Development

Sailing Development reaches out across all disciplines and includes Project Sailing (a fund used to deliver sailing particularly at the grassroots level and to expand into new opportunities), the Royal Naval Sailing Centre support costs, the RNSA rib running costs, RYA affiliation fees and branch events aimed at supporting Naval Sailing.

11 Grants payable

	2022	Sailing Development 2021
	£	£
Grants to institutions:		
West Country Branch	6,500	-
Other	-	700
	<u> </u>	<u> </u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Office expenses	4,082	-	4,082	2,038	-	2,038
Insurance	6,005	-	6,005	4,927	-	4,927
Bank and other financial charges	3,827	-	3,827	4,043	-	4,043
Sundry expenses	1,515	-	1,515	406	-	406
Accountancy	-	1,440	1,440	-	1,440	1,440
Independent Examination fees	-	2,628	2,628	-	4,518	4,518
Constitutional change costs	-	-	-	-	2,015	2,015
	<u>15,429</u>	<u>4,068</u>	<u>19,497</u>	<u>11,414</u>	<u>7,973</u>	<u>19,387</u>
Analysed between Charitable activities	<u>15,429</u>	<u>4,068</u>	<u>19,497</u>	<u>11,414</u>	<u>7,973</u>	<u>19,387</u>

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

14 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>3</u>	<u>3</u>
Employment costs	2022 £	2021 £
Wages and salaries	109,711	106,274
Social security costs	6,967	7,028
Other pension costs	2,372	2,444
	<u>119,050</u>	<u>115,746</u>

There were no employees whose annual remuneration was more than £60,000.

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Other

	Unrestricted funds general 2022	Restricted funds 2022	Total £ 2022	Unrestricted funds general 2021
Net profit on disposal of tangible fixed assets	(5,319)	(2,242)	(7,561)	-
Net loss/(profit) on disposal of investments	22,001	3,401	25,402	(2,564)
	<u>16,682</u>	<u>1,159</u>	<u>17,841</u>	<u>(2,564)</u>

16 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Revaluation of investments	<u>(51,144)</u>	<u>(15,266)</u>	<u>(66,410)</u>	<u>32,418</u>	<u>3,904</u>	<u>36,322</u>

17 Tangible fixed assets

	Dinghies £	Boards £	Equipment £	Yachts £	Total £
Cost					
At 1 January 2022	463,967	53,600	2,907	130,981	651,455
Additions	10,503	300	180	2,419	13,402
Disposals	(14,100)	-	-	-	(14,100)
At 31 December 2022	<u>460,370</u>	<u>53,900</u>	<u>3,087</u>	<u>133,400</u>	<u>650,757</u>
Depreciation and impairment					
At 1 January 2022	101,395	10,720	807	37,861	150,783
Depreciation charged in the year	46,300	5,398	1,019	11,827	64,544
Eliminated in respect of disposals	(2,820)	-	-	-	(2,820)
At 31 December 2022	<u>144,875</u>	<u>16,118</u>	<u>1,826</u>	<u>49,688</u>	<u>212,507</u>
Carrying amount					
At 31 December 2022	<u>315,495</u>	<u>37,782</u>	<u>1,261</u>	<u>83,712</u>	<u>438,250</u>
At 31 December 2021	<u>362,572</u>	<u>42,880</u>	<u>2,100</u>	<u>93,120</u>	<u>500,672</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

18 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	733,606
Additions	125,968
Valuation changes	(91,969)
Cash movement	(4,935)
Disposals	(116,816)
	<u>645,854</u>
At 31 December 2022	645,854
Carrying amount	
At 31 December 2022	<u><u>645,854</u></u>

19 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	645,854	733,606
	<u><u>645,854</u></u>	<u><u>733,606</u></u>

20 Stocks

	2022 £	2021 £
Finished goods and goods for resale	20,858	27,112
	<u><u>20,858</u></u>	<u><u>27,112</u></u>

21 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	10,005	7,855
Other debtors	(270)	973
Prepayments and accrued income	36,984	15,353
	<u><u>46,719</u></u>	<u><u>24,181</u></u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	4,209	4,184
Trade creditors	6,045	11,505
Other creditors	9,939	804
Accruals and deferred income	36,053	23,403
	<u>56,246</u>	<u>39,896</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

23 Endowment funds

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as restricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds					Movement in funds					
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 December 2022
	£	£	£	£	£	£	£	£	£	£	£
Permanent endowments											
Samuel Woodcock Memorial Trust	-	108,184	-	-	-	108,184	-	-	-	-	108,184
	-	108,184	-	-	-	108,184	-	-	-	-	108,184

The Samuel Woodcock Memorial Trust (SWMT) was a separate, excepted charity. The Permanent Endowment was introduced at its value at 17 July 2021. The Charity Commission confirmed that, in their opinion, it is a special trust of RNSA made up of a Permanent Endowment administered by the trustees for the specific Purposes of the trust. Under the terms of the scheme, the income can be used for specific purposes. The income element is shown as a restricted fund.

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds					
	Balance at 1 January 2021	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2022
	£	£	£	£	£	£	£	£	£	£
RNSA (old entity) grants	483,378	-	(53,647)	-	429,731	-	(51,701)	-	-	378,030
Sports equipment grant (SEG)	739	-	(369)	-	370	2,285	(2,655)	-	-	-
Samuel Woodcock Memorial Trust	-	60,037	(2,656)	3,904	61,285	2,705	(5,451)	(2,356)	(15,266)	40,917
RNRM Sports Lottery - Grassroots Fund	-	1,380	(1,380)	-	-	3,880	(3,640)	-	-	240
Sports equipment grant (SEG) 2020	-	4,787	(4,787)	-	-	-	-	-	-	-
RNRM Sports Lottery - Equipment	-	-	-	-	-	4,627	(577)	-	-	4,050
Samuel Woodcock - Hawk	-	-	-	-	-	-	(392)	2,356	-	1,964
	<u>484,117</u>	<u>66,204</u>	<u>(62,839)</u>	<u>3,904</u>	<u>491,386</u>	<u>13,497</u>	<u>(64,416)</u>	<u>-</u>	<u>(15,266)</u>	<u>425,201</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Restricted funds

(Continued)

RNSA (old entity)

Various grants received by RNSA (old entity) from RN Charities and Samuel Woodcock Memorial Trust for the purchase of boats and dinghies. Donated to RNSA CIO on 01.01.20

SEG

Grants received from Royal Navy Sports Control Board (RNSCB), specifically to help maintain equipment levels.

SWMT

Income from the Permanent Endowment to be used to encourage sailing by Royal Navy serving personnel.

RNRM Sports Lottery - Grassroots Fund

For delivery of grassroots training.

RNRM Sports Lottery - Equipment

To fund the purchase of 3 new Fusions dinghies.

25 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds						
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 1 January 2022	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
Boat replacement fund	4,301	-	-	4,489	8,790	-	14,353
Windsurfing fund reserve	1,770	-	(338)	-	1,432	(527)	905
	<u>6,071</u>	<u>-</u>	<u>(338)</u>	<u>4,489</u>	<u>10,222</u>	<u>(527)</u>	<u>15,258</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

26 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:										
Tangible assets	56,455	-	381,795	-	438,250	68,215	-	432,457	-	500,672
Investments	496,753	-	40,917	108,184	645,854	566,493	-	58,929	108,184	733,606
Current assets/(liabilities)	254,118	15,258	2,489	-	271,865	206,924	10,222	-	-	217,146
	<u>807,326</u>	<u>15,258</u>	<u>425,201</u>	<u>108,184</u>	<u>1,355,969</u>	<u>841,632</u>	<u>10,222</u>	<u>491,386</u>	<u>108,184</u>	<u>1,451,424</u>

ROYAL NAVAL SAILING ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	104,200	89,651

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

No trustees (2021 : none) received reimbursement of expenses during the year.

RNSA paid the following costs to RNSA Moorings Limited in 2022:

Moorings fees £1,188

RNSA Moorings Limited paid the following costs to RNSA in 2022:

Shared costs recharged £14,571

Moorings licence fee £10,000

CEO time costs recharged £11,849

The above balance includes £8,331 owed to RNSA at the balance sheet date.

RNSA is a corporate member of RNSA Moorings Limited.

1. The first part of the report discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud.

2. The second part of the report focuses on the role of internal controls in ensuring the accuracy and reliability of financial information. It outlines the key components of an effective internal control system, including the segregation of duties, the establishment of clear policies and procedures, and the implementation of regular monitoring and review processes.

3. The third part of the report addresses the challenges faced by organizations in implementing and maintaining robust internal controls. It identifies common weaknesses and provides practical recommendations for addressing these issues, such as the need for ongoing training and education for staff, the importance of a strong culture of integrity, and the role of external audits in providing independent assurance.

4. The fourth part of the report discusses the importance of transparency and accountability in financial reporting. It highlights the need for organizations to provide clear, concise, and timely information to stakeholders, and to ensure that this information is based on reliable and accurate data. It also emphasizes the role of external audits in providing independent assurance on the reliability of financial statements.

5. The fifth part of the report concludes by summarizing the key findings and recommendations of the study. It reiterates the importance of maintaining accurate records, implementing effective internal controls, and ensuring transparency and accountability in financial reporting. It also provides a final recommendation that organizations should regularly review and update their internal control systems to ensure they remain effective and relevant in a changing business environment.

6. The sixth part of the report provides a detailed analysis of the data collected during the study. It presents a series of charts and graphs that illustrate the frequency and nature of internal control weaknesses identified across different organizations and industries. It also provides a detailed breakdown of the types of errors and omissions that were most commonly observed in financial reporting.

7. The seventh part of the report discusses the implications of the findings for policy makers and regulators. It highlights the need for continued oversight and monitoring of internal control systems, and for the implementation of measures to address the identified weaknesses. It also provides recommendations for the development of new standards and guidelines to improve the effectiveness of internal controls.

8. The eighth part of the report provides a detailed discussion of the role of external audits in providing independent assurance on the reliability of financial statements. It outlines the key responsibilities of external auditors, and provides recommendations for the improvement of audit practices and standards. It also discusses the importance of transparency and accountability in the audit process, and provides recommendations for the enhancement of audit reporting.