



Trustees' Annual Report for the period

From	Period start date			To	Period end date		
	Day 08	Month May	Year 2018		Day 31	Month Dec	Year 18

Section A Reference and administration details

Charity name

THE ROYAL ENGINEER YACHT CLUB

Other names charity is known by

Registered charity number (if any)

1178311

Charity's principal address

Royal Engineer Yacht Club, The Ravelin Building, Brompton Barracks , Dock Road

CHATHAM

Kent

Postcode

ME4 4UG

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Brigadier David Robert ff Innes			Annual General Meeting
2	Colonel Gavin Paul Hatcher OBE	Vice Commodore		
3	Colonel Angus Ross Munro Wilson			
4	Colonel Jason Adam Hones	Commodore	08 May 2018 – 09 July 2018	
5	Lieutenant Colonel Mark Edward Johnson-Ferguson	Commodore	10 Jul 2018 - Present	

Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year
N/A	

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
N/A		

Name of chief executive or names of senior staff members (Optional information)

N/A

Section B Structure, governance and management

Description of the charity's trusts

Type of governing document (eg. trust deed, constitution)	Constitution
How the charity is constituted (eg. trust, association, company)	Association
Trustee selection methods (eg. appointed by, elected by)	Elected by Members at a General Meeting

Additional governance issues (Optional information)

You **may choose** to include additional information, where relevant, about:

- policies and procedures adopted for the induction and training of trustees;
- the charity's organisational structure and any wider network with which the charity works;
- relationship with any related parties;
- trustees' consideration of major risks and the system and procedures to manage them.

The Commodore and Vice Commodore are Trustees as Officers of the Club and the other Trustees have previously served as Officers of the Club, all elected by Full Members at a General Meeting.

The Trustees are all suitably trained for the purposes of their charitable role.

Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

The Object of the CIO is, for the public benefit, the promotion of the efficiency of the armed forces of the Crown by:

- (1) the provision and support of sailing facilities, equipment and activities for the efficiency and well-being of Service personnel;
- (2) increasing physical fitness of members of the Services through sailing;
- (3) providing opportunities for Service personnel to gain additional experience and develop the military virtues of courage, self-reliance, mental robustness, endurance and leadership relevant to their jobs;
- (4) encouraging esprit de corps and fostering high morale through representation in sporting competitions;
- (5) providing an association which supports the Corps of Royal Engineers and enables serving and former members to mix together, and creating opportunities for mentoring junior leaders by older, more experienced members.

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

The Royal Engineer Yacht Club (REYC) was founded in 1846, making it one of the most senior yacht clubs in the United Kingdom. Its membership is open to all serving and ex-serving Sappers, as well as to individuals (civilian and military) who are closely associated with the Club and who support its Object. The Club's activities are split into three different divisions: "Offshore", "Inshore" and "Regions". The Offshore Division currently operates 4 yachts which compete in various sailing regattas throughout the year, including the challenging Fastnet Race and Cowes Week, and which are also available for adventurous training and charter. The Inshore Division is responsible for dinghy sailing, windsurfing and kite surfing, and teams from these disciplines also take part in regular competitions, and an annual development week for novices. The Regions Division is responsible for coordinating Club activities across the UK. The principal function of the REYC is to promote sailing and seamanship amongst its Members and hence the Corps of Royal Engineers, by sponsoring sailing activities and developing sailing skills.

The REYC Fund provides its members with the opportunity to take part in sailing activities of all kinds. In pursuance of its Object, the Club:

- Maintains 4 offshore yachts berthed at Gosport.
- Maintains a fleet of windsurfers, which allows members to compete in Army and Inter-Service competitions.
- Supports Inshore sailing by the maintenance of a dinghy at the Army Inshore Sailing Centre Thorney Island.
- Supports its members in attending and participating in competition and adventurous training.
- Organises regattas to promote the skills required for sailing and seamanship.

This Fund provides public benefit by assisting service personnel to perform more effectively their roles within the Armed Forces of the Crown. It does this by *providing and supporting sporting and adventure training activities*. This assistance enables Service personnel to face the challenges and danger associated with military service by developing and maintaining *teamwork; skills; fitness; confidence, character, spirit and attitude; and morale*. As a result the Fund promotes the efficiency of the Armed Forces of the Crown by enhancing the British Army's capability to undertake the roles demanded of it including the defence of the United Kingdom and its interests.

The Trustees confirm that they have paid due regard to the Charity Commission of England and Wales's guidance on public benefit when deciding what activities the charity should undertake.

Additional details of objectives and activities (Optional information)

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.

The REYC intends to complete two significant equipment purchases over the next two years. For inshore the Club will use the legacy of the Townsend Trust to purchase and equip two Laser 2K Dinghies to support the growth experienced in recent years in this discipline. £20,000 has been set aside for this capital purchase. With regard to Offshore Hulls the Main Committee has concluded that the current fleet of 4 Hulls is not sustainable on the basis of the current fleet mix, income over expenditure balance or maintenance manpower. Accordingly the 2018 Annual General Meeting agreed that the fleet be rationalised to 3 Hulls to support a balance of racing, adventure training and cruising / development. *Ilex* and *Hebe* are to be sold on conclusion of the 2019 season with a replacement hull procured from the proceeds of the sale, Army Sailing Association administered Nuffield Grant and Hulls Fund allocation.

Summary of the main achievements of the charity during the year

The REYC has enjoyed a busy year for each of its operating divisions and branches. It has supported its members participating in both Service and civilian events, raising the profile of the Club and the Corps in the process. The Club has increased the numbers of its members participating in events and has likewise seen an increase in other rank participation, partially through delivery of targeted novice sailing events, wider military team building activities and the Club initiative to reinvigorate dinghy sailing for Service personnel on the River Medway.

Inshore. 2018 was a good year, it has provided another action-packed season with lots of opportunities across all Inshore disciplines. Highlights include a consecutive Inter-Corps Dinghy Championship Lagos Trophy win by the Dinghy Team (despite some formidable competition), a windsurfing training camp held for novices on Gundolph pond at Upnor, and an overseas expedition by the Kitesurfing team to Cyprus. Lance Corporal Crisp and Sapper Williams have continued to race for the Army dinghy team; both were selected for the Army Elite Sports programme and competed on the RS 400 national circuit. At the novice end of the spectrum, the partnership with Medway Yacht Club has been successful with another generation of Sappers under training at 1 RSME Regt experiencing sailing for the very first time. The balance within each Inshore discipline is now established, the management structure for each strand is better aligned and much more representative of our junior soldiers, resulting in a positive impact while has also increased recruitment. Windsurfing and Kitesurfing remain strong and successful. Inshore continues to grow with the challenge to maintain momentum while juggling operational commitments and all our sailors being available for training and racing.

Offshore. The Offshore Division of the Club has continued to offer what few other Service clubs can; a varied fleet for all types of sailing activity. The highlight of 2018 was winning the Army Offshore Regatta (AOR) with strong performances from *Trojan* and REYC skippers. Once again, participation in Cork Week showed off *Trojan's* ability in light airs and, with eleven Sappers taking part in Ex PACIFIC LONGBOW, the reach of the REYC was significant. Another successful RE Sail Training Week (for which demand was actually greater than supply) took place in July, introducing novices to the discipline and hopefully inspiring future skippers to do more with the Club. In more detail the notable highlights were:

Ex PACIFIC LONGBOW. This was the first sailing event of the year, a Joint Services expedition involving Sappers on the Hawaii to Vancouver leg of the exercise, from February to March 2018. Eleven members of the Corps undertook a passage of 2,400nm in the North Pacific in winter. The qualification requirement for this 'high risk and remote' leg required three Yachtmasters and a doctor to complete the mandatory crew requirement but it provided an excellent training opportunity in a relatively unusual part of the world.

Army Offshore Regatta (AOR). This year saw the Corps enter two boats and crews into the AOR; *Trojan* and STC *Dosinia*. *Trojan* competed in the IRC Division against three other boats from the RAC, RLC and REME Yacht Clubs, and was skippered by Sergeant Adam Hearn. *Dosinia* competed in the Victoria Division against six other boats from the R Signals, AGC, RLC, AAC, REME and CSTTG, skippered by Spr Joel Reeve. It was a strong turn out from the Corps with representation from 22, 26, 24 and 32 Engr Regts as well as the RE Warfare Wing. *Trojan* won all four inshore races and *Dosinia* won one of the Victoria Division inshore races, followed by respective wins of the offshore passage race despite some challenging racing conditions. During the hotly contested windward/leeward series, *Trojan* beat off their closest competition, *Ajax*, for another clean sweep over the three races, and *Dosinia* managed to win one of their races and placed second in another. The AOR proved to be extremely successful for the Club; not only were a lot of new faces introduced to the sport, but both crews also dominated the racing. *Trojan* and *Dosinia* crews won their respective series as well as numerous other accolades and were crowned overall Army Champions, claiming the elusive Dolphin Trophy.

Section D

Achievements and performance

Cork Week (the Beaufort Cup). *Trojan* once again participated in the Beaufort Cup (an International, Inter-Service sailing regatta run alongside the two-yearly Cork Week Regatta). As well as teams from the Irish Defence Force, there were teams from the RNLI, the RNSA (with a visiting RN warship present in Cork all week), the PSNI, 38 (Irish) Bde, R Signals YC, REME YC, RAFSA and Warrior Sailing (a US Forces injured serviceperson's organisation). Very light airs resulted in a relatively benign set of races, but a most enjoyable time was had by all, including a number of novices. Skippered by Maj Lloyd Hamilton, *Trojan* came 9th overall in class (after seven races) - in fact, beating all the other non-Irish entries except for the RNSA in *Jolly Jack Tar*.

RE Sail Training Week. The annual RE Sail Training Week in July 2018 was a great success. It was coordinated by the Honorary Secretary, Maj Oli Donaghy, and 42 soldiers from 14 RE units gained significant value from the experience. *Right Royal, Ilex* and five Joint Service Sail Training Craft (STC) were used and four days' sail training were completed. Two nights were spent alongside, one at anchor and one night at sea. Skippers were given the option of completing a 60Nm overnight passage around the Isle of Wight in order to add mileage to logbooks and give their crews experience of night sailing and navigation.

In terms of raw statistics the number of days that yachts have been sailed has risen again, improving on the high level of usage that was achieved in the 2016 and 17 seasons. Overall usage is better balanced this year with the numbers of Sprs, JNCOs and SNCOs continuing to grow. The breakdown for the 2018 season in terms of 'person sailing days', is as follows:

	Total Trg Days
Inshore	296
Offshore	1419
Total	1715

These usage statistics only capture sailing activity that has been completed using REYC owned yachts, dinghies and boards. Unit sponsored adventure training and the individual use of Joint Service yachts and facilities alongside larger expeditions, are not captured here as they are principally funded via separate mechanisms. It should be noted however that these latter activities are often enabled by the Club – expeditions are either directly lead and organised by its members or indirectly supported via the experience and qualifications of individuals that have been developed through the use of REYC assets.

Section E

Financial review

Brief statement of the charity's policy on reserves

The Vice Commodore has in place a 12 year Financial Plan, reviewed annually, that reflects the Club's equipment replacement programme funded through the Specific Purpose Fund, the Hulls Fund, and other sources.

The Club's reserves policy is to maintain a minimum of 6 months operating capital held as cash.

Details of any funds materially in deficit

None.

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

The REYC income comes primarily from Members' subscriptions, voluntary donations, Corps' grants and grants provided through the ASA, eg Army Welfare and Nuffield Trust.

The REYC remains solvent, with the 12 year hulls forecast appearing to remain viable for 3 hulls based on current Income and Expenditure. The Townsend Trust maintains a 15% holding in the value of Ilex. The financial plan for all parts of the Club is regularly reviewed to better inform any decisions to change the current hulls plan and Club spending, and also to support bids for external grants. The Inshore account and property have been incorporated into the Main account. Work to treat the Chatham account in a similar manner to Offshore as required by Club Rules is nearing conclusion with the establishment of the Chatham Branch Designated Fund to bring their activity onto the Main account alongside completion of work to complete the Branch asset register.

Section F Other optional information

The REYC has operated in recent years as an Excepted Charity under Service Funds Regulations. Following agreement of its Members in early 2018, the Club applied to become an Association Model Charitable Incorporated Organisation. The Club's application was accepted by the Charity Commission with the REYC CIO Association registered on 09 May 2018.

Since registration the Club has applied to formally close the Excepted Charity under Service Funds Regulations via the Army Personnel Services Group. The Club's accounts were formally audited under Service Funds Regulations as at 30 September 2018. The associated Army Form N1514 (Rev 11/09) Service Non Public Funds Final Accounts Managing Trustee's Report, Internal Audit Board Report and Independent Examiner's Report (SORP 2005 compliant) have been completed and submitted to the Army Personnel Services Group to allow EC Funds and Assets to be formally transferred to the CIO. This action was not concluded in this financial period and thus Funds and Assets will be transferred by resolution and deed in 2019.

This submission covers the financial activity of the REYC from the point of EC Audit to 31 December 2018. The REYC is completing the formal transfer of its assets from the old organisation to the new, before closing the old organisation; it is expected that this can be achieved by the end of 2019. CIO Rules are in draft for Member consideration at the 2019 Annual General Meeting.

To meet Charity Commission requirements the Club will move its financial accounts from 3 RSME Regiment as a Service Fund Excepted Charity to adopt CC approved civilian practices as required for a CIO. Accountancy and Audit support going forward will be provided by RE Corps' Funds at Chatham. 'Physical' banking arrangements will remain unchanged with Account migration to be completed at the point of the 2019 Audit.

Section G Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	David Robert ff Innes	Gavin Paul Hatcher
Position (eg Secretary, Chair, etc)	Chair of Board of Trustees	Ex Officio Trustee and Board Secretary
Date		