

British Sub-Aqua Club

Annual Report & Financial Statements 2020



British Sub-Aqua Club

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Company Registration Numbers:

British Sub-Aqua Club	1417376
BSAC International Ltd	2084663

Registered Office:

British Sub-Aqua Club & BSAC International Ltd

Telford's Quay
South Pier Road
Ellesmere Port
Cheshire
CH65 4FL

Auditors

Azets Audit Services Ltd (formerly Gardners Accountants Limited)
Chartered Accountants
Statutory Auditors
Brynford House
Brynford Street
Holywell
Flintshire
CH8 7RD

Bankers

HSBC Bank plc
94 Whitby Road
Ellesmere Port
Cheshire
CH65 0AE

Solicitors

Gateley Plc
Ship Canal House
98 King Street
Manchester
M2 4WU

The Members of Council present their annual report on the affairs of the British Sub Aqua Club (BSAC) together with the financial statements and auditors' report for the year ended 31st December 2020. The Group position reported is for BSAC and its wholly owned subsidiary, BSAC International Limited. The Company position reported is for BSAC only.

Principal Activity

The principal activity of the group in the year under review continued to be that of promoting underwater sport, exploration and science and related studies, safety in those activities, to maintain the highest standards therein, to co-operate with related organisations, and to sustain recognition as the National Governing Body.

Summary of 2020

Like many organisations, BSAC was hit hard by the global pandemic. Diving and snorkelling are communal and group-based activities, and as such were hit particularly hard by the restrictions on meeting up. Additionally, many branches lost access to their pools and were unable to train new members.

Council would like to express its gratitude to the divers and snorkellers who supported the club by renewing their membership, recognising that many people will have had their own personal challenges, both financial and non-financial. We had many offers of support from a wide range of members, and it is humbling that so many people care so deeply and passionately about the organisation. We are above all a membership organisation, and we would like to thank all of you for your support in these challenging times.

Thank you.

Impact of Covid-19 and our response

While the vast majority of existing members renewed their membership, we were hit by a severe drop in new members. Lockdown measures meant that clubs could not recruit or train new members, and consequently the number of new members dropped from 4,383 in 2019 to 1,976 in 2020. This is reflected in the overall membership trend, and fully-paid up members fell from 24,859 in 2019 to 21,594 in 2020.

As well as a fall in new members, training pack sales were significantly down, and we were unable to run Instructor Training Scheme (ITS) events. Consequently, our operating income fell by 27% from £1.9m in 2019 to £1.4m in 2020.

When the extent of the pandemic became apparent, we reacted quickly in several ways:

- Supporting our members by accelerating the switch to digital delivery and online learning
- Working with wider stakeholders to facilitate a return to diving and snorkelling as soon as possible
- Cutting costs at headquarters and elsewhere
- Applying for additional government support

In 2020, with the support of a fantastic team of volunteers, we successfully delivered 120 online lectures and events to 4,836 participants. This included a wide range of special interest webinars as well as theory training and Theory Instructor Exams. These have been well received and we will not only continue to deliver these in the future, but also expand our digital offering to the membership.

As well as providing support directly to our members, we also used our role as the National Governing Body to work with the Department for Digital, Culture, Media and Sport (DCMS) to enable a return to our sport as soon as possible. Working with the charter boat industry, inland diving sites, and BSAC Centres, we collaborated with other NGBs through channels such as the National Water Safety Forum to work together and promote COVID-safe practices in all our sports. This has been successful, and we look forward to these ways of working continuing post pandemic.

We also embarked on aggressive cost-cutting at headquarters and elsewhere. As well as furloughing staff, we also sadly had to say goodbye to some staff who were made redundant. Forced into homeworking, we also mothballed the headquarters building and embraced digital working.

The pandemic also had an impact on SCUBA magazine, advertising budgets were severely affected, and SCUBA's publishers took the difficult decision to wind up their business, meaning we had to find an alternative publisher. Given the lack of advertising we needed an affordable solution and so we decided to take SCUBA to an entirely digital format as a temporary measure. While many members were disappointed by this decision, most have been understanding, and 2021 has seen the return to a paper publication, albeit bimonthly.

Finally, we also took advantage of cheap finance and government support, not least a £305k grant from Sport England which is split across 2020 and 2021. This made a huge difference to our finances and has meant that we have been able to continue to deliver the services our members need.

Income and expenditure

As at 31-Dec-20	2020	2019
Membership*	23,912	27,002
Fully paid up members	21,594	24,859
New members	1,976	4,383
* Membership includes those who are up to two-months late in paying their subscriptions		

	£000	£000
Subscriptions	1,129	1,305
Total income (excluding grant income)	1,403	1,928
Total expenditure	1,561	1,903
Operating (deficit)/surplus before support	(158)	25
Bank interest receivable	-	2
Exceptional income – grant funding and other support	250	-
Surplus on Ordinary Activities (before taxation)	<u>92</u>	<u>27</u>
Total comprehensive surplus for the year (after taxation)	88	24
Accumulated fund	398	310

Income (excluding government support) was down by £524k (27%) on 2019. Costs were also reduced in 2020 by £341k resulting in an operating loss of £158k. Fortunately, we were successful in securing a grant from Sport England from their Emergency Fund, which was support for insurance, staff and utility costs.

The Sport England grant is £305k and is split over 2020 (£197k) and 2021 (£108k). We also successfully applied for bounce back loans from HSBC of £58k, and local authority grant funding of £25k. BSAC also received furlough support from HMRC of £27k.

The grant income more than offsets the operating loss of £158k, meaning that BSAC made a surplus of £88k for the year.

Financial position and going concern

There has been a material impact to BSAC's balance sheet caused by the effects of COVID-19. Net assets have increased from £310k to £398k at the balance sheet date. Cash at bank increased from £238k to £560k through the support of a Sport England Grant of £305k of which £108k has been treated as deferred income into 2021 to correspond with the insurance premiums, along with ITS events paid for in 2020 which will now run in 2021.

In anticipation of the uncertainties arising from the impact of COVID-19 Members of Council acted quickly to ensure that all financial consequences were identified and where necessary acted upon, in order to preserve the financial strength of the club for the future. Currently the Members of Council consider the Club maintains sufficient reserves to ensure the continued provision of services to its members.

The directors of BSAC have a fiduciary duty to assess and report on whether the organisation is a going concern. In normal times this is a relatively straightforward question, given the impact global pandemic, like many organisations, the Board thought it appropriate to consider the matter in this context. The directors are pleased to report that having done so it is considered appropriate for the financial statements to be drawn up on a going concern basis.

BSAC also owns a long-leasehold property, which was used as its principal office. Like many organisations, we were forced by the pandemic to move to home-working. Given the success of this home-based approach, BSAC undertook a review of ways of working and concluded that we did not need a large permanent office, but that leasing flexible office space would be both cheaper and more efficient. This approach also has non-financial benefits, as the move to digital working allows employees and volunteers flexibility to contribute to the success of the organisation without needing to be based in a specific location. In November 2020, Council took the decision that the HQ building was no longer right for the organisation and proceeded to actively market the property. It is anticipated a sale can be achieved in 2021, the current financial year.

Risks

The major risk facing the organisation is an extended period of lockdown with the associated negative impact on membership numbers. We continue to contingency plan against a range of scenarios both optimistic and pessimistic, and hope that our increased digital offering, clear guidance on diving in a COVID-safe way, as well as the wider benefits of BSAC membership continue to be a persuasive offering to members.

Council has also taken the opportunity to comprehensively review and refresh its strategy given the changes in the wider operating environment and the result is a new three-year rolling strategy:

Strategic direction and outlook

2020 was a tough year for BSAC, and given the pandemic has continued into 2021, we are expecting that this too will be a challenging year. Following the conclusion of BSAC's last five-year plan in 2020, we have developed a new strategy that we believe ensures BSAC is best placed to respond to the challenges ahead, and will transform the organisation, the strategy is both agile and responsive.

To this end, Council agreed a new three-year rolling strategy for 2021 and beyond. In developing the strategy much work has gone into thinking about why BSAC exists and what sort of organisation members need us to become. This thinking is informed by what our members tell us but also by full analysis of the society and environment in which BSAC now operates; a fast-paced, complex, and demanding world. At its very core BSAC is about people. BSAC's purpose is to enrich people's lives through growing, developing and protecting underwater sport and its community. This strategy will require BSAC to transform itself into an organisation that is both agile and responsive to a broader community of member interests. The aim is to create a National Governing Body fit for the future that will deliver better training and diving experiences for all, alongside the opportunity to make lasting and positive impacts on both the underwater environment and wider society.

The strategy sets out five values, and four key aims:

Our values:

- 1) Integrity - we work in a transparent and sincere manner, making balanced and impartial decisions
- 2) Togetherness - we are one team working towards our vision to be the 'go to' community for anyone wanting to learn about, enjoy and protect the underwater world
- 3) Excellence - we strive to attain the highest standards and help others to do the same
- 4) Inclusivity - we ensure diving is accessible and attractive to the most diverse audience possible
- 5) Conservation - we lead by example, promoting environmental stewardship for future generation:

Our four key aims:

- 1) Diving & Training: Increase the quality, consistency and relevance of training and increase access to diving and training opportunities, enhancing BSAC's leadership role in underwater sport.
- 2) Community: Utilise enhanced communication methods and technology to understand, mobilise, and connect the BSAC community; ensuring that community is accessible to all.
- 3) Environment: Strengthen our active contribution in the protection and conservation of the underwater environment.
- 4) Delivery: Increase the capacity and capability of BSAC to achieve its strategic ambitions.

The new strategy can be found here <https://www.bsac.com/this-is-bsac/governance/strategic-plan-2021-2023>

Council would like to thank all volunteers, at national, regional and club level, for their time and effort, without which surviving 2020 and its challenges would not have been possible. You are what makes BSAC unique.

Reporting to members

In order to protect its members, the British Sub-Aqua Club is run as a company limited by guarantee. This is a common structure for organisations like ours and means that in the event of the Club being dissolved members are liable for no more than £1 each. The legal document that sets out how BSAC operates and answers to its members is known as the 'Articles of Association' and refers to the Companies Act.

Board effectiveness

Council is collectively responsible for promoting the success of the British Sub-Aqua Club by directing, supervising, developing, and implementing policy and strategy, and is responsible to members for the group's financial and operational performance. Day-to-day management issues are delegated by Council to the Chief Executive and the Chief Operating Officer. For the year under review, Maria Harwood was responsible for the leadership of Council. During 2020, Council met 10 times formally and held several smaller working group meetings throughout the year.

Appointments and Members of Council

Officers and ordinary council members are voting members of Council who have been elected or co-opted as per the Articles of Association and are registered as directors of both the Company and BSAC international Ltd. Vice-Presidents are non-voting members who are re-appointed annually by a vote of Council. All members of Council are volunteers and as such receive no remuneration.

Name	Position	From	To	Attendance
M Harwood	Chair			10/10
G Hide	Vice Chair		25/07/2020	3/4
R Quinn	Ordinary member Vice Chair	Elected 25/07/2020	25/07/2020	4/4 6/6
D Atkins	National Diving Officer			8/10
K McKnight	Honorary Treasurer		Resigned 30/11//2020	8/10
JJA Suto	Ordinary member Honorary Treasurer	Appointed 10/12/2020	10/12/2020	3/4 6/6
R Sharp	Honorary Secretary			9/10
G Anderson	Ordinary member			9/10
D Bell	Ordinary member		25/7/2020	3/3
DRP Brander	Ordinary member			10/10
R Brown	Ordinary member	Elected 25/07/2020		6/6
E Haynes	Ordinary member	Elected 25/07/2020		6/6
C Howard	Ordinary member			4/10
M Lovesey	Ordinary member			8/10
J Mudge	Ordinary member			10/10
A Shenstone	Ordinary member			9/10
C Pooley	Ordinary member		Terminated 20/06/2020	0/4
Prof. B Cumming	Vice-president Ordinary member	Appointed 25/07/2020	25/7/2020	4/4 4/6
Prof. C Peddie	Vice-president	Reappointed 25/7/2020		6/10
P Harrison MBE	Vice-president	Reappointed 25/7/2020		10/10
A Marshall	Vice-president	Reappointed 25/7/2020		5/10
J Maddocks	Vice-president	Reappointed 25/7/2020		6/10

Audit committee

The Audit Committee acts independently of, but reports to, Council. Meetings of the Audit Committee, for the year under review, were attended, in whole or in part, by Nigel Rogers (Chair), Phil Harrison MBE, Prof. Brian Cumming, Tony Marshall, Prof. Clare Peddie and Wendy Meadows, BSAC Chief Operating Officer, and by invitation the Auditors, the Honorary Treasurer and the Chief Executive.

This year the work of the committee included:

- monitoring the integrity of the BSACs financial statements and reviewing significant financial reporting decisions, reviewing internal system control activities.
- the review and recommendation to Council regarding the appointment of the external auditors and approval of their remuneration and terms of engagement, and monitoring the external auditors' independence, objectivity, and effectiveness.

Report of Council

The members of council present their annual report, together with the financial statements of the company and the group for the year ended 31 December 2020 on pages 1 to 19.

Council

Council are the directors of BSAC and BSAC International Ltd, and details of the individuals and positions held during 2020 are included on page 4 of the report and accounts.

Statement of Directors' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all steps that he ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Charitable Donations

There were no charitable donations made during the year.

Subsidiary Undertakings

The company has one wholly owned subsidiary, BSAC International Limited. The principal activities of this subsidiary are the promotion of BSAC's systems and techniques of training in the UK and overseas markets.

Auditors

The auditors, Azets Accountants Limited (formerly Gardners Accountants Limited), Chartered Accountants, will be proposed for re-appointment, at the forthcoming Annual General Meeting.

Special Provisions Relating To Small Companies

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and groups.

By order of the Board 20th March 2021.

M Harwood
Chair

JJA Suto ACMA CGMA
Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH SUB-AQUA CLUB

Opinion

We have audited the financial statements of BSAC International Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 December 2020 and of its loss for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company 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 directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors 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 annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH SUB-AQUA CLUB (CONTINUED)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 company 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 business 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

John Gardner FCA (Senior Statutory Auditor)
For and on behalf of Azets (formerly Gardners Accountants Limited)
Chartered Accountants
Statutory Auditor
Bryn ford House, 21 Brynford Street, Holywell, Flintshire, Wales, CH8 8NJ.

**Group Income Statement
For the year to 31 December 2020**

	Notes	2020 £	2019 £
Income			
Subscriptions		1,129,200	1,305,491
Retail sales, exhibitions & related events		166,839	359,317
Diver training/ Instructor courses		86,765	186,706
Overseas royalties & fees		12,676	52,340
Sponsorship		5,000	12,000
Other income		3,261	12,010
		1,403,741	1,927,864
Expenditure			
Membership direct costs		(567,133)	(688,989)
Retail, exhibitions & related events		(147,766)	(251,049)
Diver training/ Instructor courses & development		(236,481)	(319,459)
HQ, Council, NDC, AGM, IT & other administration costs		(560,305)	(600,335)
BSAC International & other overseas activities		(22,897)	(7,208)
Sponsorship utilised		(5,000)	(12,000)
Depreciation		(21,725)	(23,418)
		(1,561,307)	(1,902,458)
Operating (deficit)/surplus before support	3	(157,566)	25,406
Exceptional income from grant funding and other support	4	249,567	-
		92,001	25,406
Bank interest receivable		389	1,226
Surplus from ordinary activities before taxation		92,390	26,632
Taxation	5	(4,873)	(2,645)
Surplus from ordinary activities after taxation & transferred to reserves	12	87,517	23,987
Total comprehensive income for the year		87,517	23,987

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the gains for the current year and the losses for the previous year.

Notes 1 to 15 form part of these financial statements.

British Sub-Aqua Club
Annual Report and Financial Statements for the year ended 31 December 2020

**Group and Company Statement of Financial Position
At 31 December 2020**

	Notes	2020		2019	
		Group £	Company £	Group £	Company £
<u>Fixed assets</u>					
Property, plant and equipment	6	376,448	376,448	393,808	393,808
Financial assets	7	8	10	8	10
		376,456	376,458	393,816	393,818
<u>Current assets</u>					
Inventories		189,904	189,904	200,404	200,404
Debtors	8	151,119	155,119	125,987	131,880
Cash at bank & in hand		559,618	523,143	238,201	190,601
		900,641	868,166	564,592	522,885
<u>Current liabilities</u>					
Creditors: Amounts falling due within one year	9	(826,466)	(816,078)	(648,372)	(642,301)
Total assets less current liabilities		450,631	428,546	310,036	274,402
<u>Non current liabilities</u>					
Creditors: Amounts falling due after one year	9	(53,078)	(46,297)	-	-
Total net assets		397,553	382,249	310,036	274,402
<u>Funded by Reserves:</u>					
Income & expenditure reserve	12	397,553	382,249	310,036	274,402
Accumulated fund		397,553	382,249	310,036	274,402

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small companies and groups and with the provisions of FRS 102 section 1A small entities.

Approved by Council on 20th March 2021 and signed on its behalf by:

M Harwood
Chair

JJA Suto ACMA CGMA
Director

Notes 1 to 15 form part of these financial statements.

**Group Statement of Cash Flow
for the year ended 31 December 2020**

	Cashflow Notes	£	2020 £	£	2019 £
Cash inflow from operating activities	A		328,038		9,629
Returns on investments and servicing of finance	B		389		1,226
Taxation	C		(2,645)		(2,844)
Capital expenditure	D		(4,365)		(9,667)
Increase (decrease) in cash in the period			<u><u>321,417</u></u>		<u><u>(1,656)</u></u>

Cashflow notes A to D form part of these cashflow statements

Analysis of cash flows in cash flow statement for the year ended 31 December 2020

	2020	2019	
	£	£	
A. Cash flow from operating activities			
Operating (deficit)/surplus before support	(157,566)	25,406	
Local authority support	25,000	-	
Furlough support	27,407	-	
Operating (deficit)/surplus	<u>(105,159)</u>	<u>25,406</u>	
Sport England grant	304,750	-	
Depreciation charges	21,725	23,418	
Decrease in inventories	10,500	43,923	
(Increase)/decrease in debtors	(25,132)	61,475	
Increase/(decrease) in creditors	<u>121,354</u>	<u>(144,593)</u>	
Cash inflow from operating activities	<u><u>328,038</u></u>	<u><u>9,629</u></u>	
B. Returns on investment and servicing of finance			
Interest received	<u>389</u>	<u>1,226</u>	
C. Taxation			
Corporation tax paid	<u>(2,645)</u>	<u>(2,844)</u>	
D. Capital expenditure			
Purchase of plant and equipment	<u>(4,365)</u>	<u>(9,667)</u>	
Reconciliation of cashflow to cash and bank balances			
	31.12.2019	Cash flow	31.12.2020
	£	£	£
Net cash:			
Cash at bank and in hand	238,201	321,417	559,618
	<u> </u>	<u> </u>	<u> </u>

Notes to the financial statements

1. Accounting Policies

{a} Basis of Accounting

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The group financial statements consolidate those of the holding company, the British Sub-Aqua Club, and its wholly owned subsidiary, BSAC International Limited.

In accordance with the exemption granted by Section 408 of the Companies Act 2006, no separate income statement is presented for the parent company. The pre tax surplus for the company was £107,847 .

The financial statements have been prepared on a going concern basis.

The impact of COVID-19 to the operation of the Club has been material, however Members of Council have taken practical and timely action to preserve the financial strength of the Club and are not aware of any material uncertainties which would warrant a change to this basis of accounting.

{b} Subscriptions

Subscriptions received in advance of performance are reflected as an obligation in the statement of financial position and released to the income statement over the period to which the subscription relates.

{c} Property, Plant and Equipment

Long leasehold properties held for their service potential are externally valued at least every 5 years subsequent to acquisition. In the period between external valuations Council review the value of the properties. Any impairment/gain in the value of a long leasehold property is recognised in the income statement. All other fixed assets are stated at cost.

Long leasehold properties held for sale are measured at the lower of carrying value and net realisable value.

Depreciation has been charged in the year at the following rates:

Computer Equipment:	25%	straight line
Motor Vehicles:	25%	reducing balance
Fixtures & Fittings:	15%	straight line

{d} Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

{e} Foreign Currency Translation

Foreign currency assets and liabilities are translated at the rate of exchange ruling at the statement of financial position date and any gain or loss arising on exchange is included in the income statement. Income and expenditure transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of receipt or payment.

{f} Leased Assets

Rentals paid under operating leases are charged to the income statement when incurred.

Notes to the financial statements continued

{g} Development Costs

Research and development expenses are charged to the income statement in the year in which they are incurred.

{h} Pension Contributions

The group operates a defined contributions pension scheme. Contributions payable are charged to the income statement in the year to which they relate.

{i} Campaign Sponsorship

Income is accounted for within the income statement in the year of receipt.

{ii} Grant Funding

Income is accounted for within the income statement in the period of the project. See note 4.

2. The Status of the Company

The company is limited by guarantee without share capital. The Council members control the activities of the Company. Under the terms of the Memorandum and Articles of Association, the liability of the members is limited and every member undertakes to contribute to the assets of the Company, in the event of a winding up, an amount not greater than £1.

As at 31 December 2020, there were 23,912 members (2019: 27,002) this includes due members. The fully paid member numbers for the corresponding periods are 21,594 (2019: 24,859).

3. Operating Deficit

The following items have been charged in calculating the operating deficit:

	2020	2020	2019	2019
	Group	Company	Group	Company
	£	£	£	£
Auditors remuneration	8,000	5,000	13,500	8,500
Directors emoluments	-	-	-	-
Depreciation	21,725	21,725	23,418	23,418

Notes to the financial statements continued

4. Grant income

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Sport England	197,160	197,160	-	-
Local Authority	25,000	25,000	-	-
Furlough Support	27,407	27,407	-	-
	<u>249,567</u>	<u>249,567</u>	<u>-</u>	<u>-</u>

Grant income was secured during the year from Sport England's emergency fund. As some of the grant relates to insurance costs for 2021, £107,590 has been deferred to 2021, the grant received was £304,750 in total.

A grant from the local authority was secured in addition to furlough support from HMRC.

Staff Costs

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Salaries	591,590	591,590	556,571	556,571
Social security costs	57,113	57,113	58,149	58,149
Pension costs	29,734	29,734	29,309	29,309
	<u>678,437</u>	<u>678,437</u>	<u>644,029</u>	<u>644,029</u>

The average number of employees of the group during the year was 16 (2019: 18), following the redundancy of 4 members of staff in 2020 the FTE is now 12.

The Members of Council, as directors, did not receive any remuneration for their services in that elected capacity, except reimbursed expenses as detailed in note 14.

5. Taxation

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
UK Corporation Tax:				
Current year provision	4,873	4,873	2,645	1,576
	<u>4,873</u>	<u>4,873</u>	<u>2,645</u>	<u>1,576</u>

Notes to the financial statements continued

6. Property, Plant and Equipment

	Long Leasehold Premises £	Computer Equipment £	Motor Vehicles £	Fixtures & Fittings £	Total £
Cost or valuation					
At 1 January 2020	340,000	95,263	8,880	279,108	723,251
Additions	-	3,817	-	548	4,365
Disposals	-	-	-	-	-
At 31 December 2020	<u>340,000</u>	<u>99,080</u>	<u>8,880</u>	<u>279,656</u>	<u>727,616</u>
Depreciation					
At 1 January 2020	-	70,215	7,534	251,694	329,443
Charge for the year	-	11,269	337	10,119	21,725
Eliminated on disposals	-	-	-	-	-
At 31 December 2020	<u>-</u>	<u>81,484</u>	<u>7,871</u>	<u>261,813</u>	<u>351,168</u>
Net book value					
At 31 December 2020	<u>340,000</u>	<u>17,596</u>	<u>1,009</u>	<u>17,843</u>	<u>376,448</u>
At 31 December 2019	<u>340,000</u>	<u>25,048</u>	<u>1,346</u>	<u>27,414</u>	<u>393,808</u>

The property is subject to a leasehold period of 123 years expiring in 2114 and was initially purchased in 1989 for £362,588.

The property was valued by Beresford Adams Commercial in line with Accounting Policy as part of the 2017 audit process, on an open market basis, at £340,000, as a commercial property.

In November 2020, the Board approved a proposal to sell the property. The property is available for immediate sale in its present condition and a sale is deemed to be highly probable within a year.

Notes to the financial statements continued

7. Financial Assets

	Group £	Company £
At 1 January & 31 December 2020:		
Shares in subsidiary undertakings	-	2
Unlisted investments at cost	8	8
	<u>8</u>	<u>10</u>

The investment in subsidiary undertakings at 31 December 2020 represents 100% of the ordinary issued share capital of BSAC International Limited.

The unlisted investment at 31 December 2020 is 15% of the ordinary share capital of Telford's Quay (Management Company) Limited.

8. Debtors - Amounts falling due within one year

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Trade debtors	13,604	13,604	19,780	19,780
VAT	18,490	18,490	27,648	27,648
Prepayments	119,025	119,025	64,852	64,852
Accrued income	-	-	13,707	2,100
Due from subsidiary undertaking	-	4,000	-	17,500
	<u>151,119</u>	<u>155,119</u>	<u>125,987</u>	<u>131,880</u>

Notes to the financial statements continued

9. Creditors

Amounts falling due within one year

	2020	2020	2019	2019
	Group	Company	Group	Company
	£	£	£	£
Trade creditors	79,284	79,284	144,764	144,764
Corporation tax	4,873	4,873	2,645	1,575
Taxation & social security	13,744	13,744	11,098	11,098
General accruals	47,748	42,248	10,751	5,750
Other creditor	22,194	22,194	-	-
Bank loans	4,466	3,703	-	-
Deferred grant income	107,590	107,590	-	-
Deferred royalty income	4,125	-	-	-
Deferred course income	104,736	104,736	32,514	32,514
Deferred membership income	437,706	437,706	446,600	446,600
	<u>826,466</u>	<u>816,078</u>	<u>648,372</u>	<u>642,301</u>

Amounts falling after one year

	2020	2020	2019	2019
	Group	Company	Group	Company
	£	£	£	£
Bank loans	53,078	46,297	-	-
	<u>53,078</u>	<u>46,297</u>	<u>-</u>	<u>-</u>

Bank loans

Bounce back loans were secured during 2020. These loans are interest free for a period of 12 months, there are a number of flexible repayment terms, these loans are unsecured.

Secured debts

The bank facilities are secured by a debenture over the assets of the group.

10. Operating Lease Commitments

At 31 December 2020 the company had annual commitments under non-cancellable operating leases for assets other than land and buildings expiring as follows:

	2020	2020	2019	2019
	Group	Company	Group	Company
	£	£	£	£
Within one year	9,148	9,148	9,148	9,148
Within two to five years	13,722	13,722	22,870	22,870
	<u>22,870</u>	<u>22,870</u>	<u>32,018</u>	<u>32,018</u>

Notes to the financial statements continued

11. Reconciliation of Movements in Members' Funds

	2020 Group £	2020 Company £	2019 Group £	2019 Company £
Opening Members' funds	310,036	274,402	286,049	254,975
Surplus for the financial year	87,517	107,847	23,987	19,427
Closing Members' funds	<u>397,553</u>	<u>382,249</u>	<u>310,036</u>	<u>274,402</u>

12. Income & expenditure reserve

	2020 Group £	2020 Company £
Accumulated Fund		
As at 1 January 2020	310,036	274,402
Retained surplus for year	87,517	107,847
Surplus carried forward	<u>397,553</u>	<u>382,249</u>

Notes to the financial statements continued

13. Guarantees and Financial Commitments

The company has a contractual commitment with regard to the publication of SCUBA Magazine. The terms of the contract provide for its termination with six months notice in writing by either party. Should such notice not be given a contractual payment by the company would be due of £27,000 (2019: 6 months notice = £51,000).

14. Details of Directors' and Vice Presidents' Expenses

The directors had no beneficial interest in the capital of the company.

This note details the individual Directors' expenses for the financial year during the time served as a Director of BSAC and BSAC International Limited as appropriate. It also details individual Vice Presidents' expenses.

As some are also involved in other activities and hold other positions as a volunteer, on behalf of the club, the total value is not directly attributable to Council business alone.

Name	Amount £	Name	Amount £
G Anderson	378	C Howard	395
D Atkins	995	M Lovesey	-
D Bell	145	J Maddocks	-
D Brander	-	A J H Marshall	-
R Brown	-	K McKnight	-
Prof. B Cumming	-	J Mudge	447
N Flemming	-	Prof C Peddie	-
H Gould	-	R Quinn	-
P Harrison MBE	-	R Sharp	241
M Harwood	778	A Shenstone	18
G Hide	-	JJA Suto	336
E Haynes	-		

15. Related party disclosure

Included within the company's creditors is a balance of (£4,000) (2019: £17,500) due to BSAC from its subsidiary undertaking. The movement includes a management charge of £4,000 (2019: £17,500).

BSAC President

HRH The Duke of Cambridge KG KT PC ADT 2014 - present

Past Presidents

HRH The Prince Philip, Duke of Edinburgh KG KT	1960 - 1963
The Earl Granville MC	1964 - 1966
Lord Wakefield of Kendal	1967 - 1970
Lord Ritchie - Calder of Balmashannar	1971 - 1974
HRH The Prince of Wales KG KT PC GCB	1974 - 2014

Life Vice-Presidents

N Oscar Gugen (Founder)
H Gould OBE JP BA DL FCA
M K Todd
I A N Irvine FCA
E F Crook

Vice-Presidents - in order of appointment

Past and Present

Major Sir Patrick Wall MC MP
Sir John Wedgwood
Colin H McLeod
Surgeon Rear-Admiral Stanley Miles CB
Alexander Flinder MBE
D M F Cockbill
Dr J Betts
Kendal McDonald
Dr N C Flemming OBE
Phil Harrison MBE
Prof Brian Cumming
Anthony Marshall
Jane Maddocks
Prof Clare Peddie

BSAC Honorary Life Members - in order of appointment

Past and Present

Commander Jimmy Hodges RN
Captain Jacques Yves Cousteau
Peter Small (Founder)
Dr Hans Hass
Dr Edwin Link
Commander W Shelford RN
Sir George Deacon CBE
HRH The Prince Philip, Duke of Edinburgh KG KT
Oscar Gugen (Founder)
G F Brookes
Colin McLeod
The Earl Mountbatten of Burma
Major Hume Wallace
Lord Wakefield of Kendal
Lord Ritchie-Calder of Balmashannar
C D Balaam
Dr D Boyd
A Ridout
Lt Cdr Jackie Warner DSC OBE
Lt Cdr Matthew Todd MBE
H Gould OBE JP BA DL FCA
Sir Arthur C Clarke
Phil Rogers
Vane Ivanovic
Surgeon Rear-Admiral Stanley Miles CB
Fred Briscoe
F D Leete III
Dr David Bellamy
J B Meredith
Surgeon Vice-Admiral Sir John Rawlins KBE
D M F Cockbill
E F Crook
W Burdett
M F Busuttilli
J Myers
M K Todd
Lionel Blandford
HRH Sheikh Hamad bin Khalifa al-Thani KCMG
Lady Philippa Scott
Stanley Thomas
Bernard Scott
Jim Corry
Alan Forster
M Holbrook
Margot Parker
Dr Sylvia Earle
Lotte Hass
Jerry Hazzard
I A N Irvine FCA
N Hashitani
Shunici Hosokawa
Phil Harrison MBE
Prof Brian Cumming
Anthony Marshall
HRH The Prince of Wales KG KT PC GCB
Mike Rowley
Deric Ellerby