

UK SAILING ACADEMY

England & Wales · Charity number 299248

Details

Other names	U K SAILING CENTRE
Status	Registered
Legal form	Charitable company
Company number	02251024
Registered	1988-05-06
Register	View on the Charity Commission register

Contact

Address	Uksa Arctic Road Isle of Wight PO31 7PQ
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Website	http://www.uksa.org

Activities

Objects: 1. TO ADVANCE THE EDUCATION AND PHYSICAL, MENTAL AND SPIRITUAL DEVELOPMENT OF CHILDREN (OR YOUNG PERSONS UNDER THE AGE OF 25) BY PROVIDING OR ASSISTING IN PROVIDING FACILITIES FOR TRAINING IN SAILING AND SEAMANSHIP FOR THOSE WHO HAVE NEED OF SUCH FACILITIES BY REASON OF POVERTY OR SOCIAL OR ECONOMIC CIRCUMSTANCES (SO THAT THEY MAY GROW TO FULL MATURITY AS INDIVIDUALS AND MEMBERS OF SOCIETY.)2. TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES FOR THE RECREATION AND OTHER LEISURE TIME OCCUPATION OF THE GENERAL PUBLIC, AND IN PARTICULAR FACILITIES FOR WATER SPORTS AND UTDOOR ACTIVITIES IN THE INTERESTS OF SOCIAL WELFARE AND WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.3. TO ADVANCE THE EDUCATION OF THE PUBLIC IN ALL ASPECT OF MARITIME ACTIVITIES AND IN PARTICULAR IN MATTERS RELATING TO:(A) THE PROMOTION OF PERSONAL SAFETY(B) THE PREVENTION OF ACCIDENT(C) NAVIGATION(D) ENGINEERING(E) SEAMANSHIP(F) STABILITY AND CONSTRUCTION OF BOATS(G) COMMUNICATION AT SEA(H) MARITIME LAW(I) BUSINESS AND INTERPERSONAL SKILLS4. TO PROMOTE COMMUNITY PARTICIPATION IN HEALTHY RECREATION THROUGH THE PROVISION OF SAILING FACILITIES.

Activities: UKSA is a youth training charity set up to provide lasting impact through transformational opportunities for young people. We do this by working in the following areas: youth development programmes, schools and groups programmes, and professional qualifications leading to employment.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Amateur Sport
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Devon
- Essex
- Isle Of Wight
- Kent
- Southampton City
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-01-31	£8,844,000	£8,834,000	£8,067,000	148
2024-01-31	£8,480,000	£8,054,000	£8,057,000	145
2023-01-31	£7,757,000	£7,296,000	£7,631,000	135
2022-01-31	£6,817,000	£5,967,000	£7,170,000	88
2021-01-31	£6,409,000	£4,740,000	£6,320,000	111

Trustees

Name	Role	Appointed
Rear Admiral Richard Stokes	Chair	2018-11-12
Catherine Longhurst		2023-03-24
Claire Sunderland Hay		2023-03-24
DAVID JOHN LISTER MBE		
James Niall William Denholm		2024-09-20
Samantha Louise Axtell		2018-11-21
Shonagh Primrose		2023-03-24
Thomas Clifton Athron		2024-09-20

UK SAILING ACADEMY

England & Wales - Charity number 299248

Accounts

UK Sailing Academy

Annual Report and Accounts 2024/25

For the Financial Year
ending 31 January 2025



REFERENCE AND ADMINISTRATIVE DETAILS

Patron

HRH the Princess Royal

Founders

Noel and Sylvia Lister

Trustees

Richard Stokes CBE	Chair of the Board
Claire Locke	(resigned 20 September 2024)
David Lister MBE	Founder Trustee
Debra Price	
Marc Giraudon	Chair of Finance committee
Samantha Axtell	
Claire Sunderland-Hay	Chair of Ops Risk committee
Shonagh Primrose	
Thomas Athron	(appointed 20 September 2024)
James Niall Denholm	(appointed 20 September 2024)
Rachel Kitley	(appointed 20 September 2024)
John Michael Wemms	(resigned 25 April 2024)
Catherine Longhurst	Vice Chair of the Board

Key Management Personnel

Ben Willows	Chief Executive (resigned 6 June 2025)
Catherine Dixon	Chief Executive (appointed 6 May 2025)
Tim Goulding	Interim Director of Finance & Risk
Sophie Dear	Director of Sales & Marketing
Chris Frisby	Director of Training & Operations
Amy Sweeting	Director of Development & Impact (previously Director of Fundraising & Development)

Auditors

Crowe UK LLP
R+ Building
2 Blagrove Street
Reading
RG1 1AZ

Bankers

NatWest plc
107 St James' Square
Isle of Wight
PO30 1XH

Solicitors

Bates, Wells & Braithwaite London
2-6 Cannon Street
London
EC4M 6YH

Registered Office

Arctic Road
Cowes
Isle of Wight
PO31 7PQ

Registered Company Number

02251024 (England and Wales)

Registered Charity Number

299248

Accreditations \ Licences

British Accreditation Council (for independent further and higher education)
UK Independent College accreditation
RYA Accreditation
MCA Accreditation
ISO 9001 Registered
Adventure Activities Licensing Service
Visit England

Contact details

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REPORT FROM THE CHIEF EXECUTIVE AND CHAIR OF TRUSTEES

In a challenging economic environment for all charities, UKSA has remained resilient and continued to deliver strongly on its two core objectives:

- using water-based adventures to build essential life skills in young people, and
- providing education and training for careers in the maritime industries.

Whilst our income rose by 4% compared to last year, our surplus decreased as we made strategic investments in restructuring our operations and investing in our people, fleet and facilities. These essential investments position us well for delivery in the years ahead.

OUR VISION:

A world where more people unlock their potential through the opportunities of the sea.

UKSA is a centre of excellence dedicated to inspiring, educating, and equipping young people for a life in or around the sea.

Our expert team delivers education, training, mentoring and welfare support to the highest standards. With world-class facilities, a modern fleet, and industry-aligned programmes, we help young people to discover their potential and the vast opportunities a maritime career can offer.

Our unique training pathway begins with a young person's first experience on the water and continues with the support, qualifications and mentoring needed for a successful maritime career. We work to remove social, financial, educational, and other barriers, ensuring that our life-enhancing opportunities are accessible to all, regardless of background.

OUR VALUES:

Our values define the kind of charity we strive to be – passionate, inclusive, and driven to inspire through our work. These principles guide our employees, trustees, supporters, volunteers, and beneficiaries:

- **Excellence** – getting better never stops; we always do our best
- **Inspiration** – inspire the people around you and be inspired by them
- **Caring** – we care about everything we do here
- **Integrity** – stay open, be honest, and do the right thing

WHO WE ARE:

Founded in 1987, UKSA is a compassionate and inclusive organisation that transforms lives through maritime education, training and adventure.

From our four-acre waterfront campus in Cowes, Isle of Wight, we deliver water-based adventure programmes for children and young people, along with more than 150 industry-leading maritime training courses.

In 2024/25, UKSA welcomed over 10,000 beneficiaries. Nearly half were school-aged pupils who participated in development programmes that build essential life skills and introduce maritime career opportunities.

We are committed to widening access by offering funding to those who need it most, ensuring financial barriers don't limit opportunity. Our work depends on the generosity of donors, grant-making trusts, companies and industry partners, who enable us to deliver life-changing maritime education.

Health and Safety, Safeguarding, and the well-being of all our students and staff are central to everything we do.

REPORT FROM THE CHIEF EXECUTIVE AND CHAIR OF TRUSTEES (continued)

OUR STRATEGY:

UKSA's strategy is focused on delivering an exceptional customer experience - from the first point of contact, through training delivery, to long-term alumni engagement. There are four key principles that guide our work and future development:

1. **Maritime Careers at the Core.** A clear focus on maritime careers is woven through every programme. Our courses are developed with input from industry professionals and are aligned with current and emergent industry needs, ensuring graduates are fully prepared for the workforce.
2. **Commitment to Quality.** We are committed to excellence. All our programmes offer high-quality experiences and training that lead to consistently high employment rates amongst our graduates.
3. **Expanding the Pathway.** We will grow awareness of maritime careers and help more young people progress through UKSA's unique training pathway, from initial exposure to advanced qualifications, across all key sectors (watersports, superyacht, and commercial maritime).
4. **Operational Efficiency** – We optimise use of resources and capacity to support long-term sustainability and impact. We manage risk, measure impact effectively, and will continue to increase our reach and operational resilience.

By 2030, UKSA will be recognised for delivering high-quality, deeply impactful programmes – especially for young people facing barriers. We will measure success by:

- The number of students gaining maritime career awareness through our Maritime Futures programme.
- The number of young people who access UKSA's programmes thanks to financial support and outreach.
- The number progressing through UKSA's full training pathway.
- Graduate employment rates in the maritime industries.
- The measured impact and quality of our training programmes.

OUR DEVELOPMENT PATHWAY:



REPORT FROM THE CHIEF EXECUTIVE AND CHAIR OF TRUSTEES (continued)

UKSA'S IMPACT & COMMUNITY COMMITMENT:

The challenges facing young people post-COVID are greater than ever. Rising poverty and an increasing educational attainment gap mean that many children are missing out on the benefits of transformative outdoor learning - often due to cost barriers. UKSA is committed to ensuring these opportunities remain accessible by providing financial support, mentoring, and welfare services.

Our mission is to empower young people through early exposure to maritime careers and world-class professional training. We work to remove financial and social barriers, supporting those from disadvantaged backgrounds, those at risk of exclusion, or those struggling with traditional education settings.

We are proud to be deeply rooted in the Isle of Wight community. UKSA employs around 138 permanent staff and an additional 100 freelance or seasonal team members, with a focus on creating opportunities for local young people.

As a key partner in the Isle of Wight's Levelling Up agenda, UKSA has continued to invest in its infrastructure. In collaboration with the Council, we are developing the Victoria Barracks site in East Cowes as an additional UKSA base. This new site, due to open in autumn 2025, will create further employment opportunities for Island residents and expand our capacity to support more young people. We are incredibly grateful to our supporters who have pledged funding towards this transformational project.

KEY 2024/25 OUTCOMES:

- 10,027 students attended UKSA in 2024/25, with 64% under the age of 25, reflecting our strong focus on engaging young people.
- 4,842 children and young people accessed enriching educational experiences supported by funding from Pollys Fund, the Leave No Child Behind Fund and the Sea.Change Fund.
- UKSA delivered world-class career and professional training to 1,062 students in the maritime industries.
- **Further Education:** 98% completion rate from our partnership with the Isle of Wight College, with students progressing to further training or employment. This programme is highly rated by Ofsted.
- **Careers Training:** 96% overall pass rate, with 98% of those who reported back to us; securing jobs in the maritime sector.
- **MCA Exam pass rates:** 95% average pass rate across our broad range of courses, exceeding industry standards.
- **Welfare Support:** Supporting young people who do not excel in the traditional learning environment (20% of Further Education students are SEND); 611 students received additional welfare support last year.

OUTLOOK:

Careers opportunities in the maritime sector are greater than ever. As an island nation, the UK relies heavily on the sea for trade, energy, food, security and leisure. Yet many young people remain unaware of the exciting and rewarding careers the maritime industry offers.

At UKSA, we are committed to changing this. By working closely with industry and partners, and thanks to the generosity of our supporters, we are well-positioned to raise awareness and inspire the next generation to explore careers at sea.

REPORT OF THE TRUSTEES – FINANCIAL RESULTS

The Trustees, who also serve as Directors of the charity under the Companies Act 2006, present their report and the financial statements for UK Sailing Academy (UKSA) for the year ending 31 January 2025. This report follows the Statement of Recommended Practice (SORP) for charities (effective 1 January 2019) and aligns with the Charity Commission’s guidance on public benefit under section 17(5) of the Charities Act 2011.

OBJECTIVES

UKSA is a youth training charity, which aims to inspire and support children and young people to broaden their horizons through its life enhancing water-based adventures, education and training for careers at sea.

Our objectives, as defined by our Articles of Association, are:

1. To advance the education and physical, mental and spiritual development of children (or young persons under the age of 25) by providing or assisting in providing facilities for training in sailing and seamanship for those who have need of such facilities by reason of poverty or social or economic circumstances (so that they may grow to full maturity as individuals and members of society).
2. To provide or assist in the provision of facilities for the recreation and other leisure time occupation of the general public, and in particular, facilities for watersports and outdoor activities in the interests of social welfare and with the object of improving their conditions of life.
3. To advance the education of the public in all aspect of maritime activities and in particular, in matters relating to: (a) the promotion of personal safety, (b) the prevention of accident, (c) navigation, (d) engineering, (e) seamanship, (f) stability and construction of boats, (g) communication at sea, (h) maritime law, and (i) business and interpersonal skills.
4. To promote community participation in healthy recreation through the provision of sailing facilities

FINANCIAL RESULTS FOR THE YEAR

The financial year 2024/25 presented challenges due to previous years’ high inflation, the ongoing cost-of-living crisis, and global uncertainties. UKSA achieved a small net profit after capital receipts but faced an operating deficit due to restructuring and a temporary reduction in yachting career programmes. While these changes impacted short-term profits, they position UKSA for a strong financial recovery, with a return to operating surplus expected in 2025/26.

Financial resilience and strategic resource allocation remain central to our decision-making. We continue to grow income, develop our asset base, and manage expenditure while investing in infrastructure to enhance our facilities and fleet for beneficiaries.

The table below illustrates how we calculate our operating performance:

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
				COVID			
Total Surplus per SOFA	104	294	1,670	850	461	426	10
Less: Donated capital income	(101)	(139)	(2,374)	(983)	(234)	(116)	(346)
Less: Income from investments	(2)	(2)	(1)	(20)	(20)	(50)	(50)
Add: Interest Payable	-	-	41	39	39	34	33
Operating Surplus / (Deficit)	1	153	(664)	(114)	246	294	(353)

Non-operating items such as donated capital income and investment and debt interest have been removed.

REPORT OF THE TRUSTEES – FINANCIAL RESULTS (continued)

GOING CONCERN BASIS:

UKSA's Trustees, supported by the Executive Team, have considered the reserves and net asset position and are satisfied that these financial statements should be prepared on a going concern basis.

RESERVES:

The balances and movements in funds along with the amounts held at the year-end are detailed in note 22 to the Financial Statements. Transfers between reserves represent the application of restricted and designated funds to capital projects, funded programmes and bursaries.

- **Unrestricted Reserves:** The designated fixed asset reserve is offset by a secured bank loan arranged in 2020. As of 31 January 2025, unrestricted general funds ("free reserves") stand at a negative £420k.
- **Restricted Reserves:** These funds support specific activities as directed by donors, detailed in Note 22 of the financial statements.
- **Reserves Policy:** Trustees have set a £275k guide level for unrestricted reserves based on worst-case income loss scenarios. Free reserves are below this due to capital investments and economic challenges, but Trustees are confident in UKSA's long-term financial sustainability.

INVESTMENT POLICY

UKSA's working capital meets short-term cash flow requirements, but surplus funds are not yet at a level for long-term investments. Whenever possible, reserve funds are placed in short-term notice accounts to maximise interest income while minimising risk.

REPORT OF THE TRUSTEES – FUNDRAISING REVIEW

FUNDRAISING

UKSA takes a long-term, supporter-led approach to fundraising, securing vital funds for programme delivery, capital projects, and unrestricted income. Over the past eight years, we have raised £4.7 million for major capital improvements, including new training facilities, fleet expansion, and upgraded accommodation.

Our fundraising strategy prioritises multi-year funding, corporate sponsorships, and major unrestricted donations, ensuring we remain agile in responding to the needs of our beneficiaries. Key priorities include:

- Expanding The Founders' Club to engage high-level donors.
- Strengthening corporate partnerships, particularly within the maritime sector.
- Growing community fundraising and events to broaden support.

We have secured several new funders while deepening transformational relationships with key partners. By focusing on sustainable funding streams, UKSA ensures long-term impact and financial resilience.

UKSA's dedicated fundraising team, led by an experienced Director of Development and Impact, works alongside the Chief Executive, Trustees, and senior management to drive income generation. A Fundraising Sub-Committee oversees strategy, ensuring all fundraising efforts align with UKSA's long-term vision and priorities.

FUNDRAISING CONTROLS & GOVERNANCE:

As a member of the Fundraising Regulator, UKSA is committed to the highest ethical standards, ensuring all fundraising activities are respectful, transparent, and accountable. We adhere to the Fundraising Code of Practice and have had no breaches or complaints reported in the past year. To safeguard our beneficiaries and supporters, UKSA maintains a robust fundraising policy, aligned with charity safeguarding and volunteering policies. Trustees play an active role in oversight, ensuring compliance with Charity Commission guidance (CC20) and best practices in fundraising governance. By continuously evolving our fundraising strategy, UKSA remains well-positioned to expand access to maritime education, remove financial barriers, and transform lives through the power of the sea.

REPORT OF THE TRUSTEES – RISK REVIEW

RISK MANAGEMENT TRUSTEES OVERSIGHT

UKSA operates a structured risk management process, overseen by the Operational Risk sub-committee (ORSC), which meets quarterly. Chaired by a Trustee, the ORSC includes two other Trustees and members of the Executive Team. The committee reviews risk areas, examines incident reports, and updates the charity's detailed risk register, which assesses operational, financial, governance, compliance, and external risks.

Summaries of the sub-committee's discussions are presented to the main Board at its quarterly meetings.

UKSA employs a four-tier risk mitigation approach:

1. **Operational Procedures:** Embedded in daily activities.
2. **Internal Audits:** Conducted annually or as directed by the Board for quality assurance.
3. **External Expertise:** Engaged for risk evaluation and assurance.
4. **Regulatory Compliance:** Maintained through inspections and audits, including from professional governing bodies.

Financial risk is overseen by the Finance Sub-Committee, with the primary concern being a downturn in business activity affecting income.

OPERATIONAL RISK

Key operational and reputational risks include health and safety in watersports activities and safeguarding young and vulnerable people. Activity to manage operational risks includes:

- **Health and Safety:** A monthly Health and Safety management meeting led by the Executive Team reviews both shoreside and water-based activities. .
- **Operating procedures:** All instructors undergo a mandatory and rigorous induction programme, followed up with regular refresher training, to ensure compliance with stringent operating procedures. National Governing Bodies and Statutory Authorities provide external audit.
- **Safeguarding:** A robust safeguarding policy is in place and external expertise is sought where necessary. All staff, Trustees and volunteers receive appropriate levels of safeguarding training for young people and adults deemed to be at risk. The Designated Safeguarding Officer holds monthly safeguarding meetings with key staff to review practices and policies.
- **Cyber Security:** UKSA complies with the Cyber Essentials standard.
- **Critical Incident Response:** A critical incident response plan has been developed and tested with Pharos Response, specialists in risk and reputation management in the education, youth, travel and adventure sectors.

REPORT OF THE TRUSTEES – GOVERNANCE REVIEW

STRUCTURE, GOVERNANCE AND MANAGEMENT

UKSA is a company limited by guarantee, governed by a Board of unpaid Trustees. At January 2025, there were 11 Trustees. Except for the Founder Trustee, Trustees serve four-year terms, renewable once, with exceptions reviewed annually. UKSA's Chair of Trustees has a maximum set term of four years and can serve a maximum of three such terms. Trustee selection is based on professional experience and competence, with a documented process for appointing the Chair. Trustee training is provided along with an induction.

The Board meets at least four times a year and appoints the Chief Executive, who manages day-to-day operations. Trustees and the Executive Team collaborate on UKSA's long-term strategic direction, with performance reviewed annually alongside the Executive's annual business plan and budget. Quarterly governance meetings are held with the Board and the Executive Team to address governance matters and to review the charity's performance.

The Board has established standing sub-committees to provide specific oversight, advice and recommendations. Each sub-committee is made up of at least two Trustees, along with members of the Executive Team and external advisors as needed. Sub-committees are:

Finance: Oversees financial controls, financial risk management, compliance, investments, and pensions.

Operational Risk: Manages non-financial risks and incident reviews and the risk management system.

Reward: Reviews CEO and key management personnel remuneration and pay structures.

Fundraising: Ensures alignment across income streams.

UKSA has a wholly owned non-charitable subsidiary, UKSA Trading Limited, whose activities encompass recreation and leisure.

REPORT OF THE TRUSTEES - STATEMENT OF TRUSTEE'S RESPONSIBILITIES

UKSA's Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently,
- observe methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

Trustees must also maintain accurate financial records, safeguard assets, and prevent fraud. They oversee UKSA's corporate and financial disclosures, ensuring compliance with relevant regulations.

The Trustees are also responsible for ensuring that proper accounting records are maintained, that 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 Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in England/Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

In so far as we are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In March 2025 the Trustees approved changes to the company's Articles of Association. The Articles of Association of the Company were amended by incorporating the provisions of the Company's Memorandum of Association which, by virtue of section 28 of the Companies Act 2006, are to be treated as provision of the Company's Articles of Association. In addition, more clarity was provided on the purpose, tenure and responsibilities of the role of Founder Trustee. The role holder was appointed in 1996 by the Founder and understands the values and history of UKSA better than anyone else. They also bring skills and experience in finance, commercial, capital programme management and sports governance. The role will be reviewed every four years by a panel of three trustees.

AUDITORS

The audit will be re-tendered during 2025 in line with our internal policies and recognised charity governance guidelines, and auditors will be proposed for appointment in accordance with the Companies Act 2006 at the Annual General Meeting of the Board.

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report included here in their capacity as the company's directors.

ON BEHALF OF THE BOARD:



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Richard Stokes CBE, Chair of Trustees

27 June 2025

**UK SAILING ACADEMY (UKSA)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY**

We have audited the financial statements of UK Sailing Academy (the "charitable company") and its subsidiary (the "group") for the year ended 31 January 2025 which comprise Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cashflows and notes to the financial statements, including 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 groups and the charitable company's affairs as at 31 January 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

UK SAILING ACADEMY (UKSA)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report, and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

**UK SAILING ACADEMY (UKSA)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY (continued)**

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and group for fraud. The laws and regulations we considered in this context were Charity Commission regulations health and safety legislation, General Data Protection Regulation (GDPR), Royal Yachting Association (RYA) regulation and Maritime and Coastguard Agency (MCA)/International Association of Marine Investigators (IAMI) regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of certain income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Risk, Audit and Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and the certain income streams, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

3 July 2025

Consolidated statement of financial activities for the year ended 31 January 2025

(Incorporating income and expenditure account)

		Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2024/25 £000's	TOTAL 2023/24 £000's
INCOME FROM:					
Donations, Legacies and Grants	2	1,012	492	1,504	1,120
Charitable Activities	3	7,135	-	7,135	7,101
Trading Activities	4	152	-	152	209
Investments	5	50	-	50	50
Other	6	3	-	3	-
Total income		8,352	492	8,844	8,480
EXPENDITURE ON:					
Raising funds:					
Trading Activities	4	140	-	140	126
Expenditure on raising funds	7	218	-	218	234
Charitable Activities	8	8,476	-	8,476	7,694
Total expenditure		8,834	-	8,834	8,054
Net (expenditure)/income		(482)	492	10	426
Transfers between funds	22	379	(379)	-	-
Net movement in funds		(103)	113	10	426
RECONCILIATION OF FUNDS:					
Total funds brought forward		7,891	166	8,057	7,631
TOTAL FUNDS CARRIED FORWARD	22	7,788	279	8,067	8,057

Continuing operations

All of the charity's activities are continuing. There were no gains or losses other than those shown above.

Full comparatives for the year to 31 January 2024 are shown in note 27.

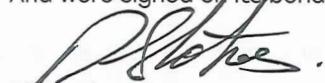
The notes on pages 19 to 36 form part of these financial statements.

Group balance sheet as at 31 January 2025

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2024/25 £000's	TOTAL 2023/24 £000's
FIXED ASSETS	21	9,521	-	9,521	8,970
CURRENT ASSETS					
Stocks	15	151	-	151	153
Debtors: Amounts falling due after more than one year	16	424	-	424	368
Debtors: Amounts falling due within one year	16	1,228	-	1,228	1,095
Short Term Deposit Accounts	17	826	200	1,026	1,310
Cash at bank and in hand	17	82	79	161	514
		2,711	279	2,990	3,440
CREDITORS					
Amounts falling due within one year	18	(3,134)	-	(3,134)	(3,037)
NET CURRENT (LIABILITIES)/ASSETS		(423)	279	(144)	403
TOTAL ASSETS		9,098	279	9,377	9,373
CREDITORS					
Amounts falling due after more than one year	19	(1,310)	-	(1,310)	(1,316)
NET ASSETS		7,788	279	8,067	8,057
FUNDS	22				
<i>Unrestricted funds:</i>					
Designated tangible fixed asset fund (net of secured bank loan)				8,208	7,595
Unrestricted general funds				(420)	296
				7,788	7,891
<i>Restricted funds</i>					
Restricted bursary funds				162	166
Restricted capital fund				117	-
				279	166
TOTAL FUNDS				8,067	8,057

The financial statements were approved and authorised for issue by the Board of Trustees on 27 June 2025.

And were signed on its behalf by:



Richard Stokes CBE
Chair of Trustees
Registered Company Number: 02251024

The notes on pages 19 to 36 form part of these financial statements.

Company balance sheet as at 31 January 2025

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2024/25 £000's	TOTAL 2023/24 £000's
FIXED ASSETS	21	9,521	-	9,521	8,970
CURRENT ASSETS					
Stocks	15	149	-	149	151
Debtors: Amounts falling due after more than one year	16	424	-	424	368
Debtors: Amounts falling due within one year	16	1,224	-	1,224	1,092
Short Term Deposit Accounts	17	826	200	1,026	1,310
Cash at bank and in hand	17	82	79	161	512
		2,705	279	2,984	3,433
CREDITORS					
Amounts falling due within one year	18	(3,128)	-	(3,128)	(3,030)
NET CURRENT (LIABILITIES) / ASSETS		(423)	279	(144)	403
TOTAL ASSETS		9,098	279	9,377	9,373
CREDITORS					
Amounts falling due after more than one year	19	(1,310)	-	(1,310)	(1,316)
NET ASSETS		7,788	279	8,067	8,057
FUNDS	22				
<i>Unrestricted funds:</i>					
Designated tangible fixed asset fund (net of secured bank loan)				8,208	7,595
Unrestricted general funds				(420)	296
				7,788	7,891
<i>Restricted funds:</i>					
Restricted bursary funds				162	166
Restricted capital fund				117	-
				279	166
TOTAL FUNDS				8,067	8,057

The surplus for the financial year 2024/25 dealt with in the financial statements of the parent charity was £10k (2023/24: £426k).

The financial statements were approved and authorised for issue by the Board of Trustees on 27 June 2025.

And were signed on its behalf by:



Richard Stokes CBE
Chair of Trustees
Registered Company Number: 02251024

The notes on pages 19 to 36 form part of these financial statements.

Consolidated statement of cash flow for the year ended 31 January 2025

	Notes	2024/25 £000's	2023/24 £000's
NET CASH PROVIDED BY OPERATING ACTIVITIES	A	561	931
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		50	50
Interest paid and fees		(77)	(74)
Purchase of tangible fixed assets		(1,114)	(916)
Sales of tangible fixed assets		5	-
		(1,136)	(940)
CASH FLOWS FROM FINANCING ACTIVITIES			
Secured bank loan repaid in year		(62)	(61)
MANAGEMENT OF LIQUID FUNDS			
Short term deposit account transfers		284	(40)
(Decrease)/Increase in cash in the year	B	(353)	(110)

NOTE A - RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES

Net income	10	426
Depreciation charges	561	477
(Profit)/Loss on disposal of fixed assets	(3)	-
Interest received	(50)	(50)
Interest paid and charges	77	74
Decrease / (Increase) in stocks	2	(5)
(Increase) / Decrease in debtors	(189)	36
Increase / (Decrease) in creditors	153	(27)
Net cash provided by operating activities	561	931

NOTE B - RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

(Decrease)/Increase in cash in the year	(353)	(110)
(Decrease)/Increase in short term deposits	(284)	40
Secured bank loan repaid in year	62	61
Change in net cash	(575)	(9)
Net cash at 1 February	449	458
Net cash at 31 January	(126)	449

ANALYSIS OF CHANGE IN CASH AND CASH EQUIVALENTS

	At 1st Feb 24 £000's	Cashflow £000's	At 31st Jan 25 £000's
Cash at bank and in hand	514	(353)	161
Short term deposit accounts	1,310	(284)	1,026
Loans	(1,375)	62	(1,313)
Total	449	(575)	(126)

Notes to the financial statements for the year ended 31 January 2025

UK Sailing Academy is an incorporated charity (number 299248) and company (number 02251024) with its registered office at Arctic Road, Cowes, Isle of Wight PO31 7PQ and is incorporated and domiciled in the UK.

1 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

UKSA 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).

b) Going concern

In their assessment of going concern, the trustees have considered the impact of the current economic climate on the charity. Supported by the management team, they have throughout the year considered the cash, reserves and net asset position of the charity (Statement of financial activities, cashflow and balance sheet forecasts and reviewed on a rolling basis). Based on these considerations the Trustees consider that the going concern basis for the charity is appropriate.

The trustees are confident that the management team will continue to mitigate financial risks effectively by actively managing liquidity and by carefully controlling income and expenditure.

c) Group accounts

The accounts have been consolidated to include the results of the charity's trading subsidiary, which has the same year-end. No separate profit and loss account is presented for UK Sailing Academy as permitted by Section 408 of the Companies Act 2006. The parent company's surplus for the year was £10k (2023/24: £426k).

d) Income

All income is included on the Statement of Financial Activities when the charity is legally entitled to the income, and the amount can be quantified with reasonable accuracy. Voluntary income is credited to the income and expenditure account on a received basis, apart from income that covers a specific period of time ending after 31 January 2025, the deferred part of the income being shown within creditors. Income from the charitable activities is recognised on an accruals basis, and income relating to courses which commence after the balance sheet date is deferred to future accounting periods.

e) Expenditure

All expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure. Support costs are allocated between the activities of the charity on a percentage basis in line with the income and activity levels of those activities.

Included within charitable activity are governance costs. Governance costs are those costs associated with the governance arrangements including external and internal audit and legal advice for Trustees, rather than the day-to-day management of the charity.

Notes to the financial statements for the year ended 31 January 2025 (continued)

f) **Debtors**

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

g) **Cash and cash equivalents**

Cash is represented by cash in hand and short term highly liquid investments with a short maturity of 95 days or less from the date of acquisition or opening of the deposit or similar account. This has been split accordingly on the face of the balance sheet.

h) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

i) **Intangible fixed assets**

The company capitalises purchases of intangible assets where the value is over £1k and the useful economic life is at least three years. Amortisation is provided on all intangible fixed assets using the straight-line method designed to write off each asset over its expected useful economic life. The expected useful life of the company's intangible fixed assets is 10 years.

The company reviews its intangible fixed assets on an annual basis and will consider an impairment of those assets where the carrying amount (net book value) of the asset is higher than its recoverable amount; the recoverable amount being defined as the higher of the amount that could be obtained by selling the asset (Net Realisable Value), and the amount that could be obtained by using the asset (Value in Use).

j) **Tangible fixed assets**

The company capitalises purchases of tangible assets where the value is over £1k and the useful economic life is at least three years. Depreciation is provided on all tangible fixed assets using the straight-line method designed to write off each asset over its expected useful economic life. It is the company's policy to determine the expected useful life of each asset individually, ranging from 3 to 100 years.

The company reviews its tangible fixed assets on an annual basis and will consider an impairment of those assets where the carrying amount (net book value) of the asset is higher than its recoverable amount; the recoverable amount being defined as the higher of the amount that could be obtained by selling the asset (Net Realisable Value), and the amount that could be obtained by using the asset (Value in Use).

k) **Impairment of buildings**

Buildings are held at historic cost. This value is subject to the requirement to test assets for impairment in accordance with section 27 of FRS102.

The company will get a land and buildings valuation done at least every 10 years to confirm no impairment is required, with a directors' assessment in the interim. The last valuation was performed by Jones Lang LaSalle in 2021 and showed no impairment was required.

l) **Stocks**

Stocks of bought in goods are stated at the lower of cost and net realisable value. Stocks held include Provisions, Bar, Vending, Merchandise, Clothing and Red Funnel ferry tickets.

Stocks also include inventory items held for free distribution to beneficiaries in furtherance of charitable activities (e.g., boards, masts, sails, wetsuits, paddles, buoyancy aids etc.). Inventory is written down (impaired) to nil value over a three-year period.

Notes to the financial statements for the year ended 31 January 2025 (continued)

m) **Taxation**

The charity is exempt from corporation tax on its charitable activities. Irrecoverable VAT is recognised as an expense in the Statement of Financial Activities within training and education expenditure. The trading subsidiary has not incurred a tax charge as it gifts all profits to the charity.

n) **Pensions**

The charity does not operate a defined benefit pension scheme. UKSA auto-enrolled eligible employees with the National Employment Savings Trust (NEST) as the provider for its workplace pension. During 2024/25 UK Sailing Academy contributions of £73k (2023/24: £69k) were recognised in the Statement of Financial Activities (see Note 13).

o) **Leased assets**

Instalments on operating lease contracts are charged on a straight-line basis over the lease life.

p) **Fund accounting**

Unrestricted funds comprise designated funds that the trustees have earmarked for a particular purpose (e.g. the fixed asset fund net of the secured bank loan), and general funds which can be used in furtherance of the general objectives of the charity.

Restricted funds are subject to specific conditions laid down by donors as to how they may be used, or which have been raised by the charity for particular purposes. The aim and use of each restricted fund are set out in the notes to the financial statements.

q) **Financial instruments**

The charity has financial assets and 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. Note 20 provides more information in respect of this area.

r) **Key judgements and estimates**

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

Notes to the financial statements for the year ended 31 January 2025 (continued)

2	DONATIONS AND LEGACIES	2024/25 £000's	2023/24 £000's
	Donations (Revenue)	1,158	1,004
	Donations (Capital)	346	116
		<u>1,504</u>	<u>1,120</u>
3	INCOME FROM CHARITABLE ACTIVITIES	2024/25 £000's	2023/24 £000's
	Youth Development programmes	-	8
	Schools and groups	1,228	1,356
	Careers courses for employment	3,227	3,336
	Professional training	1,929	1,620
	Recreational training	314	299
	Total income for training activities	<u>6,698</u>	<u>6,619</u>
	Student services and site income	342	324
	Lost deposits	95	158
		<u>7,135</u>	<u>7,101</u>

Income in respect of courses that commence after the balance sheet date is deferred and recognised over the period during which the course takes place. An analysis of deferred income is shown below:

	2024/25 £000's	2023/24 £000's
Gross income from charitable activities	7,439	6,926
Amounts deferred last year that have been released in the current year	2,163	2,338
Amounts deferred to future periods	<u>(2,467)</u>	<u>(2,163)</u>
	<u>7,135</u>	<u>7,101</u>

Notes to the financial statements for the year ended 31 January 2025 (continued)

4 INVESTMENT IN TRADING COMPANY

UK Sailing Academy holds 100% of the share capital of UKSA Trading Limited (Registered office: Arctic Road, Cowes, Isle of Wight, PO31 7PG, Registered Company No. 06276835) which is responsible for the provision of commercial services on behalf of the charity.

The charity's investment in the trading company was as follows:

	2024/25	2023/24
	£	£
UKSA Trading Limited	1	1

The subsidiary is registered in England and Wales and pays under gift aid its entire profits as computed for corporation tax purposes to the charity. Its results and balance sheet are as follows:

Profit and Loss Account	2024/25	2023/24
	£000's	£000's
Income	152	209
Cost of sales	(140)	(126)
Gross profit	12	83
Administration expenses	(10)	(72)
	2	11
Amount payable under gift aid to the charity	(2)	(11)
Retained in subsidiary	-	-
Balance sheet		
Current assets	9	11
Current liabilities	(9)	(11)
	-	-
Share Capital (<i>Total Share Capital = £1</i>)	-	-

A UKSA members' resolution was passed in 2019 for the purpose of the continuance of the Gift Aiding of the profits of UKSA Trading Limited to UK Sailing Academy annually on the 31 January, until further notice.

The gift aid payment of £2k (2023/24: £11k) and management charge of £10k (2023/24: £72k) payable to UK Sailing Academy has been eliminated upon consolidation.

Notes to the financial statements for the year ended 31 January 2025 (continued)

5	INVESTMENT INCOME	2024/25	2023/24
		£000's	£000's
	Deposit account interest	50	50

6	OTHER INCOME	2024/25	2023/24
		£000's	£000's
	Sale of Assets	3	-

7	EXPENDITURE ON RAISING FUNDS	2024/25	2023/24
		£000's	£000's
	Fundraising pay costs	183	184
	Fundraising non-pay costs	35	50
		218	234

8	EXPENDITURE ON CHARITABLE ACTIVITIES				
		Training Costs	Support Costs	Admin, Sales and Marketing Costs	Total
		2024/25	2024/25	2024/25	2024/25
		£000's	£000's	£000's	£000's
	Youth Development programmes	86	116	50	252
	Schools and Groups	517	746	319	1,582
	Careers courses for employment	1,619	1,762	754	4,135
	Professional training	654	983	420	2,057
	Recreational training	203	173	74	450
		3,079	3,780	1,617	8,476
		Training Costs	Support Costs	Admin, Sales and Marketing Costs	Total
		2023/24	2023/24	2023/24	2023/24
		£000's	£000's	£000's	£000's
	Youth Development programmes	80	4	2	86
	Schools and Groups	526	696	313	1,535
	Careers courses for employment	1,518	1,711	770	3,999
	Professional training	473	831	374	1,678
	Recreational training	174	153	69	396
		2,771	3,395	1,528	7,694

Notes to the financial statements for the year ended 31 January 2025 (continued)

9 SUPPORT, ADMINISTRATION & SALES AND MARKETING COSTS

	2024/25 £000's	2023/24 £000's
Delivery Teams	207	163
Depreciation & Write down	657	565
Site costs	741	699
Catering	808	675
Operations and Customer Support	425	363
Yacht, Fleet and Vehicle Maintenance	385	387
VAT	252	247
Other	305	296
Total Support Costs	<u>3,780</u>	<u>3,395</u>
Administration Costs	838	801
Sales and Marketing Costs	746	693
Interest Payable	33	34
Total Support Costs	<u>1,617</u>	<u>1,528</u>
	<u>5,397</u>	<u>4,923</u>

10 GOVERNANCE COSTS

	2024/25 £000's	2023/24 £000's
Auditors' remuneration	20	19
Company Secretary	12	11
Travel and Subsistence	2	2
Legal and other professional fees	2	2
	<u>36</u>	<u>34</u>

11 NET MOVEMENT IN FUNDS

	2024/25 £000's	2023/24 £000's
Net movement in funds is stated after charging:		
Auditors' remuneration for statutory work	20	19
Operating lease rental for IT and vehicles	55	61
Interest paid and charges	77	74
Depreciation - owned assets	561	477
(Profit)/Loss on Disposal	<u>(3)</u>	<u>-</u>

12 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2025 (2023/24: £nil). Travelling expenses are reimbursed, if claimed, to trustees. In 2024/25 this was £2k (2023/24: £2k).

Notes to the financial statements for the year ended 31 January 2025 (continued)

13 STAFF COSTS

The average number of full-time equivalent staff employed by the charity during the financial year amounted to:

	2024/25 Total No.	2024/25 FTE No.	2023/24 Total No.	2023/24 FTE No.
Directly involved in achieving charitable objectives	138	114	135	112
Management and financial administration of the charity	10	9	10	10
	<u>148</u>	<u>123</u>	<u>145</u>	<u>122</u>

The aggregate payroll costs of the above were:

	2024/25 £000's	2023/24 £000's
Wages and salaries	3,794	3,451
Social security	324	285
Pension	73	69
	<u>4,191</u>	<u>3,805</u>

The number of employees whose emoluments exceeded £60,000 was:

	2024/25 No.	2023/24 No.
£60,000 to £69,999	1	2
£70,000 to £79,999	2	1
£80,000 to £89,999	-	1
£90,000 to £99,999	-	-
£100,000 to £110,000	1	1

Employer Pension Contributions for the above individuals were £9k (2023/24: £13k).

During the year termination payments of £87k (2023/24: £2k) were made.

14 EXECUTIVE REMUNERATION

The total remuneration, benefits and pensions paid to the key management personnel in the year was £443k (2023/24: £461k). The key management personnel in the year were the Chief Executive, Director of Finance and Risk, Director of Sales and Marketing, Director of Training and Operations, and Director of Development and Impact.

15 STOCK

	2024/25 £000's	2023/24 £000's
Stock for resale (trading)	2	2
Inventories (charity)	149	151
Group stocks held	<u>151</u>	<u>153</u>

Notes to the financial statements for the year ended 31 January 2025 (continued)

16 DEBTORS

	Group 2024/25 £000's	Group 2023/24 £000's	Charity 2024/25 £000's	Charity 2023/24 £000's
Trade debtors for courses	520	514	518	511
Other debtors	707	587	707	587
Prepayments and accrued income	457	384	455	384
Bad debt provision for other debtors	(32)	(22)	(32)	(22)
	<u>1,652</u>	<u>1,463</u>	<u>1,648</u>	<u>1,460</u>

Included within other debtors is a total of £445k (2023/24: £387k) relating to repayable bursary amounts due over 1 year.

Also included within other debtors is a total of £nil (2023/24: £2k) relating to cycle to work scheme repayable amounts due over 1 year.

Included within bad debt provision for other debtors is a total of (£21k) (2023/24: (£21k)) relating to repayable bursary amounts due over 1 year.

17 CASH AND CASH EQUIVALENTS

	Group 2024/25 £000's	Group 2023/24 £000's	Charity 2024/25 £000's	Charity 2023/24 £000's
Bank current accounts	151	507	151	505
Bank deposit accounts	1,026	1,310	1,026	1,310
Petty cash	1	1	1	1
Pre-paid expense cards	9	6	9	6
	<u>1,187</u>	<u>1,824</u>	<u>1,187</u>	<u>1,822</u>

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024/25 £000's	Group 2023/24 £000's	Charity 2024/25 £000's	Charity 2023/24 £000's
Trade creditors	347	489	340	484
Due to subsidiary undertaking	-	-	3	4
Social security and other taxes	79	79	79	79
Secured bank loan	63	62	63	62
Other creditors	56	51	56	51
Accruals and deferred income	2,589	2,356	2,587	2,350
	<u>3,134</u>	<u>3,037</u>	<u>3,128</u>	<u>3,030</u>

Included within trade creditors is a total of £nil (2023/24: £93k) relating to retentions of the main build capital project.

Included within accruals and deferred income is a total of £2,157k (2023/24: £1,975) relating to amounts invoiced in advance of the commencement of training courses.

Notes to the financial statements for the year ended 31 January 2025 (continued)

19 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR:

	Group 2024/25 £000's	Group 2023/24 £000's	Charity 2024/25 £000's	Charity 2023/24 £000's
Secured bank loan	1,250	1,313	1,250	1,313
Accruals and deferred income	60	3	60	3
	1,310	1,316	1,310	1,316

The amounts held within accruals and deferred income relates to amounts invoiced in advance of the commencement of training courses of £60k (2023/24: £3k).

The group has a bank loan with NatWest which is secured by a fixed and floating charge over the property and assets of the group. The balance of the loan at 31 January 2025 is £1,313k. The loan has interest charged at 2.44% for a fixed period (60 months until February 2026) thereafter at 2.09% over Base Rate for the remaining period. The loan is due for final repayment in January 2042.

The maturity of the bank loan has been analysed as follows:

	Net Repayments 2024/25 £000	Net Repayments 2023/24 £000
Within one year	63	62
1-2 years	64	63
2-5 years	201	196
Greater than 5 years	985	1,054
	1,313	1,375

In addition, deferred income has been analysed as follows:

	Group 2024/25 £000's	Group 2023/24 £000's	Charity 2024/25 £000's	Charity 2023/24 £000's
Deferred income at 1 February	2,163	2,338	2,157	2,338
Applied during the year	(2,163)	(2,338)	(2,157)	(2,338)
Released during the year	2,467	2,163	2,467	2,157
Deferred income at 31 January	2,467	2,163	2,467	2,157

Notes to the financial statements for the year ended 31 January 2025 (continued)

20 FINANCIAL INSTRUMENTS

Financial assets held at amortised cost are trade debtors, other debtors, accrued income, amount owed by group companies and cash held at bank. Note this excludes stock and prepayments.

Financial liabilities held at amortised cost are trade creditors, accruals, bank loan and amounts owed by group companies. This excludes deferred income and social security and other taxes.

Group	2024/25 £000's	2023/24 £000's
Financial assets measured at amortised cost	2,588	3,067
Financial liabilities measured at amortised cost	(1,899)	(2,113)
	<u>2024/25</u>	<u>2023/24</u>
	£000's	£000's
Total interest income for financial assets held at amortised cost	50	50
	<u>2024/25</u>	<u>2023/24</u>
	£000's	£000's
Charity	2024/25	2023/24
	£000's	£000's
Financial assets measured at amortised cost	2,584	3,062
Financial liabilities measured at amortised cost	(1,895)	(2,110)
	<u>2024/25</u>	<u>2023/24</u>
	£000's	£000's
Total interest income for financial assets held at amortised cost	50	50

Notes to the financial statements for the year ended 31 January 2025 (continued)

21 FIXED ASSETS

	Assets under course of construction	Freehold land and buildings	Leasehold buildings	Swimming pool	Equipment and Training Aids
COST	£000's	£000's	£000's	£000's	£000's
As at 1 February 2024	34	7,914	316	200	1,492
Additions	269	457	-	-	112
Disposals	-	-	-	-	-
As at 31 January 2025	303	8,371	316	200	1,604
DEPRECIATION					
As at 1 February 2024	-	670	68	200	955
Charge for year	-	183	14	-	109
Eliminated on disposal	-	-	-	-	-
As at 31 January 2025	-	853	82	200	1,064
NET BOOK VALUE					
As at 31 January 2025	303	7,518	234	-	540
As at 31 January 2024	34	7,244	248	-	537

	Motor vehicles	Yachts and training fleet	Intangible Assets	Totals
COST	£000's	£000's	£000's	£000's
As at 1 February 2024	19	2,311	107	12,393
Additions	3	273	-	1,114
Disposals	(10)	-	-	(10)
As at 31 January 2025	12	2,584	107	13,497
DEPRECIATION				
As at 1 February 2024	16	1,496	18	3,423
Charge for year	1	244	10	561
Eliminated on disposal	(8)	-	-	(8)
As at 31 January 2025	9	1,740	28	3,976
NET BOOK VALUE				
As at 31 January 2025	3	844	79	9,521
As at 31 January 2024	3	815	89	8,970

Notes to the financial statements for the year ended 31 January 2025 (continued)

22 MOVEMENT IN FUNDS

	As at 1 Feb 24 £000's	Net Movement in funds £000's	Transfers between Funds £000's	As at 31 Jan 25 £000's
Unrestricted funds				
Fixed assets fund	7,595	(562)	1,175	8,208
General fund	296	78	(794)	(420)
Trading activities	-	2	(2)	-
	7,891	(482)	379	7,788
Restricted funds				
Restricted capital fund	-	346	(229)	117
Stephen Thomas Bursary	50	50	(71)	29
Noel Lister Memorial Fund	36	3	16	55
Milo Hanlon Fund	34	1	(12)	23
Will Black Fund	11	-	3	14
Seafarer's	35	2	(26)	11
Stelios Fund	-	30	-	30
Trinity House Fund	-	60	(60)	-
	166	492	(379)	279
TOTAL FUNDS	8,057	10	-	8,067

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(562)	(562)
General fund	8,200	(8,122)	78
Trading activities	152	(150)	2
	8,352	(8,834)	(482)
Restricted funds			
Restricted capital fund	346	-	346
Stephen Thomas Bursary	50	-	50
Noel Lister Memorial Fund	3	-	3
Milo Hanlon Fund	1	-	1
Will Black Fund	-	-	-
Seafarer's	2	-	2
Stelios Fund	30	-	30
Trinity House Fund	60	-	60
	492	-	492
TOTAL FUNDS	8,844	(8,834)	10

Notes to the financial statements for the year ended 31 January 2025 (continued)

22 MOVEMENT IN FUNDS (PRIOR YEAR COMPARATIVES)

	As at 1 Feb 23 £000's	Net Movement in funds £000's	Transfers between Funds £000's	As at 31 Jan 24 £000's
Unrestricted funds				
Fixed assets fund	7,095	(476)	976	7,595
General fund	358	653	(715)	296
Trading activities	-	11	(11)	-
	<u>7,453</u>	<u>188</u>	<u>250</u>	<u>7,891</u>
Restricted funds				
Restricted capital fund	-	116	(116)	-
Stephen Thomas Bursary	23	63	(36)	50
Noel Lister Memorial Fund	59	3	(26)	36
Milo Hanlon Fund	39	-	(5)	34
Will Black Fund	16	-	(5)	11
Seafarer's	41	1	(7)	35
Trinity House Fund	-	55	(55)	-
	<u>178</u>	<u>238</u>	<u>(250)</u>	<u>166</u>
TOTAL FUNDS	<u><u>7,631</u></u>	<u><u>426</u></u>	<u><u>-</u></u>	<u><u>8,057</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(476)	(476)
General fund	8,033	(7,380)	653
Trading activities	209	(198)	11
	<u>8,242</u>	<u>(8,054)</u>	<u>188</u>
Restricted funds			
Restricted capital fund	116	-	116
Stephen Thomas Bursary	63	-	63
Noel Lister Memorial Fund	3	-	3
Seafarer's	1	-	1
Trinity House Fund	55	-	55
	<u>238</u>	<u>-</u>	<u>238</u>
TOTAL FUNDS	<u><u>8,480</u></u>	<u><u>(8,054)</u></u>	<u><u>426</u></u>

Notes to the financial statements for the year ended 31 January 2025 (continued)

Unrestricted funds

- A) The fixed asset fund shows the net book value of unrestricted fixed assets (net of secured bank loan). Net movement in funds are represented by the net of profit/(loss) on disposal, impairment and depreciation £561k (2023/24: £476k). Transfers are represented by net capital expenditure of £1,114k plus the in-year reduction of secure bank loan £62k.
- B) The unrestricted general fund represents funds which are freely available for use by the charity, including those generated from trading activities.
- Net movements in funds are represented by all Income and Expenditure movements not already represented by movements on other reserves of £78k (2023/24: £653k). Transfers are the sum of net working capital movements excluding transfers on other reserves of (£794k) (2023/24: (£715k)).
- C) The trading activities fund is represented by the wholly owned subsidiary UKSA Trading Ltd profit/(loss). For the year 2024/25 UKSA Trading Ltd returned a profit of £2k (2023/24: £11k) which was transferred to the UK Sailing Academy's unrestricted general fund in the same year.

Restricted funds

- A) A restricted Capital Fund was set up in 2015/16 to hold donations that are to fund specific capital works required. In 2024/25 £346k net income was received (2023/24: £116k) less (£229k) capital expenditure in the year (2023/24: (£116k)).
- B) The Stephen Thomas Bursary was set up in memory of Stephen Thomas to provide sailing and seamanship experiences for young people between the ages of 16 and 20.
- C) The Noel Lister Memorial Fund was set up in memory of Noel (the founder of UKSA) to provide sailing and seamanship experiences for young people.
- D) The Milo Hanlon Fund was set up in memory of Milo who was a student at UKSA in 2012. The fund provides assistance to young people wishing to undertake professional training for employment.
- E) The William Black Fund was set up in 2016 in memory of Will. The fund provides financial support to individuals with a desire to enter the maritime sector.
- F) The Seafarer's fund was set up in 2017/18. The fund provides assistance to young people wishing to undertake professional training for employment.
- G) The Trinity fund was set up in 2011. The fund provides assistance to young people wishing to undertake professional training for employment.
- H) The Stelios fund was set up in 2024. The fund provides assistance to young people wishing to undertake professional training for employment.

Notes to the financial statements for the year ended 31 January 2025 (continued)

23 ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP

Group	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds as at 31 Jan 25 £000's
Fixed assets	-	9,521	-	9,521
Current assets	2,711	-	279	2,990
Creditors due in less than one year	(3,071)	-	-	(3,071)
Creditors due in more than one year	(60)	-	-	(60)
Secured Bank Loan due in less than one year	-	(63)	-	(63)
Secured Bank Loan due in more than one year	-	(1,250)	-	(1,250)
	(420)	8,208	279	8,067

ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP (PRIOR YEAR COMPARATIVES)

Group	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds as at 31 Jan 24 £000's
Fixed assets	-	8,970	-	8,970
Current assets	3,274	-	166	3,440
Creditors due in less than one year	(2,975)	-	-	(2,975)
Creditors due in more than one year	(3)	-	-	(3)
Secured Bank Loan due in less than one year	-	(62)	-	(62)
Secured Bank Loan due in more than one year	-	(1,313)	-	(1,313)
	296	7,595	166	8,057

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY

Charity	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds as at 31 Jan 25 £000's
Fixed assets	-	9,521	-	9,521
Current assets	2,705	-	279	2,984
Creditors due in less than one year	(3,065)	-	-	(3,065)
Creditors due in more than one year	(60)	-	-	(60)
Secured Bank Loan due in less than one year	-	(63)	-	(63)
Secured Bank Loan due in more than one year	-	(1,250)	-	(1,250)
	(420)	8,208	279	8,067

Notes to the financial statements for the year ended 31 January 2025 (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY (PRIOR YEAR COMPARATIVES)

Charity	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 24 £000's
Fixed assets	-	8,970	-	8,970
Current assets	3,267	-	166	3,433
Creditors due in less than one year	(2,968)	-	-	(2,968)
Creditors due in more than one year	(3)	-	-	(3)
Secured Bank Loan due in less than one year	-	(62)	-	(62)
Secured Bank Loan due in more than one year	-	(1,313)	-	(1,313)
	<u>296</u>	<u>7,595</u>	<u>166</u>	<u>8,057</u>

24 RELATED PARTY DISCLOSURES

The company was under the ultimate control of the trustees.

Sir Anthony Greener, trustee of UKSA until 22 September 2023, is also Chairman of Minton Charity Trust which gave financial assistance to UKSA in the form of donations in the 2023/24 year of £30k.

David Lister, trustee of UKSA, is also a trustee of the Whirlwind Charitable Trust which gave financial assistance to UKSA in the form of donations of £7k in the year (2023/24: £nil).

Claire Locke, trustee of UKSA until 20 September 2024, is also a trustee of Daisie Rich Trust who gave financial assistance to UKSA in the form of donations of £5k in the year (2023/24: £5k). Claire Locke paid UKSA £3k for a mooring (2023/24: £3k).

Donations were received from four trustees totalling £8k (2023/24: three trustees £1k).

25 OPERATING LEASES

At the year end, the Group were committed to the following future minimum lease payments in respect of operating leases:

	Vehicles and equipment	
	2024/25 £000's	2023/24 £000's
Less than one year	43	54
Greater than one year and less than five years	38	81
Later than five years	-	-
	<u>81</u>	<u>135</u>

In addition to the above, the charity has entered into an agreement with the Isle of Wight Council for a 100-year lease of £32k per annum, with the first 4.5 years rent free, on Victoria Barracks, East Cowes. Handover of the premises is expected in 2025/26. Tenant-only breaks can be exercised at any time subject to the required 12 months' written notice.

Notes to the financial statements for the year ended 31 January 2025 (continued)

26 CAPITAL COMMITMENTS

The charity has a capital commitment of £99k relating to UKSA's contribution to the Levelling Up Fund for the Victoria Barracks, East Cowes development as at 31 January 2025 (31 January 2024: none).

27 COMPARATIVE SOFA FOR THE YEAR ENDED 31ST JANUARY 2024

	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2023/24 £000's
INCOME FROM:			
Donations, Legacies and Grants	882	238	1,120
Charitable Activities	7,101	-	7,101
Other Trading Activities	209	-	209
Investments	50	-	50
Total income	8,242	238	8,480
EXPENDITURE ON:			
Raising funds:			
Trading Activities	126	-	126
Expenditure on raising funds	234	-	234
Charitable Activities	7,694	-	7,694
Total expenditure	8,054	-	8,054
Net income/(expenditure)	188	238	426
Transfers between funds	250	(250)	-
Net movement in funds	438	(12)	426
RECONCILIATION OF FUNDS:			
Total funds brought forward	7,453	178	7,631
TOTAL FUNDS CARRIED FORWARD	7,891	166	8,057

UK SAILING ACADEMY

England & Wales - Charity number 299248

Accounts

UK Sailing Academy Reports and Accounts 2023/24

For the Financial Year
ending 31 January 2024



REFERENCE AND ADMINISTRATIVE DETAILS

Patron

HRH the Princess Royal

Founders

Noel and Sylvia Lister

Trustees

Richard Stokes CBE	Chair of the Board
Sir Anthony Greener	(resigned 22 September 2023)
Claire Locke	
David Lister, MBE	Founder Trustee
Debra Price	Vice Chair
Marc Giraudon	Chair of Finance committee
Ole Bettum	(resigned 15 November 2023)
Samantha Axtell	
Claire Sunderland-Hay	Chair of Ops Risk committee
	(appointed 24 March 2023)
Shonagh Primrose	(appointed 24 March 2023)
John Michael Wemms	(appointed 24 March 2023,
	resigned 25 April 2024)
Catherine Longhurst	(appointed 24 March 2023)

Key Management Personnel

Ben Willows	Chief Executive
Tim Goulding	Interim Director of Finance & Risk
	(appointed January 2024)
Mark Smith	Director of Finance &
	Risk (resigned January 2024)
Sophie Dear	Director of Sales & Marketing
	(appointed December 2023)
Julia Hutchinson	Director of Marketing & Business
	Development (until December
	2023)
Chris Frisby	Director of Training & Operations
Amy Sweeting	Director of Fundraising &
	Development

Auditors

Crowe UK LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire RG1 1PL

Bankers

NatWest plc
107 St James' Square
Isle of Wight
PO30 1XH

Solicitors

Bates, Wells & Braithwaite London
2-6 Cannon Street
London
EC4M 6YH

Registered Office

Arctic Road
Cowes
Isle of Wight
PO31 7PQ

Registered Company Number

02251024 (England and Wales)

Registered Charity Number

299248

Accreditations \ Licences

British Accreditation Council (for independent further and higher education)
UK Independent College accreditation
RYA Accreditation
MCA Accreditation
ISO 9001 Registered
Adventure Activities Licensing Service
Visit England

Contact details

Telephone	01983 294941
Email	info@uksa.org
Website	www.uksa.org

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REPORT FROM THE CHIEF EXECUTIVE AND CHAIR OF TRUSTEES

OUR VISION: To be a world-leading provider of water-based adventures for young people and training for careers in maritime.

UKSA is the only training provider to offer comprehensive pathways from a child's initial experience of the sea, through education and training, to professional careers in maritime. Our outdoor learning and education programmes inspire and engage children and young people, enabling them to build confidence, develop vital life skills, broaden their horizons, and signpost them to the wide range of career opportunities the maritime industry offers.

UKSA's ambition is to provide more life-changing opportunities to the children and young people who need them most, empowering them to build positive futures and access pathways into maritime employment.

WHO WE ARE:

Founded in 1987, UKSA is a compassionate and inclusive organisation that unlocks profound maritime adventures, education, and career pathways, irrespective of an individual's life journey.

From its unique, four-acre, waterfront campus in Cowes, on the Isle of Wight, UKSA provides water-based adventure programmes for children and young people together with over 150 industry-leading maritime courses. It offers day and fully inclusive residential programmes, providing funding to those who would not otherwise be able to access these programmes.

In 2023/24 UKSA welcomed over 11,000 beneficiaries, including 6,711 school-aged pupils taking part in programmes to develop their skills and introduce them to the education and training opportunities available in the maritime sector.

UKSA is committed to widening access to maritime training, and enhancing employment opportunities in the sector and relies on the generosity of its donors, grant-making trusts, companies and industry partners, who help transform the lives of children and young people by providing funding to help them access UKSA's programmes.

Health and Safety, Safeguarding and the well-being of all UKSA students and staff is at the heart of everything we do.

OUR STRATEGY:

UKSA is passionate about empowering these young people to reach their potential and invest in their future, irrespective of their background or circumstance. It provides financial, welfare and coaching support to those facing barriers in their lives, be they economic, social, health or education, including those who are at risk of exclusion from school or of offending, and those not in education or employment. UKSA aims to extend its reach by engaging more schools and youth organisations who work with children from diverse and disadvantaged backgrounds, who would not otherwise have the opportunity to access its programmes.

UKSA will continue to increase the depth of its maritime careers offer by increasing both the scale and range of education and training it provides and the amount of financial support it offers to deserving young people seeking a career in maritime. UKSA will continue to work closely with employers and will tailor its training to meet the needs of the maritime industries.

REPORT FROM THE CHIEF EXECUTIVE AND CHAIR OF TRUSTEES (continued)

OUR DEVELOPMENT PATHWAY:



2023/24 HIGHLIGHTS:

- UKSA welcomed a total of 11,114 beneficiaries, from a wide variety of socio-economic backgrounds, across its programmes.
- UKSA engaged 32 schools in its Outdoor Learning programmes, a total of over 1,500 children, of which 527 were provided funding from its 'Leave No Child Behind' fund.
- UKSA accepted 481 young people onto its unique, fully funded Sea.Change Foundation programme, providing the opportunity to further develop their life skills, whilst learning about the training and careers opportunities available in the maritime industry. In 2023/24 UKSA also piloted this programme in Weymouth through its partnership with Marine Society & Sea Cadets.
- UKSA saw 100% of its Further Education students go into employment or further training and 30% join its careers programmes, evidencing the powerful pathways that it offers to young people.
- UKSA delivered world class career and professional training to 2,300 students in the maritime industry.
- UKSA provided an average of 50% funding to 80% of Superyacht Cadet students.
- UKSA worked with local businesses to provide apprenticeship schemes for Port Operatives and Workboat Crew Members.

OTHER MILESTONES:

2023/24 was the first full year of operation for UKSA's purpose-built, 136-bed Sea.Change accommodation block which opened in July 2022. This was the culmination of a four-year site development project and fundraising campaign, which raised £4.3m in donations and significantly improved UKSA's facilities and residential provision, increasing capacity, reach and impact.

Following this growth trajectory, UKSA has continued to develop its assets and as a key stakeholder in the levelling up plan for the Isle of Wight has worked with the Council to develop the East Cowes, Victoria Barracks site as another UKSA base. Our aim is to have this site operational in 2025, which will offer further employment opportunities for Island residents, whilst enabling us to support even more young people. We are grateful to our supporters for pledging their early funding support towards this transformational project.

REPORT FROM THE CHIEF EXECUTIVE AND CHAIR OF TRUSTEES (continued)

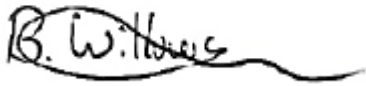
OPERATIONAL CHALLENGES AND ACHIEVEMENTS:

In 2023/24 there were the challenges of high inflation, a cost-of-living crisis, and an uncertain global economic environment.

Despite these challenges, UKSA was able to increase the number of beneficiaries welcomed through its doors and has delivered a strong financial performance. Since 2020, the charity has delivered a strong growth trajectory, both in terms of income and fundraising:

- Overall income increase: 23%
- Fundraising income increase: 107%

Having survived these significant challenges, during the year we grew income whilst simultaneously managing our operational costs to deliver a surplus of £0.4m. We also invested £0.9m in our buildings, fleet, and equipment to maintain and develop our asset base making sure it is fit for purpose for many years and generations to come.



Ben Willows, Chief Executive

14 June 2024



Richard Stokes CBE, Chair of Trustees

REPORT OF THE TRUSTEES

AIMS, OBJECTIVES AND VALUES

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of UK Sailing Academy (hereinafter 'UKSA') for the year ended 31 January 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP), applicable to charities (effective 1 January 2019), and have had regard to the general guidance provided by the Charity Commission on public benefit in ensuring that its aims and objectives comply with section 17(5) of the Charities Act 2011 and are for the public benefit.

AIMS AND OBJECTIVES:

UKSA is a youth training charity, which aims to inspire and support children and young people to broaden their horizons through its life enhancing water-based adventures, education and training for careers at sea.

Our objectives, as defined by our Articles of Association, are:

1. To advance the education and physical, mental and spiritual development of children (or young persons under the age of 25) by providing or assisting in providing facilities for training in sailing and seamanship for those who have need of such facilities by reason of poverty or social or economic circumstances (so that they may grow to full maturity as individuals and members of society).
2. To provide or assist in the provision of facilities for the recreation and other leisure time occupation of the general public, and in particular, facilities for watersports and outdoor activities in the interests of social welfare and with the object of improving their conditions of life.
3. To advance the education of the public in all aspect of maritime activities and in particular, in matters relating to: (a) the promotion of personal safety, (b) the prevention of accident, (c) navigation, (d) engineering, (e) seamanship, (f) stability and construction of boats, (g) communication at sea, (h) maritime law, and (i) business and interpersonal skills.
4. To promote community participation in healthy recreation through the provision of sailing facilities.

Every 3-5 years, UKSA develops a strategy to deliver these objectives considering the current needs of its primary beneficiaries and UKSA's operating capacity. This is outlined and reported on in more detail in the Strategic Report included later.

VALUES:

Our values reflect the type of charity that we want to be - one that loves what we do, has a passion for sharing it and wants to inspire as many people as possible through our work. They apply to all our employees, trustees, beneficiaries, supporters and volunteers:

- Challenge, have fun and smile.
- We take care of ourselves, those around us and this place.
- Be part of who we are and help others do the same.
- Tell the truth, hear the truth, act truthfully.
- If not you, who? If not now, when?

**REPORT OF THE TRUSTEES
STRATEGIC REPORT – PUBLIC BENEFIT**

UKSA RESPONDING TO THE NEEDS OF YOUNG PEOPLE:

There is considerable evidence that, post-Covid, young people need assistance more than ever. Across the UK, poverty and the attainment gap are increasing and due to increases in the cost-of-living, we are seeing more demand for financial support than ever before.

UKSA knows that outdoor education, structured training, and support into employment are vital to ensure children and young people can lead fulfilled lives. However, we also know that many children and young people are missing out on life-changing opportunities because schools, local authorities and parents simply cannot afford to pay for them.

UKSA IN THE LOCAL COMMUNITY:

UKSA has a significant economic footprint in the Isle of Wight local community employing approximately 135 permanent staff with an additional 100 freelance or casual staff during the summer season. We are proud to acknowledge that we exist in an Island community where everyone matters, and we recognise our people are key to our success and their health and wellbeing is central to our people strategy.

UKSA's dedication to Islanders and, in particular, to ensuring its young people have priority access where possible to some of the best opportunities to shape their education and careers, is unwavering.

OUR IMPACT:

UKSA is an impact led organisation, measuring the outcomes on young people across all programmes. These focus on enhanced Skills 4 Life alongside ensuring our young people obtain viable employment opportunities to provide a career for life. UKSA has partnered with Cambridge University to measure and validate these outcomes: Key Impact outcomes in 2023/24 include:

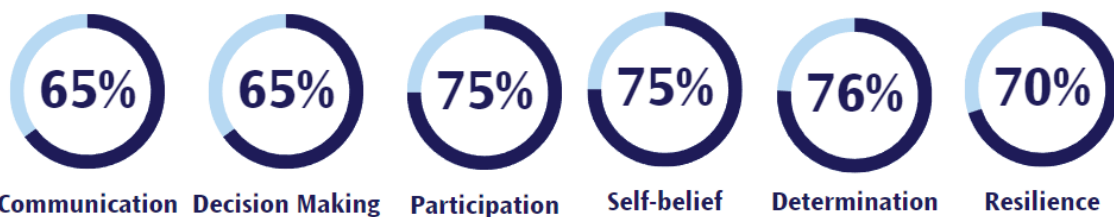
SUPPORTING CHILDREN FROM THE UK AND THE IOW IN A TIME OF ECONOMIC CHALLENGES:

1. School residential trips at UKSA - Leave No Child Behind

In 2023/24, UKSA welcomed 5,673 children and their leaders on a residential trip. Thanks to our donors, we were able to provide £150,0000 of funding support to 32 schools. This equated to 527 children facing financial hardship within the criteria of Free School Meals, Pupil Premium, Education, Health and Care Plans , who were able to join their peers on an enriching experience instead of being left behind in the classroom. This financial support for schools from the most deprived areas also included travel costs and the provision of essential items, including swimwear for those in need.

UKSA reached out to new schools and youth groups from disadvantaged backgrounds as well as welcoming returning schools. Through this outreach, the charity saw a 55% increase in the number of beneficiaries able to access support from some of the most deprived postcodes in the UK compared with the previous year.

UKSA programmes provide a new learning environment outside of the classroom and are designed to build confidence and encourage teamwork. The results reported from 2023/24 UKSA Skills 4 Life measurements highlight substantial increases across all development elements.



These findings demonstrate UKSA programmes improve self-confidence, personal growth, and children's ability to recognise their capabilities and improve behaviours back in the classroom.

**REPORT OF THE TRUSTEES
STRATEGIC REPORT – PUBLIC BENEFIT (continued)**



“I am struggling to express how important this trip has been on these young people. For some of them to have had the bravery to try new things, which they were only able to do thanks to the encouragement of the UKSA instructors.

- Abi Johnson, Cirencester Deer Park School

“The funding has been incredible and has enabled our young people that might not have had the opportunity to come away on a trip like this to realise their dream and to take part in an amazing experience at UKSA.

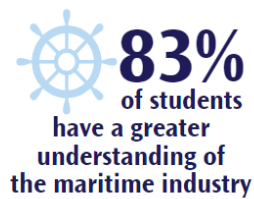
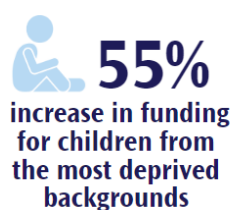
- Assistant Principal, Mary Rose Academy

2. Sea.Change Programme

Last year, UKSA funded 481 beneficiaries to take part in its Sea.Change Foundation programme, an increase of 64% on the previous year. Since 2021, UKSA's pathway progression from Sea.Change into Further Education has increased by over 80%. This increase is a promising indicator that the charity is achieving its intended goals of fostering development within the maritime industry for young people from disadvantaged backgrounds.

UKSA continues to remove financial barriers whilst bridging the gap between education and employment, addressing two key issues; helping young people from low-income backgrounds to access career opportunities into a maritime career and offering a solution to the shortage of skilled seafarers in maritime operations.

2023/24 impact figures for our Sea.Change Programme:



“The UKSA Sea Change course was an unforgettable journey for me, but what stood out the most was the opportunity to connect with individuals from all corners of the globe. The diverse perspectives and personal stories shared made for a truly enriching experience. Had it not been for UKSA and the Sea.Change Foundation, many of us in the group would never know about the opportunities and futures that lie ahead in the maritime industry. We have all made new friends and coming to UKSA has been the highlight of our summer.

- Muhammad, Sea.Change Beneficiary.

3. Test the Water

Launched in 2014, the 'Test the Water' programme gives all Year 6 Isle of Wight children the opportunity to come to UKSA to try sailing and watersports through a free half-day session with their school. Many children living on the Island have never had the opportunity to go into the sea before, despite growing up so close to it. 34% of children on the Isle of Wight live in poverty, 22% Island children in primary school are in receipt of free school meals. UKSA funds students to participate in its Test the Water programme so that every child can benefit regardless of their financial situation. Last year UKSA welcomed 1,213 island students from 38 Schools to take part in this programme.

The programme takes Island students out of the classroom and for many children, this new experience gives them a unique opportunity to thrive and positively impacts them when back in school, boosting their confidence and encouraging them to try new things. From this introduction, UKSA offers follow-on programmes to give further opportunities to those wishing to seek more adventures and the possibility of a maritime career. To date over 10,000 young people on the Isle of Wight have benefited from this programme.

REPORT OF THE TRUSTEES
STRATEGIC REPORT – PUBLIC BENEFIT (continued)



“ The staff really get everyone along and get the children sailing without it being a big thing, they don't even realise that they are doing it. It's a real sense of fulfilment and overcoming what they are scared of, it's really empowering.

Ollie Whiting, Teacher Newport C of E Primary school

“ The children love it, it's great fun and so important for them to feel safe around the water. It's Fantastic!

Heather, Island Primary School Teacher

Maritime Depth: In response to the challenges facing young people, UKSA is proud of its careers and professional maritime training courses delivering high exam pass rates and supporting young people into maritime employment. UKSA is an outcome led organisation, and we ensure that we that measure our impact throughout our programmes. UKSA is working with academics at the University of Cambridge to develop a theory of change, which considers young people's development, learning and examines the relationship between personal factors, such as the environment and behaviour.

UKSA programmes provide a new environment outside of the classroom and are designed to build confidence and encourage teamwork using the sea as a catalyst for positive change.

“ Being at UKSA I have found who I really am – I am myself. Education Student

“ In terms of careers available to young people, it's about raising awareness. They weren't even aware of the size of the maritime industry and how many different jobs there are. I know of one young person who is now considering working in the maritime sector and has decided that's what he wants to do as a career moving forward.

Director of Programmes, The Royal National Children's Springboard Foundation

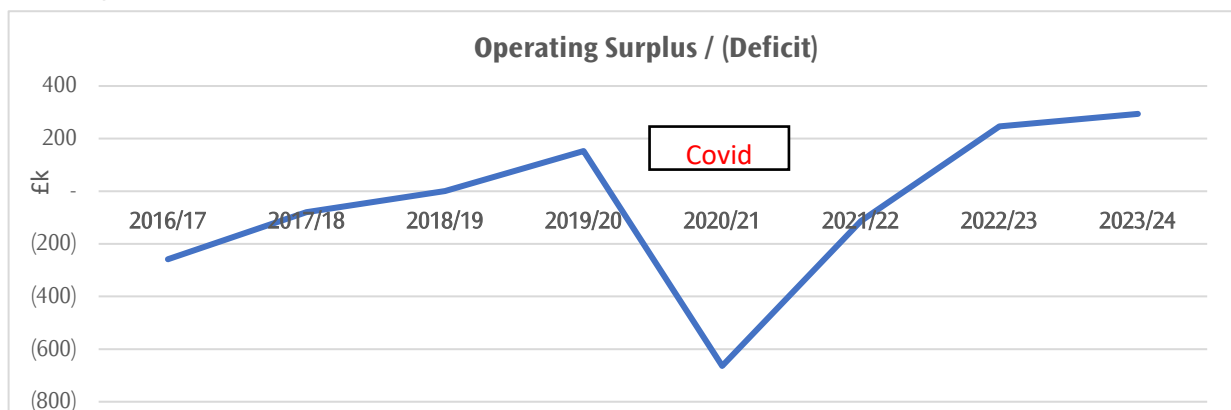
- **Further Education:** 100% of students successfully completed their courses in 2023/24 and either progressed their training or entered employment. As part of its partnership with the IOW College UKSA received a highly rated score by Ofsted.
- **Careers:** In 2023/24 UKSA achieved an overall pass rate of 97% across its careers programmes and 98% (of those who reported back to us) entered a job in the maritime sector
- **MCA Exam pass rates:** In 2023/24 UKSA achieved an average pass rate of 74% across key MCA modules which is higher than the industry average.
- **Welfare:** UKSA has extensive experience of working with many young people who struggle with traditional learning in the classroom, with 33% of its Further Education students being classed as SEN. In the last quarter, UKSA's Welfare team supported 196 students and worked with many local schools and authorities to support its local young people with Alternative Provision.

**REPORT OF THE TRUSTEES
STRATEGIC REPORT - FINANCIAL REVIEW**

FINANCIAL RESULTS FOR THE YEAR:

Economically, 2023/24 was a challenging year. There was high inflation, a cost of-living crisis that impacted the finances of UKSA's beneficiaries, and global conflicts that disrupted supply chains. Despite this UKSA continued to deliver a solid financial return whilst also meeting the needs of its 11,114 beneficiaries. This achievement is a testament to the dedication of our team and the focus on financial discipline and cost control. Financial resilience and strategic resource allocation is central to our decision-making processes in order to ensure the long-term success of the charity. We continue the journey of growing income and developing our asset base while carefully controlling expenditure.

Operating Performance: UKSA continued to deliver solid progression in its operating performance in 2024:



**REPORT OF THE TRUSTEES
STRATEGIC REPORT - FINANCIAL REVIEW (continued)**

The table below illustrates how we calculate our operating performance:

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
						COVID		
Total Surplus per SOFA	117	27	104	294	1,670	850	461	426
Less: Donated capital income	(375)	(105)	(101)	(139)	(2,374)	(983)	(234)	(116)
Less: Income from investments	(1)	(1)	(2)	(2)	(1)	(20)	(20)	(50)
Add: Interest Payable	-	-	-	-	41	39	39	34
Operating Surplus / (Deficit)	(259)	(79)	1	153	(664)	(114)	246	294

Non-operating items such as donated capital income and investment and debt interest have been removed.

GOING CONCERN BASIS:

UKSA's Trustees, supported by the Executive Team, have considered the reserves and net asset position and are satisfied that these financial statements should be prepared on an ongoing concern basis. This is supported by our auditors.

RESERVES:

The balances and movements in funds along with the amounts held at the year-end are detailed in note 22 to the Financial Statements. Transfers between reserves represent the application of restricted and designated funds to capital projects, funded programmes and bursaries.

REPORT OF THE TRUSTEES
STRATEGIC REPORT - FINANCIAL REVIEW (continued)

Unrestricted Reserves: The designated fixed asset reserve fund is presented net of the balance of the secured bank loan that was arranged in 2020 and secured against the Charity's fixed assets. The unrestricted general fund balance ("free reserves") is £296k as at 31 January 2024.

Restricted Reserves: Restricted funds are held to support revenue expenditure and can only be used in accordance with donors' directions, further details of the funds and their intended use are to be found in Note 22 to these accounts.

Reserves Policy: The Trustees have set the guide amount of general unrestricted (free) reserves at £275k for the charity based on their 2022/23 studies of worst case (loss of income) scenarios.

INVESTMENT POLICY:

The Trustees assessed the working capital requirements of the charity, and the liquid funds were deemed to be sufficient to meet the short-term cash flow requirements of the charity but not at a level to place funds in longer term investments. Whenever possible, reserve funds are held in short term notice accounts to maximise income from interest with minimal risk.

REPORT OF THE TRUSTEES STRATEGIC REPORT – FUTURE DEVELOPMENTS

HOW WE PLAN FOR THE FUTURE:

In Spring 2024, the Trustees and Executive Team reviewed the charity's strategy in the context of how the needs of beneficiaries had been affected post the Covid-19 pandemic. Whilst the detailed development of the overall ambition and core purpose of UKSA by 2030, is to deliver and be recognised for High Quality - Deep Impact programmes, it will focus on supporting young people, particularly those who have faced barriers through UKSA's unique training and careers pathways into the maritime sector.

Success in 2030 will be judged against how well we are delivering the following:

- The number of students coming through the Sea.Change programme and their increased understanding about, and signposting to, careers in maritime.
- The number of students attending UKSA who have faced barriers and who wouldn't otherwise access its programmes.
- The number of students following UKSA'S career pathway offer
- The number of students going into (maritime) employment
- The quality of our training offer.

STRATEGY VISION

OUR VISION: To be a world-leading provider of water-based adventures for young people and training for careers in maritime.

OUR PURPOSE

UKSA inspires and supports children and young people to broaden their horizons through its life-enhancing water-based adventures, education, and training for careers in maritime.

OUR MISSION

UKSA's strategic mission is to continually develop its services, assets and people to meet the needs of children and young people. Our aim is to remove both financial and social barriers to enable students from any background to be able to access UKSA programmes by providing funding for those who need it. We want our beneficiaries to achieve their best and gain life-changing experiences, qualifications and progress along a pathway into a maritime career.

UKSA's evidenced-based approach to the long-term benefits of UKSA's work will enable it to work within a network of 'like-minded' partners to create further awareness and opportunities to grow with agility and at scale on the mainland; whilst developing its Cowes HQ site as a centre for Maritime excellence to support deserving young people.

REPORT OF THE TRUSTEES
STRATEGIC REPORT – FUTURE DEVELOPMENTS (continued)

OUR FIVE STRATEGIC PRIORITIES:

- 1. Broaden the horizons of children accessing UKSA's programmes. Increasing volumes and funding support for children and schools from disadvantaged areas.**

Goal – Increase volumes of Schools & Group children accessing UKSA's water-based activities.

Target Beneficiaries - 6 – 16 years. Those in need of confidence and life skills and / or need extra support (for instance SEN, Pupil Premium etc.)

- 2. UKSA recognised as the global centre of excellence for maritime training and career progression.**

Goal – Increase volumes of assisted funded careers places and form strategic partnerships with industry organisations to develop new and existing programmes and secure employment for beneficiaries.

Target Beneficiaries - 16 – 25 years of age:

- Those who would otherwise not be able to access maritime programmes
- Those seeking a career in the maritime industry / seeking an alternative to university
- Those working in the maritime sector
- Those seeking to develop their career in the maritime industry / gaining higher qualifications to enable job retention and future career progression

UKSA's Sea.Change programme, delivered for 14–17-year-olds in the summer holidays, provides the bridge between these two strategic priorities – informing on the opportunities for a career in maritime.

- 3. Working with partners to grow and deliver UKSA introductory sessions. Building awareness of, and engagement in, UKSA's pathways and maritime employment.**

Goals – Develop partnerships with 'like-minded' organisations on the mainland to grow UKSA's introductory activities, signposting beneficiaries to the opportunities of careers and skills training in Cowes.

Target Beneficiaries 6 – 16 years. Those in need of confidence and life skills and/or need extra support (for instance SEN, Pupil Premium etc.)

- 4. Maintain adequate free reserves and deliver evidenced-based impact creating a step change in UKSA's fundraising activity and income.**

Goals – Deliver operational surplus in line with long term plans.

- Create sustainable and significant fundraising income to support target beneficiaries: We will diversify income streams and create lasting relationships with funders, and
- Deliver evidence-based research assessment on UKSA's impact. Our overall approach is to be led by the needs of our beneficiaries, focusing on the impact and outcomes on their lives.

Target Beneficiaries – All UKSA beneficiaries and stakeholders.

- 5. Grow UKSA's capacity on the Isle of Wight, whilst developing and maintaining a world-class staff team and facilities.**

Goals – Deliver a capital investment plan to ensure UKSA remains a world-leading maritime training centre

- Expand our Isle of Wight capacity, focusing on East Cowes, and reducing the risk of watersports operations,
- UKSA's resources are fit for purpose and remain a world-leading maritime training and work environment,
- Execute a digital-enabled strategy to significantly improve organisational efficiency, and
- Become a "Best Companies" employer.

Target Beneficiaries - All UKSA beneficiaries and stakeholders.

REPORT OF THE TRUSTEES STRATEGIC REPORT - RISK REVIEW

RISK MANAGEMENT - TRUSTEES:

UKSA operates a formal risk management process at the top of which is the Operational Risk Sub-Committee (ORSC) which meets quarterly. ORSC considers all main risk areas, subject to the paragraph below. It is chaired by a Trustee and comprises two other Trustees as well as members of the Executive Team. The sub-committee also considers any reported incidents in detail. Summaries of the sub-committee's discussions are presented to the main Board at its quarterly meetings.

The risks associated with the new building project were monitored by the Capital Development Sub-Committee insofar that they related to Health & Safety, compliance with planning and other regulations, unforeseen complications in the ground, supplier issues and the business risk of delays overrun. The Financial Risk relating to the project has been a matter for Finance Sub Committee.

A summary of the major risks to the charity is held on a detailed risk register that identifies which scores the operational, financial, governance, compliance and external risks and evaluates the measures that are in place to mitigate them.

The risk register is a regularly updated by management and is reviewed by the ORSC. UKSA has a structured approach to risk, that emphasises the importance of mitigating both the likelihood and the impact of risk. In doing so we adopt a four-tier approach to mitigating risk. Tier 1 comprises measures that are followed at an operational level by individuals and teams as part of their day-to-day work. Our internal audit processes are the mainstay of Tier 2 while at Tier 3, we have the external expertise that supports the risk assurance activities that we do in-house. At Tier 4 are the external inspections and audits that are required to maintain regulatory compliance.

Financial Risk is a matter for the Trustee led Finance Sub-Committee. The charity's main income is derived from maritime training. The main financial risk is a significant downturn in business activity leading to an interruption in sold or fundraised income.

RISK MANAGEMENT - OPERATIONAL:

The predominant operational or reputational risks for the charity are the health and safety of students taking part in UKSA activities on and off the water and the safeguarding of young people and vulnerable adults. Monthly Health and Safety meetings are held for both shoreside and water activity risks, both feeding into a monthly Health and Safety management meeting. Leadership is a key element of safety assurance, and a member of the Executive Team chairs all such meetings.

Stringent operating procedures are in place to minimise the risk of accidents while undertaking activities at UKSA and all instructors undergo a mandatory and rigorous induction programme followed up with regular training. Daily operational meetings are held to assess risk for each day's activities and consider group ability, type of activity and location. This, together with the high level of monitoring from national governing bodies and statutory authorities helps to ensure that safety is paramount at UKSA.

UKSA has a Designated Safeguarding Officer within the Executive Team and holds monthly safeguarding meetings with key staff to review practices and policies. All staff, Trustees and volunteers receive appropriate levels of training in safeguarding for young people and adults deemed to be at risk. A robust safeguarding policy is in place and external expertise is sought where necessary.

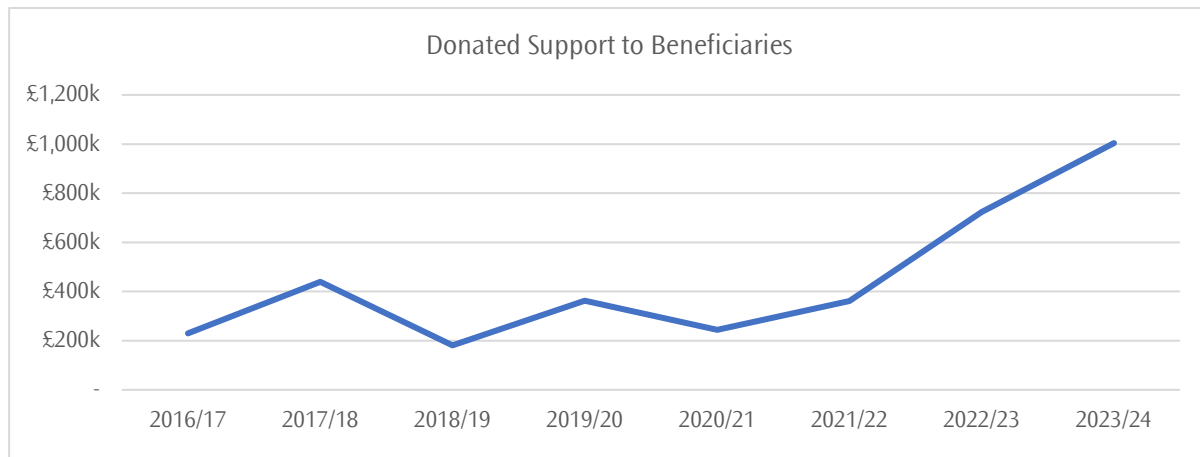
The charity engages with Centor Risk Management to provide a risk consultancy service with a particular emphasis on insured risk, and compliance with policy wordings. In addition, working with our IT partner, PC Consultants, we implemented the measures required to achieve the Cyber Essentials standard that is promoted by the National Cyber Security Centre.

UKSA has a robust critical incident response plan, which was developed with the support and input of the ORSC and our external consultants, Pharos Response, who are specialists in risk and reputation management in the education, youth, travel and adventure sectors and who also provide the charity with 24/7 incident support.

**REPORT OF THE TRUSTEES
STRATEGIC REPORT – FUNDRAISING REVIEW**

FUNDRAISING OVERVIEW:

The charity has secured a number of new funders and greatly benefits from transformational ongoing relationships with key funders. A focus on multi-year funding, sponsorship and major unrestricted donations means that the charity can be agile and react to the needs of charity beneficiaries. Progress in this area is illustrated in the graph below:



HOW WE FUNDRAISE:

UKSA is a medium sized charity that takes a long term, supporter-led relationship approach to its fundraising activities. The fundraising team raise funds to support programme delivery, capital projects and unrestricted income to support the charity in whatever way it needs. UKSA has raised £4.4m for capital projects (Sea.Change building, Training Centre building, Shower Blocks, Yachts and Dinghies) in the last 7 years. UKSA ensures fundraising remains beneficiary focused and impact driven, sharing stories with supporters to bring to life their support.

The charity's small fundraising team is led by an experienced Director of Fundraising and Development. The Chief Executive, wider management team and Trustees also play a significant role in raising funds for the Charity. All partnerships with third parties are managed in line with the Fundraising Regulator and Charity Commission including contracting, reporting and managing their fundraising activities. Furthermore, where a third party is used UKSA asks that the third party adheres to the provisions in the Code of Fundraising Practice where relevant.

The Fundraising Team are supported by a Fundraising Sub-committee, which ensures that all new income generating activity, whether from charitable activities or from fundraising, is carried out in a way that is consistent with UKSA's overall strategic priorities. The Fundraising Team have developed and are implementing a growth strategy, which looks at the future of the fundraising and marketing landscapes, with the following aims:

- Increasing multiyear commitments of support with a focus on unrestricted income
- Launching and growing the Founders' Club for major donors
- Growing strategic corporate partnerships, including within the maritime industry
- Creating an impact focussed communications plan
- Growing community fundraising, challenge events and wider event offerings

FUNDRAISING CONTROLS:

UKSA is a member of the Fundraising Regulator and is committed to the highest standards in fundraising. At all times, we ensure that we are respectful, open, honest and accountable to our supporters and the public. All UKSA's fundraising activities must comply with the Fundraising Regulator's Code of Fundraising Practice for the UK and UKSA adheres to the Code's requirement on handling any breaches of the Code or complaints about UKSA's fundraising activities. There have been no such breaches or complaints reported in the year to 31 January 2024, or subsequently.

UKSA also has a fundraising policy which works alongside charity safeguarding and volunteering policies which sets out our approach to protecting our beneficiaries and supporters. Alongside this, the department works closely with the Trustees to outline their responsibility against the CC20 Funding & Finance Guidance ensuring we continue to fundraise effectively, efficiently, and legally.

REPORT OF THE TRUSTEES STRUCTURE, GOVERNANCE AND MANAGEMENT

UKSA is incorporated as a company limited by guarantee, as defined by the Companies Act 2006, and is governed in accordance with its Memorandum and Articles of Association. The charity is directed by a Board of unpaid Trustees who are also directors for the purposes of the Companies Act 2006. At the end of January 2024, there were eight Trustees. Other than the Founding Member Trustee, Trustees serve for four years, with the possibility of election for a second four-year term. Only under exceptional circumstances are further terms considered, to be reviewed annually thereafter.

UKSA's Chair of Trustees has a maximum set term of four years and can serve a maximum of three such terms. There is an agreed and documented selection process to either re-appoint the existing Chair or select a new Chair, which takes place every four years. The nominations committee, comprising three to five Trustees, conducts the selection process.

The Board is self-appointing, elected on the basis of professional qualities, experience, competence and availability. Trustee training is provided.

The Board meets at least four times a year. Trustees are responsible for the appointment of the Chief Executive, to whom day-to-day management of the organisation is delegated. Trustees work with the Executive Team to develop a long-term strategic plan, progress against which is reviewed with them at annual strategy and development meetings. The Board also reviews and approves the Executive's annual business plan and budget. At quarterly Governance meetings, the Board addresses governance matters and assesses the charity's performance with the Executive Team. Additionally, the Chief Executive holds regular conference calls with the Board on any matters arising.

The Board has established standing Sub-Committees to provide specific oversight, advice and recommendations. Sub-Committees are made up of at least two Trustees, as well as Executive Team members and external advisors as required.

- The Finance Sub-Committee monitors the effectiveness of the charity's financial controls and reporting, considers key areas of financial risk and compliance, reviews the audit process and has a key role in the control of financial planning, investments and pensions.
- The Operational Risk Sub-Committee, which monitors all areas of risk to the charity other than financial risk, reviews incident reports and scrutinises the risk management system.
- The Reward Sub-Committee reviews the remuneration and benefits for the CEO and makes recommendations to the Board with regard to criteria for pay awards and benchmarking.
- The Fundraising Sub-Committee ensures consistency of focus and approach across all Course Delivery and Fundraised streams of income.

UKSA has a wholly owned non-charitable subsidiary, UKSA Trading Limited, who activities include recreation and leisure activities.

REPORT OF THE TRUSTEES STATEMENT OF TRUSTEES' RESPONSIBILITIES

UKSA's Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently,
- observe methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

The Trustees are also responsible for ensuring that proper accounting records are maintained, that 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 Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in England/Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

In so far as we are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The auditors will be proposed for re-appointment in accordance with the Companies Act 2006 at the Annual General Meeting of the Board.

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report included here in their capacity as the company's directors.

ON BEHALF OF THE BOARD:



Richard Stokes CBE, Chair of Trustees

14 June 2024

**UK SAILING ACADEMY (UKSA)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY**

Independent Auditor's Report to the Members of UK Sailing Academy

Opinion

We have audited the financial statements of UK Sailing Academy (the "charitable company") and its subsidiary (the "group") for the year ended 31 January 2024 which comprise Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cashflows and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 January 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**UK SAILING ACADEMY (UKSA)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

**UK SAILING ACADEMY (UKSA)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY**

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and group for fraud. The laws and regulations we considered in this context were Charity Commission regulations health and safety legislation, General Data Protection Regulation (GDPR), Royal Yachting Association (RYA) regulation and Maritime and Coastguard Agency (MCA)/International Association of Marine Investigators (IAMI) regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of certain income streams and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance, Risk, Audit and Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and the certain income streams, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

19 June 2024

Consolidated statement of financial activities for the year ended 31 January 2024

(Incorporating income and expenditure account)

		Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2023/24 £000's	TOTAL 2022/23 £000's
INCOME FROM:					
Donations, Legacies and Grants	2	882	238	1,120	957
Charitable Activities	3	7,101	-	7,101	6,566
Trading Activities	4	209	-	209	195
Government Support	5	-	-	-	19
Investments	6	50	-	50	20
Total income		8,242	238	8,480	7,757
EXPENDITURE ON:					
Raising funds:					
Trading Activities	4	126	-	126	124
Expenditure on raising funds	7	234	-	234	194
Charitable Activities	8	7,694	-	7,694	6,978
Total expenditure		8,054	-	8,054	7,296
Net income		188	238	426	461
Transfers between funds	22	250	(250)	-	-
Net movement in funds		438	(12)	426	461
RECONCILIATION OF FUNDS:					
Total funds brought forward		7,453	178	7,631	7,170
TOTAL FUNDS CARRIED FORWARD	22	7,891	166	8,057	7,631

Continuing operations

All of the charity's activities are continuing. There were no gains or losses other than those shown above.

Full comparatives for the year to 31 January 2023 are shown in note 27.

The notes on pages 26 to 43 form part of these financial statements.

Group balance sheet as at 31 January 2024

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2023/24 £000's	TOTAL 2022/23 £000's
FIXED ASSETS	21	8,970	-	8,970	8,531
CURRENT ASSETS					
Stocks	15	153	-	153	148
Debtors: Amounts falling due after more than one year	16	368	-	368	317
Debtors: Amounts falling due within one year	16	1,095	-	1,095	1,182
Short Term Deposit Accounts	17	1,310	-	1,310	1,270
Cash at bank and in hand	17	348	166	514	624
		3,274	166	3,440	3,541
CREDITORS					
Amounts falling due within one year	18	(3,037)	-	(3,037)	(3,052)
NET CURRENT ASSETS		237	166	403	489
TOTAL ASSETS		9,207	166	9,373	9,020
CREDITORS					
Amounts falling due after more than one year	19	(1,316)	-	(1,316)	(1,389)
NET ASSETS		7,891	166	8,057	7,631
FUNDS	22				
<i>Unrestricted funds;</i>					
Designated tangible fixed asset fund (net of secured bank loan)				7,595	7,095
Unrestricted general funds				296	358
				7,891	7,453
<i>Restricted funds;</i>					
Restricted bursary funds				166	178
Restricted capital fund				-	-
				166	178
TOTAL FUNDS				8,057	7,631

The notes on pages 26 to 43 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 14 June 2024.

And were signed on its behalf by:



Richard Stokes CBE
Chair of Trustees
14 June 2024
Registered Company Number: 02251024

Company balance sheet as at 31 January 2024

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2023/24 £000's	TOTAL 2022/23 £000's
FIXED ASSETS	21	8,970	-	8,970	8,531
CURRENT ASSETS					
Stocks	15	151	-	151	145
Debtors: Amounts falling due after more than one year	16	368	-	368	317
Debtors: Amounts falling due within one year	16	1,092	-	1,092	1,181
Short Term Deposit Accounts	17	1,310	-	1,310	1,270
Cash at bank and in hand	17	346	166	512	622
		3,267	166	3,433	3,535
CREDITORS					
Amounts falling due within one year	18	(3,030)	-	(3,030)	(3,046)
NET CURRENT ASSETS / (LIABILITIES)		237	166	403	489
TOTAL ASSETS		9,207	166	9,373	9,020
CREDITORS					
Amounts falling due after more than one year	19	(1,316)	-	(1,316)	(1,389)
NET ASSETS		7,891	166	8,057	7,631
FUNDS	22				
<i>Unrestricted funds:</i>					
Designated tangible fixed asset fund (net of secured bank loan)				7,595	7,095
Unrestricted general funds				296	358
				7,891	7,453
<i>Restricted funds:</i>					
Restricted bursary funds				166	178
Restricted capital fund				-	-
				166	178
TOTAL FUNDS				8,057	7,631

The surplus for the financial year 2023/24 dealt with in the financial statements of the parent charity was £426k (2022/23: £461k).

The financial statements were approved and authorised for issue by the Board of Trustees on 14 June 2024.

And were signed on its behalf by:



Richard Stokes CBE
Chair of Trustees
14 June 2024
Registered Company Number: 02251024

Consolidated statement of cash flow for the year ended 31 January 2024

	Notes	2023/24 £000's	2022/23 £000's
NET CASH PROVIDED BY OPERATING ACTIVITIES	A	931	223
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		50	20
Interest paid and fees		(74)	(76)
Purchase of tangible fixed assets		(916)	(2,266)
		(940)	(2,322)
CASH FLOWS FROM FINANCING ACTIVITIES			
Secured bank loan repaid in year		(61)	(64)
MANAGEMENT OF LIQUID FUNDS			
Short term deposit account transfers		(40)	234
(Decrease)/Increase in cash in the year	B	(110)	(1,929)

NOTE A - RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES

Net income	426	461
Depreciation charges	477	410
Interest received	(50)	(20)
Interest paid and charges	74	76
(Increase)/Decrease in stocks	(5)	(32)
Decrease/(Increase) in debtors	36	(349)
(Decrease)/Increase in creditors	(27)	(323)
Net cash provided by operating activities	931	223

NOTE B - RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

(Decrease)/Increase in cash in the year	(110)	(1,929)
(Decrease)/Increase in short term deposits	40	(234)
Secured bank loan repaid in year	61	64
Change in net cash	(9)	(2,099)
Net cash at 1 February	458	2,557
Net cash at 31 January	449	458

ANALYSIS OF CHANGE IN CASH AND CASH EQUIVALENTS

	At 1st Feb 23 £000's	Cashflow £000's	At 31st Jan 24 £000's
Cash at bank and in hand	624	(110)	514
Short term deposit accounts	1,270	40	1,310
Loans	(1,436)	61	(1,375)
Total	458	(9)	449

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

UK Sailing Academy is an incorporated charity (number 299248) and company (number 02251024) with its registered office at Arctic Road, Cowes, Isle of Wight PO31 7PQ and is incorporated and domiciled in the UK.

1 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

UKSA 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).

b) Going concern

In their assessment of going concern, the trustees have considered the impact of the current economic climate on the charity. Supported by the management team, they have throughout the year considered the cash, reserves and net asset position of the charity (I&E, Cashflow and balance sheet forecasts and reviewed on a rolling basis). Based on these considerations the Trustees consider that the going concern basis for the charity is appropriate.

The trustees are confident that the management team will continue to mitigate financial risks effectively by actively managing liquidity and by carefully controlling income and expenditure.

c) Group accounts

The accounts have been consolidated to include the results of the charity's trading subsidiary, which has the same year-end. No separate profit and loss account is presented for UK Sailing Academy as permitted by Section 408 of the Companies Act 2006. The parent company's surplus for the year was £426k (2022/23: £461k).

d) Income

All income is included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Voluntary income is credited to the income and expenditure account on a received basis, apart from income that covers a specific period of time ending after 31 January 2024, the deferred part of the income being shown within creditors. Income from the charitable activities is recognised on an accruals basis, and income relating to courses which commence after the balance sheet date is deferred to future accounting periods.

e) Expenditure

All expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure. Support costs are allocated between the activities of the charity on a percentage basis in line with the income and activity levels of those activities.

Included within charitable activity are governance costs. Governance costs are those costs associated with the governance arrangements including external and internal audit and legal advice for Trustees, rather than the day-to-day management of the charity.

Notes to the financial statements for the year ended 31 January 2024 (continued)

f) Debtors

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

g) Cash and cash equivalents

Cash is represented by cash in hand and short term highly liquid investments with a short maturity of 95 days or less from the date of acquisition or opening of the deposit or similar account. This has been split accordingly on the face of the balance sheet.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

i) Intangible fixed assets

The company capitalises purchases of intangible assets where the value is over £1k and the useful economic life is at least three years. Amortisation is provided on all intangible fixed assets using the straight-line method designed to write off each asset over its expected useful economic life. The expected useful life of the company's intangible fixed assets is 10 years.

The company reviews its intangible fixed assets on an annual basis and will consider an impairment of those assets where the carrying amount (net book value) of the asset is higher than its recoverable amount; the recoverable amount being defined as the higher of the amount that could be obtained by selling the asset (Net Realisable Value), and the amount that could be obtained by using the asset (Value in Use).

i) Tangible fixed assets

The company capitalises purchases of tangible assets where the value is over £1k and the useful economic life is at least three years. Depreciation is provided on all tangible fixed assets using the straight-line method designed to write off each asset over its expected useful economic life. It is the company's policy to determine the expected useful life of each asset individually, ranging from 3 to 100 years.

The company reviews its tangible fixed assets on an annual basis and will consider an impairment of those assets where the carrying amount (net book value) of the asset is higher than its recoverable amount; the recoverable amount being defined as the higher of the amount that could be obtained by selling the asset (Net Realisable Value), and the amount that could be obtained by using the asset (Value in Use).

j) Impairment of buildings

Buildings are held at historic cost. This value is subject to the requirement to test assets for impairment in accordance with section 27 of FRS102.

The company will get a land and buildings valuation done at least every 10 years to confirm no impairment is requirement, with a directors' assessment in the interim. The last valuation was performed by Jones Lang LaSalle in 2021 and showed no impairment was required.

k) Stocks

Stocks of bought in goods are stated at the lower of cost and net realisable value. Stocks held include Provisions, Bar, Vending, Merchandise, Clothing and Red Funnel ferry tickets.

Stocks also include inventory items held for free distribution to beneficiaries in furtherance of charitable activities (e.g., boards, masts, sails, wetsuits, paddles, buoyancy aids etc.). Inventory is written down (impaired) to nil value over a three-year period.

Notes to the financial statements for the year ended 31 January 2024 (continued)

l) Taxation

The charity is exempt from corporation tax on its charitable activities. Irrecoverable VAT is recognised as an expense in the Statement of Financial Activities within training and education expenditure. The trading subsidiary has not incurred a tax charge as it gifts all profits to the charity.

m) Pensions

The charity does not operate a defined benefit pension scheme. UKSA auto-enrolled eligible employees with the National Employment Savings Trust (NEST) as the provider for its workplace pension. During 2023/24 UK Sailing Academy contributions of £69k (2022/23: £62k) were recognised in the Statement of Financial Activities (see Note 13).

n) Leased assets

Instalments on operating lease contracts are charged on a straight-line basis over the lease life.

o) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are subject to specific conditions laid down by donors as to how they may be used, or which have been raised by the charity for particular purposes. The aim and use of each restricted fund are set out in the notes to the financial statements.

p) Financial instruments

The charity has financial assets and 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. Note 20 provides more information in respect of this area.

q) Key judgements and estimates

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

Notes to the financial statements for the year ended 31 January 2024 (continued)

2	DONATIONS AND LEGACIES	2023/24	2022/23
		£000's	£000's
	Donations (Revenue)	1,004	719
	Donations (Capital)	116	234
	Grant funding	-	4
		1,120	957
		1,120	957
3	INCOME FROM CHARITABLE ACTIVITIES	2023/24	2022/23
		£000's	£000's
	Youth Development programmes	8	-
	Schools and groups	1,356	1,185
	Careers courses for employment	3,336	2,994
	Professional training	1,620	1,589
	Recreational training	299	318
	Total income for training activities	6,619	6,086
	Student services and site income	324	295
	Lost deposits	158	185
		7,101	6,566
		7,101	6,566

Income in respect of courses that commence after the balance sheet date is deferred and recognised over the period during which the course takes place. An analysis of deferred income is shown below:

	2023/24	2022/23
	£000's	£000's
Gross income from charitable activities	6,926	6,658
Amounts deferred last year that have been released in the current year	2,338	2,246
Amounts deferred to future periods	(2,163)	(2,338)
	7,101	6,566
	7,101	6,566

Notes to the financial statements for the year ended 31 January 2024 (continued)

4 INVESTMENT IN TRADING COMPANY

UK Sailing Academy holds 100% of the share capital of UKSA Trading Limited (registered office – Arctic Road, Cowes, Isle of Wight PO31 7PG – Registered Company No. 06276835) which is responsible for the provision of commercial services on behalf of the charity.

The charity's investment in the trading company was as follows:	2023/24	2022/23
	£	£
UKSA Trading Limited	<u>1</u>	<u>1</u>

The subsidiary is registered in England and Wales and pays under gift aid its entire profits as computed for corporation tax purposes to the charity. Its results and balance sheet are as follows:

Profit and Loss Account	2023/24	2022/23
	£000's	£000's
Income	209	195
Cost of sales	(126)	(124)
Gross profit	<u>83</u>	<u>71</u>
Administration expenses	(72)	(59)
	<u>11</u>	<u>12</u>
Amount payable under gift aid to the charity	<u>(11)</u>	<u>(12)</u>
Retained in subsidiary	<u>-</u>	<u>-</u>
Balance sheet		
Current assets	11	7
Current liabilities	(11)	(7)
	<u>-</u>	<u>-</u>
Share Capital (<i>Total Share Capital = £1</i>)	<u>-</u>	<u>-</u>

A UKSA members' resolution was passed in 2019 for the purpose of the continuance of the Gift Aiding of the profits of UKSA Trading Limited to UK Sailing Academy annually on the 31st January, until further notice.

The gift aid payment of £11k (2022/23: £12k) and management charge of £72k (2022/23: £59k) payable to UK Sailing Academy has been eliminated upon consolidation.

Notes to the financial statements for the year ended 31 January 2024 (continued)

5	GOVERNMENT SUPPORT	2023/24	2022/23		
		£000's	£000's		
	Kickstart Scheme Income	-	10		
	IOW Council LRS Grant	-	9		
		<u>-</u>	<u>19</u>		
6	INVESTMENT INCOME	2023/24	2022/23		
		£000's	£000's		
	Deposit account interest	50	20		
		<u>50</u>	<u>20</u>		
7	EXPENDITURE ON RAISING FUNDS	2023/24	2022/23		
		£000's	£000's		
	Fundraising pay costs	184	161		
	Fundraising non-pay costs	50	33		
		<u>234</u>	<u>194</u>		
8	EXPENDITURE ON CHARITABLE ACTIVITIES				
		Training Costs	Support Costs	Admin, Sales and Marketing Costs	Total
		2023/24	2023/24	2023/24	2023/24
		£000's	£000's	£000's	£000's
	Youth Development programmes	80	4	2	86
	Schools and Groups	526	696	313	1,535
	Careers courses for employment	1,518	1,711	770	3,999
	Professional training	473	831	374	1,678
	Recreational training	174	153	69	396
		<u>2,771</u>	<u>3,395</u>	<u>1,528</u>	<u>7,694</u>
		Training Costs	Support Costs	Admin, Sales and Marketing Costs	Total
		2022/23	2022/23	2022/23	2022/23
		£000's	£000's	£000's	£000's
	Youth Development programmes	57	77	33	167
	Schools and Groups	394	733	288	1,415
	Careers courses for employment	1,367	1,565	685	3,617
	Professional training	472	569	339	1,380
	Recreational training	162	169	68	399
		<u>2,452</u>	<u>3,113</u>	<u>1,413</u>	<u>6,978</u>

Notes to the financial statements for the year ended 31 January 2024 (continued)

9 SUPPORT, ADMINISTRATION & SALES AND MARKETING COSTS

	2023/24 £000's	2022/23 £000's
Delivery Teams	163	139
Depreciation & Write down	565	473
Site costs	699	665
Catering	675	608
Operations and Customer Support	363	317
Yacht, Fleet and Vehicle Maintenance	387	367
VAT	247	247
Other	296	297
Total Support Costs	<u>3,395</u>	<u>3,113</u>
Administration Costs	801	671
Sales and Marketing Costs	693	703
Interest Payable	34	39
Total Support Costs	<u>1,528</u>	<u>1,413</u>
	<u>4,923</u>	<u>4,526</u>

10 GOVERNANCE COSTS

	2023/24 £000's	2022/23 £000's
Auditors' remuneration	19	17
Company Secretary	11	11
Travel and Subsistence	2	1
Legal and other professional fees	2	-
	<u>34</u>	<u>29</u>

11 NET MOVEMENT IN FUNDS

	2023/24 £000's	2022/23 £000's
Net movement in funds is stated after charging:		
Auditors' remuneration for statutory work	19	17
Operating lease rental for IT and vehicles	61	76
Interest paid and charges	74	76
Depreciation - owned assets	<u>477</u>	<u>410</u>

12 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2024 (2022/23: £nil). Travelling expenses are reimbursed, if claimed, to trustees. In 2023/24 this was £2k (2021/22: £1k).

Notes to the financial statements for the year ended 31 January 2024 (continued)

13 STAFF COSTS

The average number of full-time equivalent staff employed by the charity during the financial year amounted to:

	2023/24 Total No.	2023/24 FTE No.	2022/23 Total No.	2022/23 FTE No.
Directly involved in achieving charitable objectives	135	112	125	102
Management and financial administration of the charity	10	10	10	10
	145	122	135	112

The aggregate payroll costs of the above were:

	2023/24 £000's	2022/23 £000's
Wages and salaries	3,451	3,097
Social security	285	271
Pension	69	62
	3,805	3,430

The number of employees whose emoluments exceeded £60,000 was:

	2023/24 No.	2022/23 No.
£60,000 to £69,999	2	2
£70,000 to £79,999	1	-
£80,000 to £89,999	1	-
£90,000 to £99,999	-	1
£100,000 to £110,000	1	-

Employer Pension Contributions for the above individuals were £13k (2022/23: £8k).

During the year termination payments of £2k (2022/23: £nil) were made.

14 EXECUTIVE REMUNERATION

The total remuneration, benefits and pensions paid to the key management personnel in the year was £461k (2022/23: £431k). The key management personnel in the year were the Chief Executive, Director of Finance and Risk, Director of Sales and Marketing (previously Director of Marketing & Business Development), Director of Training and Operations, and Director of Fundraising & Development.

15 STOCK

	2023/24 £000's	2022/23 £000's
Stock for resale (trading)	2	3
Inventories (charity)	151	145
Group stocks held	153	148

Notes to the financial statements for the year ended 31 January 2024 (continued)

16 DEBTORS

	Group 2023/24 £000's	Group 2022/23 £000's	Charity 2023/24 £000's	Charity 2022/23 £000's
Trade debtors for courses	514	679	511	678
Other debtors	587	538	587	538
Prepayments and accrued income	384	333	384	333
Bad debt provision for other debtors	(22)	(51)	(22)	(51)
	1,463	1,499	1,460	1,498

Included within other debtors is a total of £387k (2022/23 £361k) relating to repayable bursary amounts due over 1 year.

Also included within other debtors is a total of £2k (2022/23 £6k) relating to cycle to work scheme repayable amounts due over 1 year.

Included within bad debt provision for other debtors is a total of (£21k) (2022/23 (£50k)) relating to repayable bursary amounts due over 1 year.

17 CASH AND CASH EQUIVALENTS

	Group 2023/24 £000's	Group 2022/23 £000's	Charity 2023/24 £000's	Charity 2022/23 £000's
Bank current accounts	507	616	505	616
Bank deposit accounts	1,310	1,272	1,310	1,270
Petty cash	1	1	1	1
Pre-paid expense cards	6	5	6	5
	1,824	1,894	1,822	1,892

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023/24 £000's	Group 2022/23 £000's	Charity 2023/24 £000's	Charity 2022/23 £000's
Trade creditors	489	321	484	316
Due to subsidiary undertaking	-	-	4	1
Social security and other taxes	79	62	79	62
Secured bank loan	62	60	62	60
Other creditors	51	61	51	61
Accruals and deferred income	2,356	2,548	2,350	2,546
	3,037	3,052	3,030	3,046

Included within trade creditors is a total of £93k (2022/23: £93k) relating to retentions of the main build capital project.

Included within accruals and deferred income is a total of £1,975k (2022/23: £2,123k) relating to amounts invoiced in advance of the commencement of training courses.

Notes to the financial statements for the year ended 31 January 2024 (continued)

19 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR:

	Group 2023/24 £000's	Group 2022/23 £000's	Charity 2023/24 £000's	Charity 2022/23 £000's
Secured bank loan	1,313	1,376	1,313	1,376
Accruals and deferred income	3	13	3	13
	1,316	1,389	1,316	1,389

The amounts held within accruals and deferred income relates to amounts invoiced in advance of the commencement of training courses of £3k (2022/23: £13k).

The group has a bank loan with NatWest which is secured by a fixed and floating charge over the property and assets of the group. The balance of the loan at 31 January 2024 is £1,375k. The loan has interest charged at 2.44% for a fixed period (60 months until February 2026) thereafter at 2.09% over Base Rate for the remaining period. The loan is due for final repayment in January 2042.

The maturity of the bank loan has been analysed as follows:

	Net Repayments 2023/24 £000	Net Repayments 2022/23 £000
Within one year	62	60
1-2 years	63	62
2-5 years	196	193
Greater than 5 years	1,054	1,121
	1,375	1,436

In addition, deferred income has been analysed as follows:

	Group 2023/24 £000's	Group 2022/23 £000's	Charity 2023/24 £000's	Charity 2022/23 £000's
Deferred income at 1 February	2,338	2,246	2,338	2,240
Applied during the year	(2,338)	(2,246)	(2,338)	(2,240)
Released during the year	2,163	2,338	2,157	2,338
Deferred income at 31 January	2,163	2,338	2,157	2,338

Notes to the financial statements for the year ended 31 January 2024 (continued)

20 FINANCIAL INSTRUMENTS

Financial assets held at amortised cost are trade debtors, other debtors, accrued income, amount owed by group companies and cash held at bank. Note this excludes stock and prepayments.

Financial liabilities held at amortised cost are trade creditors, accruals, bank loan and amounts owed by group companies. This excludes deferred income and social security and other taxes.

Group	2023/24	2022/23
	£000's	£000's
Financial assets measured at amortised cost	3,067	3,234
Financial liabilities measured at amortised cost	(2,113)	(2,041)
	2023/24	2022/23
	£000's	£000's
Total interest income for financial assets held at amortised cost	50	20
	2023/24	2022/23
	£000's	£000's
Charity		
Financial assets measured at amortised cost	3,062	3,231
Financial liabilities measured at amortised cost	(2,110)	(2,037)
	2023/24	2022/23
	£000's	£000's
Total interest income for financial assets held at amortised cost	50	20

Notes to the financial statements for the year ended 31 January 2024 (continued)

21 FIXED ASSETS

	Assets under course of construction	Freehold land and buildings	Leasehold buildings	Swimming pool	Equipment and Training Aids
COST	£000's	£000's	£000's	£000's	£000's
As at 1 February 2023	54	7,542	316	200	1,266
Additions	18	372	-	-	226
Transfer	(38)	-	-	-	-
As at 31 January 2024	34	7,914	316	200	1,492
DEPRECIATION					
As at 1 February 2023	-	503	54	200	871
Charge for year	-	167	14	-	84
As at 31 January 2024	-	670	68	200	955
NET BOOK VALUE					
As at 31 January 2024	34	7,244	248	-	537
As at 31 January 2023	54	7,039	262	-	395

	Motor vehicles	Yachts and training fleet	Intangible Assets	Totals
COST	£000's	£000's	£000's	£000's
As at 1 February 2023	19	1,991	89	11,477
Additions	-	282	18	916
Transfer	-	38	-	-
As at 31 January 2024	19	2,311	107	12,393
DEPRECIATION				
As at 1 February 2023	14	1,296	8	2,946
Charge for year	2	200	10	477
As at 31 January 2024	16	1,496	18	3,423
NET BOOK VALUE				
As at 31 January 2024	3	815	89	8,970
As at 31 January 2023	5	695	81	8,531

Notes to the financial statements for the year ended 31 January 2024 (continued)

22 MOVEMENT IN FUNDS

	As at 1 Feb 23 £000's	Net Movement in funds £000's	Transfers between Funds £000's	As at 31 Jan 24 £000's
Unrestricted funds				
Fixed assets fund	7,095	(476)	976	7,595
General fund	358	653	(715)	296
Trading activities	-	11	(11)	-
	7,453	188	250	7,891
Restricted funds				
Restricted capital fund	-	116	(116)	-
Stephen Thomas Bursary	23	63	(36)	50
Noel Lister Memorial Fund	59	3	(26)	36
Milo Hanlon Fund	39	-	(5)	34
Will Black Fund	16	-	(5)	11
Seafarer's	41	1	(7)	35
Polly Birch Fund	-	-	-	-
Trinity House Fund	-	55	(55)	-
	178	238	(250)	166
TOTAL FUNDS	7,631	426	-	8,057

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(476)	(476)
General fund	8,033	(7,380)	653
Trading activities	209	(198)	11
	8,242	(8,054)	188
Restricted funds			
Restricted capital fund	116	-	116
Stephen Thomas Bursary	63	-	63
Noel Lister Memorial Fund	3	-	3
Milo Hanlon Fund	-	-	-
Will Black Fund	-	-	-
Seafarer's	1	-	1
Polly Birch Fund	-	-	-
Trinity House Fund	55	-	55
	238	-	238
TOTAL FUNDS	8,480	(8,054)	426

Notes to the financial statements for the year ended 31 January 2024 (continued)

22 MOVEMENT IN FUNDS (PRIOR YEAR COMPARATIVES)

	As at 1 Feb 22 £000's	Net Movement in funds £000's	Transfers between Funds £000's	As at 31 Jan 23 £000's
Unrestricted funds				
Fixed assets fund	5,175	(410)	2,330	7,095
General fund	308	562	(512)	358
Trading activities	-	12	(12)	-
	5,483	164	1,806	7,453
Restricted funds				
Restricted capital fund	1,337	234	(1,571)	-
Stephen Thomas Bursary	42	-	(19)	23
Noel Lister Memorial Fund	194	1	(136)	59
Milo Hanlon Fund	34	1	4	39
Will Black Fund	14	-	2	16
Seafarer's	58	1	(18)	41
Polly Birch Fund	8	-	(8)	-
Trinity House Fund	-	60	(60)	-
	1,687	297	(1,806)	178
TOTAL FUNDS	7,170	461	-	7,631

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(410)	(410)
General fund	7,265	(6,703)	562
Trading activities	195	(183)	12
	7,460	(7,296)	164
Restricted funds			
Restricted capital fund	234	-	234
Stephen Thomas Bursary	-	-	-
Noel Lister Memorial Fund	1	-	1
Milo Hanlon Fund	1	-	1
Will Black Fund	-	-	-
Seafarer's	1	-	1
UKSA Assisted Funding	-	-	-
Polly Birch Fund	60	-	60
Trinity House Fund	297	-	297
TOTAL FUNDS	7,757	(7,296)	461

Notes to the financial statements for the year ended 31 January 2024 (continued)

Unrestricted funds

- A)** The fixed asset fund shows the net book value of unrestricted fixed assets (net of secured bank loan). Net movement in funds are represented by the net of profit/ (loss) on disposal, impairment and depreciation £476k (2022/23: £410k). Transfers are represented by net capital expenditure of £916k plus the in-year reduction of secure bank loan £61k.
- B)** The unrestricted general fund represents funds which are freely available for use by the charity, including those generated from trading activities.
- Net movements in funds are represented by all Income and Expenditure movements not already represented by movements on other reserves of £653k (2022/23: (£562k)). Transfers are the sum of net working capital movements excluding transfers on other reserves of (£715k) (2022/23: (£512k)).
- C)** The trading activities fund is represented by the wholly owned subsidiary UKSA Trading Ltd profit / (loss). For the year 2023/24 UKSA Trading Ltd returned a profit of £11k (2022/23: £12k) which was transferred to the UK Sailing Academy's unrestricted general fund in the same year.

Restricted funds

- A)** A restricted Capital Fund was set up in 2015/16 to hold donations that are specifically to fund capital works required. In 2023/24 £116k net income was received (2022/23 £234k) less (£116k) capital expenditure in the year (2022/23: (£1,571k)).
- B)** The Stephen Thomas Bursary was set up in memory of Stephen Thomas to provide sailing and seamanship experiences for young people between the ages of 16 and 20.
- C)** The Noel Lister Memorial Fund was set up in memory of Noel (the founder of UKSA) to provide sailing and seamanship experiences for young people.
- D)** The Milo Hanlon Fund was set up in memory of Milo who was a student at UKSA in 2012. The fund provides assistance to young people wishing to undertake professional training for employment.
- E)** The William Black Fund was set up in 2016 in memory of Will. The fund provides financial support to individuals with a desire to enter the maritime sector.
- F)** The Seafarer's fund was set up in 2017/18. The fund provides assistance to young people wishing to undertake professional training for employment.
- G)** The Polly Birch fund was set up in 2017/18. This fund was set-up in memory of Polly Birch to provide watersports experiences for school children through capital and revenue donations.
- H)** The Trinity fund was set up in 2011. The fund provides assistance to young people wishing to undertake professional training for employment.

Notes to the financial statements for the year ended 31 January 2024 (continued)

23 ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP

Group	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds as at 31 Jan 24 £000's
Fixed assets	-	8,970	-	8,970
Current assets	3,274	-	166	3,440
Creditors due in less than one year	(2,975)	-	-	(2,975)
Creditors due in more than one year	(3)	-	-	(3)
Secured Bank Loan due in less than one year	-	(62)	-	(62)
Secured Bank Loan due in more than one year	-	(1,313)	-	(1,313)
	296	7,595	166	8,057

ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP (PRIOR YEAR COMPARATIVES)

Group	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 23 £000's
Fixed assets	-	8,531	-	8,531
Current assets	3,363	-	178	3,541
Creditors due in less than one year	(2,992)	-	-	(2,992)
Creditors due in more than one year	(13)	-	-	(13)
Secured Bank Loan due in less than one year	-	(60)	-	(60)
Secured Bank Loan due in more than one year	-	(1,376)	-	(1,376)
	358	7,095	178	7,631

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY

Charity	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds as at 31 Jan 24 £000's
Fixed assets	-	8,970	-	8,970
Current assets	3,267	-	166	3,433
Creditors due in less than one year	(2,968)	-	-	(2,968)
Creditors due in more than one year	(3)	-	-	(3)
Secured Bank Loan due in less than one year	-	(62)	-	(62)
Secured Bank Loan due in more than one year	-	(1,313)	-	(1,313)
	296	7,595	166	8,057

Notes to the financial statements for the year ended 31 January 2024 (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY (PRIOR YEAR COMPARATIVES)

Charity	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 23 £000's
Fixed assets	-	8,531	-	8,531
Current assets	3,357	-	178	3,535
Creditors due in less than one year	(2,986)	-	-	(2,986)
Creditors due in more than one year	(13)	-	-	(13)
Secured Bank Loan due in less than one year	-	(60)	-	(60)
Secured Bank Loan due in more than one year	-	(1,376)	-	(1,376)
	<u>358</u>	<u>7,095</u>	<u>178</u>	<u>7,631</u>

24 RELATED PARTY DISCLOSURES

The company was under the ultimate control of the trustees.

Sir Anthony Greener, trustee of UKSA, is also Chairman of Minton Charity Trust which gave financial assistance to UKSA in the form of donations of £30k in the year (2022/23: £70k).

Claire Locke, trustee of UKSA, is also a trustee of Daisie Rich Trust who gave financial assistance to UKSA in the form of donations of £5k in the year (2022/23: £11k). Claire Locke paid UKSA £3k for a mooring (2022/23 £3k).

Donations were received from three trustees totalling £1k (2022/23: two trustees £21k).

25 OPERATING LEASES

At the year end, the Group were committed to the following future minimum lease payments in respect of operating leases:

	Vehicles and equipment	
	2023/24 £000's	2022/23 £000's
Less than one year	54	23
Greater than one year and less than five years	81	29
Later than five years	-	-
	<u>135</u>	<u>52</u>

26 CAPITAL COMMITMENTS

The charity has no capital commitments as at 31 January 2024 (31 January 2023: £176k for work on two shower blocks).

Notes to the financial statements for the year ended 31 January 2024 (continued)

27 COMPARATIVE SOFA FOR THE YEAR ENDED 31ST JANUARY 2023

	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2022/23 £000's
INCOME FROM:			
Donations, Legacies and Grants	660	297	957
Charitable Activities	6,566	-	6,566
Other Trading Activities	195	-	195
Government Support	19	-	19
Investments	20	-	20
Other	-	-	-
Total income	7,460	297	7,757
EXPENDITURE ON:			
Raising funds:			
Trading Activities	124	-	124
Expenditure on raising funds	194	-	194
Charitable Activities	6,978	-	6,978
Total expenditure	7,296	-	7,296
Net income/(expenditure)	164	297	461
Transfers between funds	1,806	(1,806)	-
Net movement in funds	1,970	(1,509)	461
RECONCILIATION OF FUNDS:			
Total funds brought forward	5,483	1,687	7,170
TOTAL FUNDS CARRIED FORWARD	7,453	178	7,631

UK SAILING ACADEMY

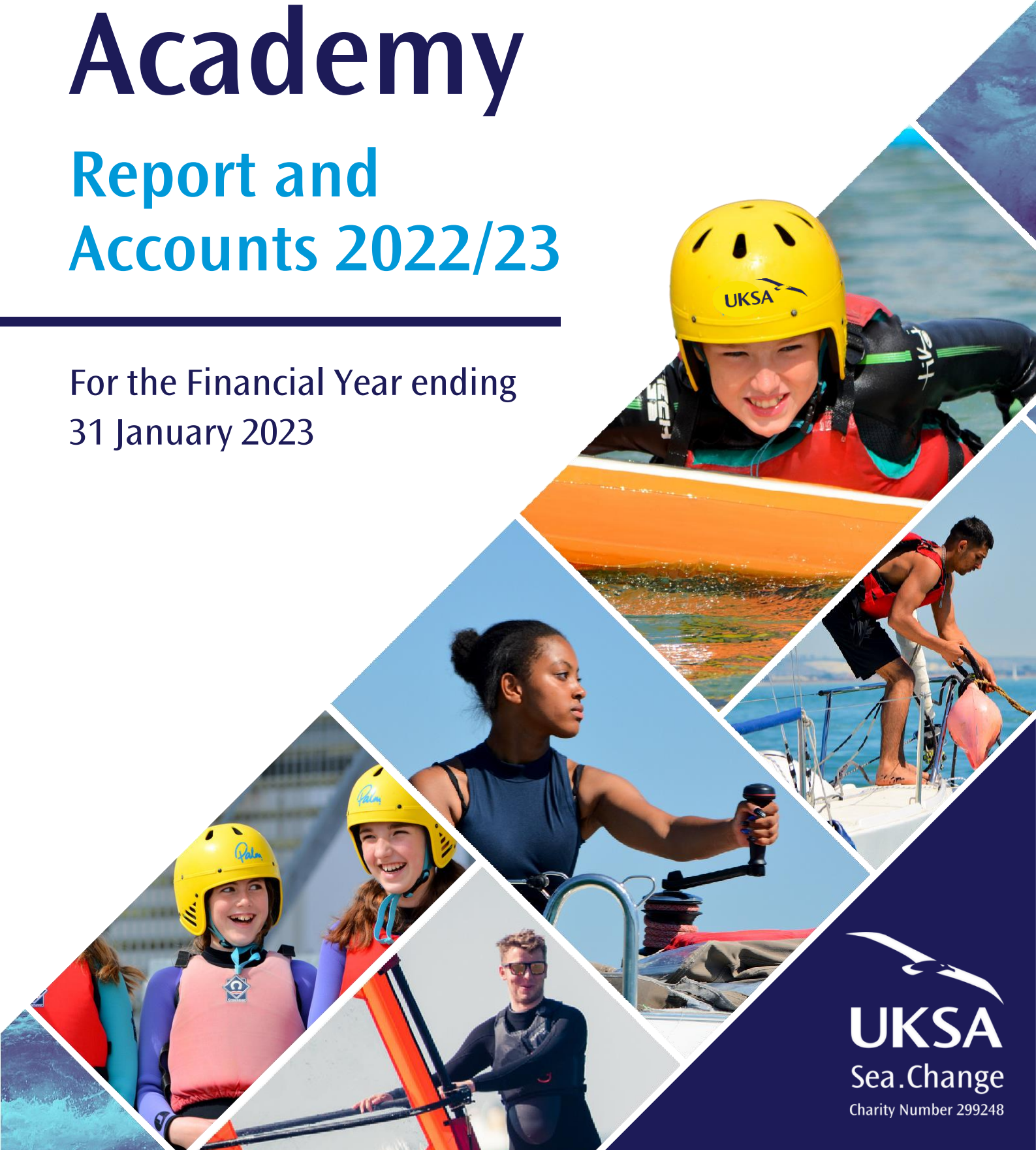
England & Wales - Charity number 299248

Accounts

UK Sailing Academy

Report and Accounts 2022/23

For the Financial Year ending
31 January 2023




UKSA
Sea.Change
Charity Number 299248

Reference and administrative details

Patron

HRH the Princess Royal

Founders

Noel and Sylvia Lister

Trustees

Richard Stokes CBE	Chair of the Board (Appointed September 2022)
Kevin George	Chair of the Board (Stood down September 2022)
Sir Anthony Greener	
Claire Locke	
David Lister, MBE	Founder Trustee
Debra Price	Vice Chair (Appointed September 2022)
Marc Giraudon	
Ole Bettum	
Samantha Axtell	

Company Secretary

Mark Smith	(Appointed June 2022)
Simon Hamilton	(Resigned June 2022)

Key Management Personnel

Ben Willows	Chief Executive
Mark Smith	Director of Finance & Risk (Appointed June 2022)
Simon Hamilton	Director of Finance & Business Services (Resigned June 2022)
Julia Hutchison	Director of Marketing & Business Development
Chris Frisby	Director of Training & Operations
Amy Sweeting	Director of Fundraising & Development

Auditors

Crowe UK LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire RG1 1PL

Bankers

NatWest plc
107 St James' Square
Isle of Wight
PO30 1XH

Solicitors

Bates, Wells & Braithwaite London
2-6 Cannon Street
London
EC4M 6YH

Registered Office

Arctic Road
Cowes
Isle of Wight
PO31 7PQ

Registered Company Number

02251024 (England and Wales)

Registered Charity Number

299248

Accreditations \ Licences

British Accreditation Council (for independent further and higher education)
UK Independent College accreditation
RYA Accreditation
MCA Accreditation
ISO 9001 Registered
Adventure Activities Licensing Service
Visit England

Contact details

Telephone	01983 294941
Email	info@uksa.org
Website	www.uksa.org

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Report from the Chief Executive and Chair of Trustees

Our vision

Every school child in the UK experiences a water-based adventure and understands the career opportunities in the maritime industries.

Who we are

UKSA is a maritime youth charity and world-renowned training centre of excellence. For over 35 years we have been inspiring and supporting children and young people to broaden their horizons through inspirational water-based adventures, education and training for careers at sea. We are passionate about enhancing life skills, developing resilience, confidence and teamwork.

Health and Safety, Safeguarding and the well-being of all UKSA students and staff is encompassed in everything we do.

Our strategy

At UKSA we focus on two powerful strategic pillars:

- ▶ **Extending our Reach to children who wouldn't normally be able to attend UKSA.**
- ▶ **Providing training and support to enable young people to secure employment in the maritime industries - Maritime Depth**

We achieve our impact through school age beneficiaries visiting with their schools or groups to experience our programmes and through young adult beneficiaries undertaking education and training to establish and further their careers in the maritime sector with the necessary life skills and qualifications.

Our strategic mission is to continually develop our services, assets, and people to meet the needs of children and young people.

Our ambition is to extend our reach by substantially widening our offering of school visits for children from diverse and disadvantaged backgrounds, who wouldn't otherwise have the opportunity to access our programmes. At the same time, we want to increase the depth of our maritime career offer by growing the entry and exit points of our programmes and by increasing the amount of financial support we can offer to those deserving young people wanting to attend educational and careers courses leading to employment in the maritime sector.

The progress we have made

We are extremely pleased with how much progress we have made in both of these strategic pillars in 2022/23.

Overall, we supported **10,590** beneficiaries of which **33%** received funding to attend UKSA. This included funded trips for over 6,498 children at a time in their lives when so much had been taken away due to the pandemic, and further compounded by the cost-of-living crisis. We also saw 98% of our Further Education students go into employment or further training and 30% join our careers programmes, evidencing the powerful pathways that we offer for all young people at UKSA.

New Sea.Change building

A major event in UKSA's year was the opening of our purpose-built, 136-bed Sea.Change accommodation block. The building was formally opened by our Patron, Her Royal Highness, The Princess Royal, in July 2022.

This was the culmination of a 4-year site development project and fundraising campaign, which raised **£4.3m** in donations and with all projects being completed on time and budget. This was a significant milestone in UKSA's 35-year history and, most importantly, the building will enable an **additional 3,000 young people each year** to attend UKSA, growing our capacity, reach and impact. It is a truly transformational achievement for the charity, and we are delighted and humbled by the very generous support of our Trustees, individual supporters, and significant funders.



Our supporters

Many generous supporters and donors have helped us achieve our new high of 33% funded beneficiaries alongside the major site redevelopment - we are extraordinarily grateful to each and every one of them.

Some major examples this year include:

The TK Foundation who made a further 3-year commitment to fund young people onto our programmes and help us invest in our training fleet. The Edmiston Foundation and the Minton Trust have been at the forefront of supporting our new strategy by providing funding for children and young people to come on school visits, the Sea.Change programme and careers courses. This funding enables residential trips from schools in some of the most deprived areas of the country.

Report from the Chief Executive and Chair of Trustees

The Seafarers Charity has supported our welfare provision by enabling us to invest and provide our young people and students with exceptional welfare support, not only whilst they are with us on courses, but also once they have left and are working in the industry. Student welfare, mentoring and preparing young people for employment and a better future runs through everything UKSA delivers and is a critical part of what makes UKSA's unique and so effective.

Operational challenges and achievements

We started 2022/23 with the knowledge that there were many challenges ahead, including surging inflation and a highly uncertain economic environment.

Despite these challenges, we delivered a solid financial performance which has continued to build greater resilience into our financial position. We exceeded our income budget whilst managing the high rising cost of inflation, especially on fuel and food, and whilst completing a major new building project.

Across the year, we not only invested £1.8m in our new Sea.Change building but also invested another £0.5m in site refurbishment, IT and our fleet of training boats to make sure our asset base is fit for purpose for many years to come.

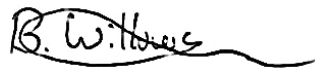
Our strategic ambitions

During the summer of 2022, we carefully reviewed and set our new strategic ambition and priorities for 2030. These are summarised below:

- ▶ We will continue to develop pathways into careers in maritime by focusing on our two strategic pillars of Extended Reach and Maritime Depth.
- ▶ We aim to be the sector leader in maritime training. Working with academia and other stakeholders, we will develop evidence that demonstrates the long-term impact of our water-based adventures, education and professional training on the skills and employability of young people. Our overall approach is to be led by the needs of our beneficiaries, focusing on the impact and outcomes on their lives.
- ▶ We will develop partnerships with like-minded organisations to enable significant growth of UKSA's maritime activities across the UK. We will collaborate with other organisations to grow and widen support for children and young people from disadvantaged backgrounds.

- ▶ Following the success of the Sea.Change building, we will implement a strategic capital and asset investment campaign to ensure UKSA remains a world-leading maritime training centre, becoming digitally enabled and reducing our carbon footprint.
- ▶ We will expand our beneficiary capacity on the Isle of Wight. Working in collaboration with the Isle of Wight Council, we will transform the 19th Century Victoria Barracks in East Cowes into a 21st century watersports education centre to substantially increase our capacity.

In summary, despite a challenging external environment, UKSA has continued to grow its impact in both quantity and quality. It has been a privilege to have made a significant and positive impact on the vast majority of the 10,590 beneficiaries we have welcomed through our doors.



Ben Willows, Chief Executive



Richard Stokes CBE, Chair of Trustees

23/06/2023



Report of the Trustees

Aims, Objectives and Values

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of UK Sailing Academy (hereinafter 'UKSA') for the year ended 31 January 2023.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP), applicable to charities (effective 1 January 2019), and have had regard to the general guidance provided by the Charity Commission on public benefit in ensuring that its aims and objectives comply with section 17(5) of the Charities Act 2011 and are for the public benefit.

Aims and Objectives

UKSA is a youth training charity, which aims to inspire and support children and young people to broaden their horizons through our life enhancing water-based adventures, education and training for careers at sea.

Our objectives, as defined by our Articles of Association, are:

- ▶ To advance the education and physical, mental and spiritual development of children (or young persons under the age of 25) by providing or assisting in providing facilities for training in sailing and seamanship for those who have need of such facilities by reason of poverty or social or economic circumstances (so that they may grow to full maturity as individuals and members of society),
- ▶ To provide or assist in the provision of facilities for the recreation and other leisure time occupation of the general public, and in particular facilities for watersports and outdoor activities in the interests of social welfare and with the object of improving their conditions of life,
- ▶ To advance the education of the public in all aspect of maritime activities and in particular in matters relating to: (a) the promotion of personal safety, (b) the prevention of accident, (c) navigation, (d) engineering, (e) seamanship, (f) stability and construction of boats, (g) communication at sea, (h) maritime law, and (i) business and interpersonal skills.
- ▶ To promote community participation in healthy recreation through the provision of sailing facilities.

Every 3-5 years, UKSA develops a strategy to deliver on these objectives considering the current needs of our primary beneficiaries and UKSA's operating capacity. This is outlined and reported on in more detail in the Strategic Report below.

Values

Our values reflect the type of charity that we want to be - one that loves what we do, has a passion for sharing it and wants to inspire as many people as possible through our work. They apply to all our employees, beneficiaries, trustees and beneficiaries, supporters, and volunteers alike:

- Challenge, have fun and smile.
- We take care of ourselves, those around us and this place.
- Be part of who we are and help others do the same.
- Tell the truth, hear the truth, act truthfully.
- If not you, who? If not now, when?



Report of the Trustees - Strategic Report

Public Benefit

In reviewing our aims and objectives and planning our future activities, we have referred to and complied with the duty in section 17(5) of the Charities Act 2011 relating to having due regard for the Charity Commission's published requirements on public benefit when exercising any powers or duties to which the guidance is relevant.

The Trustees and Executive Team have carefully considered how planned activities will contribute to UKSA's charitable purposes and be for the public benefit.

UKSA was founded in 1987 by Noel and Sylvia Lister, who wanted to use sailing and watersports to educate and enrich the lives of young people. Thirty-five years on, this ethos remains at the core of everything we do.

What makes UKSA unique is that we can open the eyes of children and teenagers to the life affirming sense of excitement and confidence building that on the water activity can give them. Whilst at the same time offering them complete pathway opportunities into many varied professional careers in the maritime industry.

The Public Need

We are proud of what the charity and our beneficiaries have achieved this year, but we are also acutely aware that never have our young people needed the support of the programmes that we deliver at UKSA so much.

Due to the impact of Covid-19, many of the young people who we welcomed through our doors in 2022 had never been away from home before. This meant that our instructors and staff had to provide them with more support to ensure that they received the maximum benefit from our programmes.

The added difficulties brought on by the cost-of-living crisis have made children in the UK even more vulnerable. The reality of high inflation is stark with the Joseph Rowntree Foundation estimating that in April 2022, 34% of the population were living below a socially acceptable standard of living. The events of the last two years have created a generation of young people who face considerable mental health challenges, coupled with worrying about a bleak future regarding their employment opportunities. UKSA programmes provide the perfect anthesis to these challenges that face our young people.

We offer our beneficiaries the confidence and freedom to be themselves on the water, whilst imparting valuable employment and life skills in a fun, safe, supportive and inspirational environment.

The pandemic exacerbated a problem that was already substantial into something deeply troubling. One in six children aged 6-to-16 were identified as having a probable mental health problem in July 2021 — a huge increase from the already troubling one in nine in 2017

Nuffield Trust

More than 1 in 4 of all children in the UK now live in poverty, with millions facing the risk of going hungry.

Barnardo's

Low-income families are struggling to afford essentials, there is no budget for school trips. More than half (52%) of children have intentionally not told a parent about an upcoming trip, with 54% of mums and dads under the impression it was over their child's concerns of their ability to afford it. Pupil premium: "schools are attempting to address this problem, but some of these children just don't get the opportunity."

UK Poverty 2023

What UKSA Does: Extended Reach: Schools and Groups

UKSA is proud to offer children and young people of all abilities and backgrounds an experience of a lifetime where they can learn valuable life skills in an aspirational and safe environment. We've seen first-hand what our beneficiaries can achieve once they've spent time at UKSA with teachers often seeing a boost in productivity and interaction in the classroom, enhancing academic attainment.

A few years ago, UKSA recognised that some schools could not bring entire year groups – they had to leave some children behind in the classroom as parent's could not afford the cost of a school trip. It is often these children who would benefit most from an experience at UKSA. This sad situation has been further exacerbated by the current socio- economic climate.

We now work with donors and schools across the UK to provide donated funding support through our Leave No Child Behind campaign. This is specifically designed to support disadvantaged children to get out of the classroom and experience new fun, exciting challenges and build confidence in a safe supportive environment. In 2022, we funded 2,600 school children to experience a water-based adventure at UKSA. Notably we funded 28 schools on an all-inclusive residential programme, with a total collective social mobility index score of 20%, meaning they are living in some of the most deprived areas of the country. 33% were on pupil premium and 26% were registered as having Special Educational Needs (SEN)

Report of the Trustees - Strategic Report

Sea.Change

We know that there was a real need for development programmes and structured pathways into employment in the maritime sector which is why we launched our Sea.Change Foundation programme at the end of 2021 to meet an essential part of this need.

Young people aged 14-17 from disadvantaged backgrounds are given the opportunity to discover career pathways and build Skills 4 Life to enable them to further their education and career aspirations, without any personal financial burden. We deliver this programme during the school holidays, at a time when young people struggle most without the structure of the school day.

Once students have succeeded in the Sea.Change Foundation course, they can progress on to one of our development programmes, either Maritime Foundation or our NCFE Level 3 Diploma programme. These programmes are designed for those who wish to embark on a career in watersports instructing, the leisure industry or yachting training.

The practical and work-related courses begin the journey to prepare them for work in the industry. Many of our students go on to work with leading watersports and outdoor education companies, progress into the yachting and superyacht sectors, or stay on at UKSA to work in our watersports team.

Test The Water

Each year, every Year 6 school child on the Isle of Wight is invited to take part in a free day out on the water. We want to get all children out of the classroom and onto the water so they can have fun, work together, and gain confidence. These programmes can increase a child's 'Skills 4 Life' communication, self-belief, teamwork, confidence, and determination by 70%.

Polly's Challenge

As a follow on from the Test the Water programme, we also offer all Isle of Wight Children aged 10 – 14 years a five-day funded programme to help build their confidence through water-based activities.

This programme is funded by Polly's Fund, set up in memory of Polly Birch, who had a passion for sailing. As part of the challenge, we ask each young person to fundraise a minimum of £20 that goes straight back into Polly's Fund, to enable the programme to support more children in the future.

Maritime Depth: Maritime Careers

The next step in the pathways is our unique Career Training programmes which make up our Superyacht Training, Superyacht Cadetship, Superyacht Interior-Training and Watersports Instructor Training.

We are committed to providing an environment which enables young people to thrive - we support our beneficiaries through our Industry and Recruitment Team helping them to prepare their CVs for the industry and find jobs, and dedicated welfare officers to support their mental health and wellbeing while training with us and once they enter careers at sea.

We support young people into careers in the maritime industries in three ways.

► Further Education and Apprenticeships

All our FE and apprenticeship programmes are fully funded, through Statutory Funding through our partnership with the Isle of Wight College and Marine Society, Sea Cadets.

Our Further Education courses are aimed at students who want to embark on careers in watersports instruction in the leisure industry, though many go into the yachting sector. In partnership with the Isle of Wight College, we offer an NCFE (level 3) in Sports and Physical Activities which includes both practical and theory leading to a nationally recognised qualifications that allows students to progress to higher education.

Our Maritime Foundation courses are focussed towards achieving RYA, and other instructor qualifications. Although both programmes lead to a range of employment pathways, many of the students who graduate find their first job with UKSA as an instructor. We are immensely proud that nearly 60% of our intake instructors for the 2022 season, were trained at UKSA.

UKSA recognises the value that good quality apprenticeships can deliver both to young people gaining employment and to the UK economy. Our Workboat Crew Member Apprenticeship is offered to those interested in a career working on small specialist vessels up to 500 gross tonnes, from fast pilot boats to crew transfer vessels and those supporting offshore installations. Working with Williams Shipping, a Southampton based marine services and logistics company, the course is designed by industry experts to give our apprentices the skills and knowledge they need to work in this exciting and growing sector.

Focussed specifically on the offshore wind farm industry, we offer an apprenticeship in conjunction with Seacat Services, an Isle of Wight based offshore energy support operator.

Report of the Trustees - Strategic Report

This apprenticeship is offered to Isle of Wight residents to support employment on the island and has been expanded to the wider nation due to demand.

We expect our FE and apprenticeship offerings to go from strength to strength over the coming years, increasingly addressing young people's need for pathways that lead to careers in a vibrant and growing sector.

► Watersports Careers

Watersports Instructor Training and Watersports Academy are both 11-week programmes aimed at young people aged 18-25, enabling them to gain the qualifications needed to work as an instructor and guarantees those who successfully complete the programme two summer seasons employment at UKSA, as well as opening job opportunities to them around the world. Prospective students on both programmes in financial need can apply for up to 50% funding.

► Yachting Careers

Our full-time residential programmes prepare students for their first job in the professional yachting and superyacht sectors. The courses range from our Superyacht Crew Training and Superyacht Hospitality Training, three-week entry-level courses designed to introduce students to the essentials of deck or interior work, to our flagship Superyacht Cadetship, a structured four-year programme involving five phases of UKSA training and work placements, leading to the MCA Officer of the Watch 3000gt qualification.

As with all our courses, we assist those in financial need with a range of funding options. In 2022, £459k of assisted funding was made available to UKSA careers students.

Being a centre of excellence for maritime training and career progression

UKSA is the biggest single site provider of MCA Yacht and Deck Training in the world (IAMI 2022 report), with an 76.6% exam pass rate (average pass rate for all examination centres in 2022 was 72.6%). We are recognised throughout the yachting industry as a world-class provider of the training that mariners need to progress

In 2021, we invested in our MCA/AMERC GMDSS General Operators Certificate, Engineering (AEC2) and Master 500gt (Workboat) courses to ensure that we offer the full range of MCA professional training across the yacht and workboat sector.

We are committed to providing an environment which enables our beneficiaries to thrive and, as such, we provide wrap-around support for our learners through our Industry Guidance Team and Welfare Officer and related services, as well as through partnering with specialist organisations that work directly with young people in need.

We continue to offer this support for students once they have finished at UKSA and throughout their careers.



Report of the Trustees - Strategic Report

Financial Review

Financial Results For The Year

In our first full year of activity since the Covid-19 pandemic started in March 2020, we are pleased to report that the charity's financial performance is improving and is continuing the pre-Covid-19 upwards trajectory.

Pre-Covid-19, in the 2018/19 financial year, we demonstrated our ability to transition from a loss-making organisation at an operating level to one in surplus. In 2019/20, this was further improved, achieving an operation surplus of £153k.

In the financial year 2021/22, we faced a number of operational challenges, including returning to pre-Covid-19 beneficiary numbers and the opening of our new accommodation block.

These challenges were compounded by double-digit inflation across our cost base, from catering provision to waste collection. As a result, we approached spending with caution throughout the year.

We are pleased to report that our efforts have paid off, resulting in a positive operating surplus of £246k for the year. This achievement is a testament to the dedication of our team and the focus on financial discipline and cost control. We continue the journey of growing income while carefully controlling expenditure.

Note 2 to the financial statements shows that income from Donations and Legacies totalled £957k, down on the previous year by £388k. The main driver of this reduction is the substantial drop in capital donations as we finished the new build project. It is worth noting that revenue donations doubled in the year.

Note 3 to the financial statements shows that Income from charitable activities increased by 30% to £6.5m (£5m in 2021/22). We are now operating above FY19/20 Income from charitable activities of £6.1m.

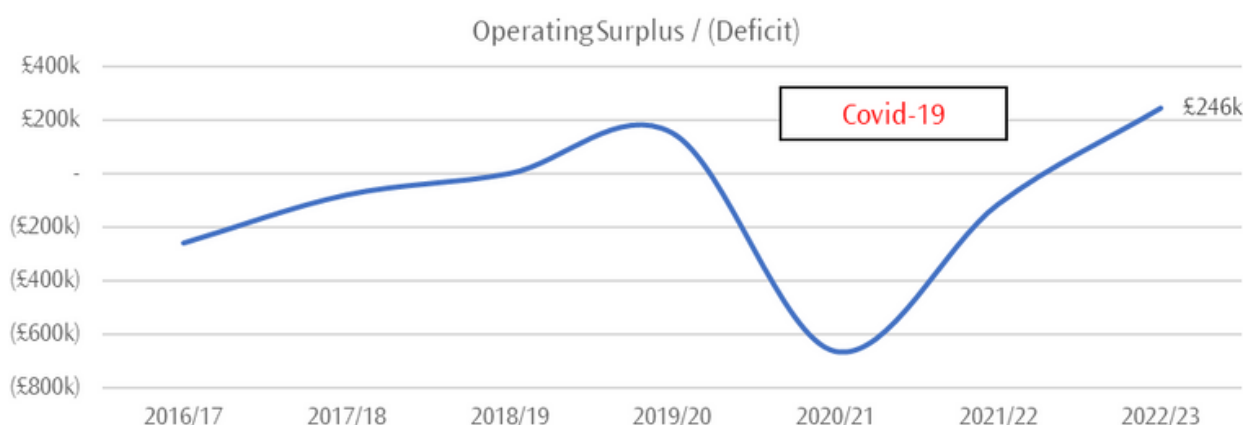
2022/23 In Numbers - Operating Performance

The table below highlights the charity's operating performance over the last 7 years.

	2016/17	2017/18	2018/19	2019/20	COVID-19		2022/23
	£000's	£000's	£000's	£000's	2020/21	2021/22	£000's
Total Surplus per SOFA	117	27	104	294	1,670	850	461
Less: Donated capital income (Net)	(375)	(105)	(101)	(139)	(2,374)	(983)	(234)
Less: Income from investments	(1)	(1)	(2)	(2)	(1)	(4)	(20)
Add: Interest Payable	-	-	-	-	41	41	39
Operating Surplus / (Deficit) *	(259)	(79)	1	153	(664)	(96)	246

*Non-operating items such as donated capital income, investment interest and debt interest have been removed.

The charity's operating performance increased to £246k in 2022/23 after the significant operating losses incurred during the Covid-19 pandemic.



Report of the Trustees - Strategic Report

The main movements in the year were:

► Careers

Careers income increased by 11% to £3,206k (from £2,886k in 2021/22), as a result of higher fill rates.

► Schools and Groups

Schools and Groups income grew to £1.3m in 2022/23 (£510k in 2021/22). We continue to focus on returning to pre-Covid 19 levels of income from Schools and Groups (£1,538k in 2019/20). We are seeing increasing cost of compliance, with more watersports instructors required to deliver our programme.

► MCA

Professional MCA training also performed well year on year, growing by 24% to £1.6m in 2022/23 (from £1.2m in 2021/22). Once again, our MCA Officer of the Watch was the largest contributor in absolute terms, offset by the softening demand for the STCW course as more training providers enter the market.

► Recreational and Leisure Training

We also saw increases in Recreational and Leisure Training, growing by 4% to £318k in FY2022/23 (£305k in 2018/19).

► Youth Development

Income from our distinct Youth Development Programmes was up 42% in FY2022/23 to £153k (£108k in FY2021/22). This was driven by the growth of the number of beneficiaries on our Sea.Change programme from 100 beneficiaries in FY2021/22 to 300 in FY2022/23

In total, Income (excluding capital income) has increased by 29% from £5.8m in 2021/22 to £7.5m in 2022/23.

Costs incurred by the organisation in 2022/23 rose by 22%, amounting to £7.3m compared to the previous year (£6m). We remained focused on controlling our cost base and continually looking for ways to increase contribution by working more efficiently.

Spend on assets was £2.3m in 2022/23, £2.4m in the previous year.

The organisation's unrestricted 'free' reserves have increased by £50k, reaching £358k in 2022/23 from £308k in 2021/22.

These financial results demonstrate the organisation's commitment to financial sustainability and strategic resource allocation to support its strategy.

UKSA Trading

UKSA Trading Ltd. is a wholly owned subsidiary that carries out trading activities on behalf of the Charity, such as an on-site bar, swimming pool hire, vending machines, merchandising, and gym. Note 4 to the financial statements shows that income from UKSA Trading was £195k, £60k more than in the previous year. Whilst there is growth, we are behind FY19/20 levels of income (FY19/20: £261k) due to hosting fewer corporate events and moving away from providing short term marina berthing / B&B accommodation to focus on our core strategy.

Going Concern Basis

The Trustees, supported by the Executive Team, have considered the reserves and net asset position and are satisfied that these financial statements should be prepared on an ongoing concern basis. This is supported by our auditors.

Reserves

The balances and movements in funds along with the amounts held at the year-end are detailed in note 23 to the Financial Statements. Transfers between reserves represent the application of restricted and designated funds to capital projects, funded programmes and bursaries.

Unrestricted Reserves:

The designated fixed asset reserve fund is presented net of the balance of the secured bank loan that was arranged in 2020 and secured against the Charity's fixed assets. The unrestricted general fund balance ("free reserves") is £358k as at 31 January 2023.

Restricted Reserves:

Restricted funds are held to support revenue expenditure and can only be used in accordance with donors' directions, further details of the funds and their intended use are to be found in Note 23 to these accounts.

Report of the Trustees - Strategic Report

Reserves Policy:

In financial year 22/23, the Charity underwent a revision of its reserves policy. Among the various risks identified in our risk register, the most significant immediate financial impact would arise from the loss of regulatory permission, which would prohibit us from conducting courses in the jurisdiction governed by that regulatory body.

The primary regulator for our courses is the RYA, accounting for an anticipated income of £3.7m in the FY23/24, constituting 46% of our annual turnover.

Consequently, we have adopted a worst-case scenario approach, assuming a 40% decline in turnover. Given the seasonal nature of our operations, we considered a 12-month duration as the worst-case timeframe for income loss.

We conducted modelling exercises based on a realistic potential worst-case scenario, taking into account the charity's asset base, charitable activities, and beneficiaries. The following assumptions were incorporated into the models:

- ▶ Income reduction of 40% for a 12-month period.
- ▶ Variable direct product costs decrease proportionally with the decline in income.
- ▶ Fixed direct product costs undergo an additional 15% reduction due to structural cost-saving measures.
- ▶ Capital expenditure is limited to £180,000 over the 12-month period, focusing on essential maintenance to ensure site safety and compliance.
- ▶ Business support costs reduction of 20% throughout the 12 months.
- ▶ Assumption of certain fixed asset disposals in the 12 months to support cash flow.

Based on these modelled assumptions, we determined that starting with reserves amounting to £275,000, the charity would still have a positive closing reserves balance after 12 months.

Consequently, the Board reached an agreement to set the new amount of general unrestricted (free) reserves at £275,000 for the charity.

Investment Policy

The Trustees assessed the working capital requirements of the charity, and the liquid funds were deemed to be sufficient to meet the short-term cash flow requirements of the charity but not at a level to place funds in longer term investments.

Whenever possible, reserve funds are held in short term notice accounts to maximise income from interest with minimal risk.



Report of the Trustees - Strategic Report

How We Plan For The Future

We know that there was a real need for development programmes and structured pathways into employment in the maritime sector which is why we launched our Sea.Change Foundation programme at the end of 2021 to meet an essential part of this need.

Young people aged 14-17 from disadvantaged backgrounds are given the opportunity to discover career pathways and build Skills 4 Life to enable them to further their education and career aspirations, without any personal financial burden. We deliver this programme during the school holidays, at a time when young people struggle most without the structure of the school day.

- ▶ Extending our Reach to children who normally wouldn't be able to attend UKSA.
- ▶ To deliver Maritime Depth, holistically supporting young people into employment. and is underpinned by four guiding principles:
 - ▶ managing risk
 - ▶ promoting quality and sustainability
 - ▶ increasing reach, and
 - ▶ measuring impact

With this in mind, our Trustees reviewed the current strategy in May 2022 with the aim of driving our future ambition to 2030. This work has culminated in our updated strategic vision, purpose and mission document agreed at our September 2022 board meeting.

The delivery and activation of the strategic vision is outlined in detail in our Objectives, Goals, Strategies, Measures (OGSM) framework and progress updated for the board each quarter.

Strategy Vision

Every school child in the UK experiences a water-based adventure and understands the opportunities the maritime industry offers. (There are 9 million school aged children in the UK at 24,000 schools.)

Our Purpose

UKSA inspires and supports children and young people to broaden their horizons through our life-enhancing water-based adventures, education, and training for careers at sea.

Our Mission

UKSA's strategic mission is to continually develop our services, assets and people to meet the needs of children and young people. Our aim is to remove both financial and social barriers to enable students from any background to be able to access UKSA programmes by providing funding for those who need it. We want our beneficiaries to achieve their best and gain life-changing experiences, qualifications and progress along a pathway into a maritime career.

Our evidenced-based approach to the long-term benefits of UKSA's work will enable us to work within a network of 'like-minded' partners to create further awareness and opportunities to grow with agility and at scale on the mainland; whilst developing our Cowes HQ site as a centre for Maritime excellence to support deserving young people.



Report of the Trustees - Strategic Report

Our Five Strategic Priorities

- 1** **Broaden the horizons of children accessing UKSA's programmes. Significantly increasing volumes and funding support for children and schools from disadvantaged areas.**

Goal Increase volumes of schools and group children accessing UKSA's water-based activities

Target Beneficiaries 6 – 16 years. Those in need of confidence and life skills and / or need extra support (for instance SEN, Pupil Premium etc.)
- 2** **UKSA recognised as the global centre of excellence for maritime training and career progression.**

Goal Increase volumes of assisted funded careers places and form strategic partnerships with industry organisations to develop new and existing programmes and secure employment for beneficiaries.

Target Beneficiaries 16 – 25 years of age:

 - ▶ Those who would otherwise not be able to access maritime programmes
 - ▶ Those seeking a career in the maritime industry / seeking an alternative to university
 - ▶ Those working in the maritime sector
 - ▶ Those seeking to develop their career in the maritime industry / gaining higher qualifications to enable job retention and future career progression
- 3** **Working with partners to significantly grow and deliver UKSA introductory sessions. Building awareness of, and engagement in, UKSA's pathways and maritime employment.**

Goal Develop partnerships with 'like-minded' organisations on the mainland to significantly grow UKSA's introductory activities, signposting beneficiaries to the opportunities of careers and skills training in Cowes.

Target Beneficiaries 6 – 16 years. Those in need of confidence and life skills and/or need extra support (for instance SEN, Pupil Premium etc.)
- 4** **Working with partners to significantly grow and deliver UKSA introductory sessions. Building awareness of, and engagement in, UKSA's pathways and maritime employment.**

Goal

 - ▶ Deliver operational surplus in line with agreed 2023 – 2030 long term plan.
 - ▶ Create sustainable and significant fundraising income to support target beneficiaries: We will diversify income streams and create lasting relationships with funders, and
 - ▶ Deliver evidence-based research assessment on UKSA's impact. Our overall approach is to be led by the needs of our beneficiaries, focusing on the impact and outcomes on their lives.

Target Beneficiaries All UKSA beneficiaries and stakeholders.
- 5** **Grow UKSA's capacity on the IOW, whilst developing and maintaining a world-class staff team and facilities.**

Goal

 - ▶ Deliver a capital investment plan to ensure UKSA remains a world-leading maritime training centre
 - ▶ Expand our Isle of Wight capacity, focusing on East Cowes, and reducing the risk of watersports operations,
 - ▶ UKSA's resources are fit for purpose and remain a world-leading maritime training and work environment,
 - ▶ Execute a digital-enabled strategy to significantly improve organisational efficiency, and
 - ▶ Become a "Best Companies" employer.

Target Beneficiaries All UKSA beneficiaries and stakeholders.

Report of the Trustees - Strategic Report

Risk Review

Risk Management: Trustees

The charity operates formal risk management processes at the top of which is the Operational Risk Sub-Committee (ORSC) which meets quarterly. ORSC considers all main risk areas, subject to the paragraph below. It is chaired by a Trustee and comprises two other Trustees as well as members of the Executive Team. The sub-committee also considers any reported incidents in detail. Summaries of the sub-committee's discussions are presented to the main Board at its quarterly meetings.

The risks associated with the new building project were monitored by the Capital Development Sub-Committee insofar that they related to Health & Safety, compliance with planning and other regulations, unforeseen complications in the ground, supplier issues and the business risk of delays overrun. The Financial Risk relating to the project has been a matter for Finance Sub Committee.

A summary of the major risks to the charity is held on a detailed risk register that identifies which scores the operational, financial, governance, compliance and external risks and evaluates the measures that are in place to mitigate them.

The risk register is a regularly updated by management and is reviewed by the ORSC. UKSA has a structured approach to risk, that emphasises the importance of mitigating both the likelihood and the impact of risk. In doing so we adopt a four-tier approach to mitigating risk. Tier 1 comprises measures that are followed at an operational level by individuals and teams as part of their day-to-day work. Our internal audit processes are the mainstay of Tier 2 while at Tier 3, we have the external expertise that supports the risk assurance activities that we do in-house. At Tier 4 are the external inspections and audits that are required to maintain regulatory compliance.

Financial Risk is a matter for the Trustee led Finance Sub-Committee. The charity's main income is derived from maritime training. The main financial risk is a significant downturn in business activity leading to an interruption in sold or fundraised income.

Risk Management: Operational

The predominant operational or reputational risks for the charity are the health and safety of students taking part in UKSA activities on and off the water and the safeguarding of young people and vulnerable adults. Monthly Health and Safety meetings are held for both shoreside and water activity risks, both feeding into a monthly Health and Safety management meeting. Leadership is a key element of safety assurance, and a member of the Executive Team chairs all such meetings.

Stringent operating procedures are in place to minimise the risk of accidents while undertaking activities at UKSA and all instructors undergo a mandatory and rigorous induction programme followed up with regular training. Daily operational meetings are held to assess risk for each day's activities and consider group ability, type of activity and location. This, together with the high level of monitoring from national governing bodies and statutory authorities helps to ensure that safety is paramount at UKSA.

UKSA has a Designated Safeguarding Officer within the Executive Team and holds monthly safeguarding meetings with key staff to review practices and policies. All staff, Trustees and volunteers receive appropriate levels of training in safeguarding for young people and adults deemed to be at risk. A robust safeguarding policy is in place and external expertise is sought where necessary.

The charity engages with Centor Risk Management to provide a risk consultancy service with a particular emphasis on insured risk, and compliance with policy wordings. In addition, working with our IT partner, PC Consultants, we implemented the measures required to achieve the Cyber Essentials standard that is promoted by the National Cyber Security Centre.

The charity has a robust critical incident response plan, which was developed with the support and input of the ORSC and our external consultants, Pharos Response, who are specialists in risk and reputation management in the education, youth, travel and adventure sectors and who also provide the charity with 24/7 incident support.

Report of the Trustees - Strategic Report

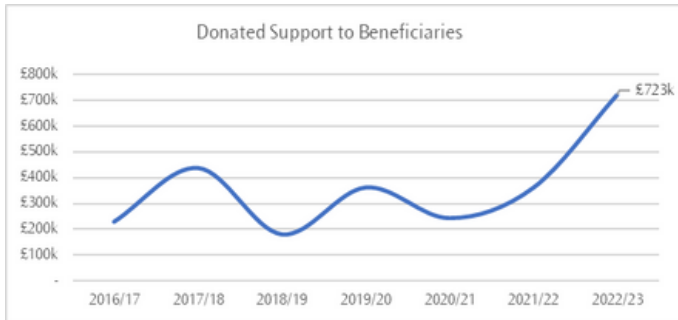
Fundraising Review

Fundraising overview

Fundraising at UKSA continued to look bright, following a successful year of exceeding targets. We have secured a number of new funders and greatly benefit from transformational ongoing relationships with key funders. A focus on multi-year funding, sponsorship and major unrestricted donations means that the charity can be agile and react to the needs of beneficiaries.

Alongside this, the fundraising team have sought to improve how they approach, secure and report to funders, creating beneficial relationships and opening new networks. The team has recently welcomed a head of fundraising, who will bring external experience and skills to support the team in the year ahead, and beyond.

The charity has raised £4.4m for capital projects (Sea.Change building, training centre building, shower blocks, yachts and dinghies) in the last 7 years. In addition, the charity's fundraising team have been focusing on increasing donor support for its day-to-day work with its beneficiaries. Progress in this area is illustrated in the graph below:



Most importantly, this progression means that we can continue to increase the number of children and young people we support through our funding opportunities towards our programmes and courses.

How We Fundraise

UKSA is a medium sized charity that takes a long term, supporter-led relationship fundraising approach to its activities. The fundraising team raise funds to support programme delivery, capital projects and unrestricted income to support the charity in whatever way it needs. The charity principally raises funds from Trusts and Foundations, Companies, Individuals and Partnerships. It also raises funds through online campaigns, community events and activities.

The UKSA fundraising team is led by an experienced director of fundraising and development. The Chief Executive, wider management team, Trustees and volunteers also play a significant role in raising funds for the Charity. All partnerships with third parties are managed in line with the Code of Fundraising Practice, including contracting, reporting and managing their fundraising activities. Furthermore, where a third party is used UKSA asks that the third party adheres to the provisions in the Code of Fundraising Practice where relevant.

The fundraising team are supported by a Future Income Sub-committee, who ensure that all new income generating activity, whether from charitable activities or from fundraising, is carried out in a way that is consistent with UKSA's overall strategic priorities. The fundraising team have developed and are implementing a growth strategy, which looks at the future of the fundraising and marketing landscapes, with the following aims:

- ▶ increasing multiyear commitments of support with a focus on unrestricted income,
- ▶ launching and growing the Founders' Club for major donors,
- ▶ growing strategic corporate partnerships, including with the maritime industry,
- ▶ creating an impact focussed communications plan, and
- ▶ growing community fundraising, challenge event and wider event offerings.



Report of the Trustees - Strategic Report

Fundraising Controls

UKSA is a member of the Fundraising Regulator and is committed to the highest standards in fundraising. At all times, we ensure that we are respectful, open, honest and accountable to our supporters and the public.

All UKSA's fundraising activities must comply with the Fundraising Regulator's Code of Fundraising Practice for the UK and UKSA adheres to the Code's requirement on handling any breaches of the Code or complaints about UKSA's fundraising activities. There have been no such breaches or complaints reported in the year to 31 January 2023, or subsequently.

We also adhere to the requirements related to the General Data Protection Regulation (GDPR) in our fundraising practices. We also have a fundraising policy which works alongside our safeguarding and volunteering policies which sets out our approach to protecting our beneficiaries and supporters.

Alongside this, the director of fundraising works closely with the Trustees to outline their responsibility in fundraising and update our policies with regards to ethical fundraising, fundraising from vulnerable people, gift aid and dealing with complaints. The fundraising team have all taken part in additional training through the Fundraising Regulator.

Structure, Governance and Management

UKSA is controlled by its Memorandum and Articles of Association and is incorporated as a company limited by guarantee, as defined by the Companies Act 2006. The charity is administered by a Board of unpaid Trustees who are also directors for the purposes of the Companies Act 2006. At the end of January 2023, there were eight Trustees. Other than the Founding Member Trustee, Trustees serve for four years, with the possibility of election for a second four-year term. Only under exceptional circumstances are further terms considered, to be reviewed annually thereafter.

The Chair of Trustees has a maximum set term of four years and can serve a maximum of three such terms. There is an agreed and documented selection process to either re-appoint the existing Chair or select a new Chair, which takes place every four years. The nominations committee comprising three to five Trustees will conduct the selection process.

The Board meets at least four times a year. Trustees are responsible for the appointment of the Chief Executive, to whom day-to-day management of the organisation is delegated.

Trustees work with the Executive Team to develop a long-term strategic plan, progress against which is reviewed with them at annual strategy and development meetings. The Board also reviews and approves the Executives' annual business plan and budget.

At quarterly Governance meetings, the Board addresses governance matters and assesses the charity's performance with the Executive Team. Additionally, the Chief Executive holds regular conference calls with the Board on any matters arising.

The Board has established standing Sub-Committees to provide specific oversight, advice and recommendations. Sub-Committees are made up of at least two Trustees, as well as Executive Team members and external advisors as required.

- ▶ The Finance Sub-Committee monitors the effectiveness of the charity's financial controls and reporting, considers key areas of financial risk and compliance, reviews the audit process and has a key role in the control of financial planning, investments and pensions.
- ▶ The Capital Development Sub-Committee ensures appropriate governance and project management is in place for UKSA's site development projects.
- ▶ The Operational Risk Sub-Committee, which monitors all areas of risk to the charity other than financial risk, reviews incident reports and scrutinises the risk management system.
- ▶ The Pay and Remuneration Committee reviews the remuneration and benefits for the CEO and makes recommendations to the Board with regard to criteria for pay awards and benchmarking.
- ▶ The Future Income Sub-Committee ensures consistency of focus and approach across all Course Delivery and Fundraised streams of income.
- ▶ The board appointed Richard Stokes as Chair of Trustees in September 2022.
- ▶ The board appointed Debra Price Vice Chair of Trustees in September 2022.

On behalf of the board and UKSA's beneficiaries we would like to express our sincere thanks to Kevin George who retired as Chair and Trustee of the board in September 2022.

Report of the Trustees - Statement of Trustee's Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The Trustees are responsible for complying with The Charities Commission guidance on trustees' duties and responsibilities as listed.

The financial statements are required by law to give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing these financial statements the Trustees are required to:

- ▶ select suitable accounting policies and apply them consistently,
- ▶ observe methods and principles in the Charities SORP,
- ▶ make judgements and estimates that are reasonable and prudent,
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

The Trustees are also responsible for ensuring that proper accounting records are maintained, that 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 Companies Act 2006.

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website.

Legislation in England/Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

In so far as we are aware:

- ▶ there is no relevant audit information of which the charitable company's auditor is unaware; and
- ▶ the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors will be proposed for re-appointment in accordance with the Companies Act 2006 at the Annual Retirement Meeting.

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report included here in their capacity as the company's directors.

On Behalf of the Board:



Richard Stokes CBE, Chair of Trustees

23 June 2023



Independent Auditor's Report to the Members of UK Sailing Academy

Opinion

We have audited the financial statements of UK Sailing Academy ('the charitable company') and its subsidiary ('the group') for the year ended 31 January 2023 which comprise Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cashflows and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 January 2023 and of the group's income and expenditure, for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ▶ have been prepared in accordance with the requirements of the Companies Act.

Basis For Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 charitable company's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of UK Sailing Academy

Opinions on other matters prescribed by the Companies Act 2006

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

- ▶ the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

- ▶ adequate and proper accounting records have not been kept; or
- ▶ the financial statements are not in agreement with the accounting records and returns; or
- ▶ certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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



Independent Auditor's Report to the Members of UK Sailing Academy

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were Charity Commission legislation, health and safety legislation, General Data Protection Regulation (GDPR), Royal Yachting Association (RYA) regulation and Maritime and Coastguard Agency (MCA)/International Association of Marine Investigators (IAMI) regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of certain streams of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and the above-mentioned income streams, reviewing accounting estimates for biases,

reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 27/06/2023

Consolidated statement of financial activities for the year ended 31 January 2023

(Incorporating income and expenditure account)

		Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2022/23 £000's	TOTAL 2021/22 £000's
INCOME FROM:					
Donations, Legacies and Grants	2	660	297	957	1,345
Charitable Activities	3	6,566	-	6,566	5,041
Trading Activities	4	195	-	195	135
Government Support	5	19	-	19	285
Investments	6	20	-	20	4
Other	7	-	-	-	7
Total income		<u>7,460</u>	<u>297</u>	<u>7,757</u>	<u>6,817</u>
EXPENDITURE ON:					
Raising funds:					
Trading Activities	4	124	-	124	80
Expenditure on raising funds	8	194	-	194	119
Charitable Activities	9	6,978	-	6,978	5,768
Total expenditure		<u>7,296</u>	<u>-</u>	<u>7,296</u>	<u>5,967</u>
Net (expenditure)/income		164	297	461	850
Transfers between funds	23	1,806	(1,806)	-	-
Net movement in funds		<u>1,970</u>	<u>(1,509)</u>	<u>461</u>	<u>850</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		5,483	1,687	7,170	6,320
TOTAL FUNDS CARRIED FORWARD	23	<u>7,453</u>	<u>178</u>	<u>7,631</u>	<u>7,170</u>

Continuing operations

All of the charity's activities are continuing. There were no gains or losses other than those shown above.

Full comparatives for the year to 31 January 2022 are shown in note 28.

The notes on pages 26 to 43 form part of these financial statements.

Group balance sheet as at 31 January 2023

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2022/23 £000's	2021/22 £000's
FIXED ASSETS	22	8,531	-	8,531	6,675
CURRENT ASSETS					
Stocks	16	148	-	148	116
Debtors: Amounts falling due after more than one year	17	317	-	317	248
Debtors: Amounts falling due within one year	17	1,182	-	1,182	902
Short Term Deposit Accounts	18	1,270	-	1,270	1,504
Cash at bank and in hand	18	446	178	624	2,553
		3,363	178	3,541	5,323
CREDITORS					
Amounts falling due within one year	19	(3,052)	-	(3,052)	(3,373)
NET CURRENT ASSETS		311	178	489	1,950
TOTAL ASSETS		8,842	178	9,020	8,625
CREDITORS					
Amounts falling due after more than one year	20	(1,389)	-	(1,389)	(1,455)
NET ASSETS		7,453	178	7,631	7,170
FUNDS					
	23				
<i>Unrestricted funds;</i>					
Designated tangible fixed asset fund (net of secured bank loan)				7,095	5,175
Unrestricted general funds				358	308
				7,453	5,483
<i>Restricted funds;</i>					
Restricted bursary funds				178	350
Restricted capital fund				-	1,337
				178	1,687
TOTAL FUNDS				7,631	7,170

The financial statements were approved and authorised for issue by the Board of Trustees on 23/06/2023

And were signed on its behalf by:



Richard Stokes CBE
Chair of Trustees

Date: 23/06/2023

Registered Company Number: 02251024

The notes on pages 26 to 43 form part of these financial statements.

Charity balance sheet as at 31 January 2023

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2022/23 £000's	TOTAL 2021/22 £000's
FIXED ASSETS	22	8,531	-	8,531	6,675
CURRENT ASSETS					
Stocks	16	145	-	145	113
Debtors: Amounts falling due after more than one year	17	317	-	317	248
Debtors: Amounts falling due within one year	17	1,181	-	1,181	901
Short Term Deposit Accounts	18	1,270	-	1,270	1,503
Cash at bank and in hand	18	444	178	622	2,553
		3,357	178	3,535	5,318
CREDITORS					
Amounts falling due within one year	19	(3,046)	-	(3,046)	(3,368)
NET CURRENT ASSETS / (LIABILITIES)		311	178	489	1,950
TOTAL ASSETS		8,842	178	9,020	8,625
CREDITORS					
Amounts falling due after more than one year	20	(1,389)	-	(1,389)	(1,455)
NET ASSETS		7,453	178	7,631	7,170
FUNDS					
	23				
<i>Unrestricted funds:</i>					
Designated tangible fixed asset fund (net of secured bank loan)				7,095	5,175
Unrestricted general funds				358	308
				7,453	5,483
<i>Restricted funds:</i>					
Restricted bursary funds				178	350
Restricted capital fund				-	1,337
				178	1,687
TOTAL FUNDS				7,631	7,170

The surplus for the financial year 2022/23 dealt with in the financial statements of the parent charity was £461k (2021/22: £850k).

The financial statements were approved and authorised for issue by the Board of Trustees on 23/06/2023

And were signed on its behalf by:



Richard Stokes CBE
Chair of Trustees

Date: 23/06/2023

Registered Company Number: 02251024

The notes on pages 26 to 43 form part of these financial statements.

Consolidated statement of cash flow for the year ended 31 January 2023

	Notes	2022/23 £000's	2021/22 £000's
NET CASH PROVIDED BY OPERATING ACTIVITIES	A	223	3,644
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		20	4
Interest paid and fees		(76)	(68)
Purchase of tangible fixed assets		(2,266)	(2,379)
Sale of Tangible Fixed Assets		-	75
		<u>(2,322)</u>	<u>(2,368)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Secured bank loan repaid in year		(64)	-
MANAGEMENT OF LIQUID FUNDS			
Short term deposit account transfers		234	(1,217)
(Decrease)/Increase in cash in the year	B	<u>(1,929)</u>	<u>59</u>

NOTE A - RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES

Net income	461	850
Depreciation and impairment charges	410	343
(Profit)/Loss on disposal of fixed assets	-	(5)
Interest received	(20)	(4)
Interest paid and charges	76	68
(Increase)/Decrease in stocks	(32)	40
(Increase)/Decrease in debtors	(349)	1,496
(Decrease)/Increase in creditors	(323)	856
Net cash provided by operating activities	<u>223</u>	<u>3,644</u>

NOTE B - RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

(Decrease)/Increase in cash in the year	(1,929)	59
(Decrease)/Increase in short term deposits	(234)	1,217
Secured bank loan repaid in year	64	-
Change in net cash	<u>(2,099)</u>	<u>1,276</u>
Net cash at 1 February	2,557	1,281
Net cash at 31 January	<u>458</u>	<u>2,557</u>

ANALYSIS OF CHANGE IN CASH AND CASH EQUIVALENTS

	At 1st Feb 22 £000's	Cashflow £000's	At 31st Jan 23 £000's
Cash at bank and in hand	2,553	(1,929)	624
Short term deposit accounts	1,504	(234)	1,270
Loans	(1,500)	64	(1,436)
Total	<u>2,557</u>	<u>(2,099)</u>	<u>458</u>

The notes on pages 26 to 43 form part of these financial statements.

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

UK Sailing Academy is an incorporated charity (number 299248) and company (number 02251024) with its registered office at Arctic Road, Cowes, Isle of Wight PO31 7PQ and is incorporated and domiciled in the UK.

1 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

UKSA 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).

b) Going concern

In their assessment of going concern, the trustees have considered the impact of the current economic climate on the charity. Supported by the management team, they have throughout the year considered the cash, reserves and net asset position of the charity (I&E, Cashflow and balance sheet forecasts and reviewed on a rolling basis). Based on these considerations the Trustees consider that the going concern basis for the charity is appropriate.

The trustees are confident that the management team will continue to mitigate financial risks effectively by actively managing liquidity and by carefully controlling income and expenditure.

c) Group accounts

The accounts have been consolidated to include the results of the charity's trading subsidiary, which has the same year-end. No separate profit and loss account is presented for UK Sailing Academy as permitted by Section 408 of the Companies Act 2006. The parent company's surplus for the year was £461k (2021/22: £850k).

d) Income

All income is included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Voluntary income is credited to the income and expenditure account on a received basis, apart from income that covers a specific period of time ending after 31 January 2023, the deferred part of the income being shown within creditors. Income from the charitable activities is recognised on an accruals basis, and income relating to courses which commence after the balance sheet date is deferred to future accounting periods.

e) Expenditure

All expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure. Support costs are allocated between the activities of the charity on a percentage basis in line with the income and activity levels of those activities.

Included within charitable activity are governance costs. Governance costs are those costs associated with the governance arrangements including external and internal audit and legal advice for Trustees, rather than the day-to-day management of the charity.

Notes to the financial statements for the year ended 31 January 2023 (continued)

f) Debtors

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

g) Cash and cash equivalents

Cash is represented by cash in hand and short term highly liquid investments with a short maturity of 95 days or less from the date of acquisition or opening of the deposit or similar account. This has been split accordingly on the face of the balance sheet.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

i) Intangible fixed assets

The company capitalises purchases of intangible assets where the value is over £1k and the useful economic life is at least three years. Amortisation is provided on all intangible fixed assets using the straight-line method designed to write off each asset over its expected useful economic life. The expected useful life of the company's intangible fixed assets is 10 years.

The company reviews its intangible fixed assets on an annual basis and will consider an impairment of those assets where the carrying amount (net book value) of the asset is higher than its recoverable amount; the recoverable amount being defined as the higher of the amount that could be obtained by selling the asset (Net Realisable Value), and the amount that could be obtained by using the asset (Value in Use).

i) Tangible fixed assets

The company capitalises purchases of tangible assets where the value is over £1k and the useful economic life is at least three years. Depreciation is provided on all tangible fixed assets using the straight-line method designed to write off each asset over its expected useful economic life. It is the company's policy to determine the expected useful life of each asset individually, ranging from 3 to 100 years.

The company reviews its tangible fixed assets on an annual basis and will consider an impairment of those assets where the carrying amount (net book value) of the asset is higher than its recoverable amount; the recoverable amount being defined as the higher of the amount that could be obtained by selling the asset (Net Realisable Value), and the amount that could be obtained by using the asset (Value in Use).

j) Impairment of buildings

Buildings are held at historic cost. This value is subject to the requirement to test assets for impairment in accordance with section 27 of FRS102.

The company will get a land and buildings valuation done every 3 years to confirm no impairment is required, with a directors' assessment in the interim. The valuation performed last year by Jones Lang LaSalle showed no impairment was required. The next valuation is due for the year ending 31 January 2024.

k) Stocks

Stocks of bought in goods are stated at the lower of cost and net realisable value. Stocks held include provisions, bar, vending, merchandise, clothing and Red Funnel ferry tickets.

Stocks also include inventory items held for free distribution to beneficiaries in furtherance of charitable activities (e.g., boards, masts, sails, wetsuits, paddles, buoyancy aids etc.). Inventory is written down (impaired) to nil value over a three-year period.

Notes to the financial statements for the year ended 31 January 2023 (continued)

l) Taxation

The charity is exempt from corporation tax on its charitable activities. Irrecoverable VAT is recognised as an expense in the Statement of Financial Activities within training and education expenditure. The trading subsidiary has not incurred a tax charge as it gifts all profits to the charity.

m) Pensions

The charity does not operate a defined benefit pension scheme. UKSA auto-enrolled eligible employees with the National Employment Savings Trust (NEST) as the provider for its workplace pension. During 2022/23 UK Sailing Academy contributions of £62k (2021/22: £52k) were recognised in the Statement of Financial Activities (see Note 14).

n) Leased assets

Instalments on operating lease contracts are charged on a straight-line basis over the lease life.

o) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are subject to specific conditions laid down by donors as to how they may be used, or which have been raised by the charity for particular purposes. The aim and use of each restricted fund are set out in the notes to the financial statements.

p) Financial instruments

The charity has financial assets and 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. Note 21 provides more information in respect of this area.

q) Key judgements and estimates

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

Notes to the financial statements for the year ended 31 January 2023 (continued)

2	DONATIONS AND LEGACIES	2022/23	2021/22
		£000's	£000's
	Donations (Revenue)	719	362
	Donations (Capital)	234	983
	Grant funding	4	-
		<u>957</u>	<u>1,345</u>
3	INCOME FROM CHARITABLE ACTIVITIES	2022/23	2021/22
		£000's	£000's
	Schools and groups	1,185	382
	Careers courses for employment	2,994	2,814
	Professional training	1,589	1,278
	Recreational training	318	305
	Total income for training activities	<u>6,086</u>	<u>4,779</u>
	Student services and site income	295	195
	Lost deposits	185	67
		<u>6,566</u>	<u>5,041</u>

Income in respect of courses that commence after the balance sheet date is deferred and recognised over the period during which the course takes place. An analysis of deferred income is shown below:

	2022/23	2021/22
	£000's	£000's
Gross income from charitable activities	6,658	5,462
Amounts deferred last year that have been released in the current year	2,246	1,825
Amounts deferred to future periods	<u>(2,338)</u>	<u>(2,246)</u>
	<u>6,566</u>	<u>5,041</u>

Notes to the financial statements for the year ended 31 January 2023 (continued)

4 INVESTMENT IN TRADING COMPANY

UK Sailing Academy holds 100% of the share capital of UKSA Trading Limited (registered office – Arctic Road, Cowes, Isle of Wight PO31 7PG – Registered Company No. 06276835) which is responsible for the provision of commercial services on behalf of the charity.

The charity's investment in the trading company was as follows:	2022/23	2021/22
	£	£
UKSA Trading Limited	1	1

The subsidiary is registered in England and Wales and pays under gift aid its entire profits as computed for corporation tax purposes to the charity. Its results and balance sheet are as follows:

Profit and Loss Account	2022/23	2021/22
	£000's	£000's
Income	195	135
Government support	-	1
Cost of sales	(124)	(80)
Gross profit	71	56
Administration expenses	(59)	(45)
	12	11
Amount payable under gift aid to the charity	(12)	(11)
Retained in subsidiary	-	-
Balance sheet		
Current assets	7	8
Current liabilities	(7)	(8)
	-	-
Share Capital (<i>Total Share Capital = £1</i>)	-	-

A UKSA members' resolution was passed in 2019 for the purpose of the continuance of the Gift Aiding of the profits of UKSA Trading Limited to UK Sailing Academy annually on the 31st January, until further notice.

The gift aid payment of £12k (2021/22: £11k) and management charge of £59k (2021/22: £45k) paid to UK Sailing Academy has been eliminated upon consolidation.

Notes to the financial statements for the year ended 31 January 2023 (continued)

5	GOVERNMENT SUPPORT	2022/23	2021/22		
		£000's	£000's		
	Kickstart Scheme Income	10	-		
	IOW Council LRS Grant	9	62		
	Job Retention & Support Scheme Income	-	223		
		<u>19</u>	<u>285</u>		
6	INVESTMENT INCOME	2022/23	2021/22		
		£000's	£000's		
	Deposit account interest	20	4		
		<u>20</u>	<u>4</u>		
7	OTHER INCOME	2022/23	2021/22		
		£000's	£000's		
	Insurance claims	-	2		
	Sale of assets	-	5		
		<u>-</u>	<u>7</u>		
8	EXPENDITURE ON RAISING FUNDS	2022/23	2021/22		
		£000's	£000's		
	Fundraising pay costs	161	105		
	Fundraising non-pay costs	33	14		
		<u>194</u>	<u>119</u>		
9	EXPENDITURE ON CHARITABLE ACTIVITIES				
		Admin, Sales and Marketing	Total		
	Training Costs	Support Costs	Marketing Costs	2022/23	
	2022/23	2022/23	2022/23	2022/23	
	£000's	£000's	£000's	£000's	
	Youth Development programmes	57	77	33	167
	Schools and Groups	394	733	288	1,415
	Careers courses for employment	1,367	1,565	685	3,617
	Professional training	472	569	339	1,380
	Recreational training	162	169	68	399
		<u>2,452</u>	<u>3,113</u>	<u>1,413</u>	<u>6,978</u>
				Admin, Sales and Marketing	Total
	Training Costs	Support Costs	Marketing Costs	2021/22	2021/22
	2021/22	2021/22	2021/22	2021/22	2021/22
	£000's	£000's	£000's	£000's	£000's
	Youth Development programmes	29	65	24	118
	Schools and Groups	161	265	113	539
	Careers courses for employment	1,409	1,468	639	3,516
	Professional training	408	513	283	1,204
	Recreational training	162	162	67	391
		<u>2,169</u>	<u>2,473</u>	<u>1,126</u>	<u>5,768</u>

Notes to the financial statements for the year ended 31 January 2023 (continued)

10 SUPPORT, ADMINISTRATION & SALES AND MARKETING COSTS

	2022/23 £000's	2021/22 £000's
Delivery Teams	139	85
Depreciation & Write down	473	433
Site costs	665	488
Catering	608	472
Operations and Customer Support	317	259
Yacht, Fleet and Vehicle Maintenance	367	304
VAT	247	201
Other	297	231
Total Support Costs	<u>3,113</u>	<u>2,473</u>
Administration Costs	671	560
Sales and Marketing Costs	703	525
Interest Payable	39	41
Total Support Costs	<u>1,413</u>	<u>1,126</u>
	<u>4,526</u>	<u>3,599</u>

11 GOVERNANCE COSTS

	2022/23 £000's	2021/22 £000's
Auditors' remuneration	17	15
Company Secretary	11	10
Travel and Subsistence	1	-
	<u>29</u>	<u>25</u>

12 NET MOVEMENT IN FUNDS

	2022/23 £000's	2021/22 £000's
Net movement in funds is stated after charging:		
Auditors' remuneration for statutory work	17	15
Operating lease rental for IT and vehicles	76	79
Interest paid and charges	76	68
Depreciation - owned assets	410	343
(Profit)/Loss on disposal	-	(5)

13 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2023 (2021/22: £nil). Travelling expenses are reimbursed, if claimed, to trustees. In 2022/23 this was £1k (2021/22: £nil).

Notes to the financial statements for the year ended 31 January 2023 (continued)

14 STAFF COSTS

The average number of full-time equivalent staff employed by the charity during the financial year amounted to:

	2022/23 Total No.	2022/23 FTE No.	2021/22 Total No.	2021/22 FTE No.
Directly involved in achieving charitable objectives	125	102	102	78
Management and financial administration of the charity	10	10	10	10
	<u>135</u>	<u>112</u>	<u>112</u>	<u>88</u>

The aggregate payroll costs of the above were:

	2022/23 £000's	2021/22 £000's
Wages and salaries	3,097	2,452
Social security	271	204
Pension	62	52
	<u>3,430</u>	<u>2,708</u>

The number of employees whose emoluments exceeded £60,000 was:

	2022/23 No.	2021/22 No.
£60,000 to £69,999	2	2
£70,000 to £79,999	-	-
£80,000 to £89,999	-	-
£90,000 to £99,999	1	1

Employer Pension Contributions for the above individuals were £8k (2021/22: £8k)

15 EXECUTIVE REMUNERATION

The total remuneration, benefits and pensions paid to the key management personnel in the year was £431k (2021/22: £377k). The key management personnel in the year were the Chief Executive, Director of Finance and Risk, Director of Marketing and Business Development, Director of Operations and Training, and Director of Fundraising.

16 STOCK

	2022/23 £000's	2021/22 £000's
Stock for resale (trading)	3	3
Inventories (charity)	145	113
Group stocks held	<u>148</u>	<u>116</u>

Notes to the financial statements for the year ended 31 January 2023 (continued)

17 DEBTORS

	Group 2022/23 £000's	Group 2021/22 £000's	Charity 2022/23 £000's	Charity 2021/22 £000's
Trade debtors for courses	679	546	678	545
Due from subsidiary undertaking	-	-	-	-
Other debtors	538	375	538	375
Prepayments and accrued income	333	284	333	284
Bad debt provision for other debtors	(51)	(55)	(51)	(55)
	<u>1,499</u>	<u>1,150</u>	<u>1,498</u>	<u>1,149</u>

Included within other debtors is a total of £361k (2021/22 £248k) relating to repayable bursary amounts due over 1 year.

Also included within other debtors is a total of £6k (2021/22 £nil) relating to cycle to work scheme repayable amounts due over 1 year.

Included within bad debt provision for other debtors is a total of (£50k) (2021/22 (£53k)) relating to repayable bursary amounts due over 1 year.

18 CASH AND CASH EQUIVALENTS

	Group 2022/23 £000's	Group 2021/22 £000's	Charity 2022/23 £000's	Charity 2021/22 £000's
Bank current accounts	616	2,544	616	2,544
Bank deposit accounts	1,272	1,504	1,270	1,503
Petty cash	1	2	1	2
Pre-paid expense cards	5	7	5	7
	<u>1,894</u>	<u>4,057</u>	<u>1,892</u>	<u>4,056</u>

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022/23 £000's	Group 2021/22 £000's	Charity 2022/23 £000's	Charity 2021/22 £000's
Trade creditors	321	410	316	407
Due to subsidiary undertaking	-	-	1	3
Social security and other taxes	62	176	62	176
Secured bank loan	60	59	60	59
Other creditors	61	23	61	23
Accruals and deferred income	2,548	2,705	2,546	2,700
	<u>3,052</u>	<u>3,373</u>	<u>3,046</u>	<u>3,368</u>

Included within trade creditors is a total of £93k (2021/22: £182k) relating to retentions of the main build capital project.

Included within accruals and deferred income is a total of £2,123k (2021/22: £2,232k) relating to amounts invoiced in advance of the commencement of training courses.

Social security and other taxes includes Government deferral scheme PAYE of £nil (2021/22: £122k).

Notes to the financial statements for the year ended 31 January 2023 (continued)

20 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR:

	Group 2022/23 £000's	Group 2021/22 £000's	Charity 2022/23 £000's	Charity 2021/22 £000's
Secured bank loan	1,376	1,441	1,376	1,441
Social security and other taxes	-	-	-	-
Accruals and deferred income	13	14	13	14
	<u>1,389</u>	<u>1,455</u>	<u>1,389</u>	<u>1,455</u>

The amounts held within accruals and deferred income relates to amounts invoiced in advance of the commencement of training courses of £13k (2021/22: £14k).

The Group has a bank loan with NatWest which is secured by a fixed and floating charge over the property and assets of the group. The balance of the loan at 31 January 2023 is £1,436k. The loan has interest charged at 2.44% for a fixed period (60 months until February 2026) thereafter at 2.09% over Base Rate for the remaining period. The loan is due for final repayment in January 2042.

The maturity of the bank loan has been analysed as follows:

	Net Repayments 2022/23 £000	Net Repayments 2021/22 £000
Within one year	60	21
1-2 years	62	59
2-5 years	193	190
Greater than 5 years	<u>1,121</u>	<u>1,230</u>
	<u>1,436</u>	<u>1,500</u>

In addition, deferred income has been analysed as follows:

	Group 2022/23 £000's	Group 2021/22 £000's	Charity 2022/23 £000's	Charity 2021/22 £000's
Deferred income at 1 February	2,246	1,825	2,240	1,825
Applied during the year	(2,246)	(1,825)	(2,240)	(1,825)
Released during the year	2,338	2,246	2,338	2,240
Deferred income at 31 January	<u>2,338</u>	<u>2,246</u>	<u>2,338</u>	<u>2,240</u>

Notes to the financial statements for the year ended 31 January 2023 (continued)

21 FINANCIAL INSTRUMENTS

Financial assets held at amortised cost are trade debtors, other debtors, accrued income, amount owed by group companies and cash held at bank. Note this excludes stock and prepayments.

Financial liabilities held at amortised cost are trade creditors, accruals, bank loan and amounts owed by group companies. This excludes deferred income and social security and other taxes.

Group	2022/23	2021/22
	£000's	£000's
Financial assets measured at amortised cost	3,234	5,084
Financial liabilities measured at amortised cost	2,041	2,406
	<hr/>	<hr/>
	2022/23	2021/22
	£000's	£000's
Total interest income for financial assets held at amortised cost	20	4
	<hr/>	<hr/>
Charity	2022/23	2021/22
	£000's	£000's
Financial assets measured at amortised cost	3,231	5,082
Financial liabilities measured at amortised cost	2,037	2,406
	<hr/>	<hr/>
	2022/23	2021/22
	£000's	£000's
Total interest income for financial assets held at amortised cost	20	4
	<hr/>	<hr/>

Notes to the financial statements for the year ended 31 January 2023 (continued)

22 FIXED ASSETS

	Assets under course of construction	Freehold land and buildings	Leasehold buildings	Swimming pool	Equipment and Training Aids
COST	£000's	£000's	£000's	£000's	£000's
As at 1 February 2022	2,330	3,390	316	200	1,016
Additions	1,845	38	-	-	253
Transfer	(4,121)	4,114	-	-	(3)
As at 31 January 2023	54	7,542	316	200	1,266
DEPRECIATION					
As at 1 February 2022	-	384	40	200	797
Charge for year	-	119	14	-	74
As at 31 January 2023	-	503	54	200	871
NET BOOK VALUE					
As at 31 January 2023	54	7,039	262	-	395
As at 31 January 2022	2,330	3,006	276	-	219

	Motor vehicles	Yachts and training fleet	Intangible Assets	Totals
COST	£000's	£000's	£000's	£000's
As at 1 February 2022	19	1,911	29	9,211
Additions	-	80	50	2,266
Transfer	-	-	10	-
As at 31 January 2023	19	1,991	89	11,477
DEPRECIATION				
As at 1 February 2022	12	1,103	-	2,536
Charge for year	2	193	8	410
As at 31 January 2023	14	1,296	8	2,946
NET BOOK VALUE				
As at 31 January 2023	5	695	81	8,531
As at 31 January 2022	7	808	29	6,675

Notes to the financial statements for the year ended 31 January 2023 (continued)

23 MOVEMENT IN FUNDS

	As at 1 Feb 22 £000's	Net Movement in funds £000's	Transfers between Funds £000's	As at 31 Jan 23 £000's
Unrestricted funds				
Fixed assets fund	5,175	(410)	2,330	7,095
General fund	308	562	(512)	358
Trading activities	-	12	(12)	-
	<u>5,483</u>	<u>164</u>	<u>1,806</u>	<u>7,453</u>
Restricted funds				
Restricted capital fund	1,337	234	(1,571)	-
Stephen Thomas Bursary	42	-	(19)	23
Noel Lister Memorial Fund	194	1	(136)	59
Milo Hanlon Fund	34	1	4	39
Will Black Fund	14	-	2	16
Seafarer's	58	1	(18)	41
Polly Birch Fund	8	-	(8)	-
Trinity House Fund	-	60	(60)	-
	<u>1,687</u>	<u>297</u>	<u>(1,806)</u>	<u>178</u>
TOTAL FUNDS	<u>7,170</u>	<u>461</u>	<u>-</u>	<u>7,631</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(410)	(410)
General fund	7,265	(6,703)	562
Trading activities	195	(183)	12
	<u>7,460</u>	<u>(7,296)</u>	<u>164</u>
Restricted funds			
Restricted capital fund	234	-	234
Stephen Thomas Bursary	-	-	-
Noel Lister Memorial Fund	1	-	1
Milo Hanlon Fund	1	-	1
Will Black Fund	-	-	-
Seafarer's	1	-	1
Polly Birch Fund	-	-	-
Trinity House Fund	60	-	60
	<u>297</u>	<u>-</u>	<u>297</u>
TOTAL FUNDS	<u>7,757</u>	<u>(7,296)</u>	<u>461</u>

Notes to the financial statements for the year ended 31 January 2023 (continued)

23 MOVEMENT IN FUNDS (PRIOR YEAR COMPARATIVES)

	As at 1 Feb 21 £000's	Net Movement in funds £000's	Transfers between Funds £000's	As at 31 Jan 22 £000's
Unrestricted funds				
Fixed assets fund	3,209	(413)	2,379	5,175
General fund	325	166	(183)	308
Trading activities	-	11	(11)	-
	<u>3,534</u>	<u>(236)</u>	<u>2,185</u>	<u>5,483</u>
Restricted funds				
Restricted capital fund	2,379	983	(2,025)	1,337
Stephen Thomas Bursary	58	1	(17)	42
Noel Lister Memorial Fund	216	2	(24)	194
Milo Hanlon Fund	26	1	7	34
Will Black Fund	14	-	-	14
Seafarer's	48	10	-	58
Polly Birch Fund	45	39	(76)	8
Trinity House Fund	-	50	(50)	-
	<u>2,786</u>	<u>1,086</u>	<u>(2,185)</u>	<u>1,687</u>
TOTAL FUNDS	<u>6,320</u>	<u>850</u>	<u>-</u>	<u>7,170</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(413)	(413)
General fund	5,595	(5,429)	166
Trading activities	136	(125)	11
	<u>5,731</u>	<u>(5,967)</u>	<u>(236)</u>
Restricted funds			
Restricted capital fund	983	-	983
Stephen Thomas Bursary	1	-	1
Noel Lister Memorial Fund	2	-	2
Milo Hanlon Fund	1	-	1
Will Black Fund	-	-	-
Seafarer's	10	-	10
UKSA Assisted Funding	-	-	-
Polly Birch Fund	39	-	39
Trinity House Fund	50	-	50
	<u>1,086</u>	<u>-</u>	<u>1,086</u>
TOTAL FUNDS	<u>6,817</u>	<u>(5,967)</u>	<u>850</u>

Notes to the financial statements for the year ended 31 January 2023 (continued)

Unrestricted funds

- a) The fixed asset fund shows the net book value of unrestricted fixed assets. Net movement in funds are represented by the net of profit/ (loss) on disposal, impairment and depreciation £410k (2021/22: £413k). Transfers are represented by net capital expenditure of £2,330k.
- b) The unrestricted general fund represents funds which are freely available for use by the charity, including those generated from trading activities.
- Net movements in funds are represented by all Income and Expenditure movements not already represented by movements on other reserves of £562k (2021/22: (£166k)). Transfers are the sum of net working capital movements excluding transfers on other reserves of (£512k) (2021/22: (£183k)).
- c) The trading activities fund is represented by the wholly owned subsidiary UKSA Trading Ltd profit / (loss). For the year 2022/23 UKSA Trading Ltd returned a profit of £12k (2021/22: £11k) which was transferred to the UK Sailing Academy's unrestricted general fund in the same year.

Restricted funds

- a) A restricted Capital Fund was set up in 2015/16 to hold donations that are specifically to fund capital works required. In 2022/23 £234k net income was received (2021/22 £983k) less (£1,571k) capital expenditure in the year (2021/22: (£2,025k)).
- b) The Stephen Thomas Bursary was set up in memory of Stephen Thomas to provide sailing and seamanship experiences for young people between the ages of 16 and 20.
- c) The Noel Lister Memorial Fund was set up in memory of Noel (the founder of UKSA) to provide sailing and seamanship experiences for young people.
- d) The Milo Hanlon Fund was set up in memory of Milo who was a student at UKSA in 2012. The fund provides assistance to young people wishing to undertake professional training for employment.
- e) The William Black Fund was set up in 2016 in memory of Will. The fund provides financial support to individuals with a desire to enter the maritime sector.
- f) The Seafarer's fund was set up in 2017/18. The fund provides assistance to young people wishing to undertake professional training for employment.
- g) The Polly Birch fund was set up in 2017/18. This fund was set-up in memory of Polly Birch to provide watersports experiences for school children.
- h) The Trinity fund was set up in 2011. The fund provides assistance to young people wishing to undertake professional training for employment.

Notes to the financial statements for the year ended 31 January 2023 (continued)

24 ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP

Group	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds as at 31 Jan 23 £000's
Fixed assets	-	8,531	-	8,531
Current assets	3,363	-	178	3,541
Creditors due in less than one year	(2,992)	-	-	(2,992)
Creditors due in more than one year	(13)	-	-	(13)
Secured Bank Loan due in less than one year	-	(60)	-	(60)
Secured Bank Loan due in more than one year	-	(1,376)	-	(1,376)
	<u>358</u>	<u>7,095</u>	<u>178</u>	<u>7,631</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP (PRIOR YEAR COMPARATIVES)

Group	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 22 £000's
Fixed assets	-	6,675	-	6,675
Current assets	3,636	-	1,687	5,323
Creditors due in less than one year	(3,314)	-	-	(3,314)
Creditors due in more than one year	(14)	-	-	(14)
Secured Bank Loan due in less than one year	-	(59)	-	(59)
Secured Bank Loan due in more than one year	-	(1,441)	-	(1,441)
	<u>308</u>	<u>5,175</u>	<u>1,687</u>	<u>7,170</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY

Charity	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds as at 31 Jan 23 £000's
Fixed assets	-	8,531	-	8,531
Current assets	3,357	-	178	3,535
Creditors due in less than one year	(2,986)	-	-	(2,986)
Creditors due in more than one year	(13)	-	-	(13)
Secured Bank Loan due in less than one year	-	(60)	-	(60)
Secured Bank Loan due in more than one year	-	(1,376)	-	(1,376)
	<u>358</u>	<u>7,095</u>	<u>178</u>	<u>7,631</u>

Notes to the financial statements for the year ended 31 January 2023 (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY (PRIOR YEAR COMPARATIVES)

Charity	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 22 £000's
Fixed assets	-	6,675	-	6,675
Current assets	3,631	-	1,687	5,318
Creditors due in less than one year	(3,309)	-	-	(3,309)
Creditors due in more than one year	(14)	-	-	(14)
Secured Bank Loan due in less than one year	-	(59)	-	(59)
Secured Bank Loan due in more than one year	-	(1,441)	-	(1,441)
	308	5,175	1,687	7,170

25 RELATED PARTY DISCLOSURES

The company was under the ultimate control of the trustees.

Sir Anthony Greener, trustee of UKSA, is also Chairman of Minton Charity Trust which gave financial assistance to UKSA in the form of donations of £70k in the year (2021/22: £150k).

David Lister MBE, trustee of UKSA, is also a trustee of the Whirlwind Charitable Trust (WCT) which gave financial assistance to UKSA in the form of donations of £nil in the year (2021/22: £150k).

Claire Locke, trustee of UKSA, is also a trustee of Daisy Rich Trust who gave financial assistance to UKSA in the form of donations of £11k in the year (2021/22: £5k).

Donations were received from two trustees totalling £21k (2021/22: three trustees £24k).

26 OPERATING LEASES

At the year end, the Group were committed to the following future minimum lease payments in respect of operating leases:

	Vehicles and equipment	
	2022/23 £000's	2021/22 £000's
Less than one year	23	30
Greater than one year and less than five years	29	7
Later than five years	-	-
	52	37

27 CAPITAL COMMITMENTS

The charity has capital commitments as at 31 January 2023 for work on two shower blocks of £176k. (31 Jan 2022: £1,751k).

Notes to the financial statements for the year ended 31 January 2023 (continued)

28 COMPARATIVE SOFA FOR THE YEAR ENDED 31ST JANUARY 2022

	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2021/22 £000's
INCOME FROM:			
Donations, Legacies and Grants	259	1,086	1,345
Charitable Activities	5,041	-	5,041
Other Trading Activities	135	-	135
Government Support	285	-	285
Investments	4	-	4
Other	7	-	7
Total income	<u>5,731</u>	<u>1,086</u>	<u>6,817</u>
EXPENDITURE ON:			
Raising funds:			
Trading Activities	80	-	80
Expenditure on raising funds	119	-	119
Charitable Activities	5,768	-	5,768
Total expenditure	<u>5,967</u>	<u>-</u>	<u>5,967</u>
Net income/(expenditure)	(236)	1,086	850
Transfers between funds	2,185	(2,185)	-
Net movement in funds	<u>1,949</u>	<u>(1,099)</u>	<u>850</u>
RECONCILIATION OF FUNDS:			
Total funds brought forward	3,534	2,786	6,320
TOTAL FUNDS CARRIED FORWARD	<u><u>5,483</u></u>	<u><u>1,687</u></u>	<u><u>7,170</u></u>

UK SAILING ACADEMY

England & Wales - Charity number 299248

Accounts



UK Sailing Academy

Charity Number 299248

Annual report & accounts

2021/22

For the Financial Year ending 31 January 2022

Registered Charity Number: 299248
Registered in England & Wales: 02251024
Patron: HRH The Princess Royal

uksa.org



REFERENCE AND ADMINISTRATIVE DETAILS

Patron

HRH the Princess Royal

Founders

Noel and Sylvia Lister

Trustees

Kevin George	Chair of the Board
Richard Stokes CBE	Vice Chair
Sir Anthony Greener	
Claire Locke	
David Lister, MBE	Founder Trustee
Debra Price	
Marc Giraudon	
Richard Palmer	Resigned 1 October 2021
Samantha Axtell	
Ole Bettum	

Company Secretary

Simon Hamilton

Key Management Personnel

Ben Willows	Chief Executive
Simon Hamilton	Director of Finance & Business Services
Julia Hutchison	Director of Marketing & Business Development
Chris Frisby	Director of Training & Operations
Tanya Brookfield	Director of Fundraising and Development (resigned 14 February 2021)
Amy Sweeting	Director of Fundraising & Development (Appointed 14 June 2021)

Auditors

Crowe UK LLP
Aquis House
49-51 Blgrave Street
Reading
Berkshire RG1 1PL

Bankers

NatWest plc
107 St James' Square
Isle of Wight
PO30 1XH

Solicitors

Bates, Wells & Braithwaite London
2-6 Cannon Street
London
EC4M 6YH

Registered Office

Arctic Road
Cowes
Isle of Wight
PO31 7PQ

Registered Company Number

02251024 (England and Wales)

Registered Charity Number

299248

Accreditations \ Licences

British Accreditation Council (for independent further and higher education)
UK Independent College accreditation
RYA Accreditation
MCA Accreditation
ISO 9001 Registered
Adventure Activities Licensing Service
Visit England

Contact details

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Email	info@uksa.org
Website	www.uksa.org

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REPORT FROM THE CHIEF EXECUTIVE AND CHAIR OF TRUSTEES

Our purpose as a charity is to inspire and support children and young people to broaden their horizons and outlook through our life enhancing water-based adventures, education and training for careers at sea. We achieve our impact through children visiting with their schools or groups and through beneficiaries seeking education and training to establish careers in the maritime sector for maritime qualifications.

Our strategic ambition is to extend our reach by widening our offering of school visits for children from diverse and disadvantaged backgrounds, who wouldn't otherwise have the opportunity to do this in their normal lives. At the same time, we want to increase the depth of our maritime career offer by growing the entry and exit points of our programmes and by increasing the amount of financial support we can offer to those deserving young people wanting to attend educational and careers courses leading to employment in the maritime sector. Extending reach to children and Maritime Depth supporting young people into employment form UKSA's two strategic pillars of work.

A central part of our strategic direction is to build a bridge between the work that we do with school children and our careers programmes, creating in young people aged 14 to 18 a greater awareness of the opportunities available in the maritime industries, and helping them to develop the life skills they will need to pursue those opportunities. This initiative, which we call the Sea.Change Foundation Programme, was piloted successfully in the previous year. In 2021/2022, thanks to generous support from the Minton Trust and the Edmiston Foundation, we welcomed 108 young people who wouldn't otherwise have ever dreamed of training for a career in Maritime, to attend UKSA to take part in this innovative and life-enhancing programme.

We are extremely pleased with how much progress we have made within our two strategic pillars in 2021/22, especially given the challenges posed by COVID. Overall, we supported 7,120 beneficiaries, of which 46% received funding to attend UKSA. This included funded trips for over 3,600 children at a time in their lives when so much had been taken away due to the pandemic. We also saw 98% of our career students go into employment or further training.

UKSA aims to be a centre of excellence for maritime training. We want to build financial resilience while investing in our people and our physical assets.

The impact of Covid-19 on the previous 2020/21 financial year inevitably took us, along with everyone else, by surprise. In contrast, we went into the 2021/22 year in full knowledge that there were challenges ahead and that uncertainty would be the main characteristic of the economic environment in which we would have to operate. However, we also knew that we had built greater resilience into our financial position, that donors, customers and other partners had stood by us through the most difficult period of the pandemic and that we had come through a global crisis

intact. We had reason to be confident in UKSA's future even though we did not expect 2021/22 to see a return to normality.

The story of the year is therefore one of overcoming obstacles which could be expected if not quantified in advance. We knew Covid had not gone away, we knew that travel would continue to be restricted and that we would have to manage the additional risk, prioritising the safety of our students and staff at all times. We managed the Covid risk with comprehensive social distancing in our accommodation and classrooms, with students testing prior to arrival and all staff and students following a comprehensive testing process while attending our site and monitoring the output of those tests constantly. The arrival of the Omicron variant in the late autumn was particularly challenging, with a rising number of cases among staff and students leading to the cancellation or postponement of several programmes. Up to this point, it had seemed likely that UKSA would achieve break-even at an operating level, or even a small surplus. The relatively small deficit of £96k reported in the Financial Review below was kept to this level as a result of the tireless efforts of the staff team to manage both the likelihood and impact of Covid infections at UKSA.

At the start of 2021/22, the area of greatest uncertainty was schools' ability and willingness to travel. At the time that we put our budgets together, in late Autumn 2020, Department for Education's advice to schools was not to travel for residential visits. We had therefore assumed in our original forecasts for the year that our residential schools' activity would be minimal up to the beginning of September. In addition, we expected and forecast our usual level of mostly donor-funded day visits by Island schools. To give context, in 2019/20 we delivered our schools activities to a total of 7,852 beneficiaries generating over £1.5 Million of income. In fact, we did run a successful residential school's programme in the summer and autumn, starting on 14th June. Although we experienced several short notice cancellations and early departures due to Covid, we were delighted to welcome a total of 1,646 children from 34 schools on a residential basis, and a further 2,435 who visited on a day basis.

Overseas travel restrictions made the Isle of Wight a popular holiday destination last summer and this was reflected in the strong performance of our leisure and recreation offering. This kept our operational teams busy delivering programmes and generating income through the summer holidays.

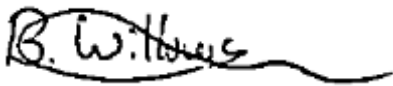
The most notable element of the story of UKSA's year is the progress we have made with the biggest capital project we have ever undertaken – a purpose-built 35-bedroom accommodation facility. The new building will give us 136 beds in a highly configurable five zone facility over two accommodation floors, with ancillary services such as locker rooms, showers, a kit wash down area and a drying room on the lower ground floor. It will be truly transformative for the charity, and something to be very proud of.

At the start of 2021 the site clearance and mobilization stage were just about to start. At the end of January 2022, the new building was structurally complete. We anticipate that the building will be in use by July 2022.

The project has not been without difficulties, though we expected and provided for these. Covid has added an extra layer of problems, putting pressure on supply chains and labour availability at crucial times. However due to the hard work and commitment of UKSA's team and the contractor, the project timeline has been maintained. We also expect that the budget for the build, including fit-out, project management fee and contingencies of a little over £3.8 Million will be met.

We remain delighted and humbled by the support of our Trustees, individual supporters, and significant funders. UKSA wants to extend a sincere and special thanks to our Chairman, Kevin George, who is coming to the end of his term in 2022 and is stepping down. His leadership and support during our most challenging three years has been inspirational.

In summary, despite the challenges that we have faced this year, UKSA has continued to go from strength to strength. We are overjoyed with the number of beneficiaries we have welcomed through our doors and, more importantly, the impact we have had on their lives moving forwards. With exciting plans in place for the charity in the immediate future, we can't wait to see what the next year has in store for us.



Ben Willows, Chief Executive



Kevin George, Chair of Trustees



REPORT OF THE TRUSTEES

AIMS, OBJECTIVES and VALUES

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of UK Sailing Academy (hereinafter 'UKSA') for the year ended 31 January 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP), applicable to charities (effective 1 January 2015), and have had regard to the general guidance provided by the Charity Commission on public benefit in ensuring that its aims and objectives comply with section 17(5) of the Charities Act 2011 and are for the public benefit.

AIMS AND OBJECTIVES

UKSA is a youth training charity, which aims to inspire and support children and young people to broaden their horizons through our life enhancing water-based adventures, education and training for careers at sea.

Our objectives, as defined by our Articles of Association, are:

1. To advance the education and physical, mental and spiritual development of children (or young persons under the age of 25) by providing or assisting in providing facilities for training in sailing and seamanship for those who have need of such facilities by reason of poverty or social or economic circumstances (so that they may grow to full maturity as individuals and members of society);
2. To provide or assist in the provision of facilities for the recreation and other leisure time occupation of the general public, and in particular facilities for watersports and outdoor activities in the interests of social welfare and with the object of improving their conditions of life;
3. To advance the education of the public in all aspect of maritime activities and in particular in matters relating to: (a) the promotion of personal safety (b) the prevention of accident (c) navigation (d) engineering (e) seamanship (f) stability and construction of boats (g) communication at sea (h) maritime law (i) business and interpersonal skills;
4. To promote community participation in healthy recreation through the provision of sailing facilities.

Every 3-5 years, UKSA develops a strategy to deliver on these objectives considering the current needs of our primary beneficiaries and UKSA's operating capacity. This is outlined and reported on in more detail in the Strategic Report below.

VALUES

Our Values reflect the type of charity that we want to be; one that loves what we do, has a passion for sharing it and wants to inspire as many people as possible through our work. They apply to all our employees, beneficiaries, trustees and beneficiaries, supporters, and volunteers alike:

- Challenge, have fun and smile
- We take care of ourselves, those around us and this place
- Be part of who we are and help others do the same
- Tell the truth, hear the truth, act truthfully
- "If not you, who? If not now, when?"



REPORT OF THE TRUSTEES STRATEGIC REPORT – PUBLIC BENEFIT

In reviewing our aims and objectives and planning our future activities, we have referred to and complied with the duty in section 17 of the Charities Act 2011 relating to having due regard for the Charity Commission's published general guidance on public benefit when exercising any powers or duties to which the guidance is relevant. The Trustees and Executive Team have considered carefully how planned activities will contribute to UKSA's charitable purposes and be for the public benefit.

UKSA was founded in 1987 by Noel and Sylvia Lister, who wanted to use sailing and watersports to educate and enrich the lives of young people. Thirty years on, this ethos remains at the core of everything we do. What makes UKSA special is that we try to open the eyes of children and teenagers to the authentic sense of satisfaction and excitement that on the water activity can give them now and in their futures. We aim to engage with our beneficiaries and keep them coming back to UKSA to take one of our many pathway opportunities through their personal and career development into the maritime industry.

Children and young people in need

The crisis that we have faced over the last two years since the Covid pandemic arrived has been hard on everyone, but the impact of the measures that have been taken to control the virus has fallen disproportionately on children and young people, leaving them isolated, often sad, and anxious about what is happening. Though necessary in our response to the pandemic, these measures have undoubtedly increased pre-existing socio economic and regional inequalities.

In the study [Inequalities in education, skills, and incomes in the UK: The Implications of the COVID-19 pandemic](#) by the Institute of Fiscal Studies and The Nuffield Foundation, the increasing inequality of household incomes and the cancellation of most face-to-face classroom teaching are identified as having exacerbated these effects on children and young people from poorer backgrounds. These groups, already disadvantaged in terms of educational performance and access to career pathways, have fallen even further behind because of the pandemic.

A quarter of pupils across all socio-economic backgrounds had no formal schooling or tutoring whatsoever during the 2020 lock-down. The Nuffield report notes that during that period, children from lower income families were less likely to have adequate facilities at home to support home teaching and study. The National Education Union (NEU) reported that children accessing free school meals are 28% less likely than their peers to leave school with 5 strong (grade 4-9) passes at GCSE. Government figures show that the proportion of children eligible for free school meals in England has grown significantly during the pandemic. The

attainment gap for children at GCSE will have grown as well.

As well as the gap in educational attainment, there is also clear evidence of the increase in mental health challenges facing children and young people. In July 2021, a study by the NEU indicated that one in six children aged five to sixteen was identified as having a mental health condition, up from one in nine in 2017. This implies that five children in every classroom are impacted, with 83% of young people with mental health needs agreeing that the pandemic has negatively impacted their mental health.

It may not be completely clear for some time what effect the loss of instructional time will have on the mental wellbeing, educational performance, and progression into the job market of the groups of children and young people most affected by school lockdowns and closures in 2020 and 2021. The views expressed in both the IFS/Nuffield and NEU reports are that it may be significant.

Furthermore, the IFS/Nuffield study reports that the 15% of school pupils in England who have special educational needs and disabilities (SEND) were inadequately supported, with provision described as "patchy and highly dependent on a pupil's local authority."

The same study also drew attention to the implications of the pandemic on apprenticeships and training. Research by the Sutton Trust states that the number of apprenticeships in 2020 fell by 45.5% in the first lockdown and only 40% continued as normal. It predicts that the supply of apprenticeships will fall in the future. Wider youth unemployment remains high, with the number of people aged 18-24 claiming unemployment related benefits being 22% higher in February 2022 than in March 2020 (Gov.uk). Youth unemployment will remain high even when the economy recovers, with longer-term structural changes in the labour market likely to reduce young people's future employment opportunities.

Clearly there is a growing gap between the attainments and expectations through education, training and into the jobs market of children and young people, intensified by the pandemic and its repercussions.

How we can help

Outdoor education has the scope to play a pivotal role for children and young people due to its meaningful and wide-ranging benefits. Its environment and activities provide a unique platform for young people to have fun, to experience calm and reflection, to interact with their peers and to challenge themselves, which can have a significant impact on soft skills like resilience, teamwork, and self-esteem, as well as improving mental and physical wellbeing. In addition, participation in outdoor learning has been found to improve academic attainment by up to four months per year (Education Endowment Foundation, 2018) and, with its abundance of space and nature, it is the antithesis to the isolation young people have faced.

Of course, UKSA alone cannot address all these issues across the UK. However, we can offer a unique range of aspirational pathways, from inspiring and engaging a school

child taking part in watersports for the first time to enable them to build confidence, broaden horizons and develop life skills, through to training young people wanting to begin or progress a career in the maritime industry.

Through our pathways, we directly address these key areas:

Extending our reach to children missing out on educational opportunities and suffering the impact on mental health and self-esteem.

After a 2020 season in which there was almost no schools and groups activity at all, we had strong demand for our 2021 season. Although schools' ability to travel was still negatively impacted by Covid, and we experienced some disruption and cancellations, 4,081 children from 71 schools experienced our water-based adventures in the summer and autumn of 2021. They learned life skills and were inspired in ways which were impossible during lockdown.

Our "Leave No Child Behind" fund was created on the realisation that some schools who book residential trips to UKSA, very sadly leave some children behind in the classroom, simply because their parents are unable to afford the cost of the trip; it is often the case that this cohort in particular would benefit from an experience at UKSA.

Despite the challenges of the pandemic, we provided funding for 216 children through this initiative during 2021, truly transforming some young lives that had been through great difficulty.

George Green School case study

The Minton Charitable Trust provided £10,850 to George Green School from the Isle of Dogs, London. The school has a pupil premium rate of 72% compared to 27% nationally. The donation fully funded all 35 year 6 pupils from George Green School for a three-night, four-day residential adventure on the water at UKSA in October 2021.

Our bespoke programmes are design to build confidence and courage teamworking using watersports and the great outdoors as a catalyst for positive outcomes. It was incredible to see their confidence build during their time at UKSA, and we hope this will be the start of a journey into a career at sea from some of these young people.

We asked the children to tell us what they learnt during their time at UKSA and received some really positive feedback:

"I think that this experience has helped my teamwork from the activities."

"Now I am determined to get better at sailing."

"I learned that I am more confident than I think."

"That I have skills to help others and have fun."

"I feel more confident in making decisions for myself."

"I can work better in teams than when I am by myself."

And finally, a glowing endorsement from Jane Sullivan, Enrichment Manager at George Green, who helped us organise the trip: "Our last trip in October has taken on almost legendary qualities with the Year 8s who had such a brilliant time!"



Bridging the gap between childhood adventure and meaningful careers

UKSA is committed to bridging the gap between our schools and youth groups activities and our further education and careers programmes. Our unique Sea.Change Foundation is a 5-day residential programme designed to give young people aged 14 to 17 the opportunity to experience a wide range of learning activities, both on the water and in the classroom. As well as trying out watersports and yachting and developing water confidence with our instructor team, they get involved in beach cleans and learn about the ocean environment. Most importantly, they learn about the opportunities that exist in the maritime sector. Many come away inspired by the possibilities that are available for them. First trialled in late autumn 2020, this programme was undertaken by 108 young people in 2021/22.



Tile Cross Academy case study

In August 2021 UKSA welcomed the first students from Birmingham-based Tile Cross Academy to undertake its pioneering Sea.Change Foundation programme. The inspirational five-day residential programme is designed to give youngsters from ages 14-17 the opportunity to experience a wide range of water-based activities alongside classroom-based sessions, where they learn more about career options in the maritime sector. Participation in the programme was also a contributing factor in Tile Cross becoming a finalist in the UK Social Mobility Awards 2021.

Pupils in Year 9 and above visited in the summer holidays across two weeks to take part in the programme, which was funded by luxury superyacht broker, Edmiston which, in conjunction with UKSA, launched the Edmiston Foundation in October 2020 to address diversity within the superyacht industry. This was set up to specifically provide young people, especially those in the most underrepresented and disadvantaged groups, the opportunity to forge a career within the maritime sector.

Former geography teacher and now head of social mobility at the Academy Neil McIntosh said:

“We’ve been doing trips for many years, but this was the first time that the children could really try Watersports but also be inspired by the prospect of a career in maritime. The Sea.Change Foundation programme is unique in its offering of that careers element and many children came back enthused to be superyacht skippers or onboard chefs.”

The postcode of the Birmingham-based Academy places the school in the top three percent for deprivation in England and of the cohort of students that attended the course, over 80 percent live in postcodes in the top 10 percent for deprivation. The ward the school is in is one of the 150 ‘Left Behind’ areas identified by the Oxford Consultants for Social Inclusion and the attainment levels for children in this area are lower than average and the gap is widening.

On day one, the students spent the morning having a water confidence session followed by an introduction to powerboating and then team games in the evening. Day two gave them the opportunity to try kayaking and stand-up paddle boarding followed by maritime train and a careers session in the afternoon and sea survival in UKSA’s swimming pool in the evening. Day three was a keelboat day trip followed by an evening session on looking after our oceans. Day four was a dinghy day trip with a beach clean session in the evening with the final day a chance to have a yachting day trip.

“The highlight for me is seeing the children have a great time, laughing, screaming and shouting,” Neil said. *“The shared excitement of doing things they’ve never done before is just fantastic.”*

Increasing the depth of our offer of maritime pathways into employment

We support young people into careers in the maritime industries in three ways.

- **Further Education and Apprenticeships**

All our FE and apprenticeship programmes are fully funded.

Our FE courses are aimed at students who want to embark on careers in watersports instruction in the leisure industry, though many go on into the yachting sector. In partnership with the Isle of Wight College, we offer an NCFE (level 3) in Sports and Physical Activities which includes both practical qualifications and theory leading to a nationally recognised certificate that allows students to progress to higher education if they wish. Our Maritime Foundation is more focussed towards achieving RYA and other instructor qualifications. Although both programmes lead to a range of employment pathways, many of the students who graduate find their first job with UKSA as a seasonal instructor. We are immensely proud that of our intake of 44 instructors for the 2022 season, 26 have done their training at UKSA.

In 2021 both programmes were run successfully, with 61 students in total taking part of which 57 are due to graduate in 2022.

UKSA recognises the value that good quality apprenticeships can deliver both to young people gaining employment and to the UK economy. Our Workboat Crew Member Apprenticeship is offered to those interested in a career working on small specialist vessels up to 500 gross tonnes, from fast pilot boats to crew transfer vessels and those supporting offshore installations. Working with Williams Shipping, a Southampton based marine services and logistics company, the course is designed by industry experts to give the apprentice the skills and knowledge they need to work in this exciting and growing sector. In 2021, four apprentices aged between 17 and 21 began this two-year programme.

Focussed specifically on the offshore wind farm industry, we offer an apprenticeship in conjunction with Seacat Services, an Isle of Wight based offshore energy support operator. This apprenticeship is offered to Isle of Wight residents to support employment on the island. In addition we also partnered with Williams Shipping to support them with their apprenticeship programme. This has been a popular offering; in 2021 10 apprenticeships, all aged under 25, started this 2-year programme, which can lead to full time employment and real career prospects.

We expect our FE and apprenticeship offerings to go from strength to strength over the coming years, increasingly addressing young people's need for pathways that lead to careers in a vibrant and growing sector.

- **Watersports Careers**

Watersports Instructor Training and Watersports Academy are both 11-week programmes aimed at young people aged 18-25, enabling them to gain the qualifications they need to work as an instructor and guarantees those who successfully complete the programme two summer seasons employment at UKSA, as well as opening job opportunities to them around the world. Prospective students on both programmes in financial need can apply for up to 50% funding.

- **Yachting Careers**

Our full-time all-inclusive residential programmes prepare students for their first job in the professional yachting and Superyacht sectors. The courses range from our Superyacht Crew Training and Superyacht Hospitality Training, three-week entry-level courses designed to introduce students to the essentials of deck or interior work, to our flagship Superyacht Cadetship, a structured 4-year programme involving five phases of UKSA training and work placements, leading to the MCA Officer of the Watch 3000gt qualification.

As with all our courses, there are a range of funding options that we can assist with for those in financial need. In 2021, £175k of assisted funding was made available to careers students.

Altogether, 563 students began a careers course at UKSA in 2021/22. On average following completion of careers training with us, our graduates secure employment in 2.3 months.

Being a centre of excellence for maritime training and career progression

UKSA is the third biggest single site provider of MCA Yacht and Deck Training in the world (IAMI 20/21 report), with an 81% exam pass rate. We are recognised throughout the yachting industry as a world-class provider of the training that mariners need to progress their careers and achieve seniority and high levels of competence. In 2021 we invested in our MCA/AMERC GMDSS General Operators Certificate, Engineering (AEC2) and Master 500gt (Workboat) courses to ensure that we can offer the full range of MCA professional training across the yacht and workboat sector.

We are committed to providing an environment which enables our beneficiaries to thrive and, as such, we provide wrap-around support for our learners through our Industry Guidance Team and Welfare Officer and related services, as well as through partnering with specialist organisations that work directly with young people in need. We continue to offer this support for students once they have finished at UKSA and throughout their careers.

REPORT OF THE TRUSTEES STRATEGIC REPORT - FINANCIAL REVIEW

Financial Results for the Year:

Last year we reported that the charity's financial performance was dominated on one hand by Covid-19 and on the other by the successful fundraising for our capital accommodation project. Similar themes run through the story of our 2021/22 performance; Covid impacted on almost everything we did throughout the year, as did the ever-changing building site in our midst. While the first sometimes made us feel we were dragging a heavy weight, the second was a constant reminder of the brighter future that lies ahead.

The period began as the previous one had ended, with the country in lockdown and UKSA closed, with the majority of staff on furlough. We reopened on 1 March 2021, returning to the maximum operational capacity that Covid restrictions would allow. By maintaining a strict testing regime for staff and students, using "student bubbles" to ensure social distancing and keeping room occupancy low, we were able to deliver our residential careers and MCA courses in line with Government guidelines.

We constantly review and revise forecasts for income and expenditure based on our programmes, fill rates and detailed costings. Operating under these restrictions was clearly not optimal financially and managing Covid took up a high proportion of management time, but we expected and budgeted for this.

Our forecast was for the situation to improve when restrictions were eased in line with the Government's roadmap. This was scheduled by Government to happen on 21st June, but due to rising Covid cases as the Delta virus spread across the UK, this was delayed to 19th July. The additional delay made a minimal difference to our forecasts for the year as a whole, which were consistently showing that the organisation would break even at an operating level.

Initially we had budgeted for minimal school and groups activity throughout the summer, with around £200k worth of business from this source after 1 September. By late Spring, it was clear that we could improve on this. We were able to confirm bookings for the period from June to the end of the summer term. From the beginning of June, we began to host island schools on day visits and on 14th

June we welcomed our first residential school visit since the start of the pandemic. We experienced some cancellations and reduced numbers due to Covid cases among schools, which remained high across the whole UK during this period and throughout the year, but we still managed to account for just under £300k of schools and group delivery up to our half-year on 31 July. This outcome was particularly satisfying given the very short timeframe for securing the schools' bookings, the continuing Covid restrictions and the need to put together a suitable delivery team at short notice.

UKSA was busy during the school summer holidays. Restrictions on overseas travel resulted in the Isle of Wight being a popular holiday destination and increased visitors to the island benefitted our leisure and recreation activities for both children and adults. We recorded £119k of delivered in income in August 2021, compared to £83k in August of the pre-Covid 2019 year.

Throughout September and October, we continued to deliver across all our product areas in line with our forecasts despite the continued high level of Covid infections across the country. Cancellations among school groups and individual adult students continued to be higher than normal, but these were not normal times. The final numbers for our Further Education programme, starting in September, were less than we had expected, partly a result of GCSE results, but our sales and bookings pipelines for other careers courses and MCA training were strong going into the final quarter. At the end of the third quarter, we were still confident that we would achieve an operating break-even for the year or even a small surplus.

In the final quarter our focus moves away from school activity, back towards yachting careers and MCA delivery, and a significant part of our contribution from these areas is earned during these periods. November saw a sudden increase in infections across the country as the Omicron variant spread, and we had a number of cases among students and teaching staff leading to several late cancellations and postponements to courses for which much of the costs were already committed. As a result, the final outcome was an operating deficit of £96k for the year, which is disappointing, but this is a relatively small shortfall considering the great challenges that we faced throughout the year and is sustainable given our strengthened reserves position and our confidence in our ability to perform well financially in the years to come.

The table below highlights the operating deficit that UKSA incurred in the 2021/22 financial year, after reporting a

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	£000's	£000's	£000's	£000's	£000's	£000's
						<i>(Covid-19 impact)</i>
Total Surplus per SOFA	117	27	104	294	1,670	850
Less: Donated capital income (Net)	(375)	(105)	(101)	(139)	(2,374)	(983)
Less: Income from investments	(1)	(1)	(2)	(2)	(1)	(4)
Add: Interest on Debt	-	-	-	-	4	41
Operating Surplus / (Deficit)	(259)	(79)	1	153	(701)	(96)

steadily improving operating performance over the years 2016/17 to 2019/20, and the exceptional operating deficit caused by Covid in 2020/21.

Throughout the period, and up to the time of writing, UKSA is engaged in the construction of a £3.8 Million accommodation block on the site of the now demolished Ark Royal building. The annual accounts show that at 31 January 2022 we had £2.3 Million of assets in the course of construction. This figure reflects the cumulative total of the valuations signed off by our Quantity Surveyor and Project Manager ERM to that date.

The project is being carried out under a standard JCT Design and Build Contract which was signed in January 2021. A key feature of this type of contract is that most of the estimated costs are fixed; the exceptions generally being matters outside the contractor's control, for example the cost of diverting statutory services such as water, electricity and gas. The provisional sums set aside for these areas can be replaced with actual costs at an early stage of the project and there are now few areas of costs uncertainty, so we are able to estimate the final cost out-turn with reasonable precision, and we are confident that the overall budget of just over £3.8 Million, including fit-out, project management fees and contingencies, will prove to be accurate.

So far, all the cost has been funded out of the restricted capital reserve set aside for that specific purpose. At the time of writing (April 2022) we have raised all but about £200k of the anticipated final cost of the project and this balance can be funded out of existing cash reserves. Nevertheless, the management and Board of Directors would prefer to see the funding gap reduced further, and the fundraising effort therefore will continue until the project is complete, and beyond if necessary. There are several funding applications still awaiting a decision and plans are in place for a public appeal.

Covid has put pressure on supply chains and on the contractor's own team of workers. Despite this, the contractor has assured us that the building will be completed and ready for occupation on 1 July 2022.

UKSA Trading Ltd is a wholly owned subsidiary that carries out commercial activities on behalf of the Charity, such as an on-site bar, various corporate events, swimming pool hire, B&B accommodation, vending machines and marina berthing.

Looking Ahead:

These financial statements are prepared on a going concern basis. The Trustees, supported by the Executive Team, have considered the reserves and net asset position. Once again this has been a challenging year, and UKSA has recorded a small operating deficit. As reported last year, in January 2021 UKSA agreed a term loan facility in the sum of £1.5 Million secured by a fixed charge on the Charity's tangible fixed assets. This loan has provided a strategic cash reserve during a period of great uncertainty and has not been applied to any specific investment activity.

Reserves:

The balances and movements in funds along with the amounts held at the year-end are detailed in note 23 to the Financial Statements. Transfers between reserves represent the application of restricted and designated funds to capital projects, funded programmes and bursaries.

Unrestricted Reserves:

The designated fixed asset reserve fund increased is presented net of the term loan that was arranged in 2020/21 and secured against the Charity's fixed assets. The unrestricted general fund ("free reserves") is £0.308 Million at the end of 2021/22.

Restricted Reserves:

Restricted funds are held to support revenue expenditure and can only be used in accordance with donors' directions, further details of the funds and their intended use are to be found in Note 23 to these accounts.

Reserves Policy:

The Trustees are content to hold the equivalent of one month's unrestricted expenditure in free reserves. At current levels of activity, this would be equivalent to about £0.6m. Free reserves are currently £0.3m due to the investment activity and operating deficits in previous years. Through a combination of organic growth in income generating improved free cash flows, and long-term finance secured on assets, the charity has plans in place to achieve free reserves balance of £0.6m in the future to give more resilience to financial risks including fluctuations in income.

Investment Policy:

The Trustees assessed the working capital requirements of the charity, and the liquid funds were deemed to be sufficient to meet the short-term cash flow requirements of the charity but not at a level to place funds in longer term investments. Whenever possible, reserve funds are held in notice accounts to maximise income from interest with minimal risk.



REPORT OF THE TRUSTEES STRATEGIC REPORT – FUTURE DEVELOPMENTS

The strategic thinking that was set out in last year's report continued to evolve in the 2021/22 financial year. We had reflected on the strategies and initiatives that the charity had followed over the preceding years and agreed a sharper focus, concentrating on the areas where we can excel and have the greatest impact. We identified five strategic priorities, and these remain at the core of our strategic thinking as we move into the new financial year and beyond, confident that the worst of the pandemic is behind us and transformed by the completion of the charity's largest ever capital project.

Priority 1 – Extended Reach – Water-based adventures for children

We want to broaden the horizons and outlook of children attending UKSA, making it easier for those who might not otherwise be able to attend to benefit from the activities and adventures we offer.

We aim to increase the proportion of children and young people with financial needs attending UKSA to 30% by 2025 from a baseline of 15% in 2022. We will achieve this by increasing the number of places on funded residential and non-residential school trips and programmes, including our Sea.Change Foundation. We will develop new partnerships with schools in deprived areas, Multi-Academy Trusts (MATs) and youth organisations in target areas including coastal communities and here on the Isle of Wight. We will establish these partnerships as feeders to our further education and careers programmes to ensure that there is continuity. Long-term, multi-year funding is essential to making extended reach possible

Priority 2 – Maritime Depth – Education and Training for Careers at Sea

We want to expand the depth and range of assisted places for our Careers programmes, increasing the proportion of assisted funded places to 35% of our education and careers students by 2025.

One way to achieve this is to establish an ongoing communication plan with our Sea.Change Foundation Programme students, to increase follow-on. In 2022/23 we aim to have at least 10 former Sea.Change Foundation students come back to UKSA to take part in a careers course or enrol onto one of our FE programmes.

We want to expand our maritime training offering into workboats, fishing industry and other relevant areas of the maritime sector, keeping up with market trends and creating industry relationships to better understand employment demands, and developing training for students to meet this demand. Our success will be measured by how successful our students are in entering the maritime jobs market. Our stated goal is to see 85% of our career students enter either employment or further education within 12 months of completing a course with us.

Linking Priorities 1 and 2 – The Sea.Change Foundation Programme

We want the children who benefit from our schools and groups programmes to see the possibilities of a deeper involvement in the maritime sector, and to understand the importance of the sea to our maritime economy. For this reason, we have established our Sea.Change Foundation programme to bridge the gap between school's activity and our further education and careers products. This 5-day residential course for 14- to 18-year-olds, building life skills as well as creating awareness, was piloted in 2020/21 and has been successfully rolled out in 2021/22 to 108 young people. It will be a major area of growth in 2022/23 – we are planning for 300+ enrolments in this programme, with all either fully or partly funded.

Priority 3 – Career Progression - Professional Development within Careers at Sea

We want to establish UKSA as a centre of excellence for maritime training and career progression

UKSA will continue to develop and resource top quality courses and qualifications. In 2022/23 we will expand our offer in the professional maritime sector to include the Master Workboat 500 product. By doing so, we will be able to offer the full suite of MCA accredited opportunities in the Yacht and Workboat sector.

Excellent training must be accompanied by excellent customer service. We plan to develop a training programme to ensure that all our staff are delivering top quality customer service at all stages of the customer journey. We constantly review student feedback and use it to prioritise improvements to our facilities and delivery. We target an 85% approval rating for our facilities by the end of next year.

UKSA has a strong commitment to student welfare and wellbeing, both while at UKSA and when working in the sector thereafter. We have grown our Welfare Team and our aim for the coming year is to promote our welfare offer as an example of UKSA leading the market and launch a range of welfare products to former students working in the sector.

Priority 4 – Financial Resilience

We aim to reach and maintain 3 months' free reserves

As noted in the Financial Review above, the pandemic has had a significant impact on UKSA's finances over the last two years, leading to operational deficits in both 2020/21 and 2021/22. Despite this, we have fundraised successfully for capital projects and secured a £1.5 Million 21-year term loan against our property assets, significantly strengthening our balance sheet. Looking ahead, the way to ensure our financial resilience and achieve our goal of having free reserves equivalent to 3-months' worth of operational expenditure (about £1.5 Million) is to consistently deliver operating surpluses. We will achieve this by diversifying our income streams, looking at innovative new opportunities, including commercialising our welfare support and our student placement offers to the yachting

sector. We will continue to insist that all activities are configured to generate a commercial return, achieving maximum pricing on every place that we sell, regardless of the source of funding. Any assistance with course costs must come from external funders, including charitable grants and partner funding, for which we will work to create a stronger and less restricted pipeline.

Priority 5 – Enhanced Operations and Infrastructure

We will have the people and the assets in place to deliver our strategic plan

We will continually develop and better support our people through positive engagement, effective wellbeing, building capabilities, succession planning, performance management and recognition. Development reviews and celebration of people success will be commonplace as part of an inclusive and supportive leadership style. During the coming year, our aim is to achieve Best Companies 3-star accreditation, an independently verified award for workplace engagement.

At the time of writing, the new accommodation building is expected to be complete and ready for occupation by the end of June, within budget and to a very high standard. Having completed this transformative project, UKSA will agree and implement a 5-year capital and asset investment strategy, to include replacement of the yacht fleet and renovation of our accommodation and other ashore facilities.

We have also long been keen to establish a storage and launching facility in East Cowes close to the Shrappe Watersports area that we use for so much of our activity. In 2021, the Isle of Wight Council (IoWC) submitted a successful bid to the Levelling Up Fund and expect to allocate a sum of £1.8 Million from that grant to the redevelopment of the 19th century Victoria Barracks building on the East Cowes Esplanade into a Watersports activity centre. UKSA's prospective involvement in this centre as lead tenant was critical to the bid. This project is in early stages at present but potentially gives us much more than a place to store and launch boats. It could provide with a residential or non-residential operational base in an excellent and prominent position in East Cowes. We intend to work alongside IoWC and other partners over the coming year to move this project forward.

UKSA uses a variety of IT platforms and applications to support our business. We are working with potential partners to enable a digital strategy and vision which will better align technology to our business needs and build a coherent digital environment.

UKSA has recently signed an agreement with Cedar Marine to produce a carbon management plan to support our commitment to reduce emissions and reduce our carbon footprint.

In setting our strategic direction, we remain mindful of the considerable uncertainties that will undoubtedly challenge us in the year ahead and beyond. Increasing prices of energy, food and other consumables, war in Ukraine and

the resultant international economic turmoil, alongside the lasting impact of the pandemic, all may affect demand and prices.



REPORT OF THE TRUSTEES

STRATEGIC REPORT - RISK REVIEW

The charity operates formal risk management processes at the top of which is the Operational Risk Sub-Committee (ORSC) which meets quarterly. ORSC considers all main risk areas, subject to the paragraph below. It is chaired by a Trustee and comprises two other Trustees as well as members of the Executive Team. The sub-committee also considers any reported incidents in detail. Summaries of the sub-committee's discussions are presented to the main Board at its quarterly meetings.

The risks associated with the new building project were monitored by the Capital Development Sub Committee insofar that they related to Health & Safety, compliance with planning and other regulations, unforeseen complications in the ground, supplier issues and the business risk of delays overrun. The Financial Risk relating to the project has been a matter for Finance Sub Committee.

A summary of the major risks to the charity is held on a detailed risk register that identifies which scores the operational, financial, governance, compliance and external risks evaluates the measures that are in place to mitigate them. The risk register is a regularly updated by management and is reviewed by the ORSC. UKSA has a structured approach to risk, that emphasises the importance of mitigating both the likelihood and the impact of risk. In doing so we adopt a four-tier approach to mitigating risk. Tier 1 comprises measures that are followed at an operational level by individuals and teams as part of their day-to-day work. Our internal audit processes are the mainstay of Tier 2 while at Tier 3 we have the external expertise that supports the risk assurance activities that we do in-house. At Tier 4 are the external inspections and audits that are required to maintain regulatory compliance.

Our Level 3 measures in the period included contracting with Centor Risk Management to provide a risk consultancy service with a particular emphasis on insured risk, and compliance with policy wordings. In addition, working with our IT partner, PC Consultants, we implemented the measures required to achieve the Cyber Essentials standard that is promoted by the National Cyber Security Centre and were awarded our Certificate of Assurance on 24 November.

The predominant operational or reputational risks for the charity are the health and safety of students taking part in UKSA activities on and off the water and the safeguarding of young people. Monthly Health and Safety meetings are held for both shoreside and water activity risks, both feeding into a monthly Health and Safety management meeting. Leadership is a key element of safety assurance, and a member of the Executive Team chairs all such meetings.

Stringent operating procedures are in place to minimise the risk of accidents while undertaking activities at UKSA and all instructors undergo a mandatory and rigorous induction programme followed up with regular training. Daily

operational meetings are held to assess risk for each day's activities and take into account group ability, type of activity and location. This, together with the high level of monitoring from national governing bodies and statutory authorities helps to ensure that safety is paramount at UKSA.

UKSA has a Designated Safeguarding Officer within the Executive Team and holds monthly safeguarding meetings with key staff to review practices and policies. All staff, Trustees and volunteers receive appropriate levels of training in safeguarding for young people and adults deemed to be at risk. A robust safeguarding policy is in place and external expertise is sought where necessary.

The charity has a robust critical incident response plan, which was developed with the support and input of the ORSC and our external consultants, Pharos Response, who are specialists in risk and reputation management in the education, youth, travel and adventure sectors. Since January 2020 Pharos Response has been retained to provide 24/7 incident support.

Financial Risk is a matter for FSC. The charity's main income is derived from maritime training. The main financial risk is a significant downturn in business activity leading to an interruption in sold or fundraised income.



REPORT OF THE TRUSTEES

STRATEGIC REPORT – OUR APPROACH TO FUNDRAISING

UKSA is a member of the Fundraising Regulator and is committed to the highest standards in fundraising. At all times we will ensure that we are respectful, open, honest and accountable to our supporters and the public. All UKSA's fundraising activities must comply with the Fundraising Regulator's Code of Fundraising Practice for the UK and UKSA adheres to the Code's requirement on handling any breaches of the Code or complaints about UKSA's fundraising activities. There have been no such breaches or complaints reported in the year to 31 January 2022, or subsequently. We adhere to the requirements related to the General Data Protection Regulation (GDPR) in our fundraising practices. We also have a fundraising policy which works alongside our safeguarding and volunteering policies which sets out our approach to protecting our beneficiaries and supporters.

UKSA is a medium sized charity that takes a long term, supporter-led relationship fundraising approach to its activities, principally raising funds from Trusts and Foundations, Companies, Individuals, Partnerships and funds from statutory and government agencies. It also raises funds through online campaigns, community events and activities.

The small UKSA fundraising team is led by an experienced Director of Fundraising and Development. The Chief Executive, wider management team, Trustees and volunteers also play a significant role in raising funds for the Charity. All partnerships with third parties are managed in line with the Code of Fundraising Practice, including contracting, reporting and managing their fundraising activities. Furthermore, where a third party is used UKSA asks that the third party adheres to the provisions in the Code of Fundraising Practice where relevant.

The Fundraising Team are supported by a Future Income Sub-committee, who ensure that all new income generating activity, whether from charitable activities or from fundraising, is carried out in a way that is consistent with UKSA's overall strategic priorities. The focus of the team has been on securing funds for the capital project and developing new funding streams to diversify income. The Fundraising Team have developed and are implementing a growth strategy, which looks at the future of the fundraising and marketing landscapes, with the following top-level results:

- Increasing supporters who can help on a longer-term basis
- Growing a corporate sponsorship offering
- Creating an impact focussed communications plan for individual donors
- Growing community fundraising, challenge event and wider event offerings
- Developing an effective process for charitable programme delivery and funding asks/reporting

We want to ensure consistency in our approaches. To do this we are continuing to align our message across three pillars:

- Our place in society – providing social change, personal development and employment through water-based activities for those young people who need it the most
- Our environment – having facilities and assets that create a leading, world class learning and training environment for our beneficiaries
- Our financial resilience – ensuring that we are a self-sustaining charity able to deliver excellence to beneficiaries for generations to come.

Fundraising at UKSA is looking bright. We have successfully approached a number of new funders, as well as received continued support from current funders. A focus on multi-year funding, sponsorship and major unrestricted donations means that the charity can be agile in operations depending on the need of beneficiaries. Alongside this, the fundraising team have professionalised how they approach, secure and report to funders, creating beneficial relationships to open new networks.



REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

UKSA is controlled by its Memorandum and Articles of Association and is incorporated as a company limited by guarantee, as defined by the Companies Act 2006. The charity is administered by a Board of unpaid Trustees who are also directors for the purposes of the Companies Act 2006. At the end of January 2021, there were nine Trustees. Other than the Founding Member Trustee, Trustees serve for three years, with the possibility of election for a second three-year term. Only under exceptional circumstances are further terms considered, to be reviewed annually thereafter. A third of the Board retires by rotation annually.

The Chair of Trustees has a maximum set term of three years and the Chair can serve a maximum of two such terms. There is an agreed and documented selection process to either re-appoint the existing Chair or select a new Chair, which takes place every three years. The nominations committee comprising three to five Trustees will conduct the selection process.

The Board meets at least four times a year. Trustees are responsible for the appointment of the Chief Executive, to whom day-to-day management of the organisation is delegated. Trustees work with the Executive Team to develop a long-term strategic plan, progress against which is reviewed with them at annual strategy and development meetings. The Board also reviews and approves the Executives' annual business plan and budget. At quarterly Governance meetings, the Board addresses governance matters and assesses the charity's performance with the Executive Team. Additionally, the Chief Executive holds regular conference calls with the Board on any matters arising.

The Board has established a number of standing Sub-Committees to provide specific oversight, advice and recommendations. Sub-Committees are made up of at least two Trustees, as well as Executive Team members and external advisors as required.

- The Finance Sub-Committee monitors the effectiveness of the charity's financial controls and reporting, considers key areas of financial risk and compliance, reviews the audit process and has a key role in the control of planning, investments and pensions;
- The Capital Development Sub-Committee ensures appropriate governance and project management is in place for UKSA's site development projects.
- The Operational Risk Sub-Committee, which monitors all areas of risk to the charity other than financial risk, reviews incident reports and scrutinises the risk management system.

- The Pay and Remuneration Committee was re-established in September 2020 and reviews the remuneration and benefits for the UKSA senior managers and makes recommendations to the Board with regard to criteria for pay awards and benchmarking.
- The Future Income Sub-Committee was established in the 2020/21 financial year to combine the roles of the Fundraising and Business Development working groups, to ensure consistency of focus and approach across all Course Delivery and Fundraised streams of income.
- The board has also appointed the Vice Chair – Richard Stokes – to lead on Governance.

On behalf of the board and UKSA's beneficiaries we would like express our sincere thanks to Richard Palmer who retired from the board in September 2021, following the conclusion of his three three-year terms.



REPORT OF THE TRUSTEES STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards 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 assume that the company will continue in operation

The Trustees are also responsible for keeping proper accounting records that 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 Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in England/Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

In so far as we are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

The auditors will be proposed for appointment in accordance with the Companies Act 2006 at the AGM of the Board.

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report included here in their capacity as company directors.

ON BEHALF OF THE BOARD:



Kevin George Chair of Trustees

Date: 24/07/2022

U K SAILING ACADEMY (UKSA)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY

Opinion

We have audited the financial statements of UK Sailing Academy ('the charitable company') and its subsidiary ('the group') for the year ended 31 January 2022 which comprise Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cashflows and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 January 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 charitable company's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



U K SAILING ACADEMY (UKSA)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



U K SAILING ACADEMY (UKSA)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UK SAILING ACADEMY (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were Charity Commission legislation, health and safety legislation, General Data Protection Regulation (GDPR), Royal Yachting Association (RYA) regulation and Maritime and Coastguard Agency (MCA)/International Association of Marine Investigators (IAMI) regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of certain streams of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and the above-mentioned income streams, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the

further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

[THIS REPORT IS NOT YET SIGNED]

Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

Date:



Consolidated statement of financial activities for the year ended 31 January 2022

(Incorporating income and expenditure account)

		Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2021/22 £000's	TOTAL 2020/21 £000's
INCOME FROM:					
Donations, Legacies and Grants	2	259	1,086	1,345	2,619
Charitable Activities	3	5,041	-	5,041	2,970
Trading Activities	4	135	-	135	59
Government Support	5	285	-	285	758
Investments	6	4	-	4	1
Other	7	7	-	7	3
Total income		5,731	1,086	6,817	6,410
EXPENDITURE ON:					
Raising funds:					
Trading Activities	4	80	-	80	48
Expenditure on raising funds	8	119	-	119	140
Charitable Activities	9	5,768	-	5,768	4,552
Total expenditure		5,967	-	5,967	4,740
Net (expenditure)/income		(236)	1,086	850	1,670
Transfers between funds	23	2,185	(2,185)	-	-
Net movement in funds		1,949	(1,099)	850	1,670
RECONCILIATION OF FUNDS:					
Total funds brought forward		3,534	2,786	6,320	4,650
TOTAL FUNDS CARRIED FORWARD	23	5,483	1,687	7,170	6,320

Continuing operations

All of the charity's activities are continuing. There were no gains or losses other than those shown above.

Full comparatives for the year to 31 January 2021 are shown in note 28.

Group balance sheet for the year ended 31 January 2022

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2021/22 £000's	2020/21 £000's
FIXED ASSETS	22	6,675	-	6,675	4,709
		6,675	-	6,675	4,709
CURRENT ASSETS					
Stocks	16	116	-	116	156
Debtors: Amounts falling due after more than one year	17	248	-	248	237
Debtors: Amounts falling due within one year	17	902	-	902	2,409
Short Term Deposit Accounts	18	1,504	-	1,504	287
Cash at bank and in hand	18	866	1,687	2,553	2,494
		3,636	1,687	5,323	5,583
CREDITORS					
Amounts falling due within one year	19	(3,373)	-	(3,373)	(2,339)
NET CURRENT ASSETS / (LIABILITIES)		263	1,687	1,950	3,244
TOTAL ASSETS		6,938	1,687	8,625	7,953
CREDITORS					
Amounts falling due after more than one year	20	(1,455)	-	(1,455)	(1,633)
NET ASSETS		5,483	1,687	7,170	6,320
FUNDS	23				
<i>Unrestricted funds;</i>					
Designated tangible fixed asset fund (net of secured bank loan)				5,175	3,209
Unrestricted general funds				308	325
				5,483	3,534
<i>Restricted funds;</i>					
Restricted bursary funds				350	407
Restricted capital fund				1,337	2,379
				1,687	2,786
TOTAL FUNDS				7,170	6,320

The financial statements were approved and authorised for issue by the Board of Trustees on

And were signed on its behalf by:



Kevin George
Chair of Trustees
Date: 24/07/2022
Registered Company Number: 02251024

Charity balance sheet for the year ended 31 January 2022

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2021/22 £000's	TOTAL 2020/21 £000's
FIXED ASSETS	22	6,675	-	6,675	4,709
		6,675	-	6,675	4,709
CURRENT ASSETS					
Stocks	16	113	-	113	155
Debtors: Amounts falling due after more than one year	17	248	-	248	237
Debtors: Amounts falling due within one year	17	901	-	901	2,411
Short Term Deposit Accounts	18	1,504	-	1,504	286
Cash at bank and in hand	18	865	1,687	2,552	2,494
		3,631	1,687	5,318	5,583
CREDITORS					
Amounts falling due within one year	19	(3,368)	-	(3,368)	(2,339)
NET CURRENT ASSETS / (LIABILITIES)		263	1,687	1,950	3,244
TOTAL ASSETS		6,938	1,687	8,625	7,953
CREDITORS					
Amounts falling due after more than one year	20	(1,455)	-	(1,455)	(1,633)
NET ASSETS		5,483	1,687	7,170	6,320
FUNDS	23				
<i>Unrestricted funds;</i>					
Designated tangible fixed asset fund (net of secured bank loan)				5,175	3,209
Unrestricted general funds				308	325
				5,483	3,534
<i>Restricted funds;</i>					
Restricted bursary funds				350	407
Restricted capital fund				1,337	2,379
				1,687	2,786
TOTAL FUNDS				7,170	6,320

The surplus for the financial year 2021/22 dealt with in the financial statements of the parent charity was £850k (2020/21: £1,670k).

The financial statements were approved and authorised for issue by the Board of Trustees on

And were signed on its behalf by:



Kevin George
Chair of Trustees
Date: 24/07/2022
Registered Company Number: 02251024

Consolidated statement of cash flow for the year ended 31 January 2022

	Notes	2021/22 £000's	2020/21 £000's
NET CASH PROVIDED BY OPERATING ACTIVITIES	A	3,644	813
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		4	1
Interest paid and fees		(68)	(21)
Purchase of tangible fixed assets		(2,379)	(168)
Sale of Tangible Fixed Assets		75	-
		(2,368)	(188)
CASH FLOWS FROM FINANCING ACTIVITIES			
New secured bank loan received		-	1,500
MANAGEMENT OF LIQUID FUNDS			
Short term deposit account transfers		(1,217)	3
Increase/(Decrease) in cash in the year	B	59	2,128

NOTE A - RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES

Net income	850	1,670
Depreciation and impairment charges	343	337
(Profit)/Loss on disposal of fixed assets	(5)	59
Interest received	(4)	(1)
Interest paid and charges	68	21
Decrease/(Increase) in stocks	40	49
Decrease/(Increase) in debtors	1,496	(1,617)
Increase in creditors	856	295
Net cash provided by operating activities	3,644	813

NOTE B - RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

Increase/(Decrease) in cash in the year	59	2,128
Increase/(Decrease) in short term deposits	1,217	(3)
New loan issued in year	-	(1,500)
Change in net cash	1,276	625
Net cash at 1 February	1,281	656
Net cash at 31 January	2,557	1,281

ANALYSIS OF CHANGE IN CASH AND CASH EQUIVALENTS

	At 1st Feb 21 £000's	Cashflow £000's	At 31st Jan 22 £000's
Cash at bank and in hand	2,494	59	2,553
Short term deposit accounts	287	1,217	1,504
Loans	(1,500)	-	(1,500)
Total	1,281	1,276	2,557

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

UK Sailing Academy is an incorporated charity (number 299248) and company (number 02251024) with its registered office at Arctic Road, Cowes, Isle of Wight PO31 7PQ and is incorporated and domiciled in the UK.

1 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

UKSA 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).

b) Going concern

In their assessment of going concern, the trustees have considered the impact of the COVID-19 pandemic on the charity. Supported by the management team, they have throughout the year considered the cash, reserves and net asset position of the charity. Cashflow forecasts are performed and reviewed on a rolling 18-month basis; therefore the Trustees consider that the going concern basis for the charity is appropriate.

The trustees are confident that the management team will continue to mitigate financial risks effectively by actively managing liquidity and by carefully controlling income and expenditure.

c) Group accounts

The accounts have been consolidated to include the results of the charity's trading subsidiary, which has the same year-end. No separate profit and loss account is presented for UK Sailing Academy as permitted by Section 408 of the Companies Act 2006.

d) Income

All income is included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Voluntary income is credited to the income and expenditure account on a received basis, apart from income that covers a specific period of time ending after 31 January 2022, the deferred part of the income being shown within creditors. Income from the charitable activities is recognised on an accruals basis, and income relating to courses which commence after the balance sheet date is deferred to future accounting periods.

Government Support income relates largely to the CJRS (Coronavirus Job Retention Scheme) grant and is accounted for under the performance model as permitted by the Charity SORP. CJRS income is therefore recognised on a straight-line basis over the furlough period for each relevant employee.

Notes to the financial statements for the year ended 31 January 2022 (continued)

e) Expenditure

All expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure. Support costs are allocated between the activities of the charity on a percentage basis in line with the income and activity levels of those activities.

Included within charitable activity are governance costs. Governance costs are those costs associated with the governance arrangements including external and internal audit and legal advice for Trustees, rather than the day-to-day management of the charity.

f) Debtors

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

g) Cash and cash equivalents

Cash is represented by cash in hand and short term highly liquid investments with a short maturity of 95 days or less from the date of acquisition or opening of the deposit or similar account. This has been split accordingly on the face of the balance sheet.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

i) Tangible fixed assets

Depreciation is provided on all other tangible fixed assets using the straight-line method designed to write off each asset over its expected useful economic life. It is the company's policy to determine the expected useful life of each asset individually, ranging from 3 to 100 years.

The company reviews its tangible fixed assets on an annual basis and will consider an impairment of those assets where the carrying amount (net book value) of the asset is higher than its recoverable amount; the recoverable amount being defined as the higher of the amount that could be obtained by selling the asset (Net Realisable Value), and the amount that could be obtained by using the asset (Value in Use).

j) Impairment of buildings

Buildings are held at historic cost. This value is subject to the requirement to test assets for impairment in accordance with section 27 of FRS102.

The company will get a land and buildings valuation done every 3 years to confirm no impairment is required, with a directors' assessment in the interim. The valuation performed last year by Jones Lang LaSalle showed no impairment was required. The next valuation is due for the year ending 31 January 2024.

Notes to the financial statements for the year ended 31 January 2022 (continued)

k) Stocks

Stocks of bought in goods are stated at the lower of cost and net realisable value. Stocks held include Provisions, Bar, Vending, Merchandise, Clothing and Red Funnel ferry tickets.

Stocks also include inventory items held for free distribution to beneficiaries in furtherance of charitable activities (e.g. Boards, Masts, Sails, Wetsuits, Paddles, Buoyancy Aids etc.). Inventory is written down (impaired) to nil value over a three-year period.

l) Taxation

The charity is exempt from corporation tax on its charitable activities. Irrecoverable VAT is recognised as an expense in the Statement of Financial Activities within training and education expenditure. The trading subsidiary has not incurred a tax charge as it gifts all profits to the charity.

m) Pensions

The charity does not operate a defined benefit pension scheme. UKSA auto-enrolled eligible employees with the National Employment Savings Trust (NEST) as the provider for its workplace pension. During 2021/22 UK Sailing Academy contributions of £52k (2020/21 £48k) were recognised in the Statement of Financial Activities (see Note 14).

n) Leased Assets

Instalments on operating lease contracts are charged on a straight-line basis over the lease life.

o) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

The Trustees have designated a fixed asset fund which represents the amount invested in tangible fixed assets to enable the charity to carry out its charitable purposes.

Restricted funds are subject to specific conditions laid down by donors as to how they may be used or which have been raised by the charity for particular purposes. The aim and use of each restricted fund are set out in the notes to the financial statements.

p) Financial instruments

The charity has financial assets and 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. Note 21 provides more information in respect of this area.

Notes to the financial statements for the year ended 31 January 2022 (continued)

q) **Key judgements and estimates**

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

Notes to the financial statements for the year ended 31 January 2022 (continued)

2	DONATIONS AND LEGACIES	2021/22	2020/21
		£000's	£000's
	Donations (Revenue)	362	244
	Donations (Capital Gross)	983	2,375
		1,345	2,619
3	INCOME FROM CHARITABLE ACTIVITIES	2021/22	2020/21
		£000's	£000's
	Youth Development programmes	108	24
	Schools and Groups	510	17
	Careers courses for employment	2,886	1,634
	Professional training	1,278	790
	Recreational training	305	106
	Total income for training activities	5,087	2,571
	Student services and site income	235	124
	Lost deposits	67	373
	Transfer from donations and legacies to training activities income	(348)	(98)
		5,041	2,970

Income in respect of courses that commence after the balance sheet date is deferred and recognised over the period during which the course takes place. An analysis of deferred income is shown below:

	2021/22	2020/21
	£000's	£000's
Gross income from charitable activities	5,462	3,057
Amounts deferred last year that have been released in the current year	1,825	1,738
Amounts deferred to future periods	(2,246)	(1,825)
	5,041	2,970

Notes to the financial statements for the year ended 31 January 2022 (continued)

4 INVESTMENT IN TRADING COMPANY

UK Sailing Academy holds 100% of the share capital of UKSA Trading Limited (registered office – Arctic Road, Cowes, Isle of Wight PO31 7PG – Registered Company No. 06276835) which is responsible for the provision of commercial services on behalf of the charity.

The charity's investment in the trading company was as follows:	2021/22	2020/21
UKSA Trading Limited	1	1

The subsidiary is registered in England and Wales and pays under gift aid its entire profits as computed for corporation tax purposes to the charity. Its results and balance sheet are as follows:

Profit and Loss Account	2021/22	2020/21
	£000's	£000's
Income	135	59
Government support	1	7
Cost of sales	(80)	(48)
Gross profit	56	18
Administration expenses	(45)	(15)
	11	3
Amount payable under gift aid to the charity	(11)	(3)
	-	-
Retained in subsidiary	-	-
Balance sheet		
Current assets	8	4
Current liabilities	(8)	(4)
	-	-
Share Capital (<i>Total Share Capital = £1</i>)	-	-

A UKSA members' resolution was passed in 2019 for the purpose of the continuance of the Gift Aiding of the profits of UKSA Trading Limited to UK Sailing Academy annually on the 31st January, until further notice.

The gift aid payment of £11k (2020/21: £3k) and management charge of £45k (2020/21: £15k) paid to UK Sailing Academy has been eliminated upon consolidation.

The Government support relates to Coronavirus Job Retention Support Scheme income and is shown under this heading on the Statement of Financial Activities.

Notes to the financial statements for the year ended 31 January 2022 (continued)

5	GOVERNMENT SUPPORT	2021/22	2020/21
		£000's	£000's
	Job Retention & Support Scheme Income	223	738
	IOW Council LRS Grant	62	20
		285	758
6	INVESTMENT INCOME	2021/22	2020/21
		£000's	£000's
	Deposit account interest	4	1
		4	1
7	OTHER INCOME	2021/22	2020/21
		£000's	£000's
	Insurance claims	2	1
	Sale of assets	5	1
	Miscellaneous income	-	1
		7	3
8	EXPENDITURE ON RAISING FUNDS	2021/22	2020/21
		£000's	£000's
	Fundraising costs	119	140
9	EXPENDITURE ON CHARITABLE ACTIVITIES		
		Admin, Sales and Marketing Costs	Total
		2021/22	2021/22
		£000's	£000's
	Youth Development programmes	29	118
	Schools and Groups	161	539
	Careers courses for employment	1,409	3,516
	Professional training	408	1,204
	Recreational training	162	391
		2,169	5,768
		Admin, Sales and Marketing Costs	Total
		2020/21	2020/21
		£000's	£000's
	Youth Development programmes	3	3
	Schools and Groups	10	319
	Careers courses for employment	759	2,833
	Professional training	270	1,160
	Recreational training	58	237
		1,100	4,552

Notes to the financial statements for the year ended 31 January 2022 (continued)

10 SUPPORT, ADMINISTRATION & SALES AND MARKETING COSTS

	2021/22 £000's	2020/21 £000's
Furloughed staff cost	85	368
Depreciation, inventory write down and loss on disposal	433	450
Site costs	488	407
Catering	472	318
Operations and customer support	259	241
Yacht, fleet and vehicle maintenance	304	231
VAT	201	136
Other	231	218
Total support costs	2,473	2,369
Administration costs	560	532
Sales and marketing costs	525	502
Redundancy costs	-	45
Interest payable	41	4
Totals	3,599	3,452

11 GOVERNANCE COSTS

	2021/22 £000's	2020/21 £000's
Company secretary	8	9
Auditors' remuneration	17	16
	25	25

12 NET MOVEMENT IN FUNDS

	2021/22 £000's	2020/21 £000's
Net movement in funds is stated after charging:		
Auditors' remuneration for statutory work	17	16
Operating lease rental for IT and vehicles	79	78
Interest paid and charges	68	21
Depreciation - owned assets	343	287
Impairment - Yacht	-	50
(Profit)/Loss on disposal	(5)	59

13 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2022 (2020/21: £nil). Travelling expenses are reimbursed, if claimed, to trustees. In 2021/22 this was nil (2020/21: £nil).

Notes to the financial statements for the year ended 31 January 2022 (continued)

14 STAFF COSTS

The average number of full-time equivalent staff employed by the charity during the financial year amounted to:

	2021/22 Total No.	2021/22 FTE No.	2020/21 Total No.	2020/21 FTE No.
Directly involved in achieving charitable objectives	102	78	101	74
Management and financial administration of the charity	10	10	10	10
Total	112	88	111	84

The aggregate payroll costs of the above were:

	2021/22 £000's	2020/21 £000's
Wages and salaries	2,452	2,265
Social security	204	181
Pension	52	48
	2,708	2,494

The number of employees whose emoluments exceeded £60,000 was:

	2021/22 No.	2020/21 No.
£60,000 to £69,999	2	1
£70,000 to £79,999	-	-
£80,000 to £89,999	-	-
£90,000 to £99,999	1	-

Employer Pension Contributions for the above individuals were £8k (2020/21: £3k)

Termination and redundancy payments in the year were nil (2020/21: £50k).

15 EXECUTIVE REMUNERATION

The total remuneration, benefits and pensions paid to the key management personnel in the year was £377k (2020/21: £321k). The key management personnel in the year were the Chief Executive, Director of Finance & Business Services, Director of Marketing & Business Development, Director of Training & Operations and Director of Fundraising & Development.

16 STOCKS

	2021/22 £000's	2020/21 £000's
Stocks for resale (trading)	3	1
Inventories (charity)	113	155
Group stocks held	116	156

Notes to the financial statements for the year ended 31 January 2022 (continued)

17 DEBTORS

	Group 2021/22 £000's	Group 2020/21 £000's	Charity 2021/22 £000's	Charity 2020/21 £000's
Trade debtors for courses	546	406	545	404
Due from subsidiary undertaking	-	-	-	4
Other debtors	375	351	375	351
Prepayments and accrued income	284	1,944	284	1,944
Bad debt provision for other debtors	(55)	(55)	(55)	(55)
	1,150	2,646	1,149	2,648

Included within other debtors is a total of £248k (2020/21 £237k) relating to repayable bursary amounts due over 1 year.

Included within accrued income is a total of £64k donated capital (restricted) income (2020/21 - £1,606k) relating to funding commitments for a new building started in February 2021.

Included within bad debt provision for other debtors is a total of (£53k) (2020/21 (£52k)) relating to repayable bursary.

18 CASH AND CASH EQUIVALENTS

	Group 2021/22 £000's	Group 2020/21 £000's	Charity 2021/22 £000's	Charity 2020/21 £000's
Bank current accounts	2,544	2,486	2,544	2,486
Bank deposit accounts	1,504	287	1,503	286
Petty cash	2	3	2	3
Pre-paid expense cards	7	5	7	5
	4,057	2,781	4,056	2,780

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021/22 £000's	Group 2020/21 £000's	Charity 2021/22 £000's	Charity 2020/21 £000's
Trade creditors	410	199	407	199
Due to subsidiary undertaking	-	-	3	-
Social security and other taxes	176	170	176	170
Secured bank loan	59	-	59	-
Other creditors	23	67	23	67
Accruals and deferred income	2,705	1,903	2,700	1,903
	3,373	2,339	3,368	2,339

Included within trade creditors is a total of £182k (2020/21: £nil) relating to retentions of the main build capital project.

Included within accruals and deferred income is a total of £2,232k (2020/21: £1,807k) relating to amounts invoiced in advance of the commencement of training courses.

Social security and other taxes includes £122k of PAYE where the group has taken advantage of Government deferral schemes (2020/21: PAYE £123k and VAT £8k).

Notes to the financial statements for the year ended 31 January 2022 (continued)

20 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR:

	Group 2021/22 £000's	Group 2020/21 £000's	Charity 2021/22 £000's	Charity 2020/21 £000's
Secured bank loan	1,441	1,500	1,441	1,500
Social security and other taxes	-	115	-	115
Accruals and deferred income	14	18	14	18
	1,455	1,633	1,455	1,633

Social security and other taxes includes PAYE where the group has taken advantage of Government deferral schemes, 2021/22: nil (2020/21: £115k).

The amounts held within accruals and deferred income relates to amounts invoiced in advance of the commencement of training courses of £14k (2020/21: £18k).

The group has a bank loan with Natwest which is secured by a fixed and floating charge over the property and assets of the group. The balance of the loan at 31 January 2022 is £1,500k. The loan has interest charged at 2.44% for the fixed period (60 months until February 2026) thereafter at 2.09% over base rate for the remaining period. The loan is due for final repayment in January 2042.

The maturity of the bank loan has been analysed as follows:

	Net Repayments 2021/22 £000	Net Repayments 2020/21 £000
Previous Year	-37	-
Within one year	58	-37
1-2 years	59	58
2-5 years	190	182
Greater than 5 years	1,230	1,297
	1,500	1,500

In addition, Deferred income has been analysed as follows:

	Group 2021/22 £000's	Group 2020/21 £000's	Charity 2021/22 £000's	Charity 2020/21 £000's
Deferred income at 1 February	1,825	1,738	1,825	1,735
Applied during the year	(1,825)	(1,738)	(1,825)	(1,735)
Released during the year	2,246	1,825	2,240	1,825
Deferred income at 31 January	2,246	1,825	2,240	1,825

Notes to the financial statements for the year ended 31 January 2022 (continued)

21 FINANCIAL INSTRUMENTS

Financial assets held at amortised cost are trade debtors, other debtors, accrued income, amount owed by group companies and cash held at bank. Note this excludes stock and prepayments.

Financial liabilities held at amortised cost are trade creditors, accruals, bank loan and amounts owed by group companies. Note this excludes deferred income and social security and other taxes.

Group	2021/22	2020/21
	£000's	£000's
Financial assets measured at amortised cost	5,084	5,306
Financial liabilities measured at amortised cost	2,406	1,862
	2021/22	2021/22
	£000's	£000's
Total interest income for financial assets held at amortised cost	4	1
Charity	2022/21	2020/21
	£000's	£000's
Financial assets measured at amortised cost	5,082	5,307
Financial liabilities measured at amortised cost	2,406	1,862
	2022/21	2020/21
	£000's	£000's
Total interest income for financial assets held at amortised cost	4	1

Notes to the financial statements for the year ended 31 January 2022 (continued)

22 FIXED ASSETS

	Assets under course of construction	Freehold land and buildings	Leasehold buildings	Swimming pool	Equipment and Training Aids
COST	£000's	£000's	£000's	£000's	£000's
At 1 February 2021	313	3,209	316	200	952
Additions	2,029	169	-	-	64
Disposals	-	-	-	-	-
Transfer	(12)	12	-	-	-
As at 31 January 2022	2,330	3,390	316	200	1,016
DEPRECIATION					
At 1 February 2021	-	329	26	200	730
Charge for year	-	55	14	-	67
Eliminated on disposal	-	-	-	-	-
As at 31 January 2022	-	384	40	200	797
NET BOOK VALUE					
As at 31 January 2022	2,330	3,006	276	-	219
As at 31 January 2021	313	2,880	290	-	212

	Motor vehicles	Yachts and training fleet	Intangible Assets	Totals
COST	£000's	£000's	£000's	£000's
At 1 February 2021	19	2,186	-	7,185
Additions	-	78	29	2,379
Disposals	-	(353)	-	(353)
As at 31 January 2022	19	1,911	29	9,211
DEPRECIATION				
At 1 February 2021	10	1,181	-	2,476
Charge for year	2	205	-	343
Eliminated on disposal	-	(283)	-	(283)
Impairments	-	-	-	-
As at 31 January 2022	12	1,103	-	2,536
NET BOOK VALUE				
As at 31 January 2022	7	808	29	6,675
As at 31 January 2021	9	1,005	-	4,709

Notes to the financial statements for the year ended 31 January 2022 (continued)

23 MOVEMENT IN FUNDS

	At 1 Feb 21 £000's	Net Movement in funds £000's	Transfers between Funds £000's	At 31 Jan 22 £000's
Unrestricted funds				
Fixed assets fund	3,209	(413)	2,379	5,175
General fund	325	166	(183)	308
Trading activities	-	11	(11)	-
	3,534	(236)	2,185	5,483
Restricted funds				
Restricted capital fund	2,379	983	(2,025)	1,337
Stephen Thomas Bursary	58	1	(17)	42
Noel Lister Memorial Fund	216	2	(24)	194
Milo Hanlon Fund	26	1	7	34
Will Black Fund	14	-	-	14
Seafarer's	48	10	-	58
Polly Birch Fund	45	39	(76)	8
Trinity House Fund	-	50	(50)	-
	2,786	1,086	(2,185)	1,687
TOTAL FUNDS	6,320	850	-	7,170

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(413)	(413)
General fund	5,595	(5,429)	166
Trading activities	136	(125)	11
	5,731	(5,967)	(236)
Restricted funds			
Restricted capital fund	983	-	983
Stephen Thomas Bursary	1	-	1
Noel Lister Memorial Fund	2	-	2
Milo Hanlon Fund	1	-	1
Will Black Fund	-	-	-
Seafarer's	10	-	10
UKSA Assisted Funding	-	-	-
Polly Birch Fund	39	-	39
Trinity House Fund	50	-	50
	1,086	-	1,086
TOTAL FUNDS	6,817	(5,967)	850

Notes to the financial statements for the year ended 31 January 2022 (continued)

23 MOVEMENT IN FUNDS (PRIOR YEAR COMPARATIVES)

	At 1 Feb 20 £000's	Net Movement in funds £000's	Transfers between Funds £000's	At 31 Jan 21 £000's
Unrestricted funds				
Fixed assets fund	4,937	(396)	(1,332)	3,209
Designated capital fund	121	-	(121)	-
General fund	(673)	(447)	1,445	325
Trading activities	-	3	(3)	-
	4,385	(840)	(11)	3,534
Restricted funds				
Restricted capital fund	-	2,374	5	2,379
Stephen Thomas Bursary	12	47	(1)	58
Noel Lister Memorial Fund	141	1	74	216
Milo Hanlon Fund	17	1	8	26
Will Black Fund	14	-	-	14
Seafarer's	28	17	3	48
UKSA Assisted Funding	5	-	(5)	-
Polly Birch Fund	48	-	(3)	45
Trinity House Fund	-	70	(70)	-
	265	2,510	11	2,786
TOTAL FUNDS	4,650	1,670	-	6,320

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(396)	(396)
Capital fund	-	-	-
General funds	3,833	(4,280)	(447)
Trading activities	66	(63)	3
	3,899	(4,739)	(840)
Restricted funds			
Restricted capital fund	2,375	(1)	2,374
Stephen Thomas Bursary	47	-	47
Noel Lister Memorial Fund	1	-	1
Milo Hanlon Fund	1	-	1
Will Black Fund	-	-	-
Seafarer's	17	-	17
UKSA Assisted Funding	-	-	-
Polly Birch Fund	-	-	-
Trinity House Fund	70	-	70
	2,511	(1)	2,510
TOTAL FUNDS	6,410	(4,740)	1,670

Notes to the financial statements for the year ended 31 January 2022 (continued)

Unrestricted funds

- A)** The fixed asset fund shows the net book value of unrestricted fixed assets. Net movement in funds are represented by the net of profit/ (loss) on disposal, impairment and depreciation £413k (2020/21: £396k). Transfers are represented by net capital expenditure of £2,379k.
- B)** The Designated capital fund represents funds which are unrestricted but were specifically held for the capital site development works. When these funds are expended, they are capitalised and transferred to the Designated tangible fixed asset fund. Net movement in funds are represented by net donated income of nil in 2021/22 (2020/21: nil).
- In 2021/22 nil transfers were made (2020/21 transfers were represented by capital expenditure of £101k on the new building, £15k on our website and the remainder of £5k was transferred to the Restricted capital fund).
- C)** The unrestricted general fund represents funds which are freely available for use by the charity, including those generated from trading activities.
- Net movements in funds are represented by all Income and Expenditure movements not already represented by movements on other reserves of £166k (2020/21: (£447k)). Transfers are the sum of net working capital movements excluding transfers on other reserves of (£183k) (2020/21: £1445k).
- D)** The trading activities fund is represented by the wholly owned subsidiary UKSA Trading Ltd profit / (loss). For the year 2021/22 UKSA Trading Ltd returned a profit of £11k (2020/21: £3k) which was transferred to the UK Sailing Academy's unrestricted general fund in the same year.

Restricted funds

- A)** A restricted Capital Fund was set up in 2015/16 to hold donations that are specifically to fund capital works required. In 2021/22 £983k net income was received (2020/21 £2,374k) less (£2,025k) capital expenditure in the year (2020/21: nil capital expenditure plus a £5k transfer from the Designated capital fund).
- B)** The Stephen Thomas Bursary was set up in memory of Stephen Thomas to provide sailing and seamanship experiences for young people between the ages of 16 and 20.
- C)** The Noel Lister Memorial Fund was set up in memory of Noel (the founder of UKSA) to provide sailing and seamanship experiences for young people.
- D)** The Milo Hanlon Fund was set up in memory of Milo who was a student at UKSA in 2012. The fund provides assistance to young people wishing to undertake professional training for employment.
- E)** The William Black Fund was set up in 2016 in memory of Will. The fund provides financial support to individuals with a desire to enter the maritime sector.

Notes to the financial statements for the year ended 31 January 2022 (continued)

Restricted funds continued

- F) The Seafarer's fund was set up in 2017/18. The fund provides assistance to young people wishing to undertake professional training for employment.

- G) The UKSA Assisted Funding Fund was set up in 2019/20 to provide training for employment for young people.

- H) The Polly Birch fund was set up in 2017/18. This fund was set-up in memory of Polly Birch to provide watersports experiences for school children.

- I) The Trinity fund was set up in 2011. The fund provides assistance to young people wishing to undertake professional training for employment.

Notes to the financial statements for the year ended 31 January 2022 (continued)

24 ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP

	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 22 £000's
Fixed assets	-	6,675	-	6,675
Current assets	3,636	-	1,687	5,323
Creditors due in less than one year	(3,314)	-	-	(3,314)
Creditors due in more than one year	(14)	-	-	(14)
Secured Bank Loan due in less than one year	-	(59)	-	(59)
Secured Bank Loan due in more than one year	-	(1,441)	-	(1,441)
	308	5,175	1,687	7,170

ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP (PRIOR YEAR COMPARATIVES)

	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 21 £000's
Fixed assets	-	4,709	-	4,709
Current assets	2,797	-	2,786	5,583
Creditors due in less than one year	(2,454)	-	-	(2,454)
Creditors due in more than one year	(18)	-	-	(18)
Secured Bank Loan due in more than one year	-	(1,500)	-	(1,500)
	325	3,209	2,786	6,320

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY

	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 22 £000's
Fixed assets	-	6,675	-	6,675
Current assets	3,631	-	1,687	5,318
Creditors due in less than one year	(3,309)	-	-	(3,309)
Creditors due in more than one year	(14)	-	-	(14)
Secured Bank Loan due in less than one year	-	(59)	-	(59)
Secured Bank Loan due in more than one year	-	(1,441)	-	(1,441)
	308	5,175	1,687	7,170

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY (PRIOR YEAR COMPARATIVES)

	Unrestricted Funds General £000's	Unrestricted Funds Designated £000's	Restricted Funds £000's	Total funds at 31 Jan 21 £000's
Fixed assets	-	4,709	-	4,709
Current assets	2,797	-	2,786	5,583
Creditors due in less than one year	(2,454)	-	-	(2,454)
Creditors due in more than one year	(18)	-	-	(18)
Secured Bank Loan due in more than one year	-	(1,500)	-	(1,500)
	325	3,209	2,786	6,320

Notes to the financial statements for the year ended 31 January 2022 (continued)

25 RELATED PARTY DISCLOSURES

The company was under the ultimate control of the trustees.

Kevin George, Chair of Trustees until 05.07.21 is also Chair of Red Funnel who provide cross Solent travel for UKSA students.

David Lister MBE, trustee of UKSA, is also a trustee of the Whirlwind Charitable Trust (WCT) which gave financial assistance to UKSA in the form of donations of £150k in the year (2020/21:£300k).

Claire Locke, trustee of UKSA, is also a trustee of Daisie Rich Trust who gave financial assistance to UKSA in the form of donations of £5k in the year (2020/21: £5k).

Sir Anthony Greener, trustee of UKSA, is also Chairman of Minton Charity Trust which gave financial assistance to UKSA in the form of donations of £150k in the year (2020/21:£35k).

Donations were received from three trustees totalling £24k (2020/21: £72k).

26 OPERATING LEASES

At the year end, the Group were committed to the following future minimum lease payments in respect of operating leases:

	Vehicles and equipment	
	2021/22 £000's	2020/21 £000's
Less than one year	30	67
Greater than one year and less than five years	7	37
Later than five years	-	-
	<u>37</u>	<u>104</u>

27 CAPITAL COMMITMENTS

The charity had capital commitments as at 31 January 2022 of £1,751k. This is split between £1,742k for a new building and £9k for Victory accommodation block fencing (£3,530k 31 Jan 2021).

Notes to the financial statements for the year ended 31 January 2022 (continued)

28 COMPARATIVE SOFA FOR THE YEAR ENDED 31ST JANUARY 2021

	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2020/21 £000's
INCOME FROM:			
Donations, Legacies and Grants	108	2,511	2,619
Charitable Activities	2,970	-	2,970
Other Trading Activities	59	-	59
Trading			
Activities for generating funds	758	-	758
Investments	1	-	1
Other	3	-	3
Total income	3,899	2,511	6,410
EXPENDITURE ON:			
Raising funds:			
Trading Activities	48	-	48
Expenditure on raising funds	139	1	140
Charitable Activities	4,552	-	4,552
Total expenditure	4,739	1	4,740
Net income/(expenditure)	(840)	2,510	1,670
Transfers between funds	(11)	11	-
Net movement in funds	(851)	2,521	1,670
RECONCILIATION OF FUNDS:			
Total funds brought forward	4,385	265	4,650
TOTAL FUNDS CARRIED FORWARD	3,534	2,786	6,320

UK SAILING ACADEMY

England & Wales - Charity number 299248

Accounts



UKSA

Sea. Change.

Annual report & accounts

2020/21

For the Financial Year ending 31 January 2021

Registered Charity Number: 299248
Registered in England & Wales: 02251024
Patron: HRH The Princess Royal

uksa.org



Reference and administrative details

Patron

HRH The Princess Royal

Founders

Noel and Sylvia Lister

Trustees

Kevin George	Chair of the Board
Richard Stokes CBE	Vice Chair
Sir Anthony Greener	
Claire Locke	
David Lister, MBE	Founder Trustee
Debra Price	
Marc Giraudon	
Richard Palmer	
Samantha Axtell	
Ole Bettum	
Dawn Haig-Thomas	(Resigned 25 Sept 2020)

Company Secretary

Simon Hamilton

Senior Managers

Ben Willows	Chief Executive
Simon Hamilton	Director of Finance & Business Services
Julia Hutchison	Director of Sales & Marketing
Chris Frisby	Director of Training & Operations
Tanya Brookfield	Director of Fundraising & Development

Auditors

Crowe UK LLP, Aquis House, 49-51 Blagrove Street, Reading, Berkshire, RG1 1PL, United Kingdom.

Bankers

NatWest plc. 107 St. James' Square, Isle of Wight, PO30 1XH, United Kingdom.

Solicitors

Bates, Wells & Braithwaite London, 2-6 Cannon Street, London, EC4M 6YH, United Kingdom.

Registered Office

Arctic Road, Cowes, Isle of Wight, PO31 7PQ, United Kingdom.

Registered Company Number

02251024 (England & Wales)

Registered Charity Number

299248

Accreditations \ Licenses

British Accreditation Council
(for independent further and higher education)
UK Independent College accreditation
RYA Accreditation
MCA Accreditation
ISO 9001 Registered
Adventure Activities Licensing Service
Visit England

Contact Details

Telephone 01983 294941

Email info@uksa.org

Website www.uksa.org

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Report from the Chief Executive and the Chair of Trustees



(left) **Ben Willows**, UKSA Chief Executive.
(right) **Kevin George**, Chair of Trustees

Our purpose as a charity is to inspire and support children and young people to broaden their horizons through our life enhancing water-based adventures, education and training for careers at sea. We support our students to believe in themselves by providing a hand up not a handout. Our professional education, mentoring and training pathways create exciting long-term maritime career opportunities empowering our students to succeed for themselves, their communities and society.

UKSA started the 2020/21 financial year with every expectation of it being among the most successful and productive years in its 33-year history. Building on the improving financial performance, operational efficiency and impact of the previous two years, and having secured the largest single donation in its history, the charity was rising to meet the ambitions set out in its strategic plan. Having already invested in buildings and the training fleet, UKSA was poised to achieve the increasing positive outcomes for its beneficiaries that the preceding years had promised.

Instead, the story of 2020 was for UKSA, along with much of the world economy, one of surviving the challenges of a global pandemic. However, looking back, we did a lot more than just survive. Covid-19 impacted us financially having been closed for 5 out of the 12 months of the year. The Board and Executive team decided that UKSA should use its unencumbered asset base to restructure the balance sheet, by taking a £1.5m loan with our bank, creating a strategic cash reserve, as detailed more fully in the Financial Report below. Having come through this period of adversity, we are now financially more resilient, have a new and exciting strategy and even greater sense of confidence in our future.

As well as rising to the challenges posed by the pandemic, we can count many notable successes. In the strangest of years, we passed some important milestones and laid strong foundations for the future.

At the start of the year, following the commitment by the TK Foundation of US\$1.9 Million, the Trustees gave the go-ahead for the initial stage of procurement for the new accommodation build project.

The chosen procurement route was a two stage Design & Build tender process. At the first stage, working with our procurement consultants, we invited tenders from several island and mainland-based contractors. Three contractors were chosen to present to our selection panel in February 2020. Based on this interview and their overall approach and pricing, we selected a preferred contractor to move to the second stage of the tender process, developing a more detailed design and costing.

This decision was made shortly before the country moved into the first period of lockdown. Although our initial focus was on the direct challenges we faced as a result of the pandemic, UKSA remained fully committed to the project as an essential part of our strategic vision for the future. Covid has disrupted supply chains and tested workflows across the entire economy, and the construction industry is no exception, but our contractor and their professional team have likewise remained fully engaged. Although there was some interruption to the procurement process, we received final designs and costings in the latter part of November 2020 and the Board gave its approval in December, with contracts being signed before the year end on 29 January 2021.

The confidence to go ahead with this project, the largest single contract that UKSA has ever entered into, was supported by our notable successes in capital fundraising. Following on the success of the transformational commitments by TK Foundation and Whirlwind Charitable Trust, we agreed further significant capital grants with, among others, The Bradbury Foundation, Oakley Capital, the Ocean Family Foundation and the Peter Dubens Foundation. Discussions and funding commitment with other funders, notably the Garfield Weston Foundation and a significant private funder, although concluded after the balance sheet date, were progressing well at the point that the Board approved the contract.

The recognition of over £2.5 Million of restricted income from donations in the Statement of Financial Activities, in a year in which we incurred a deficit on unrestricted funds of (£0.840 Million) reflects a decisive vote of confidence by our funders and donors in UKSA's future.

The construction of the new 136 bed facility is now underway and when open in May 2022, will enable UKSA to offer our programmes to 3,000 more young people every year.

During the year, as set out below, we revaluated our strategic priorities, making them fit for purpose in a changed world, ensuring that the needs of our beneficiaries are at the forefront of plans. We have re-focussed on five core objectives; to widen the horizons and outlook of children, to offer a greater depth of support and assistance to enable our careers students to access the jobs market successfully, to establish UKSA as a centre of excellence for maritime training to progress careers at sea, to build financial resilience and to strengthen our asset base both in respect of physical assets and our human capital – our people.

Central to this strategy is to build a bridge between the work that we do with school children and our careers programmes aimed at young adults, creating in young people aged 14 to 18 a greater awareness of the opportunities available in the maritime industries, and helping them to develop the life skills they will need to pursue those opportunities. This initiative, which is intended to be funded such that the cost to the beneficiaries is minimal, is called our Sea.Change Foundation programme. Despite the restrictions of Covid, we launched with a successful pilot programme during the October 2020 half-term break for 10 island-based youngsters. We have gained strong support from partners such as the leading yacht broker Edmiston, the Prince's Trust and the E-Act multi-academy trust.

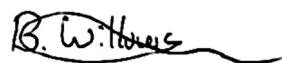
To support this and other initiatives we have launched a significant fundraising effort, the Sea.Change Fund. This will be an overarching fund, designated to support all our current programmes for young people.

The establishment of our partnership with Edmiston was one of the highlights of the year. Not only are they supporting the Sea.Change Foundation programme, but they are working with us to directly address the lack of diversity in the Superyacht sector. Supported by the Edmiston Foundation, we have launched an Edmiston Crew Training Programme to be delivered in June of 2021. Based on an extended and enhanced 5-week version of our standard 3-week Crew Trainer programme, this will be aimed specifically at young people from the most disadvantaged backgrounds, helping them to forge careers in the yachting industry.

Covid made us look carefully at how we provide professional training, and consider alternatives to the fully residential, classroom-based training model. When we reopened in August 2020, we were still unable to use our classrooms for teaching. Students remained in their accommodation, learning from an instructor a short distance away in a newly and quickly established broadcast suite in our Training Centre and meeting outside as permitted by the rules then in force. We have now assembled three such suites and invested in the infrastructure to support them and on-line teaching of both RYA Shorebased and MCA modules is here to stay.

During the year we worked with British Marine, Seacat and Williams Shipping to develop our work boat apprenticeship programme, for launch during National Apprenticeships Week at the beginning of February 2021. This initiative will extend our reach by looking outside UKSA's traditional focus on yachts and watersports, at a growing and innovative sector of the UK maritime industry.

The 2020/21 financial year was challenging due to the unprecedented impact of the Covid pandemic. However, UKSA, through the adversity of the devastating impact of the pandemic has strengthened its financial position and launched the largest capital project in its history supported by over £3.5m of fundraising. In refocussing the strategy for the charity for the post pandemic world, we developed maritime distance learning and launched the Sea.Change Foundation programme to encourage young people to embark on maritime careers.



Ben Willows, Chief Executive



Kevin George, Chair of Trustees

Aims, objectives and values

Report of the trustees

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of UK Sailing Academy (hereinafter 'UKSA') for the year ended 31 January 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP), applicable to charities (effective 1 January 2015), and have had regard to the general guidance provided by the Charity Commission on public benefit in ensuring that its aims and objectives comply with section 17(5) of the Charities Act 2011 and are for the public benefit.

Aims and objectives

UKSA is a youth training charity, which aims to inspire and support children and young people to broaden their horizons through our life enhancing water-based adventures, education and training for careers at sea.

Our objectives, as defined by our Articles of Association, are:

1. To advance the education and physical, mental and spiritual development of children (or young persons under the age of 25) by providing or assisting in providing facilities for training in sailing and seamanship for those who have need of such facilities by reason of poverty or social or economic circumstances (so that they may grow to full maturity as individuals and members of society);
2. To provide or assist in the provision of facilities for the recreation and other leisure time occupation of the general public, and in particular facilities for watersports and outdoor activities in the interests of social welfare and with the object of improving their conditions of life;
3. To advance the education of the public in all aspect of maritime activities and in particular in matters relating to: (a) the promotion of personal safety (b) the prevention of accident (c) navigation (d) engineering (e) seamanship (f) stability and construction of boats (g) communication at sea (h) maritime law (i) business and interpersonal skills;
4. To promote community participation in healthy recreation through the provision of sailing facilities.

Every 3-5 years, UKSA develops a strategy to deliver on these objectives in light of the current needs of our primary beneficiaries and UKSA's operating capacity. This is outlined and reported on in more detail in the Strategic Report below.

Values

Our Values reflect the type of charity that we want to be; one that loves what we do, has a passion for sharing it and wants to inspire as many people as possible through our work. They apply to all our employees, beneficiaries, trustees and beneficiaries, supporters and volunteers alike:

- Challenge, have fun and smile
- We take care of ourselves, those around us and this place
- Be part of who we are and help others do the same
- Tell the truth, hear the truth, act truthfully
- "If not you, who? If not now, when?"

Strategic report – public benefit

Report of the trustees

In reviewing our aims and objectives and planning our future activities, we have referred to and complied with the duty in section 17 of the Charities Act 2011 relating to having due regard for the Charity Commission's published general guidance on public benefit. The Trustees and Executive Team have considered carefully how planned activities will contribute to UKSA charitable purposes and be for the public benefit.

Young people in need

Meeting the attainment & skills gap

Even before the current Coronavirus pandemic gripped the world, UKSA believed that all young people had a need; to be inspired, to have their horizons broadened or simply to have barriers to opportunity removed.

Millions of children growing up in the UK are facing a challenging start to life. A quarter of children and young people live in poverty; many experience violence, abuse, and neglect; obesity and mental health problems are mounting; and many face additional barriers due to having a disability and / or additional needs. Research has found that those facing these types of challenges from an early age, experience worse outcomes in later life. UKSA believes passionately in inspiring and supporting children and young people to broaden their horizons through our life enhancing water-based adventures, education, and training for careers at sea.

Sadly, we know that so many of these children and young people were already missing out on life-changing opportunities because schools, local authorities and parents simply could not afford to pay for them. The current COVID-19 crisis and resulting impact, including the closing of schools for many months, has only exacerbated the fragility of these young peoples' mental health and further driven a reliance on 'screen time' and social media through this period of forced isolation. Our outdoor learning programmes on the water are the antithesis to this and these children and young people will need UKSA now more than ever and our education partners like the E-ACT Academies are eagerly awaiting the opportunity to return to us.

Prior to this current crisis, according to the Prince's Trust, young people's wellbeing was already at its lowest in over a decade. In their 2019 State of the Nation report, the Department for Education found that children with special educational needs, children from more deprived backgrounds and children in need, were reported as more likely to experience low wellbeing and emotional difficulties than their peers. Furthermore, the Education Policy Institute's Education in England Annual Report 2019 found that, in England, young people eligible for the pupil premium were, on average, 18 months behind their peers in terms of academic attainment by the time they reached their GCSE's. In some places, including the Isle of Wight, this gap was as much as 24 months.

In addition, those young people considering their futures and approaching school leaving age have also been greatly affected. Youth unemployment is predicted to hit 1 million with many young people losing jobs and a reduction in the number of opportunities available to them (Resolute Foundation).

The current crisis may reduce the employment chances of lower-skilled young adults leaving education by more than a third, even years down the line. In addition, the Resolution Foundation's research predicted that youth unemployment would top 1 million by the end of 2020.

In January 2019, the UK Government launched Maritime 2050, the first ever long-term strategy to support and grow the marine sector. Its aim is to promote careers and diversity in the industry and, ultimately, to close the critical skills gap which 30% of marine companies have reported within their businesses. Developing people and key skills is a vital element in the Maritime sector, more specifically the growing superyacht sector also faces a shortfall of 55,000 crew in the next five years. UKSA is working with education establishments and employers to provide alternative learning environments, pathways and training programmes which lead to jobs, particularly within the rapidly growing superyacht industry.

Sadly, schools, youth and adult groups and other community organisations and families were not able to benefit from participation in outdoor adventurous activity and/or vocational training for most of 2020. The effects of this loss are potentially devastating as such activities are known to support personal and social development, improved health & well-being and better educational and employment outcomes.

In short, evidence supports the fact that outdoor education programmes run by organisations like UKSA can have a real and positive impact on the lives of young people. We want to ensure that the children who need it most, can participate in adventure learning programmes with us, gain essential life skills and have the chance to catch up with their peers and fulfil their potential. Research UKSA have undertaken demonstrates that many of these children return here for further qualifications with some then moving into a career in the maritime sector.

Strategic report – public benefit

Report of the trustees

How we can help

UKSA welcomes young people from the age of 6 to broaden their horizons and experience water-based adventures, as well as providing training and qualifications to enable them to embark upon a career in the maritime industry. The goal for many of our careers students is to work in a practical, skills-based industry; maybe they did not thrive in traditional education, or perhaps they just want to do a job where they can pass on their love of sailing and watersports to others. For some, their goal may be to become a Skipper or Master of a vessel, or it could be a combination of some or all of these ambitions.

UKSA's unique learning environment means that young people can be inspired by the extensive range of students and staff we have onsite. From kids getting their first chance to try watersports, to candidates gaining qualifications to be Masters of Vessels up to 3000gt and everything in between, young people can learn about the vast array of opportunities the maritime industry has on offer and gain qualifications to enable them to achieve their goals. In the financial year ending 31 January 2020, we opened our doors to more than 10,000 individuals, over 80% of whom were under 25. The programmes we ran can be broadly split into three main areas:

Schools, Youth Groups and Youth Development Programmes

6-16 year olds

In a normal year, from April through to October we offer residential and non-residential activity programmes for schools and youth groups. Schools visit us from all over the UK, some from the most deprived areas of the country. In 2019 we were visited by nearly 8,000 youngsters all having an adventure away from home on and off the water but at the same time learning life skills, being challenged and often being inspired to see the world in a new way. In 2020, these programmes were drastically curtailed by Covid – only 133 pupils and teachers visited UKSA before operations were suspended on site on 23 March. However, we retained bookings and ended the year with strong interest in our 2021 programmes.

Our “Leave No Child Behind” campaign is intended to ensure that additional funding is in place to support children from disadvantaged areas whose families cannot otherwise afford to send them on these trips. As well as our schools and groups programmes, we run several funded programmes specifically aimed at young people who need a helping hand, whether they are disengaged from mainstream education, find it hard to enter employment or are just going through a difficult period in their lives.

Our school's activity goes to the heart of what UKSA offers, and the transformation that we make to children's lives is often immediately apparent.

“The children had the most amazing time! I had a bit of a ‘moment’ out on the water when one of my boys (who finds life quite difficult and rarely smiles) was giggling away! Honestly- it was such a beautiful moment! I haven't heard him laugh before so I found it a bit emotional.”

Ellen Hicks, Y6 Teacher, St Blasius CofE Primary (2019)



Strategic report – public benefit

Report of the trustees

Careers (16+ years)

Our careers offering covers three areas

Further Education - 16 to 18 years

Focussing on a pathway to employment in the maritime sector, we offer a 2-year NCFE Level 3 Diploma in Adventurous Outdoor Activities as well as a Maritime Foundation programme. Although Covid disrupted every programme in 2020 to some extent, our 2019/20 FE offering was completed through remote learning while our 2020/21 programme started in September, and is expected to finish on schedule in May 2021.

From 2021 we will also be offering work boat apprenticeships in association with local maritime organisations, Sea Cat Services and Williams Shipping.

Yachting Careers – 18+ years

Centred on training students for their first job in the maritime sector. UKSA offers extensive full time training programmes providing pathways into maritime employment in the professional yachting and Superyacht sectors including, our flagship Superyacht Cadetship programme (a structured 4-year programme involving five phases of UKSA training and work placements) leading to the MCA Officer of the Watch 3000gt qualification).

Watersports Careers

The Watersports Academy is aimed at young people aged 18-25 enabling them to gain the qualifications they need to work as an instructor and guarantees those who successfully complete the programme two summer seasons employment at UKSA, as well as opening job opportunities to them around the world.



Maritime and Coastguard Agency (MCA) Professional Training 18+ years

UKSA is the biggest single site provider of MCA Yacht and Deck Training in the world. We are recognised throughout the yacht industry as a world-class provider of the training that mariners need to progress their careers and achieve seniority and high levels of competence.

We believe our work is unique for the following reasons:

We enable young people from any background and without the financial means, to have the opportunity to take part in potentially life changing activities: from attending a residential activity trip, progressing onto a development or education programme through to being supported by UKSA or one of our partners into a life-long maritime career.

The sheer range of both on and off the water-based training and education, encouraging, supporting and inspiring young people of all ages, abilities and backgrounds: Extending from a 6-year-old coming to one our Summer camps through to an 18-year-old embarking on our Professional Cadetship course, to an experienced maritime professional seeking to gain Officer and Master qualifications.

Commitment to our training programmes to provide tangible pathways to young people into maritime employment. Many students return to complete additional qualifications with us and, in time, contact us to place new students on their boats.

We support our students throughout their whole career and time when at sea. We work with students on their CV's, put them forward for jobs, prepare them for interviews; they are free to contact us anytime for advice on their career.

Strategic report – financial review

Report of the trustees

The financial performance of the charity in the financial year and the position at the end of January 2021 were dominated by two themes. The first was, of course, the Covid pandemic, the interruption that it caused to our income streams, and the steps we had to take to protect the charity and secure its future. The second is the progress made with the capital accommodation building project, both in terms of the stages of the project itself and in respect of the success of our fundraising efforts. Our SOFA tells the story; on the one hand showing an operating deficit in respect of unrestricted activity, and on the other, a surplus in respect of restricted fund-raised income for our capital project.

The results for the financial year were severely impacted by the interruption to normal business caused by the Covid-19 pandemic. UKSA's response to this crisis was swift and effective, seeking to reduce expenditure, manage cash flow and make full use of any available government support, in particular the Job Retention Scheme. We were one of the first organisations in the UK to successfully secure funding through a CBILS loan.

When we closed in March 2020, we retained our careers and professional students and relationships with partners and reopened successfully in August 2020, albeit under reduced capacity due to COVID restrictions. We then operated our education, careers, and professional training courses through to the lock down in January 2021, where in line with most education facilities, we suspended training on site. We reopened on 1 March 2021, once again carefully but rapidly returning to as close to full capacity as Covid constraints would allow.

From August 2020 to January 2021, UKSA was the only RYA and MCA professional training centre in UK that was able to operate these types of training courses, and this was due to the way in which we operated our strict COVID student and staff bubbles policies and social distancing systems on our site. We kept in very close direct contact with Public Health England and the Isle of Wight Environmental Health department, which have supported our COVID risk assessments and have used UKSA as an example of good practice of how manage staff and students social distancing, symptoms checking and COVID risk assessments.

Despite this, we were in effect completely closed for five out of the twelve months of the year, and working under significant restrictions for a further five. Normal operations were only possible in February and three weeks of March 2020. Our Schools and Groups programme for 2020, which was budgeted to generate £1.6 Million of income, was cancelled in its entirety, schools having been closed and certainly not permitted to organise trips of any sort.

It was inevitable therefore that UKSA would make an operating loss for the year. The Board and the Executive Team concluded that the charity's interests would be best served by taking two difficult but significant decisions.

The first was that UKSA would have to reduce headcount, at least for a time, to reflect the reality of a lower level of activity. In June 2020 we entered a consultation process with a number of permanent staff, a process which resulted in 16 out of 96 posts being made redundant, along with agreed reductions in working hours which reduced full time equivalent headcount by a further 5 posts.

The second was that, to ensure financial resilience and mitigate the extent to which the projected loss would increase negative reserves, UKSA should use its unencumbered asset base to restructure the balance sheet, creating a strategic cash reserve. We were also aware that the short-term £750k unsecured CBILS loan that we had taken on to provide liquidity in May, would be repayable over five years from May 2021. Unless re-financed, this would be a burden on cash flow at a time when we would need our resources to recover from the effects of the pandemic. We therefore sought a £1.5 Million long term loan from two potential lenders, secured on our property assets. National Westminster Bank plc was supportive of our plans and understanding of our needs, and we agreed heads of terms in November, with completion and draw down taking place in January.



Strategic report – financial review

Report of the trustees

The table below highlights the operating deficit that UKSA incurred in the 2020/21 financial year, after reporting a steadily improving operating performance over the preceding years.

	2016/17	2017/18	2018/19	2019/20	2020/21
	£000's	£000's	£000's	£000's	£000's
Total Surplus per SOFA	117	27	104	294	1,670
Less: Donated capital income (Net)	(375)	(105)	(101)	(139)	(2,374)
Less: Income from investments	(1)	(1)	(2)	(2)	(1)
Operating Surplus / (Deficit)	(259)	(79)	1	153	(705)

Our normal comparisons with the previous year are meaningless of course. As is shown in Note 3 to the Financial Statements below, total charitable income was less than 50% of the 2019/20 figure and all activity areas were significantly impacted by closure and by restricted operations.

UKSA Trading Ltd is a wholly owned subsidiary that carries out commercial activities on behalf of the Charity, such as an on-site bar, various corporate events, swimming pool hire, B&B accommodation, vending machines and marina berthing. These sources of income were interrupted or curtailed by the effects of the pandemic – the bar for example was closed on March 22nd and had not reopened a year later and the pool has remained closed except for sea survival training. There have been no corporate events and we have not, for safety reasons, been able to accommodate visitors on a B&B basis. Note 4 to the financial statements shows that income from UKSA Trading was less than a quarter of the amount earned in the previous year.

Looking Ahead:

These financial statements are prepared on a going concern basis. The Trustees, supported by the Executive Team, have considered the reserves and net asset position. Although this has been a most challenging year, the restructuring of the balance sheet referred to above has given the charity a strategic reserve of cash to ensure that it will be able to meet its obligations as they fall due under any reasonably foreseeable circumstances.

At the same time, the overall forward bookings position is positive. Careers and MCA bookings significantly better at the end of March 2021 than they were going into the first lockdown period last year, or in March 2019 and demand for our products remains strong. Schools and Groups remain keen to visit us if they are allowed to travel in 2021, and we are holding provisional bookings in excess of £1.3 Million. At the time of writing, we are expecting school visits to start at UKSA in mid-June 2021.

Our success in capital fundraising, and the start of our capital accommodation project, gives us a strong indication of our ability to generate support for our objectives from the funding community.

Reserves:

The balances and movements in funds along with the amounts held at the year-end are detailed in note 23 to the Financial Statements. Transfers between reserves represent the application of restricted and designated funds to capital projects, funded programmes and bursaries.

Unrestricted Reserves:

The unrestricted general fund (“free reserves”) is positive for the first time since the 2012/13 financial year. This is a direct result of the decision to borrow against our asset base, and hold the cash in reserve.

Restricted Reserves:

Restricted funds are held to support revenue expenditure and can only be used in accordance with donors’ directions, further details of the funds and their intended use are to be found in Note 24 to these accounts.

Reserves Policy:

The Trustees are content to hold the equivalent of one month’s unrestricted expenditure in free reserves. At current levels of activity, this would be equivalent to about £0.6m. Free reserves are currently £0.3m due to the investment activity and operating deficits in previous years. Through a combination of organic growth in income generating improved free cash flows, and long-term finance secured on assets, the charity has plans in place to achieve free reserves balance of £0.6m in the future to give more resilience to financial risks including fluctuations in income.

Investment Policy:

The Trustees assessed the working capital requirements of the charity, and the liquid funds were deemed to be sufficient to meet the short-term cash flow requirements of the charity but not at a level to place funds in longer term investments. Whenever possible, reserve funds are held in notice accounts to maximise income from interest with minimal risk.

Strategic report – future developments

Report of the trustees

The Coronavirus pandemic has highlighted the need for charities such as UKSA to remain clear about their purpose and communicate their case for support effectively. Our strategic focus has continued to evolve through this period and in many ways has become sharper, considering not just what we do and why we do it, but also thinking about the things that we should not do, or do less of.

Over the last decade UKSA has become involved in a variety of initiatives with varying degrees of success, though always with the best of intentions. It has operated sites across the UK and in various places overseas. At times it has worked hard to be a youth development charity, working with some of the hardest to reach young people in society possibly at the expense of its wider maritime core, while at others it has seemed to put expending activity ahead of charitable purpose. The learnings gained lead us to believe that we should concentrate on the areas where we can excel and achieve the most impact, and not try to be all things to all people. We must extend our reach by growing our offering of water-based adventures for children while increasing the depth of our maritime education and training programmes to support careers at sea. These are the core pillars of our charitable purpose, and go back to our founding principles. We also recognise the need for a robust bridge of support and guidance between these two pillars.

In doing this we must also recognise the importance of maintaining financial discipline and the need to invest in our assets and infrastructure, including that most valuable asset, our people. We also recognise that we may not be able to serve those with complex needs or highly challenging behaviours, or those with drug dependencies. Such beneficiaries impose a disproportionate drain on the organisation's resources, relative to the impact that we can achieve on their lives, and there are other charities better able to meet their needs until they are ready to benefit from what we have to offer.

Priority 1 Extended Reach

Water based adventures for children

Our objective is to broaden the horizons and outlook of children attending UKSA, with the goal of increasing assisted places for a residential visit from schools with 50%+ pupil premium by 2025/26. We will target beneficiaries in the age groups 6 to 16 years, particularly those in need of confidence and life skills and those who need extra support. To do this we will increase outreach to drive awareness in schools and multi-academy trusts (MATs) with high rates of pupil premium especially in coastal communities. We will target minimum residential stays of 3-days to increase the intensity and time available to work with children and incorporate a module that provides an understanding of the opportunities in the maritime sector to all young people attending UKSA. Our intended impact is on their personal development, improving behaviour in the classroom and awareness of the marine environment.

Priority 2 Maritime Depth

Education and training for careers at sea

Our objective is to deepen our offering and levels of support and assisted places for our Careers programmes with the goal of increasing entry points to the maritime sector and improving career pathways. We will target beneficiaries aged 16+, especially those who may not otherwise be able to access maritime programmes and those seeking a career in the maritime industry or an alternative to university. Strengthening our profile within the Department for Transport's Maritime 2050 initiative, we will build relationship with key industry bodies and develop new training products and wider employment pathways. Our tactics will include developing student support, welfare, mentoring, and employment preparation, producing quality candidates for the sector. Our impact will be to increase personal development and opportunities for first job employment.

Linking Priorities 1 and 2

The Sea.Change Foundation Programme

We will generate increased interest in maritime courses and career opportunities in the maritime sector by introducing a 5-day residential course during school holidays for 14- to 18-year-olds. Our tactics will be to partner with schools, MATs and other youth charities to identify the most deserving students and with funders to ensure that the cost to participants is minimal so that we can reach those that would not otherwise have the opportunity to take up training in maritime. Our impact will be to create a greater awareness of the opportunities in maritime and the likelihood of young people opting for maritime studies and a potential career, as well as personal development and confidence. A successful pilot programme was run in October 2020 in partnership with the Prince's Trust.

Strategic report – future developments

Report of the trustees

Priority 3 Career Progression

Professional Development within Careers at Sea

Our objective is to establish UKSA as a centre of excellence for maritime training and career progression, with a goal of increasing the number and range of courses students attend. We will target beneficiaries aged 18+ who already work in the maritime sector and wish to advance their careers, enabling job retention within the sector and career progression. Our tactic will be to build relations with key industry bodies, employers and previous UKSA graduates. We will develop new training products and develop existing ones, creating a platform for experienced graduates and industry professionals to provide industry guidance and mentoring to UKSA's younger students.

Priority 4 Financial Resilience

Our objective is to ensure financial resilience by achieving and maintaining free reserves equivalent to 3-months' operational expenditure, approximately £1.5 Million. We will do this by consistently delivering operating surpluses in line with budgets from now through to 2025/26. We will underpin all our work by sticking to our golden rule. We will achieve maximum market-led pricing on any places we sell regardless of how they are funded and only fund assisted places from external sources; grants, donations and partnerships. We will not use operational surpluses to fund, subsidise or discount assisted places.

Our aim will be to raise unrestricted funds to improve our free reserves position, moving away from programme restricted funding, seeking wider grants that we can allocate to where UKSA and its beneficiaries need it the most. A key element of this effort is the establishment of our Sea.Change Fund, to support all our programmes for young people.

Priority 5 Enhanced Operations and Infrastructure

Our objective is to have the people and assets in place to deliver the strategic plan. We will do this by implementing our people strategy, by continuing to invest in our site, our training fleet and our infrastructure including IT.

Our people strategy is built upon being a modern, inclusive and forward-thinking place to work, with a culture that reflects our values. A key part of this is to support and nurture the leaders that UKSA will need tomorrow, initiating a leadership programme to give our managers the learnings and tools they need.

With the new accommodation build now underway, delivering this inspiring and transformative project on time, on budget and to the standard needed is central to our investment programme. However, there are other investments that we need to make in our site and our systems to ensure they do not fall behind. In 2021 we will be dredging our marina and slipway areas, painting the exterior of our main building and investing in our customer and accounting software. We are also progressing well with our plans to establish a storage and launching facility in East Cowes, to reduce the amount of towing in the river, increase the amount of time that can be spent on activity in the Watersports area and improving safety.

Finally, we are planning over the coming 18 to 24 months to revitalise our commitment to sustainability after a period when disposable items such as masks, tests, gloves and plastic bottles of sanitiser have been all around us. This is an area that needs more research and development.



Strategic report – risk review

Report of the trustees

The charity operates formal risk management processes at the top of which is the Operational Risk Sub-Committee (ORSC) which meets quarterly. ORSC considers all main risk areas apart from financial risk, which is a matter for the Finance Sub-Committee (FSC) and risks arising out of the Capital Build project which are the responsibility of the Capital Development Sub-Committee (CDSC) in the first instance. It is chaired by a Trustee and comprises two other Trustees as well as members of the Executive Team. The sub-committee also considers any reported incidents in detail. Summaries of the sub-committee's discussions are presented to the main Board at its quarterly meetings.

A summary of the major risks to the charity is held on a detailed risk register that identifies which scores the operational, financial, governance, compliance and external risks evaluates the measures that are in place to mitigate them. The risk register is a regularly updated by management and is reviewed by the ORSC.

The predominant operational or reputational risks for the charity are the health and safety of students taking part in UKSA activities on and off the water and the safeguarding of young people. Monthly Health and Safety meetings are held for both shoreside and water activity risks, both feeding into a monthly Health and Safety management meeting. Leadership is a key element of safety assurance, and a member of the Executive Team chairs all such meetings. Here too, external expertise is brought in where necessary to supplement the broad spectrum of risk assurance activities.

Stringent operating procedures are in place to minimise the risk of accidents while undertaking activities at UKSA and all instructors undergo a mandatory and rigorous induction programme followed up with regular training. Daily operational meetings are held to assess risk for each day's activities and take into account group ability, type of activity and location. This, together with the high level of monitoring from national governing bodies and statutory authorities helps to ensure that safety is paramount at UKSA.

UKSA has a Designated Safeguarding Officer within the Executive Team and holds monthly safeguarding meetings with key staff to review practices and policies. All staff, Trustees and volunteers receive appropriate levels of training in safeguarding for young people and adults deemed to be at risk. A robust safeguarding policy is in place and external expertise is sought where necessary.

The charity has a robust critical incident response plan, which was developed with the support and input of the ORSC and our external consultants, Pharos Response. Pharos is an organisation, which specialises in risk and reputation management in the education, youth, travel and adventure sectors, who we encountered through working with the National Citizenship Service. Since January 2020 Pharos Response has been retained to provide 24/7 incident support.

ORSC has offered vital support to the Executive Team in managing the considerable operational risks around Covid-19.

Financial Risk is a matter for FSC. The charity's main income is derived from maritime training. The main financial risk is a significant downturn in business activity leading to an interruption in sold or fundraised income. The suspension of activities caused by Covid-19 was clearly such an interruption.

The steps that have been taken to mitigate this risk are discussed in the Financial Review above. FSC made the response to this threat its primary focus throughout the pandemic. Reconstituted temporarily as the FSC Covid-19 Response Group with the addition of the Chair of Trustees and one further trustee to provide additional fundraising expertise, the sub-committee supported the Executive Team and the Board throughout the crisis.

The CDSC has oversight in the first instance of the risks associated with the new build accommodation project. The risks fall into two broad categories:

- project risk, notably around Health & Safety, compliance with planning and other regulations, unforeseen complications in the ground, supplier issues etc. and
- business risk, that the project over-runs and this has an impact on bookings and capacity, or that additional costs are incurred.

Should the project risk or business risks associated with the build project change materially, CDSC would immediately inform ORSC or FSC respectively.

Strategic report – our approach to fundraising

Report of the trustees

UKSA is a member of the Fundraising Regulator and is committed to the highest standards in fundraising. At all times we will ensure that we are respectful, open, honest and accountable to our supporters and the public. All UKSA's fundraising activities must comply with the Fundraising Regulator's Code of Fundraising Practice for the UK and UKSA adheres to the Code's requirement on handling any breaches of the Code or complaints about UKSA's fundraising activities. There have been no such breaches or complaints reported in the year to 31 January 2021, or subsequently. We adhere to the requirements related to the General Data Protection Regulation (GDPR) in our fundraising practices. We also have a fundraising policy which works alongside our safeguarding and volunteering policies which sets out our approach to protecting our beneficiaries and supporters.

UKSA is a medium sized charity that takes a long term, supporter-led relationship fundraising approach to its activities, principally raising funds from Trusts and Foundations, Companies, Individuals, Partnerships and funds from statutory and government agencies. It also raises funds through online campaigns, community events and activities.

The small UKSA fundraising team is led by an experienced Director of Fundraising and Development. The Chief Executive, wider management team, Trustees and volunteers also play a significant role in raising funds for the Charity. All partnerships with third parties are managed in line with the Code of Fundraising Practice, including contracting, reporting and managing their fundraising activities. Furthermore, where a third party is used UKSA asks that the third party adheres to the provisions in the Code of Fundraising Practice where relevant.

As noted in the Structure Governance and Management section below, during the year, the Board established a new Future Income Sub-committee to combine the roles of the Fundraising Working Group and Business Development Working Group. The objective of this sub-committee is to ensure that all new income generating activity, whether from charitable activities or from fundraising is carried out in a way that is consistent with UKSA's overall strategic priorities.

We have harnessed the insights that we have gained through the successful completion of the Capital Fundraising Programme, which has succeeded through a strong and concise beneficiary led, benefit focused narrative. Alongside this, we have had the confidence to be ambitious in our fundraising ask.

We have spent time with both the FISC and the fundraising team to develop an overall fundraising approach to fundraising which is to simplify our positioning, narrative and campaigns while elevating the level of support we are seeking. We want to ensure consistency and move away from the restrictive, programme focussed funding of the past. To do this we are aligning our message across three pillars:

- Our place in society – providing social change, personal development and employment through water-based activities for those young people who need it the most
- Our environment – having facilities and assets that create a leading, world class learning and training environment for our beneficiaries
- Our financial resilience – ensuring that we are a self-sustaining charity able to deliver excellence to beneficiaries for generations to come.

The primary campaign will be focused on the Society pillar, with a fundraising target of £1.4m to endow the Sea.Change Fund, to support deserving 6–16-year-olds onto our watersports adventures (Leave no Child Behind), alongside providing funding for 16–25-year-olds to access our careers programmes (Brighter Futures). The bridge between these two audiences will be raising funding to support a target of 500 14–18-year-olds onto the Sea.Change Foundation programme. The environment pillar will focus on the continued ask for investment in our assets with a target of £750K. Finally, we will be working up a legacy strategy to ensure that we are financially self-sustaining for the next 30 years.



Structure, governance, and management

Report of the trustees

UKSA is controlled by its Memorandum and Articles of Association and is incorporated as a company limited by guarantee, as defined by the Companies Act 2006. The charity is administered by a Board of unpaid Trustees who are also directors for the purposes of the Companies Act 2006. At the end of January 2021, there were nine Trustees. Other than the Founding Member Trustee, Trustees serve for three years, with the possibility of election for a second three-year term. Only under exceptional circumstances are further terms considered, to be reviewed annually thereafter. A third of the Board retires by rotation annually.

The Chair of Trustees has a maximum set term of three years and the Chair can serve a maximum of two such terms. There is an agreed and documented selection process to either re-appoint the existing Chair or select a new Chair, which takes place every three years. The nominations committee comprising three to five Trustees will conduct the selection process.

The Board meets at least four times a year. Trustees are responsible for the appointment of the Chief Executive, to whom day-to-day management of the organisation is delegated. Trustees work with the Executive Team to develop a long-term strategic plan, progress against which is reviewed with them at annual strategy and development meetings. The Board also reviews and approves the Executives' annual business plan and budget. At quarterly Governance meetings, the Board addresses governance matters and assesses the charity's performance with the Executive Team. Additionally, the Chief Executive holds regular conference calls with the Board on any matters arising.

The Board has established a number of standing Sub-Committees to provide specific oversight, advice and recommendations. Sub-Committees are made up of at least two Trustees, as well as Executive Team members and external advisors as required.

- The Finance Sub-Committee monitors the effectiveness of the charity's financial controls and reporting, considers key areas of financial risk and compliance, reviews the audit process and has a key role in the control of planning, investments and pensions;
- The Capital Development Sub-Committee ensures appropriate governance and project management is in place for UKSA's site development projects.
- The Operational Risk Sub-Committee, which monitors all areas of risk to the charity other than financial risk, reviews incident reports and scrutinises the risk management system.
- The Pay and Remuneration Committee was re-established in September 2020 and reviews the remuneration and benefits for UKSA employees and makes recommendations to the Board with regard to criteria for pay awards and benchmarking. It did not meet in the financial year 2020/21 due to COVID.
- The Future Income Sub-Committee was established in the 2020/21 financial year to combine the roles of the Fundraising and Business Development working groups, to ensure consistency of focus and approach across all Course Delivery and Fundraised streams of income.
- The board has also appointed the Vice Chair – Richard Stokes – to lead on Governance. In 2020 the Trustees undertook a skills audit. The audit was undertaken as part of the succession plan for the board to ensure we have the right experience across the board to govern the charity.

On behalf of the board and UKSA's beneficiaries we would like to express our sincere thanks to Dawn Haig Thomas who resigned from the board in September 2020, following the conclusion of her two three-year terms.

Statement of Trustees' responsibilities

Report of the trustees

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards 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 assume that the company will continue in operation

The Trustees are also responsible for keeping proper accounting records that 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 Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website. Legislation in England/Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

In so far as we are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors will be proposed for appointment in accordance with the Companies Act 2006 at the AGM of the Board.

In approving the Report of the Trustees, the Trustees are also approving the Strategic Report included here in their capacity as company directors.

On behalf of the board



Kevin George, Chair of Trustees

Date: 24 June 2021

Independent auditors report to the members of the U K Sailing Academy

Opinion

We have audited the financial statements of UK Sailing Academy ('the charitable company') and its subsidiary ('the group') for the year ended 31 January 2021 which comprise Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cashflows and notes to the financial statements, including 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 group's and the charitable company's affairs as at 31 January 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 charitable company's or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



Independent auditors report to the members of the U K Sailing Academy (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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



Independent auditors report to the members of the U K Sailing Academy (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were Charity Commission legislation, health and safety legislation, General Data Protection Regulation (GDPR), Royal Yachting Association (RYA) regulation and Maritime and Coastguard Agency (MCA)/International Association of Marine Investigators (IAMI) regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law,



Janette Joyce
Senior Statutory Auditor

Date: 28 June 2021

For and on behalf of Crowe U.K. LLP
Statutory Auditor
Reading

Consolidated statement of financial activities for the year ended 31 January 2021

(Incorporating income and expenditure account)

		Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2020/21 £000's	TOTAL 2019/20 £000's
INCOME FROM:					
Donations, Legacies and Grants	2	108	2,511	2,619	541
Charitable Activities	3	2,970	-	2,970	6,085
Trading Activities	4	59	-	59	261
Government Support	5	758	-	758	-
Investments	6	1	-	1	2
Other	7	3	-	3	12
Total income		3,899	2,511	6,410	6,901
EXPENDITURE ON:					
Raising funds:					
Trading Activities	4	48	-	48	134
Expenditure on raising funds	8	139	1	140	186
Charitable Activities	9	4,552	-	4,552	6,287
Total expenditure		4,739	1	4,740	6,607
Net (expenditure)/income		(840)	2,510	1,670	294
Transfers between funds	23	(11)	11	-	-
Net movement in funds		(851)	2,521	1,670	294
RECONCILIATION OF FUNDS:					
Total funds brought forward		4,385	265	4,650	4,356
TOTAL FUNDS CARRIED FORWARD	23	3,534	2,786	6,320	4,650

Continuing operations

All of the charity's activities are continuing. There were no gains or losses other than those shown above.

Full comparatives for the year to 31 January 2020 are shown in note 28.

Group balance sheet for the year ended 31 January 2021

	Notes	Unrestricted Funds		Restricted	TOTAL	TOTAL
		General	Trading	Funds	2020/21	2019/20
		£000's	£000's	£000's	£000's	£000's
FIXED ASSETS						
Property, equipment and training fleet	22	4,709	-	-	4,709	4,937
		4,709	-	-	4,709	4,937
CURRENT ASSETS						
Stocks	16	155	1		156	205
Debtors: Amounts falling due after more than one year	17	237	-	-	237	293
Debtors: Amounts falling due within one year	17	801	2	1,606	2,409	736
Cash at bank and in hand	18	1,600	1	1,180	2,781	656
		2,793	4	2,786	5,583	1,890
CREDITORS						
Amounts falling due within one year	19	(2,335)	(4)	-	(2,339)	(2,128)
NET CURRENT ASSETS / (LIABILITIES)		458	-	2,786	3,244	(238)
TOTAL ASSETS		5,167	-	2,786	7,953	4,699
CREDITORS						
Amounts falling due after more than one year	20	(1,633)	-	-	(1,633)	(49)
NET ASSETS		3,534	-	2,786	6,320	4,650
FUNDS						
	23					
Unrestricted funds;						
Designated tangible fixed asset fund (net of secured bank loan)					3,209	4,937
Designated capital fund					-	121
Unrestricted general funds					325	(673)
					3,534	4,385
Restricted funds;						
Restricted bursary funds					407	265
Restricted capital fund					2,379	-
					2,786	265
TOTAL FUNDS					6,320	4,650

The financial statements were approved and authorised for issue by the Board of Trustees on 24 June 2021

And were signed on its behalf by:



Kevin George
Chair of Trustees

Registered Company Number: 02251024

Charity balance sheet for the year ended 31 January 2021

	Notes	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2020/21 £000's	TOTAL 2019/20 £000's
FIXED ASSETS					
Property, equipment and training fleet	22	4,709	-	4,709	4,937
		4,709	-	4,709	4,937
CURRENT ASSETS					
Stocks	16	155	-	155	203
Debtors: Amounts falling due after more than one year	17	237	-	237	293
Debtors: Amounts falling due within one year	17	805	1,606	2,411	734
Cash at bank and in hand	18	1,600	1,180	2,780	651
		2,797	2,786	5,583	1,881
CREDITORS					
Amounts falling due within one year	19	(2,339)	-	(2,339)	(2,119)
NET CURRENT ASSETS / (LIABILITIES)					
		458	2,786	3,244	(238)
TOTAL ASSETS					
		5,167	2,786	7,953	4,699
CREDITORS					
Amounts falling due after more than one year	20	(1,633)	-	(1,633)	(49)
NET ASSETS					
		3,534	2,786	6,320	4,650
FUNDS					
	23				
Unrestricted funds;					
Designated tangible fixed asset fund (net of secured bank loan)				3,209	4,937
Designated capital fund				-	121
Unrestricted general funds				325	(673)
				3,534	4,385
Restricted funds;					
Restricted bursary funds				407	265
Restricted capital fund				2,379	-
				2,786	265
TOTAL FUNDS					
				6,320	4,650

The surplus for the financial year 2020/21 dealt with in the financial statements of the parent charity was £1,670k (2019/20: £294k).

The financial statements were approved and authorised for issue by the Board of Trustees on 24 June 2021

And were signed on its behalf by:



Kevin George
Chair of Trustees

Registered Company Number: 02251024

Consolidated statement of cash flow for the year ended 31 January 2021

	Notes	2020/21 £000's	2019/20 £000's
NET CASH PROVIDED BY OPERATING ACTIVITIES	A	813	797
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		1	2
Interest paid and fees		(21)	(27)
Purchase of tangible fixed assets		(168)	(545)
		(188)	(570)
CASH FLOWS FROM FINANCING ACTIVITIES			
New secured bank loan received		1,500	-
MANAGEMENT OF LIQUID FUNDS			
Short term deposit account transfers		3	(290)
Increase/(Decrease) in cash in the year	B	2,128	(63)

NOTE A - RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES

Net income	1,670	294
Depreciation and impairment charges	337	349
Loss on disposal of fixed assets	59	-
Interest received	(1)	(2)
Interest paid and charges	21	27
Decrease/(Increase) in stocks	49	(25)
(Increase)/Decrease in debtors	(1,617)	27
Increase in creditors	295	127
Net cash provided by operating activities	813	797

NOTE B - RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

Increase/(Decrease) in cash in the year	2,128	(63)
(Decrease)/Increase in short term deposits	(3)	290
New loan issued in year	(1,500)	-
Change in net cash	625	227
Net cash at 1 February	656	429
Net cash at 31 January	1,281	656

ANALYSIS OF CHANGE IN CASH AND CASH EQUIVALENTS

	At 1st Feb 20	Cashflow	At 31st Jan 21
	£000's	£000's	£000's
Cash at bank and in hand	366	2,128	2,494
Short term deposit accounts	290	(3)	287
Loans	0	(1500)	(1500)
Total	656	625	1,281

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

UK Sailing Academy is an incorporated charity (number 299248) and company (number 02251024) with its registered office at Arctic Road, Cowes, Isle of Wight PO31 7PQ and is incorporated and domiciled in the UK.

1 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

UKSA 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).

b) Going concern

In their assessment of going concern, the trustees have considered the impact of the COVID-19 pandemic on the charity. Supported by the management team, they have throughout the year considered the cash, reserves and net asset position of the charity. They consider that the going concern basis for the charity is appropriate.

Furthermore, to improve liquidity and financial resilience into the future UKSA has obtained with National Westminster Bank a 21-year term loan secured on the charity's assets.

The trustees are confident that the management team will continue to mitigate financial risks effectively by actively managing liquidity and by carefully controlling income and expenditure.

c) Group accounts

The accounts have been consolidated to include the results of the charity's trading subsidiary, which has the same year-end. No separate profit and loss account is presented for UK Sailing Academy as permitted by Section 408 of the Companies Act 2006.

d) Income

All income is included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Voluntary income is credited to the income and expenditure account on a received basis, apart from income that covers a specific period of time ending after 31 January 2021, the deferred part of the income being shown within creditors. Income from the charitable activities is recognised on an accruals basis, and income relating to courses which commence after the balance sheet date is deferred to future accounting periods.

Government Support income relates largely to the CJRS (Coronavirus Job Retention Scheme) grant and is accounted for under the performance model as permitted by the Charity SORP. CJRS income is therefore recognised on a straight-line basis over the furlough period for each relevant employee.

Notes to the financial statements for the year ended 31 January 2021 (continued)

e) Expenditure

All expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure. Support costs are allocated between the activities of the charity on a percentage basis in line with the income and activity levels of those activities.

Included within charitable activity are governance costs. Governance costs are those costs associated with the governance arrangements including external and internal audit and legal advice for Trustees, rather than the day-to-day management of the charity.

f) Debtors

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

g) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of 95 days or less from the date of acquisition or opening of the deposit or similar account.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

i) Tangible fixed assets

Depreciation is provided on all other tangible fixed assets using the straight-line method designed to write off each asset over its expected useful economic life. It is the company's policy to determine the expected useful life of each asset individually, ranging from 3 to 100 years.

The company reviews its tangible fixed assets on an annual basis and will consider an impairment of those assets where the carrying amount (net book value) of the asset is higher than its recoverable amount; the recoverable amount being defined as the higher of the amount that could be obtained by selling the asset (Net Realisable Value), and the amount that could be obtained by using the asset (Value in Use).

j) Impairment of buildings

Buildings are held at historic cost. This value is subject to the requirement to test assets for impairment in accordance with section 27 of FRS102.

The company will get a land and buildings valuation done every 3 years to confirm no impairment is required, with a directors' assessment in the interim. The valuation performed this year by Jones Lang LaSalle showed no impairment was required. The next valuation is due for the year ending 31 January 2024.

Notes to the financial statements for the year ended 31 January 2021 (continued)

k) Stocks

Stocks of bought in goods are stated at the lower of cost and net realisable value. Stocks held include Provisions, Bar, Vending, Merchandise, Clothing and Red Funnel ferry tickets.

Stocks also include inventory items held for free distribution to beneficiaries in furtherance of charitable activities (e.g. Wetsuits, Paddles, Buoyancy Aids etc.). Inventory is written down (impaired) to nil value over a three-year period.

l) Taxation

The charity is exempt from corporation tax on its charitable activities. Irrecoverable VAT is recognised as an expense in the Statement of Financial Activities within training and education expenditure. The trading subsidiary has not incurred a tax charge as it gifts all profits to the charity.

m) Pensions

The charity does not operate a defined benefit pension scheme. UKSA auto-enrolled eligible employees with the National Employment Savings Trust (NEST) as the provider for its workplace pension. During 2020/21 UK Sailing Academy contributions of £48k (2019/20 £51k) were recognised in the Statement of Financial Activities (see Note 15).

n) Leased Assets

Instalments on operating lease contracts are charged on a straight-line basis over the lease life.

o) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

The Trustees have designated a fixed asset fund which represents the amount invested in tangible fixed assets to enable the charity to carry out its charitable purposes.

Restricted funds are subject to specific conditions laid down by donors as to how they may be used or which have been raised by the charity for particular purposes. The aim and use of each restricted fund are set out in the notes to the financial statements.

p) Financial instruments

The charity has financial assets and 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. Note 22 provides more information in respect of this area.

Notes to the financial statements for the year ended 31 January 2021 (continued)

q) Key judgements and estimates

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Trustees consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.



Notes to the financial statements for the year ended 31 January 2021 (continued)

2	DONATIONS AND LEGACIES	2020/21	2019/20
		£000's	£000's
	Donations (Revenue)	244	363
	Donations (Capital Gross)	2,375	178
		2,619	541
3	INCOME FROM CHARITABLE ACTIVITIES	2020/21	2019/20
		£000's	£000's
	Youth Development programmes	24	177
	Schools and Groups	17	1,538
	Careers courses for employment	1,634	2,464
	Professional training	790	1,528
	Recreational training	106	296
	Total income for training activities	2,571	6,003
	Student services and site income	124	242
	Lost Deposits	373	67
	Transfer from donations and legacies to training activities income	(98)	(227)
		2,970	6,085

Income in respect of courses that commence after the balance sheet date is deferred and recognised over the period during which the course takes place. An analysis of deferred income is shown below:

	2020/21	2019/20
	£000's	£000's
Gross income from charitable activities	3,057	6,222
Amounts deferred last year that have been released in the current year	1,738	1,601
Amounts deferred to future periods	(1,825)	(1,738)
	2,970	6,085

Notes to the financial statements for the year ended 31 January 2021 (continued)

4 INVESTMENT IN TRADING COMPANY

UK Sailing Academy holds 100% of the share capital of UKSA Trading Limited (registered office – Arctic Road, Cowes, Isle of Wight PO31 7PG – Registered Company No. 06276835) which is responsible for the provision of commercial services on behalf of the charity.

The charity's investment in the trading company was as follows:	2020/21	2019/20
UKSA Trading Limited	1	1

The subsidiary is registered in England and Wales and pays under gift aid its entire profits as computed for corporation tax purposes to the charity. Its results and balance sheet are as follows:

Profit and Loss Account	2020/21	2019/20
	£000's	£000's
Turnover	59	261
Cost of Sales	(48)	(134)
Gross Profit	11	127
Administration expenses	(15)	(109)
	(4)	18
Government Support	7	-
Amount payable under gift aid to the charity	(3)	(18)
Retained in subsidiary	-	-
Balance sheet		
Current assets	4	10
Current liabilities	(4)	(10)
	-	-
Share Capital (<i>Total Share Capital = £1</i>)	-	-

A UKSA members' resolution was passed in 2019 for the purpose of the continuance of the Gift Aiding of the profits of UKSA Trading Limited to UK Sailing Academy annually on the 31st January, until further notice.

The gift aid payment of £3k (2019/20: £18k) and management charge of £15k (2019/20: £109k) paid to UK Sailing Academy has been eliminated upon consolidation.

The Government Support relates to Coronavirus Job Retention Support Scheme income and is shown under this heading on the Statement of Financial Activities.

Notes to the financial statements for the year ended 31 January 2021 (continued)

5	GOVERNMENT SUPPORT	2020/21	2019/20		
		£000's	£000's		
	Job Retention & Support Scheme Income	738	-		
	IOW Council LRS Grant	20	-		
		758	-		
	UKSA also received a benefit in kind from the UK Government in the form of CBILS interest paid to NatWest Bank on its behalf of £20k (2019/20: nil).				
6	INVESTMENT INCOME	2020/21	2019/20		
		£000's	£000's		
	Deposit account interest	1	2		
		1	2		
7	OTHER INCOME	2020/21	2019/20		
		£000's	£000's		
	Sponsorship Income	-	8		
	Insurance Claims	1	4		
	Miscellaneous Income	2	-		
		3	12		
8	EXPENDITURE ON RAISING FUNDS	2020/21	2019/20		
		£000's	£000's		
	Fundraising Costs	140	186		
9	EXPENDITURE ON CHARITABLE ACTIVITIES				
		Admin, Sales and Marketing Costs	Total		
	Training Costs	Support Costs	2020/21		
	2020/21	2020/21	2020/21		
	£000's	£000's	£000's		
	Youth Development programmes	3	-	3	
	Schools and Groups	10	169	140	319
	Careers courses for employment	759	1,477	597	2,833
	Professional training	270	585	305	1,160
	Recreational training	58	138	41	237
		1,100	2,369	1,083	4,552
				Admin, Sales and Marketing Costs	Total
	Training Costs	Support Costs	Marketing Costs	2019/20	2019/20
	2019/20	2019/20	2020/21	2019/20	2019/20
	£000's	£000's	£000's	£000's	£000's
	Youth Development programmes	145	104	37	286
	Schools and Groups	391	733	347	1,471
	Careers courses for employment	1,136	1,145	567	2,848
	Professional training	460	486	374	1,320
	Recreational training	140	150	72	362
		2,272	2,618	1,397	6,287

Notes to the financial statements for the year ended 31 January 2021 (continued)

10 SUPPORT, ADMINISTRATION & SALES AND MARKETING COSTS

	2020/21 £000's	2019/20 £000's
Furloughed staff cost	368	-
Depreciation, inventory write down and loss on disposal	450	472
Site costs	407	575
Catering	318	472
Operations and Customer Support	241	293
Yacht, Fleet and Vehicle Maintenance	231	337
VAT	136	219
Other	218	250
Total Support Costs	2,369	2,618
Administration costs	532	583
Sales and Marketing costs	502	814
Redundancy Costs	45	-
Interest Payable	4	-
Totals	3,452	4,015

11 GOVERNANCE COSTS

	2020/21 £000's	2019/20 £000's
Company Secretary	9	9
Travel and Subsistence	-	2
Auditors' remuneration	16	15
	25	26

12 NET MOVEMENT IN FUNDS

	2020/21 £000's	2019/20 £000's
Net movement in funds is stated after charging:		
Auditors' remuneration for statutory work	16	15
Operating lease rental for IT and vehicles	78	91
Interest paid and charges	21	27
Depreciation - owned assets	287	349
Impairment - Yacht	50	-
Loss on Disposal - Ark Royal Building	59	-

13 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2021 (2019/20: £nil). Travelling expenses are reimbursed, if claimed, to trustees. In 2020/21 this was nil (2019/20:£2k).

Notes to the financial statements for the year ended 31 January 2021 (continued)

14 STAFF COSTS

The average number of full-time equivalent staff employed by the charity during the financial year amounted to:

	2020/21 Total No.	2020/21 FTE No.	2019/20 Total No.	2019/20 FTE No.
Directly involved in achieving charitable objectives	101	74	126	110
Management and financial administration of the charity	10	10	11	11
Total	111	84	137	121

The aggregate payroll costs of the above were:

	2020/21 £000's	2019/20 £000's
Wages and salaries	2,265	2,730
Social security	181	214
Pension	48	51
	2,494	2,995

The number of employees whose emoluments exceeded £60,000 was:

	2020/21 No.	2019/20 No.
£60,000 to £69,999	1	2
£70,000 to £79,999	-	-
£80,000 to £89,999	-	1
£90,000 to £99,999	-	-

Employer Pension Contributions for the above individuals were £3k (2019/20:£11k)

Termination and redundancy payments in the year were £50k (2019/20:Nil).

15 EXECUTIVE REMUNERATION

The total remuneration, benefits and pensions paid to the key management personnel in the year was £321k (2020/21: £351k). The key management personnel on the year were the Chief Executive, Director of Finance and Business Services, Director of Sales and Marketing, Director of Operations and Training and Director of Fundraising.

Notes to the financial statements for the year ended 31 January 2021 (continued)

16 STOCKS	2020/21 £000's	2019/20 £000's
Stocks for resale (trading)	1	2
Inventories (charity)	155	203
Group stocks held	156	205

17 DEBTORS	Group 2020/21 £000's	Group 2019/20 £000's	Charity 2020/21 £000's	Charity 2019/20 £000's
Trade debtors for courses	406	299	404	296
Due from subsidiary undertaking	-	-	4	1
Other debtors	351	443	351	443
Prepayments and accrued income	1,944	313	1,944	313
Bad Debt Provision for Other Debtors	(55)	(26)	(55)	(26)
	2,646	1,029	2,648	1,027

Included within other debtors is a total of £237k (2019/20 £293k) relating to repayable bursary amounts due over 1 year.

Included within accrued income is a total of £1,606k capital income (2019/20 - Nil) relating to funding commitments for a new building started in February 2021.

18 CASH AT BANK AND IN HAND	Group 2020/21 £000's	Group 2019/20 £000's	Charity 2020/21 £000's	Charity 2019/20 £000's
Bank Current Accounts	2,486	362	2,486	362
Bank Deposit Accounts	287	290	286	285
Petty Cash	3	4	3	4
Pre-Paid Expense Cards	5	-	5	-
	2,781	656	2,780	651

19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Group 2020/21 £000's	Group 2019/20 £000's	Charity 2020/21 £000's	Charity 2019/20 £000's
Trade creditors	199	244	199	238
Social security and other taxes	170	62	170	62
Other creditors	67	26	67	26
Accruals and deferred income	1,903	1,796	1,903	1,793
	2,339	2,128	2,339	2,119

Included within accruals and deferred income is a total of £1,807k (2019/20: £1,689k) relating to amounts invoiced in advance of the commencement of training courses.

Social security and other taxes includes £123k of PAYE and £8k of VAT where the group has taken advantage of Government deferral schemes (2019/20:nil).

Notes to the financial statements for the year ended 31 January 2021 (continued)

20 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR:

	Group 2020/21 £000's	Group 2019/20 £000's	Charity 2020/21 £000's	Charity 2019/20 £000's
Secured Bank Loan	1,500	-	1,500	-
Social security and other taxes	115	-	115	-
Accruals and deferred income	18	49	18	49
	1,633	49	1,633	49

Social security and other taxes includes £115k of PAYE where the group has taken advantage of Government deferral schemes (2019/20: nil).

The amounts held within accruals and deferred income relate to amounts invoiced in advance of the commencement of training courses £18k (2019/20: £49k) and an accrual for deferred PAYE liability of £115k (2019/20: nil).

The group has a bank loan with Natwest which is secured by a fixed and floating charge over the property and assets of the group. The balance of the loan at 31 January 2021 is £1,500k. The loan has interest charged at 2.44% for the fixed period (60 months) thereafter at 2.09% over base rate for the remaining period. The loan is due for final repayment in January 2042.

The maturity of the bank loan has been analysed as follows:

	Repayments £000	Accumulated Interest £000
Within one year	0	37
1-2 years	95	37
2-5 years	284	102
Greater than 5 years	1,543	246
	1,922	422

In addition, Deferred Income has been analysed as follows:

	Group 2020/21 £000's	Group 2019/20 £000's	Charity 2020/21 £000's	Charity 2019/20 £000's
Deferred income at 1 February	1,738	1,601	1,735	1,596
Applied during the year	(1,738)	(1,601)	(1,735)	(1,596)
Released during the year	1,825	1,738	1,825	1,735
Deferred income at 31 January	1,825	1,738	1,825	1,735

Notes to the financial statements for the year ended 31 January 2021 (continued)

21 FINANCIAL INSTRUMENTS

Financial assets held at amortised cost are trade debtors, other debtors, accrued income, amount owed by group companies and cash held at bank. Note this excludes stocks and prepayments.

Financial liabilities held at amortised cost are trade creditors, accruals, bank loan and amounts owed by group companies. Note this excludes deferred income and social security and other taxes.

Group	2020/21	2019/20
	£000's	£000's
Financial assets measured at amortised cost	5,306	1,495
Financial liabilities measured at amortised cost	1,862	377
	2020/21	2019/20
	£000's	£000's
Total interest income for financial assets held at amortised cost	1	2
Charity	2020/21	2019/20
	£000's	£000's
Financial assets measured at amortised cost	5,307	1,489
Financial liabilities measured at amortised cost	1,862	371
	2020/21	2019/20
	£000's	£000's
Total interest income for financial assets held at amortised cost	1	2

Notes to the financial statements for the year ended 31 January 2021 (continued)

22 TANGIBLE FIXED ASSETS

	Assets under course of construction	Freehold land and buildings	Leasehold buildings	Swimming pool	Equipment and Training Aids
COST	£000's	£000's	£000's	£000's	£000's
At 1 February 2020	200	3,290	316	200	914
Additions	113	-	-	-	28
Disposals	-	(81)	-	-	-
As at 31 January 2021	313	3,209	316	200	942
DEPRECIATION					
At 1 February 2020	-	298	7	200	668
Charge for year	-	53	19	-	62
Eliminated on disposal	-	(22)	-	-	-
As at 31 January 2021	-	329	26	200	730
NET BOOK VALUE					
As at 31 January 2021	313	2,880	290	-	212
As at 31 January 2020	200	2,992	309	-	246

	Motor vehicles	Yachts and training fleet	Totals
COST	£000's	£000's	£000's
At 1 February 2020	19	2,174	7,113
Additions	-	27	168
Disposals	-	(15)	(96)
As at 31 January 2021	19	2,186	7,185
DEPRECIATION			
At 1 February 2020	10	993	2,176
Charge for year	-	153	287
Eliminated on disposal	-	(15)	(37)
Impairment	-	50	50
As at 31 January 2021	10	1,181	2,476
NET BOOK VALUE			
As at 31 January 2021	9	1,005	4,709
As at 31 January 2020	9	1,181	4,937

The disposal in Freehold Land and Buildings related to the demolition of the old Ark Royal building in readiness for a new building in its place.

The impairment in Yachts and Training Fleet relates to an older yacht for sale and is intended to make its net book value close to, or less than, its net realisable value.

Notes to the financial statements for the year ended 31 January 2021 (continued)

23 MOVEMENT IN FUNDS

	At 1 Feb 20 £000's	Net Movement in funds £000's	Transfers between Funds £000's	At 31 Jan 21 £000's
Unrestricted funds				
Fixed assets fund	4,937	(396)	(1,332)	3,209
Designated capital fund	121	-	(121)	-
General fund	(673)	(447)	1,445	325
Trading activities	-	3	(3)	-
	4,385	(840)	(11)	3,534
Restricted funds				
Restricted capital fund	-	2,374	5	2,379
Stephen Thomas Bursary	12	47	(1)	58
Noel Lister Memorial Fund	141	1	74	216
Milo Hanlon Fund	17	1	8	26
Will Black Fund	14	-	-	14
Seafarer's	28	17	3	48
UKSA Assisted Funding	5	-	(5)	-
Polly Birch Fund	48	-	(3)	45
Trinity House Fund	-	70	(70)	-
	265	2,510	11	2,786
TOTAL FUNDS	4,650	1,670	-	6,320

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	-	(396)	(396)
Designated capital fund	-	-	-
General fund	3,833	(4,280)	(447)
Trading activities	66	(63)	3
	3,899	(4,739)	(840)
Restricted funds			
Restricted capital fund	2,375	(1)	2,374
Stephen Thomas Bursary	47	-	47
Noel Lister Memorial Fund	1	-	1
Milo Hanlon Fund	1	-	1
Will Black Fund	-	-	-
Seafarer's	17	-	17
UKSA Assisted Funding	-	-	-
Polly Birch Fund	-	-	-
Trinity House Fund	70	-	70
	2,511	(1)	2,510
TOTAL FUNDS	6,410	(4,740)	1,670

Notes to the financial statements for the year ended 31 January 2021 (continued)

23 MOVEMENT IN FUNDS (PRIOR YEAR COMPARATIVES)

	At 1 Feb 19 £000's	Net Movement in funds £000's	Transfers between Funds £000's	At 31 Jan 20 £000's
Unrestricted funds				
Fixed assets fund	4,741	(349)	545	4,937
Designated capital fund	208	139	(226)	121
General fund	(768)	363	(268)	(673)
Trading activities	0	18	(18)	0
	4,181	171	33	4,385
Restricted funds				
Stephen Thomas Bursary	12	10	(10)	12
Noel Lister Memorial Fund	94	41	6	141
Milo Hanlon Fund	16	0	1	17
Will Black Fund	18	0	(4)	14
Seafarer's	18	34	(24)	28
UKSA Assisted Funding	0	2	3	5
Polly Birch Fund	17	36	(5)	48
	175	123	(33)	265
TOTAL FUNDS	4,356	294	0	4,650

Net movement in funds, included in the above are as follows:

	Incoming resources £000's	Resources expended £000's	Movement in funds £000's
Unrestricted funds			
Fixed asset fund	0	(349)	(349)
Capital fund	178	(39)	139
General funds	6,339	(5,976)	363
Trading activities	261	(243)	18
	6,778	(6,607)	171
Restricted funds			
Stephen Thomas Bursary	10	0	10
Noel Lister Memorial Fund	41	0	41
Milo Hanlon Fund	0	0	0
Will Black Fund	0	0	0
Seafarer's	34	0	34
UKSA Assisted Funding	2	0	2
Polly Birch Fund	36	0	36
	123	0	123
TOTAL FUNDS	6,901	(6,607)	294

Notes to the financial statements for the year ended 31 January 2021 (continued)

Unrestricted funds

- A)** The fixed asset fund shows the net book value of unrestricted fixed assets. Net movement in funds are represented by the net of profit/ (loss) on disposal, impairment and depreciation £396k (2019/20: £349k). Transfers are represented by a secured bank loan of £1,500k less net capital expenditure £168k, plus profit on disposal £1k.
- B)** The Designated capital fund represents funds which are unrestricted but were specifically held for the capital site development works. When these funds are expended, they are capitalised and transferred to the Designated tangible fixed asset fund. Net movement in funds are represented by net donated income of nil in 2020/21 (2019/20: £139k).
- In 2020/21 transfers were represented by capital expenditure of £101k on the new building and £15k on our website. The remainder of £5k was transferred to the Restricted capital fund (2019/20: £226k expenditure on sea bin and site development).
- C)** The unrestricted general fund represents funds which are freely available for use by the charity, including those generated from trading activities.
- Net movements in funds are represented by all Income and Expenditure movements not already represented by movements on other reserves of (£444k) (2019/20: £381k). Transfers are the sum of net working capital movements excluding transfers on other reserves of £1,445k (2019/20: (£286k)).
- D)** The trading activities fund is represented by the wholly owned subsidiary UKSA Trading Ltd profit / (loss). For the year 2020/21 UKSA Trading Ltd returned a profit of £3k (2019/20: £18k) which was transferred to the UK Sailing Academy's unrestricted general fund in the same year.

Restricted funds

- A)** A restricted Capital Fund was set up in 2015/16 to hold donations that are specifically to fund capital works required.
- In 2020/21 £2,374k net income was received plus a £5k transfer from the Designated capital fund during the year.
- B)** The Stephen Thomas Bursary was set up in memory of Stephen Thomas to provide sailing and seamanship experiences for young people between the ages of 16 and 20.
- In 2020/21 (£5k) (2019/20: (£14k)) was transferred to the general fund during the year for this purpose.
- C)** The Noel Lister Memorial Fund was set up in memory of Noel (the founder of UKSA) to provide sailing and seamanship experiences for young people.
- In 2020/21 nil was transferred to the general fund during the year for this purpose (2019/20: (£69k)).
- D)** The Milo Hanlon Fund was set up in memory of Milo who was a student at UKSA in 2012. The fund provides assistance to young people wishing to undertake professional training for employment.
- In 2020/21 (£4k) was transferred to the general fund during the year for this purpose (2019/20: (£9k)).
- E)** The William Black Fund was set up in 2016 in memory of Will. The fund provides financial support to individuals with a desire to enter the maritime sector.
- In 2020/21 nil was transferred to the general fund during the year for this purpose (2019/20: £4k).

Notes to the financial statements for the year ended 31 January 2021 (continued)

Restricted funds continued

- F)** The Seafarer's fund was set up in 2017/18. The fund provides assistance to young people wishing to undertake professional training for employment.
In 2020/21 (£34k) was transferred to the general fund during the year for this purpose (2019/20: (£51k)).
- G)** The UKSA Assisted Funding Fund was set up in 2019/20 to provide training for employment for young people.
In 2020/21 nil was transferred to the general fund during the year for this purpose (2019/20: (£2k)) to provide training for employment for young people.
- H)** The Polly Birch fund was set up in 2017/18. This fund was set-up in memory of Polly Birch to provide watersports experiences for school children.
In 2020/21 (£3k) was transferred to the general fund during the year for this purpose (2019/20: (£5k)).
- I)** The Trinity fund was set up in 2011. The fund provides assistance to young people wishing to undertake professional training for employment.
In 2020/21 (£70k) was transferred to the general fund during the year for this purpose (2019/20: (£110k)).

Notes to the financial statements for the year ended 31 January 2021 (continued)

24 ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP

	Unrestricted Funds General	Unrestricted Funds Designated	Restricted Funds	Total funds at 31 Jan 21
	£000's	£000's	£000's	£000's
Fixed assets	-	4,709	-	4,709
Current assets	2,797	-	2,786	5,583
Creditors due in less than one year	(2,454)	-	-	(2,454)
Creditors due in more than one year	(18)	-	-	(18)
Secured Bank Loan	-	(1,500)	-	(1,500)
	325	3,209	2,786	6,320

ANALYSIS OF NET ASSETS BETWEEN FUNDS – GROUP (PRIOR YEAR COMPARATIVES)

	Unrestricted Funds General	Unrestricted Funds Designated	Restricted Funds	Total funds at 31 Jan 20
	£000's	£000's	£000's	£000's
Fixed assets	-	4,937	-	4,937
Current assets	1,504	121	265	1,890
Creditors due in less than one year	(2,128)	-	-	(2,128)
Creditors due in more than one year	(49)	-	-	(49)
	(673)	5,058	265	4,650

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY

	Unrestricted Funds General	Unrestricted Funds Designated	Restricted Funds	Total funds at 31 Jan 21
	£000's	£000's	£000's	£000's
Fixed assets	-	4,709	-	4,709
Current assets	2,797	-	2,786	5,583
Creditors due in less than one year	(2,454)	-	-	(2,454)
Creditors due in more than one year	(18)	-	-	(18)
Secured Bank Loan	-	(1,500)	-	(1,500)
	325	3,209	2,786	6,320

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY (PRIOR YEAR COMPARATIVES)

	Unrestricted Funds General	Unrestricted Funds Designated	Restricted Funds	Total funds at 31 Jan 20
	£000's	£000's	£000's	£000's
Fixed assets	-	4,937	-	4,937
Current assets	1,495	121	265	1,881
Creditors due in less than one year	(2,119)	-	-	(2,119)
Creditors due in more than one year	(49)	-	-	(49)
	(673)	5,058	265	4,650

Notes to the financial statements for the year ended 31 January 2021 (continued)

25 RELATED PARTY DISCLOSURES

The company was under the ultimate control of the trustees.

Kevin George, Chair of Trustees is also Chair of Red Funnel who provide cross Solent travel for UKSA students. UKSA expenditure with Red Funnel was (£5k) in the year (2019/20: (£43k)).

David Lister MBE, trustee of UKSA, is also a trustee of the Whirlwind Charitable Trust (WCT) which gave financial assistance to UKSA in the form of donations of £300k in the year (2019/20:£10k).

Claire Locke, trustee of UKSA, is also a trustee of Daisie Rich Trust who gave financial assistance to UKSA in the form of donations of £5k in the year (2019/20: £5k).

Sir Anthony Greener, trustee of UKSA, is also Chairman of Minton Charity Trust which gave some financial assistance to UKSA in the form of donations of £35k in the year (2019/20:£12k).

Grace Palmer (trustee Richard Palmer's wife) is a sponsor of UKSA's Capital and Year 6 – Test the Water programme.

Donations were received from three trustees totalling £72k (2019/20: £95k).

26 OPERATING LEASES

At the year end, the Group were committed to the following future minimum lease payments in respect of operating leases:

	Vehicles and equipment	
	2020/21	2019/20
	£000's	£000's
Less than one year	67	72
Greater than one year and less than five years	37	100
Later than five years	-	-
	104	172

27 CAPITAL COMMITMENTS

The charity had capital commitments as at 31 January 2021 of £3,530k. This is split between £3,442k for a new building and £88k for dredging work (31 January 2020 £17k).

Notes to the financial statements for the year ended 31 January 2021 (continued)

28 COMPARATIVE SOFA FOR THE YEAR ENDED 31ST JANUARY 2020

	Unrestricted Funds £000's	Restricted Funds £000's	TOTAL 2019/20 £000's
INCOME FROM:			
Donations, Legacies and Grants	418	123	541
Charitable Activities	6,085	-	6,085
Other Trading Activities			
Trading	261	-	261
Activities for generating funds	-	-	-
Investments	2	-	2
Other	12	-	12
Total income	6,778	123	6,901
EXPENDITURE ON:			
Raising funds:			
Trading Activities	134	-	134
Expenditure on raising funds	186	-	186
Charitable Activities	6,287	-	6,287
Total expenditure	6,607	-	6,607
Net income/(expenditure)	171	123	294
Transfers between funds	33	(33)	-
Net movement in funds	204	90	294
RECONCILIATION OF FUNDS:			
Total funds brought forward	4,181	175	4,356
TOTAL FUNDS CARRIED FORWARD	4,385	265	4,650