World Sailing Finance Report

Management Accounts:

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

September 2025

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Summary

This report includes the financial results for the eight months to 31 August 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-Aug 2025 (slide 4):
The net surplus for the eight months was £1.0M, which is -336K below budget for the period. The negative variance mostly relates to unrealised currency revaluation losses to date of 638K, included within Currency Gains & Losses of £707K. 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 £701K over the period, direct costs were below budget by £1.0M and the Gross margin of £4.0 is £329K over budget.

Forecast for the rest of the year(slide 5):
The forecast for the year shows a net deficit for the year of -£737K, compared to a budgeted deficit of -£335K. This includes the bank revaluation unrealised FX losses to date of -638K. Although revenue is expected to be below budget by £810K, this is offset by forecasted direct cost savings of £1.1M. The variances include 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-Aug 2025 Actual Vs. Budget

World Sailing Limited
Consolidated Profit and Loss

	Actual Jan -Aug 2025		
	Actual	**Budget**	**Variance**
Turnover			
Income	4,479,027	5,180,354	(701,327)
Total Turnover	**4,479,027**	**5,180,354**	**(701,327)**
Cost of Sales			
Direct Costs	522,425	1,552,772	1,030,347
Total Cost of Sales	**522,425**	**1,552,772**	**1,030,347**
Gross Profit	**3,956,602**	**3,627,582**	**329,020**
Administrative Costs			
Employment Costs	1,779,290	1,891,585	112,295
Overheads	421,593	351,197	(70,396)
Currency Gains & Losses	706,830	0	(706,830)
Total Administrative Costs	**2,907,713**	**2,242,781**	**(664,932)**
Net surplus/(deficit)	**1,048,889**	**1,384,801**	**(335,912)**

Main variances

Summary:

- Net surplus for the period of £1.0M is below budget by -£336K, most of it is due to unrealised FX translation losses of £638K, included within Currency Gains & Losses of £707K. Gross margin and other overhead costs are higher than budget.

Income:

- Actual income to date of £4.5M was below budget by -£701K. Of this £108K was recognised in 2024, hence the results for the prior year were better than forecast.
- Olympic income was higher than budget by £132K. This was partly offset by cancelled/postponed events with negative variance of -£185K and VIK not yet accounted for -£125K.
- 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 £522K were below budget by £1M, some of which relate to income not received as budgeted, but most of the other savings have been realised.

Administration costs:

- Delays in recruitment and savings in contractor costs resulted in savings to date of £112K. However, two new staff started in July, and two additional staff joined in September.
- Legal costs in relation to the EGM and employment have generated a negative variance of -£70K.
- 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	4,821,522	5,631,902	(810,380)
Total Turnover	**4,821,522**	**5,631,902**	**(810,380)**
Cost of Sales			
Direct Costs	1,459,396	2,530,605	1,071,210
Total Cost of Sales	**1,459,396**	**2,530,605**	**1,071,210**
Gross Profit	**3,362,126**	**3,101,296**	**260,830**
Administrative Costs			
Employment Costs	2,774,308	2,894,653	120,345
Overheads	617,533	542,110	(75,423)
Currency Gains & Losses	706,830	0	(706,830)
Total Administrative Costs	**4,098,671**	**3,436,763**	**(661,908)**
Net surplus/(deficit)	**(736,545)**	**(335,466)**	**(401,079)**

Main variances

Summary:

- The forecasted deficit for full year of -£737K is £401K higher than the budgeted deficit of -£335K, including the unbudgeted currency loss of -£706K.

Income:

- Budgeted income from the World Cup Series and Sailing World Championships test event was £159K, which will not be earned in 2025, but will be fully offset by direct cost savings of £331K.
- Income for the Annual Conference 2025 is £168K below budget, which will be partly offset by direct cost savings of £92K.
- Income for Development programmes is £-147K below budget, which will be fully offset by direct cost savings of £218K.

Direct costs:

- Direct costs for the year are forecast at £1.5M, with total savings against budget of £1.1M expected in the year, some of which are listed above and below.
- Other cost savings are expected in Business Development, Communications and PR and Sustainability programs of £199K.

Administration costs:

- The delays in recruitment generated employment cost savings, although recurring costs by the end of the year are expected to be in line with budget.
- The office rent agreement was due for renewal and a new rent agreement has been agreed with additional space from October. The rent will increase by £22K per annum which was not fully budgeted, but the additional space is required due to increased staffing. However, the negative impact for 2025 is only £3K.

Balance sheet at 31 August 2025

Consolidated Balance Sheet		
World Sailing Limited & World Sailing (UK) Limited		
	Aug-25	**Dec-24**
Assets	**£**	**£**
Bank		
Bank & Cash	10,798,110	11,376,371
Current Assets		
Accounts Receivable	109,966	327,984
Prepayments & Accrued income	308,844	1,840,011
Other Debtors	32,052	45,251
	450,862	2,213,246
Fixed Assets		
Net book value	281,815	349,894
Total Assets	11,530,788	13,939,512
Liabilities		
Accounts Payable	133,728	147,764
Accruals & Deferred income	6,728,464	10,104,453
Loans	459,130	495,398
Deferred Tax	5,727	5,727
Other creditors	86,660	117,982
	7,413,710	10,871,324
Net Assets	**4,117,078**	**3,068,188**
Equity		
Current Year Earnings	1,048,889	574,606
Retained Earnings	3,068,188	2,493,582
Total Equity	**4,117,078**	**3,068,188**

Main Highlights

- The balance sheet as at 31 December 2024 is based on audited accounts.
- Cash and Bank balance of £10.8M includes £10.2M 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 £6.4M income for Paris2024 (50% of total income) which will being recognised equally over 2026-2027.
- Loans relate to outstanding IOC loan £459K ($630K) 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**	**12,495,896**	**11,189,924**	**10,483,518**	**11,376,372**
Cash receipts	2,428,869	333,182	300,946	11,028	**3,074,025**
Cash payments	(1,357,884)	(1,706,150)	(1,019,926)	(1,224,537)	**(5,308,496)**
Fixed asset additions	(1,308)	(711)	(5,651)	(402,000)	**(409,671)**
VAT refunds	34,411	39,279	25,822	41,344	**140,856**
Net cash movement	**1,104,088**	**(1,334,400)**	**(698,809)**	**(1,574,165)**	**(2,503,286)**
Closing Cash - pre funding	**12,480,460**	**11,161,496**	**10,491,115**	**8,909,353**	**8,873,086**
Loans	15,436	28,429	(7,597)	(459,130)	**(422,862)**
Closing Cash - post funding	**12,495,896**	**11,189,924**	**10,483,518**	**8,450,223**	**8,450,223**

Borowing - Loan from IOC					
B/F loan balance	**495,398**	**479,962**	**451,533**	**459,130**	**495,398**
Revaluation - Currency FX movement	(15,436)	(28,429)	7,597	0	**(36,268)**
Repayments	0	0	0	(459,130)	**(459,130)**
C/F Loan balance	**479,962**	**451,533**	**459,130**	**0**	**0**

Main Highlights

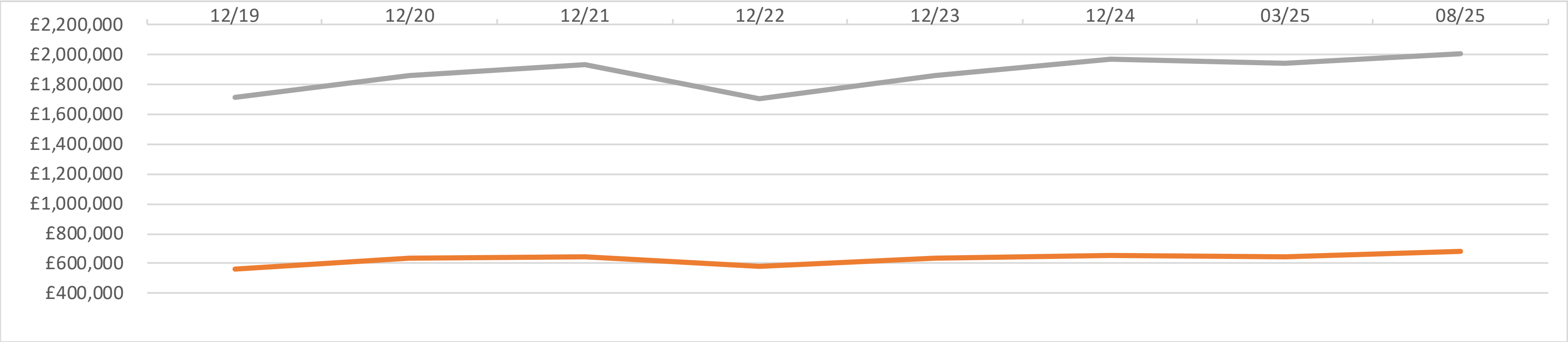
- Closing cash at the end of Aug 2025 was £10.8M and is expected to be £8.5M at the end of 2025.
- Fixed asset additions include a general provision of £400K for upgrades to the company website and development of a new Member ID portal and APP. The projects have now started with the recruitment of a project manager, but the project is still in discovery phase. A more accurate forecast is expected before the end of 2025.
- 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 £2.7M as of 31 July 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. The facility has not been used sine 2020 and hence no costs incurred for it since then.

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	31/08/2025	Movement last 12 months		Movement since Dec19	
Euro Portfolio	€ 663,564	€ 710,445	€ 764,763	€ 657,790	€ 730,956	€ 793,010	€ 771,544	€ 783,503				
Euro portfolio in Pounds Sterling	£ 562,366	£ 636,010	£ 641,476	£ 581,065	£ 633,462	£ 655,326	£ 644,695	£ 682,970				
Pounds Sterling portfolio	£ 1,711,135	£ 1,862,648	£ 1,936,814	£ 1,708,677	£ 1,859,806	£ 1,972,632	£ 1,944,192	£ 2,007,519				
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**	**£ 2,690,489**	**£ 97,682**	**4.1%**	**£ 416,988**	**18.3%**
FX rate Euros / Pounds Sterling	1.180	1.117	1.192	1.132	1.154	1.210	1.197	1.147				



World Sailing Limited - MNA Subscriptions debtor balances
10/09/2025

	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	£220.50	MNA	2024 - 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	not in existence for several years - confirmed by NOC
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	
ZIM	Sailing Association of Zimbabwe	£956.25	MNA SUSP PRE	2017-2025	
	Total MNA Fees Receivable	**£21,435.64**			