

ROYAL YACHTING ASSOCIATION  
(INCORPORATED AS A COMPANY LIMITED  
BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

**ACCOUNTS**

YEAR ENDED 31<sup>st</sup> MARCH 2003



A30  
COMPANIES HOUSE

\*ARM188DL\*

0023  
06/02/04

COMPANIES HOUSE

22/01/04

Company Registered Number: 878357

## DIRECTORS' RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

The directors are required under company law to prepare financial statements for each financial period. The financial statements must give a true and fair view of the state of affairs of the company at the end of the financial period and of the results for that period, and must comply with applicable accounting standards and the Companies Act 1985. They must also be prepared on the going concern basis, unless it is inappropriate to do so.

The directors are responsible for selecting suitable accounting policies, applying them consistently and making reasonable and prudent judgements and estimates. In addition, they are responsible for maintaining adequate accounting records, safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council, as the Board of Directors, confirm that they have complied with the above responsibilities.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RYA

We have audited the financial statements of the Royal Yachting Association for the year ended 31st March 2003 which comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2003 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

haysmacintyre  
Chartered Accountants  
Registered Auditors

18th June 2003  
ROYAL YACHTING ASSOCIATION

Southampton House  
317 High Holborn  
London  
WC1V 7NL

**INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED 31ST MARCH 2003**

	Note	2003	2002
		£	£
<b>OPERATING INCOME</b>			
Subscriptions and donations	2a	2,621,424	2,472,851
Sales of goods and services	2b	3,334,994	2,798,447
Events, training and coaching	2c	290,604	258,739
Sports Council grants receivable	2d	491,000	490,800
World Class Programmes	2e	3,331,026	2,861,688
		<u>10,069,048</u>	<u>8,882,525</u>
<b>DIRECT EXPENDITURE</b>			
Cost of goods and services sold	2b	2,166,419	1,577,476
Events, training and coaching	2c	470,059	465,826
Sports Council grants payable	2d	47,000	47,000
World Class Programmes	2e	3,331,026	2,861,688
		<u>6,014,504</u>	<u>4,951,990</u>
<b>NET INCOME</b>		<u>4,054,544</u>	<u>3,930,535</u>
<b>ADMINISTRATIVE EXPENDITURE</b>			
Establishment expenses	2f	230,591	98,408
Staff costs	3	2,157,184	1,882,526
General expenses	4	1,057,925	1,020,372
Membership promotion and services		580,316	671,463
Finance costs		56,565	23,886
		<u>4,082,581</u>	<u>3,696,655</u>
<b>OPERATING (DEFICIT)/SURPLUS</b>		<u>(28,037)</u>	<u>233,880</u>
<b>OTHER INCOME</b>			
Non-Exchequer grants		15,431	21,178
Investment income	5	145,627	130,351
		<u>161,058</u>	<u>151,529</u>
<b>SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	6	133,021	385,409
<b>TAXATION</b>	7	23,897	23,472
<b>SURPLUS FOR THE YEAR AFTER TAXATION</b>		<u>109,124</u>	<u>361,937</u>
<b>TRANSFERS TO RESERVES IN YEAR</b>			
Life Subscription Fund	13	45,579	4,325
Match Racing Fleet Replacement Fund	14	7,500	7,500
		<u>53,079</u>	<u>11,825</u>
<b>RETAINED SURPLUS FOR THE YEAR</b>		<u>56,045</u>	<u>350,112</u>
<b>ACCUMULATED FUND BROUGHT FORWARD</b>		<u>2,113,126</u>	<u>1,763,014</u>
<b>ACCUMULATED FUND CARRIED FORWARD</b>		<u><u>£2,169,171</u></u>	<u><u>£2,113,126</u></u>

All recognised gains and losses have been included in the Income and Expenditure account.  
All income and the operating surplus are derived from continuing activities.

**ROYAL YACHTING ASSOCIATION**

**BALANCE SHEET**  
**31ST MARCH 2003**

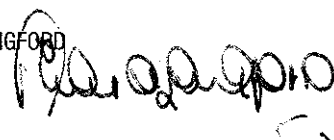
	Note	£	2003	£	£	2002	£
<b>TANGIBLE FIXED ASSETS</b>	8			<b>3,507,118</b>			<b>1,167,981</b>
<b>INVESTMENTS</b>	9			<b>328,650</b>			<b>1,220,897</b>
<b>CURRENT ASSETS</b>							
Stocks: Publications		<b>153,453</b>			<b>182,717</b>		
Debtors	10	<b>937,791</b>			<b>445,652</b>		
Cash on short term deposit	15c	-			<b>1,654,665</b>		
Cash at bank	15c	<b>15,798</b>			<b>2,145</b>		
		<b>1,107,042</b>			<b>2,285,179</b>		
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	11	<b>2,390,140</b>			<b>1,748,114</b>		
<b>NET CURRENT (LIABILITIES)/ ASSETS</b>				<b>(1,283,098)</b>			<b>537,065</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<b>2,552,670</b>			<b>2,925,943</b>
<b>DEFERRED GRANTS</b>	12			<b>144,591</b>			<b>626,553</b>
<b>NET ASSETS</b>				<b>£2,408,079</b>			<b>£2,299,390</b>
<b>FINANCED BY:</b>							
<b>ACCUMULATED FUND</b>				<b>2,169,171</b>			<b>2,113,126</b>
<b>LIFE SUBSCRIPTION FUND</b>	13			<b>98,905</b>			<b>53,761</b>
<b>MATCH RACING FLEET REPLACEMENT FUND</b>	14			<b>140,003</b>			<b>132,503</b>
<b>MEMBERS' FUNDS</b>	16			<b>£2,408,079</b>			<b>£2,299,390</b>

Approved by the RYA Council and signed on 18th June 2003 on its behalf by:

G. L. CLARK

 (Chairman)

R. LANGFORD

 (Hon. Treasurer)

ROYAL YACHTING ASSOCIATION  
CASH FLOW STATEMENT  
YEAR ENDED 31ST MARCH 2003

	Note	2003	2002
		£	£
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	15a	(2,701,108)	(1,868,743)
<b>RETURNS ON INVESTMENT AND SERVICING OF FINANCE</b>			
Interest received		54,387	44,377
Dividends received		40,178	47,120
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		94,565	91,497
<b>TAXATION</b>			
Corporation tax paid		(25,897)	(41,472)
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>			
Payments to acquire tangible fixed assets		(2,949,793)	(667,361)
Receipts from sales of tangible fixed assets		182,535	35,656
Payments to acquire investments		-	(72,764)
Receipts from sales of investments		559,310	447,347
Grants received		2,815,377	3,162,536
Withdrawals/(additions) from cash on deposit with investment managers		383,999	(343,044)
		991,428	2,562,370
<b>NET CASH OUTFLOW BEFORE USE OF LIQUID RESOURCES AND FINANCING</b>		(1,641,012)	743,652
<b>MANAGEMENT OF LIQUID RESOURCES</b>			
Withdrawals from short term deposits with bank		1,654,665	906,465
Payments into short term deposits		-	(1,654,665)
		1,654,665	(748,200)
<b>INCREASE/(DECREASE) IN CASH</b>	15c	£13,653	£(4,548)

The Association includes as liquid resources term deposits of less than a year. It does not include fixed asset investments.

**ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS  
YEAR ENDED 31ST MARCH 2003**

**1. ACCOUNTING POLICIES**

**a) Accounting basis**

The financial statements have been prepared on the historical cost basis and in accordance with applicable accounting standards.

**b) Subscriptions**

Subscriptions are receivable on 12 different dates during the year and the credit to the Income and Expenditure account represents the proportion received appropriate to the period.

**c) Stocks**

Stocks represented by publications, videos and CD-ROMs are valued at the lower of cost and net realisable value.

**d) Depreciation**

Tangible fixed assets are stated at cost.

Depreciation is calculated using the straight line method to write down the cost of all assets over their expected useful lives using the following rates:

	Percentage
Freehold and leasehold land	Nil
Freehold and leasehold buildings	2
Office equipment and motor vehicles	25
Training equipment	33.3
Computer equipment and website	33.3
Support boats, engines and trailers	20, 50 and 33.3

**e) Grants**

Grants related to expenditure on tangible fixed assets are credited to the Income and Expenditure account at the same rate as the depreciation on the assets to which the grants relate. Grants of a revenue nature are credited to income in the period to which they relate.

credited

The amounts shown in the Balance Sheet in respect of grants consist of the total grants receivable to date, less the amounts so far to income.

**f) Deferred taxation**

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Deferred tax is provided using the full provision method. Deferred tax is recognised in respect of all timing differences which have but not reversed at the balance sheet date. It is the Association's policy not to discount deferred tax to reflect the time value of money.

**g) Pension costs**

The Association has a defined benefit pension scheme, the assets of which are administered by trustees. In accordance with SSAP 24 pension costs are charged to the Income and Expenditure account on a basis that spreads the cost of pensions over the anticipated working lives of employees.

ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 31ST MARCH 2003

2. OPERATING INCOME AND DIRECT CHARGES

Income is derived principally from the United Kingdom.

(a) Subscriptions and donations

	2003 £	2002 £
Personal	2,125,093	2,022,499
Clubs and classes	319,850	290,747
Teaching establishments	171,997	150,130
	<u>2,616,940</u>	<u>2,463,376</u>
Donations	4,484	9,475
	<u>£2,621,424</u>	<u>£2,472,851</u>

All costs relating to subscription income are included in administrative expenditure.

(b) Sales of goods and services	2003		2002	
	Income £	Surplus/(deficit) after direct Charges £	Income £	Surplus/(deficit) after direct Charges £
Sales and services to members	924,410	381,708	649,903	377,916
Training materials	2,110,065	644,966	1,833,728	649,919
Examination and other fees	300,519	141,901	314,816	193,136
	<u>£3,334,994</u>	<u>£1,168,575</u>	<u>£2,798,447</u>	<u>£1,220,971</u>

(c) Events, training and coaching

Race training	73,851	(118,693)	217,096	(94,748)
Windsurfing training	6,948	(43,658)	2,543	(39,176)
Olympic preparation	7,568	(68,240)	19,958	(69,920)
Events	202,237	51,136	19,142	(3,243)
	<u>£290,604</u>	<u>£(179,455)</u>	<u>£258,739</u>	<u>£(207,087)</u>

ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 31ST MARCH 2003

(d)	Sports Council Grants Receivable/Payable	2003		2002	
		Income £	Surplus after grants disbursed £	Income £	Surplus after grants disbursed £
	<b>U.K. Sports Council</b>				
	Non-Olympic squad training	-	-	270,800	270,800
	Windsurfing	65,000	65,000	65,000	65,000
	RYA Sailability	25,000	-	25,000	-
	Yacht racing	271,000	271,000	-	-
	<b>English Sports Council</b>				
	National Schools Sailing Association	12,000	-	12,000	-
	RYA Sailability	10,000	-	10,000	-
	National training development	40,000	40,000	73,000	73,000
	Windsurfing development	25,000	25,000	25,000	25,000
	Volunteer development	5,000	5,000	10,000	10,000
	Regional training development	30,000	30,000	-	-
	Kids on board project	8,000	8,000	-	-
		<u>£491,000</u>	<u>£444,000</u>	<u>£490,800</u>	<u>£443,800</u>
(e)	<b>World Class Performance, Start and Potential Programmes</b>				
	Lottery Sports Fund	<u>£3,307,710</u>	<u>£ -</u>	<u>£2,861,688</u>	<u>£ -</u>

As the national governing body for the sport, the Association runs the World Class Performance, Potential and Start programmes which are funded by the Lottery Sports Fund administered by the UK and English Sports Councils. The Performance Programme supports the UK's elite Olympic and Paralympic sailors, the Potential Programme supports youth and aspiring Olympic and Paralympic sailors and the Start Programme identifies and nurtures talented junior sailors. The programmes are run on four year cycles with outline budgets being agreed with the Sports Councils in advance. Cash grants are paid to the Association periodically throughout the year and are used to fully defray the direct costs of the programmes (including the full costs of those staff employed by the Association to work on them), as well as an agreed share of overhead and central costs.

(f) **Establishment expenses**

The establishment expenses heading covers the cost of rates, utilities, maintenance and depreciation of the headquarters building. The increased outturn of £230,591 (2001-02: £98,408) reflects the relevant costs for the new building at Hamble, the costs of moving there and the fact that the old building at Eastleigh has not yet been sold.



**ROYAL YACHTING ASSOCIATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**YEAR ENDED 31ST MARCH 2003**

<b>3. STAFF COSTS</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Total salaries	2,045,160	1,871,944
Total social security costs	186,609	160,379
Total pension and life assurance costs	369,403	217,553
	<u>2,601,172</u>	<u>2,249,876</u>
(Less) staff costs included in World Class Programmes (Note 2 (e))	(443,988)	(367,350)
	<u><b>£2,157,184</b></u>	<u><b>£1,882,526</b></u>

The average number of employees during the year was:

	<b>Number</b>	<b>Number</b>
Senior Management	12	12
Executives, officers and coaches	31	28
Administration and support	59	57
	<u>102</u>	<u>97</u>
(Less) staff employed in World Class Programmes	(14)	(13)
	<u><b>88</b></u>	<u><b>84</b></u>

No remuneration is paid to members of the Council. A total of £24,706 (2002: £18,077) was paid to help defray travel costs incurred by members of Council and central committees. A further £26,005 (2002: £26,437) was paid to help defray travel costs incurred by other committee members.

**3 (a) FINAL SALARY PENSION SCHEME COMMITMENTS**

The Association has a non-contributory pension and life assurance scheme for its senior management employees which provides retirement benefits based on final salary and length of service. The assets of the scheme are held separately from those of the Association, being invested with the Scottish Widows Investment Managers. Contributions to the scheme are charged to the Income and Expenditure account so as to spread the cost of the pensions over the employees' working lives with the Association. The contributions are determined by a qualified actuary on the basis of triennial valuation using a variant of the entry age method. The most recent valuation available was at 1st April 2002. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in pensionable salaries. The charge for the year was £92,000 (2002: £72,000).

The most recent actuarial valuation showed that the market value of the scheme's assets was £2,656,000 and that the actuarial value of those assets represented 104% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

**FRS 17 DISCLOSURES**

Financial Reporting Standard (FRS) 17 requires disclosures which are set out on a different and more rigorous basis. FRS 17 is fully effective for periods beginning on or after 1st January 2005. The Association is in the second year of the transitional arrangements under FRS 17 and the required disclosures are made below. The valuation set out below has also been based on the valuation at 1st April 2002, as updated by a qualified actuary, in order to assess the liabilities of the scheme on the FRS 17 basis at 31st March 2003.

ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 31ST MARCH 2003

3 (a) FINAL SALARY PENSION SCHEME COMMITMENTS (cont.)

The financial assumptions used to calculate the scheme liabilities under FRS 17 are:

	2003	2002
Rate of increase in salaries	4.0%	5.0%
Rate of increase of pensions in payment to active and other members	2.4%	3.0%
Discount rate	5.3%	5.9%
Inflation rate	2.4%	3.0%
Rate of revaluation for pensions in deferment	2.4%	3.0%

The assets in the scheme and the expected rate of return were:

	2003 %	2003 £'000	2002 %	2002 £'000
Equities	8.0%	1,166	7.7%	1,639
Bonds	4.7%	1,010	5.4%	930
Cash and other assets	4.7%	77	4.0%	87
Total market value of assets		2,253		2,656
Present value of scheme liabilities		(3,470)		(2,934)
Deficit in the scheme		(1,217)		(278)
Related deferred tax asset		-		-
Net pension liability		(1,217)		(278)

Movement in deficit during the year

	2003 £'000
Deficit at beginning of the year	(278)
Movement in year:	
Current service cost	(239)
Net return from other finance income	6
Actuarial gain or loss in the Statement of Total Recognised Gains and Losses	(706)
Deficit at end of the year	(1,217)

Had the Association adopted FRS 17 early, profit and loss reserves would have been adjusted as follows:

	2003 £'000
Amounts charged to operating profit	
Current service cost	239
Amounts credited to other finance income	
Expected return on assets	179
Interest on liabilities	(173)
Net financial return	6

ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 31ST MARCH 2003

3 (a) FINAL SALARY PENSION SCHEME COMMITMENTS (cont.)

Amounts recognised in the Statement of Total Recognised Gains and Losses	2003 £'000
Actual return less expected return on assets	(548)
Experience losses on the liabilities	(22)
Change in assumptions	(136)
Actuarial loss	(706)

Five year history

The following disclosures will be built up over time as a five year history:

	% of scheme assets/liabilities	2003 £'000
Difference between the actual and expected return on assets	(24%)	(548)
Experience losses on liabilities	(1%)	(22)
Total amount recognised in the Statement of Total Recognised Gains and Losses	(20%)	(706)

3(b) OTHER PENSIONS

The Association contributes to individual pension plans for certain coaches and middle managers who joined before April 2002 at a rate of 12.5% of annual salary on a monthly basis. The premiums paid are charged to the Income and Expenditure account.

The Association has a contributory pension scheme for administrative and support staff who joined before April 2002 which provides retirement benefits based on a money purchase plan. The Association's contribution is equivalent to 7% of annual salary (and the employees' is 2%). The premiums paid are charged to the Income and Expenditure account.

Since April 2002 all new staff have been eligible to join a single group personal pension plan (and those in the previous money purchase scheme have been permitted to transfer to the new scheme). The Association's contribution to the GPPP is equivalent to 10% of annual salary (and the employees' is 3%). The premiums paid are charged to the Income and Expenditure account.

The cost of premiums paid into these schemes was £112,149 (2002: £105,629)

**ROYAL YACHTING ASSOCIATION**  
**NOTES TO THE ACCOUNTS (continued)**  
**YEAR ENDED 31ST MARCH 2003**

<b>4. GENERAL EXPENSES</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Telephone and postage	133,794	118,880
Printing, photocopying and stationery	144,128	123,101
Staff travel costs	121,958	116,357
Depreciation (excluding training equipment)	302,146	239,189
Computer maintenance	54,715	103,090
Miscellaneous expenditure	301,184	319,755
	<u>£1,057,925</u>	<u>£1,020,372</u>
<b>5. INVESTMENT INCOME</b>		
Dividends and interest:		
On quoted investments	40,178	47,120
On deposits	54,387	44,377
	<u>94,565</u>	<u>91,497</u>
Net profit on sale of investments	51,062	38,854
	<u>£145,627</u>	<u>£130,351</u>
<b>6. SURPLUS ON ORDINARY ACTIVITIES</b>		
Surplus on ordinary activities is stated after charging/(crediting):		
Depreciation	302,146	366,769
Auditors' remuneration	23,000	22,500
Loss/(profit) on disposal of tangible fixed assets	6,044	(19,018)
	<u></u>	<u></u>
<b>7. TAXATION</b>		
Corporation tax at 20% on interest received and on surplus arising in respect of training and other schemes	25,000	27,000
Corporation tax overprovision in prior years	(1,103)	(3,528)
	<u></u>	<u></u>
Taxation on surplus on ordinary activities	<u>£23,897</u>	<u>£23,472</u>

No significant timing differences arise in respect of the profits subject to tax and no material deferred tax asset or liability exists.

ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 31ST MARCH 2003

8. TANGIBLE FIXED ASSETS

COST	Long leasehold premises £	Freehold premises £	Office equipment £	Motor vehicles £	Olympic and other training equipment £	Total £
At 31st March 2002	-	652,734	736,705	288,345	586,646	2,264,430
Additions	2,441,812	-	458,816	52,089	15,727	2,968,444
Disposals	-	-	-	(292,807)	(100,491)	(393,298)
At 31st March 2003	2,441,812	652,734	1,195,521	47,627	501,882	4,839,576

DEPRECIATION

At 31st March 2002	-	113,802	322,440	163,861	496,346	1,096,449
Charge for year	39,463	7,918	357,433	3,170	32,744	440,728
Eliminated on disposals	-	-	-	(125,769)	(78,950)	(204,719)
At 31st March 2003	39,463	121,720	679,873	41,262	450,140	1,332,458

NET BOOK VALUE

At 31st March 2003	£2,402,349	£531,014	£515,648	£6,365	£51,742	£3,507,118
At 31st March 2002	£ -	£538,932	£414,265	£124,484	£90,300	£1,167,981

During the year the Association conducted a sale and leaseback of the vehicle fleet. Details of the leases are given in Note 19.

9. INVESTMENTS

COST	£
At 31st March 2002	1,220,897
Disposals	(892,247)
At 31st March 2003	£328,650

All investments are listed and dealt with on a recognised stock exchange. The market value of investments at 31st March 2003 was £778,440 (2002: £1,641,067). If the investments were to have been realised at market value at the balance sheet date, the surplus would have been chargeable to Corporation Tax at the approximate amount of £117,000.

The amount as at 31st March 2002 included £383,999 of cash on deposit.

ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 31ST MARCH 2003

10. DEBTORS	2003 £	2002 £
Trade debtors	319,656	258,488
Loans to Olympic Squad	70,041	69,392
Other debtors	433,847	85,439
Prepayments	114,247	32,333
	<u>£937,791</u>	<u>£445,652</u>

Included in loans to Olympic Squad are amounts due after more than one year totalling £5,772 (2002: £17,665).

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Subscriptions in advance	1,329,673	1,218,175
Trade creditors	357,619	274,311
Accruals	416,979	129,011
Corporation tax	25,000	27,000
Other taxes and social security payments	64,446	85,808
Other creditors	196,423	13,809
	<u>£2,390,140</u>	<u>£1,748,114</u>

12. DEFERRED GRANTS

	Lottery Sports Fund Capital £	Lottery Sports Fund Revenue £	Other £	Total £
Balance at 31st March 2002	69,492	552,389	4,672	626,553
Grants received	-	2,815,377	9,633	2,825,010
Released to Income and Expenditure account	(15,494)	(3,277,173)	(14,305)	(3,306,972)
Balance at 31st March 2003	<u>£53,998</u>	<u>£90,593</u>	<u>£ -</u>	<u>£144,591</u>

Grants are released to Income and Expenditure account to match expenditure incurred on the defined programmes.

13. LIFE SUBSCRIPTION FUND

	2003 £
Balance at 31st March 2002	53,761
Less: Amounts applied to revenue for the period (see note 2a)	(7,435)
Appropriated from Income and Expenditure account	45,579
Received in year	7,000
Balance at 31st March 2003	<u>£98,905</u>

The appropriation from the Income and Expenditure account comprises interest received from, and any profits realised on disposals of, government stocks held in relation to the fund. The balance on the above fund is normally represented by Fixed Term Index-Linked Treasury Stock. The previous holding of this stock was liquidated during the year in order to crystallise a gain of £41,764 and as part of maximising cash balances for the purchase of the new headquarters. It is intended to reinvest the fund in index-linked Treasury Stock when cashflow allows.

ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 31ST MARCH 2003

14. MATCH RACING FLEET REPLACEMENT FUND

	£
Balance at 31st March 2002	132,503
Appropriated from Income and Expenditure account	7,500
	<hr/>
Balance at 31st March 2003	£140,003
	<hr/>

The fund has been set up in order to enable the Association to meet the replacement cost of the next Match Racing Fleet from its own resources. Income connected with the sale of the previous fleet was utilised in order to commence the fund in 1996.

15. NOTES TO THE CASH FLOW STATEMENT

a) RECONCILIATION OF OPERATING SURPLUS  
TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2003 £	2002 £
Surplus on ordinary activities	133,021	385,409
Depreciation	440,728	366,769
Income from life subscriptions	(7,435)	(29,920)
Loss on sale of tangible fixed assets	6,044	19,018
Profit on sale of investments	(51,062)	(38,854)
Decrease in stocks	29,264	20,054
(Increase)/decrease in debtors	(492,139)	90,595
Increase in creditors	625,375	173,480
Interest receivable	(54,387)	(44,377)
Dividends receivable	(40,178)	(47,120)
Release of grants	(3,297,339)	(2,767,747)
Life subscription receipts	7,000	3,950
	<hr/>	<hr/>
Net cash outflow from operating activities	£(2,701,108)	£(1,868,743)
	<hr/>	<hr/>

b) RECONCILIATION OF NET CASH FLOW TO  
MOVEMENT IN NET FUNDS

Increase/(decrease) in cash in the year	13,653	(4,548)
Cash flow from movement in liquid resources	(1,654,665)	748,200
	<hr/>	<hr/>
Movement in the year	(1,641,012)	743,652
Opening net funds	1,656,810	913,158
	<hr/>	<hr/>
Closing net funds	£15,798	£1,656,810
	<hr/>	<hr/>

ROYAL YACHTING ASSOCIATION  
NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 31ST MARCH 2003

15. NOTES TO THE CASH FLOW STATEMENT (continued)

c) ANALYSIS OF CHANGES IN NET FUNDS	At 1st April 2002 £	Cash flow £	At 31st March 2003 £
Cash at bank	2,145	13,653	15,798
Cash on short term deposit	1,654,665	(1,654,665)	-
Total	<u>£1,656,810</u>	<u>£(1,641,012)</u>	<u>£15,798</u>

At 31st March 2003 the total of cheques drawn but not presented at the bank was £150,370 (2002: £99,932).

16. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

	2003 £	2002 £
Surplus for the period before appropriations	109,124	361,937
Life subscription amounts applied to revenue	(7,435)	(29,920)
Received in period	<u>7,000</u>	<u>3,950</u>
Net addition to members' funds	108,689	335,967
Opening members' funds	<u>2,299,390</u>	<u>1,963,423</u>
Closing members' funds	<u>£2,408,079</u>	<u>£2,299,390</u>

17. LIABILITY OF MEMBERS

Every full member of the Association undertakes to contribute to the assets of the Association, in the event of the same being wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of the Association contracted before he ceases to be a member, and of the costs, charges, and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding £1. The number of members of all categories at 31st March 2003 was 97,660. The corresponding figure for 31st March 2002 was 94,553.

18. DONATIONS

During the year charitable donations under Gift Aid were made of £18,000 (2002: £18,000) to RYA Sailability.

19. OPERATING LEASE COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows:

Operating leases, other than land and buildings, which expire:

	2003 £	2002 £
Within one year	9,210	-
Within one to two years	11,138	-
Within two to five years	<u>18,698</u>	<u>-</u>
	<u>£39,046</u>	<u>£ -</u>



The Council of the Royal Yachting Association

Presents its 36th Annual Report

Together with the Audited Accounts of the Association for the year ended 31st March 2003

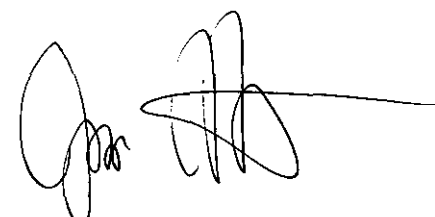
Royal Yachting Association Council  
As at 31st March 2003

Elected by the AGM  
HRH The Princess Royal KG KT GCVO QSO  
President  
R Langford  
Hon Treasurer

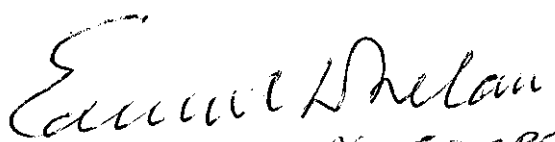
Ex Officio  
G L Clark  
Chairman  
E Ramsden MBE  
Deputy Chairman  
R C Batt  
Chairman Racing Committee  
A B Grant  
Chairman Legal & Government Affairs Committee  
S H Gardner  
Chairman Training Committee  
M Hughes  
Chairman Windsurfing Committee  
P Knatchbull  
Chairman Cruising Committee  
D Lewin  
Chairman Marketing Committee  
J Smithwick  
Chairman Technical Committee  
R Solomon  
Chairman Powerboat Racing Committee

Supernumerary  
V Sheen

Elected by the Personal and Life Members  
M J Batchelor  
R C Batt  
K C Falcon



JASON SMITHWICK. DIRECTOR



E.C. WHELAN. COMPANY SECRETARY

J M Fenn-Wiggin  
J E Friend  
A Lockett  
A R Macnaughton  
J F Murphy  
E Ramsden MBE  
W J Rhodes  
G Webster  
B E Woodhouse

Elected by the Clubs Voting Regionally

S H Gardner Eastern  
F N Wylie Eastern  
R Little East Midlands  
M Peacock North East  
H C Boyle Northern Ireland  
C J Selby North West  
S J Boyd Scotland  
I Malcolm Scotland  
J D Bence Southern  
P F King Southern  
P M Rayner CBE South East  
P S Bartlett South West  
H A Whatley South West  
N G Vick Thames Valley  
M Warner Thames Valley  
R L Roberts Wales  
M J Wigley West Midlands  
P Crooks (co-opted) Yorkshire & Humberside

Honorary Members appointed by Council

HRH The Duke of Edinburgh KG KT OM  
F Barron  
J F Crebbin  
K Ellis  
J M Evans  
K Ryan  
B L Southcott

The following Officers retired from the  
Council at the Annual General Meeting on  
17th October 2002

President

HRH The Princess Royal KG KT GCVO QSO

Honorary Treasurer  
R Langford

HRH The Princess Royal and Mr Langford being eligible and willing to stand were re-elected to their respective offices.

The following members retired from the Council at the Annual General Meeting on 17th October 2002 (except where otherwise stated)

Ex Officio  
J E Friend  
T W Jones  
J H Selby  
P Stacey (19 February 2003)

Supernumerary  
R Campbell  
L Walton (12th June 2002)

Elected by the Personal and Life Members  
H Amherst  
J A Morgan  
C Robinson  
C A Vasey

Elected by the Clubs Voting Regionally  
A E Sharman East Midlands  
J Boanas North East  
G D Thornton North West  
H J S Henderson Scotland  
R W Russell OBE Southern  
P M Jackson South East  
R Holmes West Midlands  
A Ladds Yorkshire & Humberside

The following became members of the  
Council from 17th October 2002 (except where otherwise stated)

Ex Officio  
R C Batt  
J Smithwick  
R Solomon (19th February 2003)

Elected by the Personal and Life Members

M J Batchelor  
R C Batt  
A Lockett  
G Webster

Elected by the Clubs Voting Regionally

R Little            East Midlands  
M Peacock        North East  
C J Selby          North West  
S J Boyd           Scotland  
P F King           Southern  
D K Cullen (deceased 28 Nov 2002) South East  
M J Wigley        West Midlands  
P Crooks (co-opted) Yorkshire & Humberside

Introduction

RYA Chairman: George Clark

Someone wise once said, 'If an organisation wants to move forward, it can't plan to do tomorrow what it did yesterday.'

The RYA's involvement with the management consultants McKinsey & Co was initiated on the premise that any organisation needs to periodically review its strategic priorities and the way its affairs are governed and managed. This major piece of work, which involved most of the staff and committee members as well as many others, was carried out on a pro-bono basis last year and has resulted in the Association having a clearer view of its future role and responsibilities.

RYA Council also reviewed the committee structure and decided to reduce the number of members and the frequency of meetings. The key philosophical change was to move towards a staff led management process, enabling committee members to concentrate on policy issues.

As a result, the RYA has a clearer focus and a leaner, more efficient governance structure.

The RYA moved its headquarters operation in March 2003 to new, purpose built offices in Hamble, some eleven miles from our previous offices in Eastleigh. The move has been an outstanding success; the building work was completed on time and on budget, and there has been universal approval of the style, layout and design of the new offices. The staff now have an open plan, properly serviced environment in which to work – modern and professional, without being opulent. Altogether a huge improvement which will improve efficiency and working practices leading to a better service for our members. We are now well positioned for an exciting future, to take advantage of new opportunities and facilitate the boating interests and aspirations of not only the all important membership but also the great British boating public.

## Finance

Honorary Treasurer:

Richard Langford

I am very pleased to report that the Association has made a modest surplus on its activities in 2002-03. Particularly so since this was the year in which we had all the costs of the move to Hamble and for which we had budgeted a small loss. The accounts show an operating loss of £28k (2001-02: surplus of £233k), but a net surplus after investment income, and allowing for tax, of £109k (2001-02: £361K). The accumulated fund shows a net increase of £56k to £2,169k.

The income and expenditure account reflects that personal membership has again risen during the year and this has taken subscription income upwards. Once again, the main training schemes and trading activities have moved forward strongly and the sales of goods and services rose by 14% compared to the previous year. However, the cost of sales increased by 17% and this loss of margin, allied to an increase of 14% in overhead and general costs, has driven down the bottom line figure. A further consequence is that the accumulated fund now represents just over 6 months cover for the administrative expenditure (2002: just under 7 months). The Association's key financial objective is to grow the fund to provide 9 months cover over the next 4 years so we have lost ground slightly. I would be concerned if we failed to restore the gross profit margin on sales in future years and will watch this angle closely in future budgeting rounds.

A notable feature of the year has been the success of the on-line shop within the new website. In its first year of operation the webshop generated sales of £103k and took another £60k in membership subscriptions. On a related front, the year saw the Navision accounting and recordkeeping system bedded-down and paying its way through streamlining and modernising much of the administration and certificate processing work.

For the second time, the accounts include a lengthy note on the final salary pension scheme as required by Financial Reporting Standard (FRS) 17. This is in preparation for the 2005-06 accounting year when we will be required to bring the fluctuations in the scheme's assets and liabilities within the income and expenditure account. During the year under report, the actuary carried out a full revaluation of the scheme on the normal basis (i.e. in accordance with Statement of Standard Accounting Practice 24). This showed that the assets of the scheme exceeded the liabilities by 104% as at April 2002. As a consequence (and in the light of further stock market falls since the revaluation date), it was considered prudent to stop the contribution holiday which had been in place since 2001-02, to make a one-off contribution to the scheme for 2002-03 and to resume full contributions from 2003-04.

The FRS 17 calculations take a more stringent view of the scheme's liabilities than SSAP 24 and, principally because of the recent stock market falls, disclose a large paper deficit at a snapshot date. However, sensible management of a pension scheme requires that decisions about contributions and investments be based on a long term, smoothed basis. The last SSAP 24 review showed the scheme to be just in surplus – and we are resuming contributions at the rate recommended by the scheme actuary. I do not believe

that the FRS 17 view requires that any other action should be taken, but I am continuing to watch the situation closely with our professional advisers.

The activity which dominated our finances last year was the building of the new headquarters and the move into them in March. This has transformed the balance sheet – although the transformation will not be complete until the old building is sold in late 2003. It had been planned to finance the purchase by using cash balances and a bank loan to cover the gap between the purchase of Hamble and the sale of Eastleigh. However, in the event the Finance Committee decided to take advantage of a stagnant stock market to reduce the proportion of long-held stocks with significant unrealised gains and to use the cash generated to avoid the need for a fixed loan. Their intention is that the sale proceeds from Eastleigh will be reinvested. Meanwhile, an overdraft facility is in place to meet any shortfalls in day-to-day cash.

In looking to the future, I anticipate a large book profit for the current year because of the sale of the old headquarters building. In addition, Council has approved a budget which should generate a positive trading surplus and cover the planned expenditure on the McKinsey initiatives on safety and the promotion of boating. Provided margins are maintained and costs are controlled then the Association's finances will remain on their current sound footing.

#### Legal and government affairs

Chairman: Bruce Grant

The former General Purposes Committee, which included several regional and activity division representatives has been re-constituted as the Legal and Government Affairs Committee with Members appointed for their specific skills.

A massive letter-writing campaign, co-ordinated by the Central Council of Physical Education, and involving hundreds of RYA Club Treasurers helped achieve tax relief for non-profit making community amateur sports clubs.

Unfortunately, the package does not include compulsory rate relief and this long-term lobbying campaign will continue into the future.

On the inland waterways, there were concerns that boats which complied with the new European regulations would have to conform with the Boat Safety Scheme once their four-year initial BSS certificate had expired. We obtained specialist counsel's opinion that this would be contrary to European law, and this has been agreed by the BSS management.

Much time has been taken up with the developers of offshore wind farms to ensure that rotor blades will be set at a height sufficient to clear most small craft. We have also formally objected to the imposition of compulsory 50m exclusion zones around the turbines, seeking to persuade Government that an advisory approach is preferable to regulation.

We continue to monitor Harbour Revision Orders around the country. The Trust Ports Review replaces nominees on harbour boards with individuals selected for their expertise in all the trust ports around the country. Our input should ensure that boating interests will have a strong voice at harbour board level.

There is strength in numbers and the RYA continues to strengthen ties with other organisations such as the CCPR (the umbrella body for all UK sports), and the Boating

Alliance (a 'shop window' for boating bodies) and the boating industry. As Secretary to the European Boating Association, we enjoy strong lobbying influence at Brussels. RYA comments have been accepted by the Shipping Minister in the new breathalyser legislation, which specifically excludes pleasure craft 'not under way'. Detailed consultation continues and we hope that the final rules will be a reasonable balance between ensuring public safety and freedom from unnecessary interference. Jerry Eardley, our in-house solicitor and Environmental Affairs Secretary, has retired after 16 years of service, and we welcome Dr Susie Tomson PhD as Planning and Environmental Officer and Neil Northmore, Solicitor, as Government Affairs Advisor.

## MARKETING

Chairman: David Lewin

Marketing is a major beneficiary of the recent move to Hamble. The whole team can now function as a single unit and build stronger links with other RYA departments. The relationship between Marketing and Training has been particularly effective, leading to the launch of a new 'tick mark' logo and the renaming of courses' providers as RYA Training Centres.

Early in the year, an extended policy-setting meeting was held to establish key strategic objectives that in turn provided the basis for a detailed marketing activity plan. This new style of meeting is now being emulated by other RYA committees.

Maintaining growth in RYA membership numbers and revenue remains a prime objective. Membership numbers give the RYA 'critical mass' in representing boating interests to important audiences. Subscription revenue provides much of the funding for the RYA's day-to-day activities. In both respects, it's becoming evident that a change of emphasis towards promoting boating generally, rather than RYA membership alone, is paying dividends. Membership continued on an upward trend, standing just below the 'magic' 100,000 mark by the end of the year.

The developing relationship with the British Marine Federation led to co-operation on a number of projects including a highly successful joint stand at the 2002 London Boat Show. The new stand's greater visibility led to a 50% increase over previous years in both new membership and publication sales.

Several new members' benefits were introduced, including discounts on AA membership and a range of travel facilities. The popularity of the RYA insurance scheme continued as did the RYA affinity card operated by HFC Bank. Commission from these represents a significant revenue stream that goes directly back into supporting other RYA activities. Publications were a further success story during the year. A continuing modernisation programme, the launch of several new titles, a new, across-the-board members' discount and the development of the RYA's online web shop all contributed to an overall one third increase in sales.

The Communications section had a busy year with a number of important initiatives to promote. The RYA has not always succeeded in trumpeting its own successes as clearly as it might have done and, despite good progress, more resources are needed in this area. The RYA Sailboat Show was as slickly organised as ever, although a decline in overall attendance suggests that a revision to its current format may be overdue.

## CRUISING

Chairman: Patrick Knatchbull

Following recommendations by McKinsey, the Cruising and Motorboating Committees were combined into one new entity with Patrick Knatchbull as Chairman. Committee members are now selected on their individual competencies rather than representative roles.

A Cruising Corresponding Committee was also set up to allow free exchange between interested organisations and individuals, the Regions and the Home Countries.

On the staff side, the Cruising Manager, Kathryn Burnett, left to pursue new challenges and Stephen Johnson took over as her successor. Also, new administrative assistant, Katie Wales, joined the team.

Throughout the year, RYA Cruising was busy spreading the word on the new SOLAS Regulations for vessels of less than 150 gross registered tonnes.

Heavy promotion of the RYA Sea Sense campaign also continued, encouraging better understanding between different water users and improving sea safety.

The RYA's Boat Safety Handbook was comprehensively updated and re-launched, providing easy-to-read information and guidelines on safety equipment for all types of motor and sail cruising. Its success was immediate and the first edition sold out within 6 months. We were delighted when the RNLI's Water Safety Team adopted the book as the basis for its SEA Check Scheme.

The RYA Blakes Paints Cruising Seminars in association with Yachting Monthly went from strength to strength this year. Delegates at Largs, Cowes, Plas Menai and Belfast enjoyed a variety of top quality presentations on the theme of 'Ready to Cruise?' Co-sponsors this year alongside Blakes Paints and Yachting Monthly included Gill, The Met Office and the RNLI.

The Honda RYA Youth Rib Championship was another success with more clubs than ever taking part. The top prize of a RIB, trailer and engine for each age group winner's club attracted record entries.

The RYA Sealine Motor Cruise was once again overbooked. Over 40 boats visited the north coast of France and the Channel Islands and enjoyed hospitality from local clubs and associations. Its success led to RYA Cruising announcing a pilot Sail Cruise for 2003.

## TRAINING

Chairman: Simon Gardner

There have been some major changes in Training this year including the introduction of the new tick mark logo to emphasise the benefits of accreditation and we now refer to our recognised schools as RYA Training Centres.

In line with the RYA's policy to attract more power craft users, Jonathan Mendez, a Yachtmaster Examiner and Powerboat Trainer was appointed to run and promote the Powerboat and Motor Cruising Schemes. Jon has been updating our syllabi and power craft publications and providing input into the navigation courses.



The RYA Yachtmaster Scheme had another successful year and expanded into the USA, with the recognition of the RYA's first USA training centre, Maritime Professional Training, in Florida. RYA Training now recognises over 50 training centres overseas, establishing the RYA as a world-renowned organisation.

The first Yachtmaster of the Year was Nick Bubb (23) from Suffolk, who was presented with the award by HRH The Princes Royal at the London International Boat Show in January.

Recent developments in electronic navigation have resulted in a completely new initiative for shorebased navigation courses. In partnership with the UKHO, the RYA is producing a CD rom of electronic navigation exercises and simulation. This exciting development, co-ordinated by Penny Haire, the Chief Cruising Instructor, will put the RYA at the forefront of training in these new navigation techniques and complements the updated syllabus.

Under the auspices of David Ritchie, the RYA Chief Dinghy Coach, the new National Sailing Scheme was successfully introduced to the 650 RYA recognised Dinghy and Keelboat centres. Supporting the Scheme are two new videos and publications, Start Sailing and Advanced Sailing.

Not only is RYA Training widely available to the recreational boating public it is also an integral part of the commercial requirement for small boats and is increasingly used as professional seamanship training. The Royal Navy has introduced RYA courses as part of the core training for all young Officers at the Britannia Royal Naval College, Dartmouth. Organisations as diverse as the Environment Agency, the RNLI and the Special Boat Service also use our courses.

There has been another major increase to over 130,000 people participating in RYA training this year. Much of the credit must go to the thousands of enthusiastic and committed instructors who deliver our courses.

As a result of McKinsey's recommendations Training's volunteers have been reduced in number and my thanks go to all, both past and present.

## RACING

Chairman: Dick Batt

The World Class Programme exceeded all expectations with 10 Olympic class, one Paralympic class and 11 youth/junior medals being won over the year.

Highlights of the year include Olympic Gold and Silver medallist Ben Ainslie MBE winning both World and European Finn Championships, only five months after joining the class.

Fellow Olympic Gold medallist Iain Percy MBE, sailing with Steve Mitchell, won Gold at their first attempt in the Star class, and Andy Cassell, Ed Suckling and Brian Harding won Silver in the Sonar at the World Disabled Sailing Championships.

It was also a busy year for keelboats with the English team finishing third in the Commodores' Cup, and the formation of the RYA/Volvo Keelboat Programme.

The RYA Match Racing Championships was again won again by Ian Williams. Paul Campbell-James won the youth match racing and went on to third place in the World Youth Match Racing Championships in New Zealand.

After some close competition at the World Team Racing Championships in Auckland, the GBR2 team finished second behind the USA.

At the Volvo Youth Sailing ISAF World Championship, Pippa Wilson and Jenny Marks took Gold in the girls 29er class, with the GBR team finishing in 4th place overall.

Hannah Mills finished 9th at the Optimist World Championships, the best ever result by a British girl and the first girl to win the UK National Championships.

As part of an overall review of the RYA youth and junior programmes, a number of staffing changes have been proposed. These include refocusing the HPM's role onto zone-based responsibilities, appointing a new National Junior Squads' Manager and changing the Youth Squads' Manager's and National Youth Coaches' responsibilities. Coach education carried on improving and there was an increasing number of coaching courses, workshops and conferences, with class associations participating at every level. New Regional qualifications were introduced for both judges and umpires and the number of qualified Race Officers has increased along with an extensive programme of Regional Race Officer conferences.

There has been significant committee reorganisation; YRDC has been replaced by a much smaller, more strategic Racing Committee and the former sub-committees have become streamlined groups, with authority for their own policy. The Racing staff now have a more executive role, with the various committees and groups advising.

My thanks go to John Derbyshire, the staff and the many volunteers but especially to John Friend, who stood down after five successful years as Chairman of YRDC.

## POWERBOATING

Chairman: Richard Solomon

In April, after 14 years in the hot seat, Peter Dredge moved onto a new venture and handed over the post of Powerboat Racing Manager to John Puddifoot.

2002 was a very successful year, kicking off with British racers winning the Offshore Class III 2 Litre World Championships in South Africa with other RYA licensed competitors taking 2nd, 3rd and 4th.

The advent of new Offshore one-design classes, namely the Honda 130 and 225 plus the 50hp Zapcat series have made a major contribution towards the way in which the sport is going. These particular classes, especially the latter, have drawn in huge numbers of newcomers to powerboat racing and licence numbers rose dramatically to reflect this.

The tried and true discipline of Class III 1.3 was amalgamated with F3 RIB to make good competitive racing, Offshore 2 Litre, 4 Litre, OCR A, B and C, along with RIB F1, F2 and F Open continued as the main-stay of the national series, and saw them racing in the Finals in Gibraltar at the beginning of October.

Two new experimental classes were introduced and included at some major events this year, Pro Vee boats and the Sunseeker Endurance boats.

Circuit continued with their ever-popular classes of F1, F2 and F3 on an international front and NS: 2000, S: 850, T: 850, Clubman, J: 250, and all hydroplane disciplines in their national series.

Cardiff and London proved to be well-organised international events by host clubs Stewartby and Essex. By the end of the season sportsboats had attained a F3 world championship and hydroplanes an OSY: 400 world title.

Aquabikes (jet skis) continued racing under their well-supervised organisation. Their no-nonsense attitude to running the sport reaped dividends, with two European titles gained and a World championship won by Vicky Molyneux-Beale.

Robin Adair and his Irish Jet Sport Racing Association affiliated to the RYA, gaining us another 30 plus riders as a result.

At the conclusion of the 2002 season, the UK had been awarded five world titles, five European championships and six world speed records.

The future of powerboat racing is looking rosy – there may have to be a change in attitude and procedure to adopt some new ventures, but the most important thing is to identify what our racers want and to make the sport evermore exciting for them.

#### Technical

Chairman: Dr Jason Smithwick

Much of the unit's time was spent in consultation with the Maritime and Coastguard Agency (MCA) on technical matters which might impinge on RYA Members' boats and their usage, in particular the MCA Codes of Practice for small commercial boats.

The new harmonised Code for sea-going vessels, which includes RYA Training Centre boats and charter yachts, becomes effective in late 2003. RYA affiliated club-owned boats were successfully negotiated out of the Code although the MCA is still keen for the RYA to introduce its own voluntary safety scheme for these boats.

Many of the RYA's requested changes to the new Code for Inland Commercial Boats were not accepted by the MCA. As a result, it was agreed that unless these changes were accepted the RYA could not support this Code.

During August, the Technical Unit, together with the BMF, negotiated modern equivalents to the 1963 Regulations for safety equipment on pleasure vessels of over 13.7m. These were agreed by the Secretary of State and became effective in September. The new International Standard for the stability and buoyancy of small craft, the development of which the Technical Unit had played a major part, was adopted. The new stability index, STIX, is arguably the most sophisticated stability screen available for ballasted monohull yachts. This standard is already in use by the MCA and RORC for IRC stability assessments.

Following on from this, British Standards have adopted an RYA draft standard for the damage stability and buoyancy of boats less than 6m in length.

The RYA submission to the ISAF proposing the interaction of the Racing Rules and Equipment Rules was finally given consideration by the ISAF. The result suggests that another simpler, submission should be made.

More clubs than ever made Returns for the Portsmouth Yardstick Scheme adding to the already extensive data. However the sparseness of data available for cruiser classes still causes concern.

McKinsey recommendations saw the formalisation of the Technical Unit as an RYA specialised department with a main Committee reporting directly to Council.

The Unit's trading activities, which in many cases are in competition with other organisations, have continued to secure an income which covers the cost of the Unit, meaning that RYA Technical is of no direct cost to the membership.

## WINDSURFING

Chairman: Martin Hughes

To ensure that we keep pace with the exciting and ever-changing world of windsurfing, this year, significant work has gone into developing a new national scheme and the tools to deliver it. Windsurfing Fastforward is now being piloted ready to roll out to over 200 windsurfing training centres from 2004. The feedback so far from windsurfing trainers, principals and instructors has been extremely positive.

Without committed and enthusiastic instructors and volunteers, windsurfing could not be the popular, exciting sport it is and to recognise this the RYA Windsurfing Awards were launched at Sailboat and Windsurf 2003. There were four hotly contested categories; 'Windsurfing Instructor of the Year UK', 'Windsurfing Instructor of the Year Overseas', 'The team15 Award' and 'The Coull Windsurfing Instructor Candidate'. The awards are dedicated to the memory of Roddy Coull.

Over 70 accredited clubs and 1,000 young people under 16 proves team15 is going from strength to strength and it's only in its second year! All credit goes to project leader Gillian Horne. T15 seems to be satisfying everyone's needs be that having serious fun racing, doing flashy freestyle or just sharing the water with friends.

Windsurfing's ground-breaking website kept our team15ers involved and having fun even when it was cold and dark outside. [www.team15.org.uk](http://www.team15.org.uk) is the place to be, even for some of the world's top professional windsurfers who log on from some of the hottest windsurfing spots around the world to keep our young windsurfers up-to-date with the latest radical news and tips.

Thanks to the generous support of the UK's windsurfing trade we were able to launch the next phase of the project at the Sailboat and Windsurf Show. The new race vests, branded with the team and sponsor's name, ensure that our young racers feel part of their team.

We are building an ever-stronger band of volunteers and parents, instructors and willing helpers who are ensuring safe and fun activity at team15 clubs and events nationwide.

After eight years of dedication, Barrie Edgington departed to take up the post of National Racing Coach whilst retaining responsibility for Olympic windsurf coaching. In his place, Helen Cartwright, an accomplished IMCO sailor and squad coach, has joined us as National Windsurfing Coach with a revised job specification focusing on coaching from the top end of team15 to national squads. This change is already showing significant benefits with increases in racing competence in team15 and better results from our squad windsurfers at both national and international levels.

## SAILABILITY

Chairman: Geoff Holmes

Although on a legal basis RYA Sailability cannot be an integral part of the RYA, it plays an important everyday role in the work of the Association.

In order to comply with the terms of the Charity Act, RYA Sailability is a registered Charity and is also a company limited by guarantee. It has one member which is the RYA. Our accounts are separately maintained and the Charity is governed by a board of six Trustees.

Four of these Trustees are appointed by the Council of the RYA, one by the National Development Board and one through a selection process in which beneficiaries play a significant role.

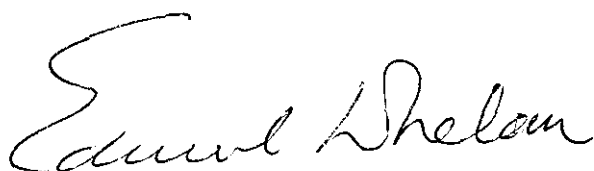
The work of the Charity focuses on training and funding to provide suitable facilities for disabled sailing. When a club can demonstrate competence in at least one area of disability they receive the Charity's nationally recognised Foundation Award. By the end of 2002/3 the Charity had 175 sites around the UK offering a range of opportunities in everything from dinghy to offshore sailing.

RYA Sailability also works closely with other sailing organisations and is seen as the umbrella body for disabled sailing in the UK. It sponsors events such as Blind Week and, through the generosity of Sunsail, arranged for 60 disabled youngsters and their carers to enjoy a week's sailing experience in Greece.

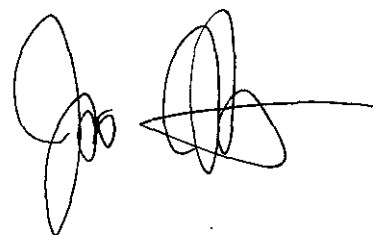
The work of the charity is devolved to the RYA regions and home countries. Each region has an unpaid volunteer organiser, who works closely with clubs, disability groups and RYA regional committees. There are also many hundreds of local volunteers without whom the work of the charity could not take place.

Our work is funded entirely by voluntary donations ranging from significant grants from Trusts including the Peter Harrison Trust and Fawcett Trust to individual donations from Personal Members of the RYA. The value of individual donations cannot be underestimated. If every one of the 98,000 personal members of the RYA donated just £3 each year, the future of the charity would be secure.

Over 10,000 people with disabilities now sail but a report by the Policy Studies Institute suggested that there could be as many as 60,000 who would be interested in taking up the sport, so 2003 promises to be a year of significant growth and activity.



E. C. WHELAN  
COMPANY SECRETARY



JASON SMITHWICK  
DIRECTOR