World Sailing Finance Report

Management Accounts:

- Management Accounts for Jan-May 2025
- Full Year 2025 Reforecast vs. Budget
- WS Investment Trust fund
- MNA Debtors

July 2025

Contents – Management Accounts

Summary

This report includes the financial results for the five months to May 2025 together with an updated forecast for the rest of the year to 31 December 2025, compared to budget (approved 3rd November 2024).

Actual results for Jan-May 2025 (slide 4):
The net deficit for the five months was -£1.3M, which is -664K higher than the budget for the period. The negative variance mostly relates to unrealised currency revaluation losses to date of £666K. The unrealised bank revaluation losses relate to World Sailing's USD cash-like holdings, but does not pose an immediate threat as such, as sufficient funds in GBP are available for running expenses in GBP over the next six months.

Whilst Income is below budget by £652K over the first 5 months, direct costs were below budget by £628K and so the Gross margin of £702K is only £25K below budget.

Forecast for the rest of the year(slide 5):
The forecast for the year shows a net deficit for the year of -£805K, compared to a budgeted deficit of -£335K. This includes the bank revaluation unrealised FX losses to date of -666K. Although revenue is expected to be below budget by £725K, this will ne offset by direct cost savings of £808K. The variances relate to the World Cup Series events and Sailing World Championship test events which will now not take place in 2026.

Cashflow forecast:
The cashflow forecast for 2025 (slide 7) remains positive, forecast cash at the end of December 2025 is expected to be £8.5M compared to budgeted closing cash balance of £7.3M, most of which is due to the higher income from Paris2024.

Profit & Loss: Jan-May 2025 Actual Vs. Budget

World Sailing Limited
Consolidated Profit and Loss

	Actual Jan -May 2025		
	Actual	**Budget**	**Variance**
Turnover			
Income	1,017,840	1,669,888	(652,048)
Total Turnover	**1,017,840**	**1,669,888**	**(652,048)**
Cost of Sales			
Direct Costs	315,729	943,254	627,525
Total Cost of Sales	**315,729**	**943,254**	**627,525**
Gross Profit	**702,111**	**726,634**	**(24,523)**
Administrative Costs			
Employment Costs	1,102,934	1,185,240	82,307
Overheads	273,000	216,479	(56,521)
Currency Gains & Losses	665,517	0	(665,517)
Total Administrative Costs	**2,041,451**	**1,401,720**	**(639,731)**
Net surplus/(deficit)	**(1,339,340)**	**(675,086)**	**(664,254)**

Main variances

Summary:

- Net deficit for the period of £-1.3M is higher than budget by £664K, most of it is due to unrealised FX translation losses of £666K. Gross margin and other overhead costs are almost in line with budget.
- Budgeted income and costs for World Cup Series Events did not take place, resulting in net savings to date.

Income:

- Actual income to date of £1M was below budget by £652K. Of this £108K was recognised in 2024, hence the results for the prior year were better than forecast.
- Further negative variances relates to new income projected from current customers, of which £318K is now expected to be earned in Q4-2026.

Direct costs:

- Direct costs of £315K were below budget by £628K, some of which relate to income not received as budgeted, but most of the savings have been realised.

Administration costs:

- Delays in recruitment and savings in contractor costs resulted in savings to date of £82K in employment costs, although legal costs in relation to the EGM of £40K to date has generated a negative variance against budget under overhead costs.
- Currency losses were explained under slide 3.

Profit & Loss: Full year Reforecast 2025 Vs. Budget

World Sailing Limited
Consolidated Profit and Loss

	Forecast Jan-Dec 2025		
	Forecast	**Budget**	**Variance**
Turnover			
Income	4,906,571	5,631,902	(725,330)
Total Turnover	**4,906,571**	**5,631,902**	**(725,330)**
Cost of Sales			
Direct Costs	1,722,474	2,530,605	808,132
Total Cost of Sales	**1,722,474**	**2,530,605**	**808,132**
Gross Profit	**3,184,098**	**3,101,296**	**82,801**
Administrative Costs			
Employment Costs	2,722,746	2,894,653	171,907
Overheads	601,256	542,110	(59,146)
Currency Gains & Losses	665,517	0	(665,517)
Total Administrative Costs	**3,989,519**	**3,436,763**	**(552,756)**
Net surplus/(deficit)	**(805,422)**	**(335,466)**	**(469,955)**

Main variances

Summary:

- The forecasted deficit for full year 2025 of £805K is £335K higher than the budgeted deficit of £335K. The forecast deficit includes unrealised currency losses to date of £665K.

Income:

- Budgeted income from the World Cup Series and Sailing World Championships test event was £159K, which will not be earned in 2025. However, there were higher cost saving in direct costs related to there events as below.

Direct costs:

- Direct costs for the year are forecast at £1.7M, with savings of £808K expected in the year.
- Budgeted costs related to the World Cup Series and Sailing World Championship test event were £331K, which will not be incurred in 2025.

Administration costs:

- The forecast for the rest of the year for employment costs has not been changed at this stage, although further savings are expected to be made due to delayed recruitment.
- The negative variance of £59K in overheads includes legal costs in relation to the EGM of £40K.

Balance sheet at 31 May 2025

Consolidated Balance Sheet		
World Sailing Limited & World Sailing (UK) Limited		
	May-25	Dec-24
Assets	£	£
Bank		
Bank & Cash	12,012,708	11,376,371
Current Assets		
Accounts Receivable	199,598	327,984
Prepayments & Accrued income	293,492	1,840,011
Other Debtors	33,129	45,251
	526,219	2,213,246
Fixed Assets		
Net book value	305,884	349,894
Total Assets	12,844,811	13,939,512
Liabilities		
Accounts Payable	163,948	147,764
Accruals & Deferred income	10,393,056	10,104,453
Loans	460,576	495,398
Deferred Tax	5,727	5,727
Other creditors	92,657	117,982
	11,115,963	10,871,324
Net Assets	**1,728,849**	**3,068,188**
Equity		
Current Year Earnings	(1,339,340)	574,606
Retained Earnings	3,068,188	2,493,582
Total Equity	**1,728,849**	**3,068,188**

Main Highlights

- The balance sheet at 31 December 2024 is based on audited accounts.
- Cash and Bank includes £11M placed in cash-like investments with Edmond De Rothschild bank, and investments have staggered maturity dates until 2028 in line with our cashflow requirements. Investments are mostly held in USD and GBP, with a small proportion held in EUR.
- Deferred income includes £9.6K income for Paris2024 which will be recognised equally over the four years 2024-2027.
- Loans relate to IOC loan which will be repaid at the end of 2025.

Quarterly Cashflow - Forecast for 2025

World Sailing Limited & World Sailing (UK) Limited

Quarterly Cashflows — **2025 Cashflow forecast**

	Actual Q1	Forecast Q2	Forecast Q3	Forecast Q4	2024
Opening cash	**11,376,372**	**12,495,990**	**10,990,218**	**10,018,058**	**11,376,372**
Cash receipts	2,428,869	200,542	385,306	245,947	**3,260,665**
Cash payments	(1,357,789)	(1,763,997)	(1,199,471)	(1,075,602)	**(5,396,859)**
Fixed asset additions	(1,308)	(711)	(204,000)	(202,000)	**(408,020)**
VAT refunds	34,411	39,009	46,005	21,793	**141,217**
Net cash movement	**1,104,183**	**(1,525,157)**	**(972,160)**	**(1,009,862)**	**(2,402,996)**
Closing Cash - pre funding	**12,480,554**	**10,970,833**	**10,018,058**	**9,008,197**	**8,973,375**
Loans	15,436	19,385	0	(460,576)	**(425,755)**
Closing Cash - post funding	**12,495,990**	**10,990,218**	**10,018,058**	**8,547,620**	**8,547,620**

Borowing - Loan from IOC					
B/F loan balance	**495,398**	**479,962**	**460,576**	**460,576**	**495,398**
Revaluation - Currency FX movement	(15,436)	(19,385)	0	0	**(34,821)**
Repayments	0	0	0	(460,576)	**(460,576)**
C/F Loan balance	**479,962**	**460,576**	**460,576**	**0**	**0**

Main Highlights

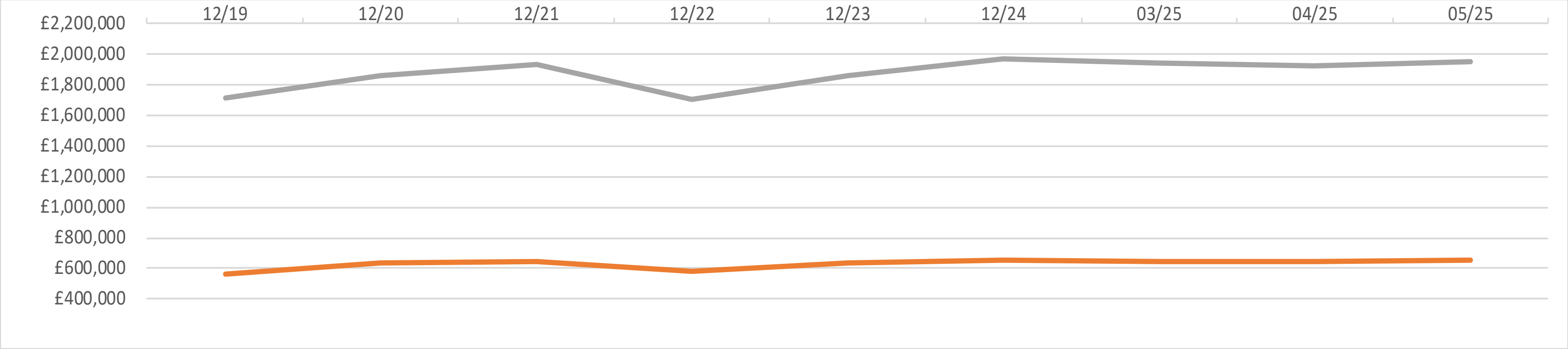
- Closing cash at the end of May 2025 was £12M and is expected to be £9M at the end of 2025.
- Fixed asset additions include a general provision of £400K for upgrades to the company website and development of a new Member ID portal and APP. However, the projects have not yet initiated and will require detailed cost benefit analysis before approval by the board. The project may be delayed to 2026.
- The USD IOC loan of $620K is revalued each month based on the month-end exchange rate. The loan is however fully covered by USD bank reserves.

WS Investment Trust

The current valuation of the Trust fund, held under the independent WS Investment Trust, was £2.6M as of 31 May 2025. The chart below shows the movement over the years from 2019. Investments are managed by Barclays Investments and are held in low-risk investments. World Sailing has a standing overdraft facility of £900K secured against this fund.

WS Investment Trust - Fund Valuation

	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/03/2025	30/04/2025	31/05/2025	Movement last 12 months		Movement since Dec19	
Euro Portfolio	€ 663,564	€ 710,445	€ 764,763	€ 657,790	€ 730,956	€ 793,010	€ 771,544	€ 758,505	€ 776,407				
Euro portfolio in Pounds Sterling	£ 562,366	£ 636,010	£ 641,476	£ 581,065	£ 633,462	£ 655,326	£ 644,695	£ 645,939	£ 653,905				
Pounds Sterling portfolio	£ 1,711,135	£ 1,862,648	£ 1,936,814	£ 1,708,677	£ 1,859,806	£ 1,972,632	£ 1,944,192	£ 1,924,070	£ 1,951,234				
Total Portfolio in Pounds Sterling	**£ 2,273,501**	**£ 2,498,658**	**£ 2,578,290**	**£ 2,289,742**	**£ 2,493,269**	**£ 2,627,958**	**£ 2,588,887**	**£ 2,570,009**	**£ 2,605,138**	**£ 69,971**	**3.0%**	**£ 331,637**	**14.6%**
FX rate Euros / Pounds Sterling	1.180	1.117	1.192	1.132	1.154	1.210	1.197	1.174	1.187				



World Sailing Limited - MNA Subscriptions debtor balances
16/07/2025

	Receivables	Total		Due for	
	African Sailing Confederation (ASCON)	£1,102.50	MNA	2021-2025	
	Mediterranean Sailing Union	£661.50	MNA	2023 -2025	
AHO	AHO Sailing	£32.71	MNA	2025 balance	underpaid
BAH	Bahrain Maritime Sports Association	£826.88	MNA	2025	
BOL	Bolivian Sailing Federation	£447.00	MNA	2021-2025	
BRU	Brunei Darussalam Yachting Assoc	£110.25	MNA	2025	
CUB	Cuban Sailing Federation	£330.75	MNA	2025	
COK	Sailing Cook Islands	£661.50	MNA	2023 -2024	paid 2025
COL	Federacion Colombiana de Vela	£826.88	MNA	2025	
IRA	Iran Canoeing, Rowing and Sailing Federation	£826.88	MNA	2025	
JAM	Jamaica Yachting Association	£330.75	MNA	2025	
PRK	Yacht Racing Association DPR Korea	£661.50	MNA	2024 & 2025	
LAB	Federation Libanaise de Yachting	£330.75	MNA	2025	
MOR	Fédération Royale Marocaine de Voile	£826.88	MNA	2025	
MOZ	Federacas Mocambicana de la Vela e Canoagem	£330.75	MNA	2025	
PNG	Sailing Papua New Guinea Inc.	£1,653.75	MNA	2021-2025	
SOL	Solomon Islands Yachting Association	£330.75	MNA	2023 - 2025	
SUD	Sudan Sailing Federation	£110.25	MNA	2025	
TAH	Federation Tahitienne de Voile	£110.25	MNA	2025	
TAN	Tanzania Sailing Association	£992.25	MNA	2023-2025	
TAJ	Sailing Federation of Tajikistan	£330.75	MNA	2025	
TIM	Timor Leste Sailing Federation	£108.52	MNA	2025 balance	underpaid
TUN	Federation Tunisienne de Voile	£31.00	MNA	2025	underpaid
UGA	Uganda sailing Federation Limited USAF	£110.25	MNA	2025	
UKR	Sailing Federation of Ukraine	£826.88	MNA	2025	
VEN	Federacion Venezolana de Vela	£1,653.76	MNA	2024 & 2025	
VIE	Vietnam Canoeing, Rowing and Sailing Federation	£330.75	MNA	2025	
BOT	Botswana Yacht Racing Association	£1,156.25	MNA SUSP PRE	2015-2025	
DJI	Federation Djiboutienne de Voile et des Sports Nautique	£1,311.75	MNA SUSP PRE	2012-2025	
KOS	Kosovo Sailing Federation	£956.25	MNA SUSP PRE	2017-2025	
NGR	Nigeria Rowing Canoe and Sailing Federation	£2,268.75	MNA SUSP PRE	2020-2025	
PAN	Panama Sailing Association	£856.25	MNA SUSP PRE	2018-2025	
ZIM	Sailing Association of Zimbabwe	£956.25	MNA SUSP PRE	2017-2025	
	Total MNA Fees Receivable	**£22,402.14**			