

THE FALKLAND ISLANDS ASSOCIATION

UNAUDITED ACCOUNTS

YEAR ENDED 31 MARCH 2021

**THE FALKLAND ISLANDS ASSOCIATION
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**CHARTERED ACCOUNTANTS' REPORT TO THE MEMBERS ON THE
UNAUDITED FINANCIAL INFORMATION OF
THE FALKLAND ISLANDS ASSOCIATION**

In accordance with the letter of engagement dated 7 August 2020, we have prepared for your approval the financial information of The Falkland Islands Association for the year ended 31 March 2021, which comprise the profit and loss account, the balance sheet and the related notes from the entity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation/a-z>.

You have approved the financial information for the year and have acknowledged your responsibility for it, for the appropriateness of the financial reporting framework adopted and for providing all information and explanations necessary for its compilation.

We have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial information.

Use of our report

This report is made solely to you, in accordance with the terms of our engagement letter dated 7 August 2020. Our work has been undertaken solely to prepare for your approval the financial information of The Falkland Islands Association and state those matters that we have agreed to state to you in this report in accordance with ICAEW Technical Release TECH08/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members, for our work or for this report.

BDO LLP

Chartered Accountants

Ipswich

UK

Date:

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Confirmation by The Falkland Islands Association

In accordance with the engagement letter dated 7 August 2020, I approve the financial information for the year ended 31 March 2021 which comprises the profit and loss account, the balance sheet and the related notes. I acknowledge my responsibility for the financial information, and for providing BDO LLP with all the information and explanations necessary for its compilation.

Tym Marsh (Treasurer) _____

Date: _____

THE FALKLAND ISLANDS ASSOCIATION
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

	2021		2020	
	£	£	£	£
INCOME				
Ordinary subscriptions	11,102		10,552	
Corporate subscriptions	230		250	
Meetings / Battle Day	-		1,005	
Adverts	1,485		1,710	
Merchandise	32		1,164	
Fundraising	-		900	
Reception income	-		452	
Grants	25,000		25,000	
Donations	2,490		5,129	
Other income	225		5,933	
SS Great Britain Exhibition income	4,842		31,560	
	<hr/>		<hr/>	
		45,406		83,655
INTEREST RECEIVABLE				
Bank interest received	7		24	
	<hr/>		<hr/>	
		7		24
		<hr/>		<hr/>
		45,413		83,679
EXPENSES				
General administrative expenses	4,567		15,595	
Governance Costs	1,136		3,716	
Travel and subsistence	-		3,049	
Advertising and promotion	28,417		18,389	
Legal and professional costs	4,354		5,129	
SS Great Britain Exhibition expenditure	6,722		29,417	
Other finance charges	343		408	
Depreciation and amortisation	3,791		3,226	
	<hr/>		<hr/>	
		49,330		78,929
(DEFICIT)/SURPLUS BEFORE TAXATION				
		(3,917)		4,750
Taxation on surplus		(532)		811
		<hr/>		<hr/>
SURPLUS AFTER TAXATION				
		(3,385)		3,939
		<hr/> <hr/>		<hr/> <hr/>

THE FALKLAND ISLANDS ASSOCIATION
EXPENSES
FOR THE YEAR ENDED 31 MARCH 2021

	2021		2020	
	£	£	£	£
General administrative expenses				
Telephone	121		102	
Postage and stationery	1,197		1,269	
Website hosting and training	1,397		4,672	
Meeting costs / Battle Day	-		6,603	
Computer costs	1,456		1,630	
Insurance	396		391	
Reception costs	-		390	
General expenses	-		538	
	<hr/>		<hr/>	
		4,567		15,595
Governance Costs				
Governance Costs		1,136		3,716
Travel and subsistence				
Travel expenses		-		3,049
Advertising and promotion				
Promotions	826		1,745	
Newsletters	27,007		15,793	
Merchandise	584		851	
	<hr/>		<hr/>	
		28,417		18,389
Legal and professional costs				
Accountancy fees		4,354		5,129
SS Great Britain Exhibition expenditure				
SS Great Britain Exhibition expenditure		6,722		29,417
Other finance charges				
Bank charges		343		408
Depreciation and amortisation				
Depreciation and amortisation		3,791		3,226
		<hr/>		<hr/>
		49,330		78,929
		<hr/> <hr/>		<hr/> <hr/>

THE FALKLAND ISLANDS ASSOCIATION

BALANCE SHEET AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
Intangible	2		2,954		5,931
Tangible	3		115		539
			3,069		6,470
CURRENT ASSETS					
Debtors	4	1,834		9,158	
Cash at bank		47,927		41,856	
		49,761		51,014	
CURRENT LIABILITIES					
Creditors	5	9,031		9,654	
NET CURRENT ASSETS					
			40,730		41,360
Deferred tax			43,799 (583)		47,830 (1,229)
NET ASSETS					
			43,216		46,601

THE FALKLAND ISLANDS ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES

(a) Accounting policies

The accounts have been prepared under the historical cost convention.

(b) Intangible fixed assets

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight line basis over their useful lives on the following bases:

Website development	33% straight line
Software	33% straight line

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	33 % straight line
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(d) Current and deferred taxation

The tax expense for the period comprises current and deferred tax.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the association operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

THE FALKLAND ISLANDS ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

2 INTANGIBLE FIXED ASSETS

	Website development £	Software £	Total £
Cost			
At 1 April 2020	5,285	4,599	9,884
Additions	390	-	390
	<hr/>	<hr/>	<hr/>
At 31 March 2021	5,675	4,599	10,274
	<hr/>	<hr/>	<hr/>
Amortisation			
At 1 April 2020	1,285	2,668	3,953
Charge for the year	1,850	1,517	3,367
	<hr/>	<hr/>	<hr/>
At 31 March 2021	3,135	4,185	7,320
	<hr/>	<hr/>	<hr/>
Net book amount			
At 31 March 2021	2,540	414	2,954
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	4,000	1,931	5,931
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

3 TANGIBLE FIXED ASSETS

	Computer equipment £
Cost	
At 1 April 2020 and at 31 March 2021	1,283
	<hr/>
Depreciation	
At 1 April 2020	744
Charge for year	424
	<hr/>
At 31 March 2021	1,168
	<hr/>
Net book amount	
At 31 March 2021	115
	<hr/> <hr/>
At 31 March 2020	539
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THE FALKLAND ISLANDS ASSOCIATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

4 DEBTORS

	2021 £	2020 £
Accrued income	-	2,804
Prepayments	<u>1,834</u>	<u>6,354</u>
	<u><u>1,834</u></u>	<u><u>9,158</u></u>

Future income of £2,878 in relating to a donation from Fortuna, in regards to accountancy costs is probable. This is at the descretion of Fortuna and although probable this is not certain and as such has not been included as a debtor in these accounts.

5 CREDITORS

	2021 £	2020 £
Deferred income	6,250	6,250
Corporation tax	(97)	600
Accruals	<u>2,878</u>	<u>2,804</u>
	<u><u>9,031</u></u>	<u><u>9,654</u></u>

Corporation tax creditor is calculated as follows:

Corporation tax refund of £96.71 in relation to 2019/20 due to losses carried back.

The current tax charge represents the corporation tax payable.

Deferred tax represents the timing difference in the tax between the tax computation and the accounts, as they are prepared under different rules. The reason for this is that the tax relief that can be claimed on the fixed assets is different to the rate of depreciation that is claimed in the accounts. This is not tax that you physically pay and is purely an accounting entry.