



CIVIL SERVICE SAILING ASSOCIATION
TREASURER'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED

31 DECEMBER 2021

Introduction

Historically CSSA accounts have reported on CSSA General Fund alone. In 2021 CSSA received monies amounting to £312,306.05, being an ex-gratia payment relating to the will of Maurice Smith Gates. In line with assurances given during negotiations for the payments, a separate 'Bequest Fund' account has been created, along with its own HSBC CSSA Bequest Account.

Accordingly, this Treasurer's Report and Financial Statements are presented as per the table below:

Section	Title	Comment
1	CSSA Summary Report	Headline Summary
2	CSSA General Fund	Report and Financial Statements
3	CSSA Bequest Fund	Report and Financial Statements - (Restricted)

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CSSA TREASURER'S REPORT 2021

SECTION 1 - CSSA SUMMARY OF ACCOUNTS

1. The following table summarises CSSA General Fund and the Bequest Fund to show the total income and expenditure and the total "financial worth" of CSSA. Further detail is in Sections 2 and 3 and the Financial Statements within this report.

CSSA Summary Net Income/ (Expenditure) Year ended 31 December 2021			
Year	General Fund	Bequest Fund	CSSA Total
	£	£	£
2020	2,217		2,217
2021	1,419	312,471	313,890

CSSA Summary Reserves at 31 December 2021			
Year	General Fund	Bequest Fund	CSSA Total
	£	£	£
2020	403,270		403,270
2021	404,689	312,471	717,160

SECTION 2 - CSSA GENERAL FUND

2. **2021 Results** CSSA made a small surplus of £1,419 compared with £2,217 in the prior year (PY). CSSC annual membership grant £33,972, the primary source of income to CSSA, remained unchanged for a third year. CSSC Events grant £9,000 was resumed this year after a gap last year due to Covid 19. Together these represent over 99% of income.

Summary I&E for Year Ended 31 December 21		
	2021	2020
	£	£
Total Income	42,982	34,077
Total Expenditure	41,563	31,860
Net Surplus	1,419	2,217

3. The intentionally smaller surplus of £1,419 and underspends due to Covid -19 have enabled a greater distribution of excess reserves than planned at £11,000 (PY £12,500). This to support their working capital and projects. Clubs were asked how they envisage utilising their grant and the following is a summary of responses received:

Replacement yachts cost contribution e.g. pre-purchase survey of a club yacht; site and facility improvement e.g. including improving walkways for disabled members; improved security systems and lighting; replacing an ageing outboard (petrol) with an electric powered outboard as part of the RYA Green-Blue endeavour

4. CS Sailing Magazine costs for 2021 were £10,723 (33% of General Expenditure [GE]). This year has seen a review of providers and format with a view to reducing the cost of producing and distributing the magazine and delivered savings of £1,327 (11%) compared to 2020 £12,050 (38% of GE).

5. Further legal fees of £3,192 were incurred this year in pursuing the bequest from Maurice Gates, bringing the total spend invested to £18,480. Attempts to recoup this from the Maurice Gates estate, have concluded but have failed. However, Dutton Gregory have confirmed that no more fees are to be charged for their work, and none will be charged for holding and dealing with the ex-gratia funds. This cost has been borne across the Association as a whole, but to the sole benefit of offshore sailing – which the General Committee is aware of.

2021 Financial position and highlights

6. The Association's financial position remains strong, and it is a huge benefit to have substantial reserves in these uncertain times. Aside from being able to continue to make longer term provision for loans to our clubs for capital renewal and development, this has enabled CSSA to offer interest-free 5-year loans to clubs to help weather the financial effects of corona virus – whilst there hasn't been any uptake, the offer will remain in place as long as there is a potential need to support CSSA clubs – the frontline of sailing in the CSSC. In slower time, and depending on when we get back to some form of normality, any such loans might if necessary be converted partially or wholly to grants.

7. In 2021 one new loan for a capital project was approved, being for the replacement of Channel Sailing Division (CSD) yacht. The first tranche, £40,000, was advanced during the year to fund the deposit, and delivery is expected in the first few months of 2022. The Civil Service Offshore Racing Club is looking to return to yacht ownership after chartering for a number of years and is looking to proceed in 2022. Repayments on existing loans have been received on schedule, except for those due from CSD and 5 Kingdoms Sailing Club (5KSC), which it has been agreed will be met from the Bequest Fund. As indicated in last year's report, the Association is now free from external borrowing.

The Future

8. Uncertainties remain at this time, caused by the corona virus pandemic, and CSSA will continue to offer financial support to CSSA Clubs, should it be needed.

9. CSSC grants allocation for 2022 have been confirmed: Membership Grant £33,972 and CSSC Events £9,000. CSSA are most appreciative CSSC's continued level of support in these difficult times.

10. As reported in previous years and remains the case, the introduction of site rents and charges for the land-based clubs and increases in those amounts will have a continuing financial impact, inasmuch as the CSSC looks to the Association not only to collect such payments on its behalf but also to 'guarantee' them. Once all site agreements are in place the annual obligations - actual and contingent – are likely to approach £150,000. As the Income and Expenditure Account shows, this figure is already nearly £145,000 (PY £140,000). This is another reason why the Association needs to maintain substantial reserves which, fortunately, it appears able to do in the foreseeable future.

11. The financial statements for CSSA General Fund are at pages 12-14 of this report.

SECTION 3 - CSSA BEQUEST FUND ACCOUNT

Maurice Smith Gates Bequest

12. During the year the Charity Commission approved arrangements made by the charity beneficiaries of Maurice Gates' Will, to make ex-gratia payments to the Association in lieu of his bequest. £312,306.05 was duly received in June by Dutton Gregory LLP (Solicitors) [Dutton Gregory], to be held on the Association's behalf and drawn on when needed for capital projects satisfying the bequest terms. There were no draw downs made during 2021.

13. Assurances were provided during negotiations that these funds would be separately accounted for to demonstrate their proper use, so the £312,306.05 is not included on the Association's main 'General Fund' balance sheet. Instead, it is reported through a new Bequest Fund account and with its own HSBC CSSA Bequest Fund bank account.

14. Arrangement for drawing down from the funds held by Dutton Gregory have been agreed to ensure compliance with Maurice Gates' Will and enable accounting and ongoing reconciliation.

15. The financial statements for CSSA Bequest Fund are at page 15 of this report.

Auditor

16. A motion to appoint Azets Audit Services as auditor for 2021 was proposed at the Annual General Meeting and carried.

17. For 2022 a motion to appoint Moore Thompson Accountants, Spalding, Lincolnshire, will be made at the AGM in April 22. This places the auditor local to David Grundy, the current Treasurer, who has prior experience of working with them and is practical, moving forward.

Responsibilities of members of the General Committee for financial matters

18. The Association is required by its constitution to prepare full accruals-based financial statements for each financial year in accordance with UK Generally Accepted Accounting Practice. Accordingly it is the responsibility of members of the General Committee to prepare such statements.

19. In preparing those financial statements committee members are required to select suitable accounting policies, as described in the notes to these accounts, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The committee members must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

20. The committee members are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Association. The committee members are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

21. In so far as the committee members are aware:

- a. there is no relevant audit information of which the Association's auditors are unaware; and
- b. the committee members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

22. The committee members are responsible for the preparation of the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

For and on behalf of the General Committee



**David Grundy
Honorary Treasurer
24 February 2022**

CIVIL SERVICE SAILING ASSOCIATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIVIL SERVICE SAILING ASSOCIATION

FOR THE YEAR ENDED 31 DECEMBER 2021

OPINION

We have audited the financial statements of the Civil Service Sailing Association, for the General Fund and the Bequest Fund, for the year ended 31 December 2021. These comprise of the Income and Expenditure account, Balance Sheet, Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 Civil Service Sailing Association's affairs as of 31 December 2021 and of its surplus 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 Civil Service Sailing Association's Constitution.

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 Civil Service Sailing Association 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 General Committee'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 Association'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 General Committee with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Treasurer's report, other than the financial statements and our auditor's report thereon. The General Committee are responsible for the other information contained within the Treasurer's report. 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 course of 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.

RESPONSIBILITIES OF THE GENERAL COMMITTEE

As explained more fully in the members of the General Committee responsibilities statement set out on page 6, the General Committee 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 Committee determines 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 General Committee are responsible for assessing the Civil Service Sailing Association'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 committee either intends to liquidate the Civil Service Sailing Association 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.

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

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 design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected, and alleged fraud.
- Reviewing minutes of meetings of those charged with governance.
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the Association through enquiry and inspection.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of activities, and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

USE OF OUR REPORT

This report is made solely to the Civil Service Sailing Association's members, as a body, in accordance with the Civil Service Sailing Association's Constitution. Our audit work has been undertaken so that we might state to the Civil Service Sailing Association'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 Civil Service Sailing Association and the Civil Service Sailing Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Adam Wilson', with a long horizontal flourish underneath.

Adam Wilson FCA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

Chartered Accountants
Statutory Auditor
Secure House
Lulworth Close
Chandlers Ford
Hampshire
SO53 3TL

3 March 2022

CIVIL SERVICE SAILING ASSOCIATION
Summary Accounts
Income & Expenditure Account for the year ended 31 December 2021

	General Fund 2021 £	Bequest Fund 2021 £	CSSA Total 2021 £
Notes			
INCOME	42,982	312,471	355,453
EXPENDITURE	41,563	-	41,563
Net Income/ (Expenditure)	1,419	312,471	313,890

Balance Sheet at 31 December 2021

	General Fund 2021 £	Bequest Fund 2021 £	CSSA Total 2021 £
Notes			
CSSA - financed interest-free loans	88,500		88,500
Total Current Assets	429,091	312,471	741,562
Total Current Liabilities	112,902	-	112,902
Current Assets less Current Liabilities	316,189	312,471	628,660
Total assets less total liabilities	404,689	312,471	717,160
Bequest Fund Reserves			
Balance brought forward	403,270	-	403,270
Net Income/(Expenditure) for the year	1,419	312,471	313,890
Balance Carried Forward	404,689	312,471	717,160

The notes on Pages 16-20 form part of these financial statements

CIVIL SERVICE SAILING ASSOCIATION
General Fund
Income & Expenditure Account for the year ended 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
INCOME					
CSSC Membership Grant		33,972		33,972	
CSSC Events Grant		9,000		-	
Interest on Bank Deposits		11		129	
Less Corporation Tax on Bank Deposits		(2)		(25)	
Other Income	3	<u>1</u>	42,982	<u>1</u>	34,077
EXPENDITURE					
<u>General Expenditure</u>					
Committee		1,480		965	
Other Administration	4	6,596		5,174	
CSSA Grants issued		11,000		12,500	
Training Expenditure		2,060		505	
Magazine		10,723		12,050	
RYA Subscription		655		655	
Trophies and citations		<u>49</u>	32,563	<u>11</u>	31,860
<u>Events Expenditure</u>					
CSSC Grant Events:					
Offshore Racing		1,600		-	
Dinghy Championships		2,300		-	
Interdepartmental Offshore Regetta (IDOR)		<u>5,100</u>	9,000	<u>-</u>	-
Gross Surplus			1,419		2,217
Loan Interest, CSSC Rents and Charges					
HSBC Loan interest and charges					
		-		286	
Less: amounts recharged to clubs		-	-	<u>(286)</u>	-
CSSC Rents and Charges					
	13	144,622		140,048	
Less: amounts recharged to clubs	13	<u>(144,622)</u>	-	<u>(140,048)</u>	-
Net Surplus to General Fund			1,419		2,217

The notes on Pages 16-20 form part of these financial statements

CIVIL SERVICE SAILING ASSOCIATION
General Fund
Balance Sheet at 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Loans to Divisions - due after one year					
CSSA - financed interest-free loans	5,6	<u>88,500</u>	88,500	<u>111,000</u>	111,000
Current Assets					
Loans to Divisions - due within one year					
CSSA - financed interest-free loans	5,6	80,500		30,000	
Chandlery stock		1,097		1,112	
Sundry debtors	7	144,772		140,799	
Bank Current and Deposit Accounts	8	<u>202,722</u>	429,091	<u>228,277</u>	400,188
Current Liabilities					
Sundry creditors	9	112,900		107,893	
Corporation tax	10	<u>2</u>		<u>25</u>	
			112,902		107,918
Current assets less current liabilities			316,189		292,270
Total assets less total liabilities			404,689		
General Fund					
Balance brought forward		403,270		401,053	
Current year Surplus/ (Deficit)		1,419		2,217	
Balance carried forward			404,689		403,270

The notes on Pages 16 -20 form part of these financial statements

These financial statements were approved by members of the CSSA General Committee and authorised for issue on 24 February 2022 and are signed on their behalf by David Grundy Honorary Treasurer.



CIVIL SERVICE SAILING ASSOCIATION
General Fund
Cash Flow Statement for the year ended 31 December 2021

	2021	2021	2020	2020
	£	£	£	£
Cash generated from operations				
Gross Surplus	1,419		2,217	
Reconciliation to cash generated from operations				
Stocks - (increase)/ decrease	15		57	
Debtors - (increase)/ decrease	601		27	
Creditors - Increase/(decrease)	410	2,445	(7)	2,294
Cash from other sources				
Loan interest received from Divisions	-		286	
Rents and charges received from Divisions	140,048		134,343	
Loan repayments - capital (interest-free)	12,000		20,000	
Loan repayments - capital (interest-bearing)	-		7,000	
Divisions' financing of HSBC current accounts	-	152,048	73	161,702
Application of cash				
Loan interest paid to HSBC	-		286	
Rents and charges paid to CSSC	140,048		134,343	
Repayment of borrowings - capital	-		7,000	
New long term loans to Divisions	40,000	(180,048)		(141,629)
Net Increase/ (decrease) in cash		(25,555)		22,367
Cash at bank at beginning of year	228,277		205,910	
Cash at bank at year-end	202,722	(25,555)	228,277	22,367

The notes on Pages 16 -20 form part of these financial statements

CIVIL SERVICE SAILING ASSOCIATION
Bequest Fund
Income & Expenditure Account for the year ended 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
INCOME					
Bequest Ex Gratia Funds		312,306			
Dutton Gregory accrued interest		165	312,471		-
EXPENDITURE					
Bequest Grants					
Bank Charges			-		-
Net Income & Expenditure			312,471		-

Balance Sheet at 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Assets					
Dutton Gregory client funds		312,471		-	
HSBC Bequest Fund account		-		-	
Bequest Fund Loans		-	312,471	-	
Liabilities					
Sundry Creditors		-	-	-	-
Total assets less total liabilities			312,471		-
Bequest Fund Reserves					
Balance brought forward			-		-
Net Income/(Expenditure) for the year			312,471		-
Balance Carried Forward			312,471		-

The notes on Pages 16 -20 form part of these financial statements

These financial statements were approved by members of the CSSA General Committee and authorised for issue on 24 February 2022 and are signed on their behalf by David Grundy Honorary Treasurer.



CIVIL SERVICE SAILING ASSOCIATION

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

1 The Association is an unincorporated public benefit entity, domiciled in the United Kingdom. It has no employees. The financial statements have been prepared in accordance with Financial Reporting Standard 102, section 1A – small entities – under the historical cost convention.

2 Accounting Policies

Membership Grant

Such grant, receivable annually from the Civil Service Sports Council (CSSC), is credited to income in the year for which it is made.

Sports and Recreational Bodies Events Grant

Such grant, receivable annually from the CSSC to support specific events, is credited to income in the year in which it is claimed and approved.

Operating Leases (as both lessee and lessor)

Such leases, both of which are subject to price indexation, are measured and recognised at the amounts payable and receivable.

Interest-free Loans to the Association's clubs

Such loans are treated as public benefit concessionary loans. They are measured and recognised at the transacted amounts.

Trophies

Trophies are not treated as fixed assets but are expensed when purchased. There are 23 trophies with a total insured value at 31 December 2021 of £9,600. In consequence, there are no fixed assets.

Going concern

At the time of approving the financial statements, the General Committee have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future. The General Committee have considered the likely future cash flows as well as the balance sheet at this point in time. The full impact of corona virus on the Association and general economy is difficult to quantify at this time, however, the Association has reviewed its cash flow requirements for the coming months and the General Committee consider that the Association can continue its activities and on that basis, the financial statements are prepared on a going concern basis

3 Other income

Other income for 2021 includes the surplus (or deficit) on chandlery sales, as below. (The intention is broadly to break even on such sales.)

Chandlery Sales:

	2021	2020
	£	£
Sales	16	61
Less Cost of Sales	(15)	(60)
Surplus/(Deficit)	1	1

4 Other Administrative Costs

Other administrative costs usually comprise audit fees, for which a provision of £2,250 has been made for 2021 (2020: £1,650); trophies' insurance and bank charges. For 2021 however, as in 2018, 2019 and 2020, these costs exceptionally also include legal fees incurred in pursuing a bequest of £325,000 made to the Association by Maurice Gates, a former member. In 2021 such fees were £3,192 (2020: £2,343, 2019: £3,724).

5 Interest-free loans to Clubs financed from reserves

Description	2021	2020
	£	£
Amount due within one year	80,500	30,000
Amount due after more than one year	88,500	111,000
Totals	169,000	141,000

Division	Balance 31/12/20	Loan Advances	Capital Repayment	Balance 31/12/21	Year Final Payment Due	Notes
	£	£	£	£		
POG (3)	80,000		10,000	70,000	2028	
JSC (2)	4,000		2,000	2,000	2022	
CSD	25,000			25,000	2022	1
5KSC	32,000			32,000	2022	1
CSD (2)		40,000		40,000	2028	2
Totals	141,000	40,000	12,000	169,000		

Notes:

1. CSSA's General Committee (GC) agreed to defer the repayment instalments due for CSD and 5KSC yacht loans, with a view to using part of the Maurice

Gates' bequest, when and if received. This has now been received and the repayment will be actioned in 2022.

2. This represents the deposit of £40,000 funded in October 21, by CSSA in respect of CSD's agreed yacht replacement. The working assumption is that the final loan will be repayable over 7 years. £11,500 is included at Note 5 above for 2021 "Amount due within one year".

6. Loan Details

Key: POG=Portsmouth Offshore Group; JSC = Jumbles Sailing Club; CSD = Channel Sailing Division; 5KSC=Five Kingdoms Sailing Club

All loans are unsecured.

The loans to CSD and 5KSC are towards financing an offshore yacht for each club. To protect the Association's Trustees from risks inherent in yacht ownership the yachts are purchased and owned by the Civil Service Sports Council Ltd (CSSC), notwithstanding that the purchase is wholly financed by the club, aided by the loan. CSSC holds the yachts as custodian and formally charters them to the Association for a nominal sum. The Association in turn makes them available to the clubs for their operation without restriction or charge. CSSC's charter terms are that the eventual sale proceeds of the yacht are held for the Association's benefit and this benefit, too, is passed to the club. Ownership of the yachts' operational and residual economic benefits accordingly rests with the club concerned; on whose balance sheet they are recognised as if the club owned the yacht.

Loans to POG are for the development of pontoon moorings and the acquisition of yacht handling machinery, and to JSC for the improvement of club facilities.

7. Sundry Debtors

	2021	2020
	£	£
Debtors	144,622	140,048
Committee Member imprest	150	150
Prepayments and accrued income	-	601
	<u>144,772</u>	<u>140,799</u>

Debtors mainly comprise the amounts owed by clubs for annual rents and other charges for onward payment to CSSC – see Creditors and Commitments notes below.

8. Bank Deposit and Current Accounts

	2021	2020
	£	£
Deposit accounts	111,107	111,095
Bank current account	91,615	117,015
HSBC loan current accounts	-	167
	<u>202,722</u>	<u>228,277</u>

9. Sundry Creditors

	2021	2020
	£	£
Creditors	110,650	106,076
Divisional pre-funding of HSBC accounts	-	167
Accrued charges and deferred income	2,250	1,650
	<u>112,900</u>	<u>107,893</u>

Creditors mainly comprise the amounts owed to CSSC for annual rents and other charges levied on clubs, partially offset by the amount owed by CSSC to the Association for membership grant - see Debtors and Commitments notes above and below.

10. Corporation Tax

The Association is liable to Corporation Tax on its deposit account interest. The liability for 2021 is £2 (2020: £25).

11. Post Balance Sheet Events

There have been no adjusting or non-adjusting post balance sheet events.

12. Lease commitments and contingent rent receivable

The Association leases the Portsmouth Offshore Group site from the Civil Service Sports Council and formally sub-lets it to POG on the same terms. The leases are for 20 years from 15 June 2005 with quinquennial rpi-based rent reviews. The Association therefore has, as lessee and lessor, matching rent commitments and contingent rent income as set out below. (No attempt has been made to recognise future rent increases in these figures.)

	2021	2020
	£	£
Total amounts payable and receivable:		
Within one year	57,522	57,522
Between two and five years	141,047	198,569
	<u>198,569</u>	<u>256,091</u>

13. Other commitments, guarantees and contingencies

The Association is committed to making in 2022 additional loans to the CSD in the order of £40,000 from its General Reserves and of £112,000 from its Bequest Fund (the latter being to provide bridging loan finance) – plus a grant from the Bequest Fund of £25,000 – towards financing a replacement yacht for which a purchase contract was entered into by the Civil Service Sports Council during the year. (A new loan during the year of £40,000 from General Reserves to finance the deposit is recognised in these Accounts.)

There are no other commitments and no contingent liabilities of which the Association is aware, but there is an understanding between the Association and CSSC that the Association ‘underwrites’ the amounts it collects from the Association’s clubs on CSSC’s behalf. These are mainly for the reimbursement, under informal agreements, of rents and other related costs borne by CSSC for sites occupied by those clubs. These amounts, together with the rent payable for POG’s site under its formal lease, are fully recognised in the Income and Expenditure Account. For 2021 (including the POG rental) the figure is £144,622. So in addition to the POG rental commitment at Note 12 - and at 2021 rates - the amount of this annual guarantee is in the order of £87,000. No security is provided. To date the guarantee has not been called on and there are no indications that it will be in the foreseeable future.