COWES TOWN WATERFRONT TRUST LIMITED

England & Wales · Charity number 1019760

Details

Status	Registered
Legal form	Charitable company
Company number	02751595
Registered	1993-04-07
Register	View on the Charity Commission register

Contact

Address	Cowes Yacht Haven Ltd Vectis Yard Cowes Isle Of Wight PO31 7BD
Phone	01983299975
Email	info@ctwt.co.uk
Website	https://www.cowesyachthaven.com/about-us/ctwt/

Activities

Objects: 4 The charity's objects ('Objects') are:4.1 To promote for the benefit of the inhabitants of Cowes and the Isle of Wight the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the life of the said inhabitants and to advance sailing and water sports in the waters around Cowes, and in furtherance of this Object to provide facilities for mooring and storage of boats for the benefit of the public at large.4.2 To promote the culture and heritage of Cowes and support the maritime heritage of the Isle of Wight;4.3 To promote the protection and improvement of the environment of Cowes Harbour.

Activities: To promote the provision of facilities for recreation in the interest of social welfare and to advance sailing and watersports in the waters around Cowes, and in furtherance of this object to provide facilities for mooring and storage of boats.To promote the culture and heritage of Cowes and the Isle of Wight.To promote the protection and improvement of the environment of Cowes Harbour.

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Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Amateur Sport, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** COWES, ISLE OF WIGHT
- Isle Of Wight

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,999,351	£1,631,187	£5,997,908	17
2024-03-31	£2,047,199	£1,675,789	£5,365,285	18
2023-03-31	£1,927,315	£1,643,834	£4,993,875	18
2022-03-31	£1,665,752	£1,405,588	£4,710,388	18
2021-03-31	£1,211,881	£1,233,497	£4,658,532	14

Trustees

Name	Role	Appointed
Anthony Francis Charles Lucas		2023-01-30
Graham Barnetson		2025-06-20
JEREMY NIGEL DALE		2019-06-19
Julian Timothy James		2022-05-16
Michael Charles Shepherd		2023-01-30
Michael Gordon Scott Greville		2018-12-18
Michael Timothy Elsom		2023-01-30
Ross Peter Owen		2018-12-18

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COWES TOWN WATERFRONT TRUST LIMITED

England & Wales - Charity number 1019760

Accounts

Company No: 02751595

REGISTERED CHARITY
ENGLAND AND WALES NO. 1019760

COWES TOWN WATERFRONT TRUST LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2025

COWES TOWN WATERFRONT TRUST LIMITED

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COWES TOWN WATERFRONT TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2025

Cowes Town Waterfront Trust Limited is a company limited by guarantee and a registered charity.

Directors and Trustees	G Barnetson	(Appointed 20 June 2025)
	J N Dale (Chairman)	
	M T Elsom	
	M G S Greville	
	J T James	
	C J Lloyd-Jennings	(Resigned 1 July 2024)
	A F C Lucas	
	R P Owen	
	J A L Riley	(Resigned 18 November 2024)
	M C Shepherd	
Charity Number	1019760	
Company Number	02751595	
Registered Office	Cowes Yacht Haven Vectis Yard High Street Cowes Isle of Wight PO31 7BD	
Chief Executive	D Jehan	
Company Secretary	C M Thomas	
Auditors	Moore (South) LLP 9 St John's Place Newport Isle of Wight PO30 1LH	
Solicitors	Roach Pittis 60-66 Lugley Street Newport Isle of Wight PO30 5EU	
Bankers	Lloyds Bank Plc 22 St Thomas' Square Newport Isle of Wight PO30 1SQ	

COWES TOWN WATERFRONT TRUST LIMITED

REPORT OF THE TRUSTEES AND STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also Directors and Members of Cowes Town Waterfront Trust Limited (the "Trust"), present their report together with the financial statements of the Trust for the year to 31 March 2025. This report also includes the requirements of a Directors' Report under Company law. The Trustees who served during the year and since the year end are as shown on page 1.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to these accounts and comply with the Trust's Memorandum & Articles of Association, the Charities Act 2011, Companies Act 2006, and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland effective January 2019.

Objectives and activities

The Trust's objectives are:

1. To promote for the benefit of the inhabitants of Cowes and the Isle of Wight the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the life of the said inhabitants and to advance sailing and water sports in the waters around Cowes, and in furtherance of this Object to provide facilities for mooring and storage of boats for the benefit of the public at large.
2. To promote the culture and heritage of Cowes and support the maritime heritage of the Isle of Wight;
3. To promote the protection and improvement of the environment of Cowes Harbour.

In order to achieve these objectives, the Trust, through its trading subsidiary Cowes Yacht Haven Limited (CYH), manages Cowes Yacht Haven Marina, Boatyard and Event Centre, as well as directly receiving rental income from various investment properties for use to further develop services and achieve outcomes for public benefit.

Structure, governance and management

The Trust is a Company limited by guarantee, established in 1992, whose governing documents are its Memorandum and Articles of Association, the latter of which was revised on 8 November 2021. The Trustees are appointed by the existing Board of Trustees and the minimum number of Trustees shall be three. One third of the Trustees must retire at each AGM and may be considered for re-appointment. Trustees are individual members of the Company and applications to become a member of the Trust are determined by the Board of Trustees.

The Trust advertises occasionally for new Trustees as well as welcoming letters of interest. New Trustees are appointed following discussion, and with reference to the specific skills required of the Board, including but not limited to commercial, business, property, events and hospitality, legal, marketing, regulatory and financial aspects.

The attrition rate of the Trustees is low with two trustees leaving in the past year, one due to leaving the Island and the other to take up another role having volunteered a long notice period. It was decided that just one of the two posts would be refilled which is that of the Finance Trustee.

The Trustees agree the Board's strategy and areas of activity for the Trust, including the approval of the annual budget, for both revenue and capital expenditure. At each meeting of the Board, the latest financial position is reviewed and authorisation as appropriate is given to individual items of capital expenditure, pursuant to the approval of the overall capital programme. Policy decisions on all land and property transactions are also made by the Board of Trustees.

The actual operation of Cowes Yacht Haven (CYH) is the responsibility of the Directors of CYH and the day-to-day management decisions are carried out by that company's Managing Director, Management Team and Staff. The CYH Board, which currently includes one Trustee and the Managing Director, makes recommendations to the Trust on issues of budget and policy for management of CYH, which are then considered and determined by the Trust. The Managing Director of CYH reports regularly to the Trust, and attends meetings of the Trust Board as appropriate to give advice and answer questions.

The total number of staff employed by CYH on a permanent basis is 16, enhanced during peak periods by the employment of part-time seasonal staff.

Throughout the year, joint meetings of the Trust Board and CYH directors take place to consider matters such as the Trust's strategic plan, budget for the forthcoming period and capital development plans. In addition, when required ad-hoc committees may be established, comprising representatives of both companies, designed to consider specific matters referred to them and report their recommendations to the Trust for determination.

The Trustees give due regard to the Charitable Objects and also the Public Benefit guidance issued by the Charity Commission in setting their business plans, and charitable distributions policy.

Charitable gifts/disbursements

The Association of Sail Training Organisations (ASTO) – Object 1
ASTO's mission is to "*promote Sail Training in the UK and to support the Sail Training Industry*". The Trust helped ASTO by gifting the CYH Events Centre venue hire fee and discounted berthing for their annual Small Ships Race weekend in Cowes.

British Powerboat Racing Club (BPRC) – Objects 1 & 2
The BPRC organises the annual Cowes-Torquay-Cowes International Powerboat Festival hosted from Cowes Yacht Haven. This event brings a unique business and profile to the town, along with a large number of followers who flock into the town to watch the boats preparing for their racing. The Trust was pleased to support the cost of berthing for the competitors and the provision of the Events Centre for race briefings and for the prizegiving ceremony.

Classic Boat Museum – Object 2
The Classic Boat Museum is a fully accredited independent maritime museum. Its collection of over 90 boats is complemented by a significant archive of film, photographs, ship plans, models and artefacts. The Trust was able to support the cost of archivist time to digitise material relating to HMS Cavalier and the RNLI Celebrations leading to the digitisation of material leading to a heritage trail on the east and west banks of the River Medina. In addition the Trust was able to cover the berthing costs in Cowes Yacht Haven of a replica Catboat from 1872 to allow them to take guests sailing. The original Catboat was built in Cowes to race against the new American designs.

Cowes Sailability – Object 1
Cowes Sailability is a registered charity that offers sailing and recreational boating opportunities for adults and children with physical disabilities, learning difficulties and debilitating long term conditions. The Trust supported the charity by providing five months berthing at Cowes Yacht Haven for the Drascombe Longboat La Lunga.

Etchells Youth Academy – Object 1
The Trust continued its ongoing support of youth sailing initiatives and engagement within the sailing fraternity through the Etchells Youth Academy to encourage and promote sailing to younger people.

The Trust's involvement included:

1. Provision of a substantial donation in the form of a discount for the storage and launching / recovery of four Etchells keelboats used by youth, support ribs and other boats.
2. Free of charge storage space for a 20ft container and the equivalent area for a client supplied marquee for the use of storage, repairs and briefings.
3. Provision of additional facilities free of charge including sail drying and folding facilities and meeting rooms when available.

Isle of Wight Ladies Football Team – Object 1
The IOW Ladies Football team is made up of players from all over the island and come from a range of economic backgrounds. 14 of the team are still in full time education. In addition to local matches, the Team attend and represent the IOW at the biennial Island Games which is on the Island of Orkney in July 2025. The Trust supported travel costs to help the team get to Orkney.

Scaramouche Sailing Trust – Object 1
The Scaramouche Sailing Trust provides opportunities for disadvantaged London inner city children to enhance their life chances through sailing.
The Trust supported The Scaramouche Sailing Trust by providing drysail facilities for two boats (Riot and Cote) as well as a marina berth for their support rib.

The value of all of the gifts (in cash and in specie) for the above activities was £36,292 (2024 £32,888).

The Cowes Yacht Haven team continues to accept bookings for rallies and regattas and the Directors are confident of a steady year's trading ahead.

The 2025 season is looking busy with a number of high profile events such as the Royal Thames Yacht Club's 250th anniversary celebrations and the Admiral's Cup Regatta running out of the marina. All high profile events will berth boats in the CYH marina and host shoreside activities in the Events Centre.

Discussions and bookings for 2026 are well under way and Cowes Yacht Haven is expecting to host the 44Cup, the International 12 Metre class, the Dragon Edinburgh Cup just to name a few. Further conversations are continuing for supporting European and World regattas in 2027 and 2028.

2026 will also see the 200th anniversary of Cowes Week Regatta and a number of celebrations are expected such as a display by the Red Arrows team, a parade of sail, a crew party and fireworks display all in and around the town adding to the festival atmosphere of the annual regatta for which many racing boats will berth at Cowes Yacht Haven.

Financial review
The Group achieved a surplus of £632,631 (2024: £371,410) in good trading conditions, this includes £264,467 increase in the valuation of fixed assets, without which the surplus would have been £368,164. The Trust's 98% owned trading subsidiary, Cowes Yacht Haven Ltd, delivered an operating surplus in the year of £145,022 (2024 £299,998).

The unrestricted funds at 31 March 2025 were £5,836,634 (2024 £5,360,825). At a consolidated level, available funds increased to £5,997,908 (2024 £5,365,285). The Trust licenses CYH to manage its marina and boatyard assets in the centre of Cowes. The licence fee paid was £382,000 (2024: £328,500) and CYH was able to gift £145,000 (2024: £300,000) to the Trust.

The Trust understands the importance of maintaining the facilities offered at a level that matches or exceeds any other major regatta venue (worldwide) and has continued its capital investment programme in furtherance of that target. This includes the purchase of a new hoist in September 2025.

Reserves
The Trust has free reserves of £563,286 (2024: £471,008) plus a further £1,884,000 (2024: £1,774,000) of funds in investment properties forming part of the site at Cowes, within the total funds of £5,997,908 (2024: £5,365,285).

The Trustees will continue to work to increase the level of free reserves, and consider that the Trust's assets are sufficient to enable it to support CYH's continuing capital expenditure and marina enhancement programme, as well as fulfil its charitable obligations for the foreseeable future.

Risk management
The Trustees regularly review the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to manage any exposure to the major risks.

The principal risk for CYH is that of being a seasonal business heavily dependent upon favourable weather conditions. Prolonged periods of adverse conditions would have a material impact upon income.

Prevailing economic conditions within the sailing industry, and markets that the Trust used to rely upon for corporate sponsorship of events, have been in decline over several years. CYH continued to benefit from a diverse range of services which has allowed it to spread risk and, while demand for certain services has reduced, the Trust has been able to adapt and generate growth in other areas of the business.

The Trust also benefits from investment properties on and adjacent to its site; whilst this exposes the Trust to risks associated with commercial property the portfolio continues to be fully let with no material void periods.

Tributes
The Trustees are most grateful for the hard work and diligence of the CYH staff, who are regularly the first point of contact that a customer has with the business. Their role is vital to repeat business and their contact with the customer may create business enquiries in other departments.

The Trust and CYH benefit in many ways from the skills and advice of the Trustees and the non-executive CYH director who spend a considerable amount of time advising on the activities of both the Trust and CYH. The Trust is most grateful for their advice and commitment for which they receive no remuneration.

Environmental and Sustainability
The Trustees are very aware of their responsibilities to protect and care for the environment, especially the quality of the water via which the majority of customers arrive and spend their leisure time.

CYH continues to:

- Investigate whether onsite machinery and plant could operate using plant derived biofuels or replaced with more efficient machinery or potentially run on electricity.
- Reduce water usage / wastage by improving water stands and upgrading plumbing across the site.
- Carry out improvements to help educate customers and staff with recycling especially with the new Simpler Recycling Legislation that includes food waste.
- Encourage boat owners using CYH facilities not to use soft anti-fouling paint.
- Promote best practice in environmental matters as guided by The Royal Yachting Association's Green Blue initiative, (whose mission is to promote a sustainable leisure marine sector in the UK).
- Work to maintain the high standards of quality and service delivery for customers that is required having achieved the top level five gold anchor accolade from The Yacht Harbour Association scheme.

Statement of Trustees' responsibilities
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Trust and of the net incoming / outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102 and the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Trust's constitution. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure of Information to Auditors
The following statements have been affirmed by each of the Trustees:

- so far as each Trustee is aware, there is no relevant audit information, (that is information needed by the company's auditors in connection with preparing their report), of which the company's auditors are unaware; and

- each Trustee has taken all the steps that he / she ought to have taken as a Trustee in order to make himself/ herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors
Moore (South) Chartered Accountants LLP has indicated its willingness to be reappointed as statutory auditor and a resolution to re-appoint them as auditors will be proposed at the next Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP).

Approved by the Trustees and signed on their behalf by:

J N Dale
Chairman

Dated: 17/10/25

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COWES TOWN WATERFRONT TRUST LIMITED FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the consolidated financial statements of Cowes Town Waterfront Trust Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31st March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and the charitable parent company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, 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 group and the charitable parent company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 trustees' 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 group's and charitable parent 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 trustees 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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in Directors' Report, included in the Trustees' Report.

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

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us: or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the consolidated financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirements to prepare a Strategic Report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees, who are also the directors of the charitable parent company for the purposes of company law, 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 trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the groups and charitable parent 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 trustees either intend to liquidate the group and parent charitable 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 consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company and the group.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Revenue recognition was also identified as part of our audit planning as a significant risk to the audit. Although the processing and recording of transactions is straight forward, there is the risk that revenue might not be recognised within the correct accounting period.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charites Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

- The consolidated financial statements of the group incorporate the results of the subsidiary company. Moore (South) LLP are auditors to the whole group and the same approach has been adopted to the subsidiary company as is appropriate to that entity.

In response to the risk of fraud through management override we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed transactions with related parties, in particular the management charges and transactions with group entities; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of incorrect recognition of income we:
- performed a proof in total of rental income received in the period, agreeing the amounts due to contracts and where appropriate the amount of income deferred;
- performed analytical procedures including comparing revenue received to the prior period and to budgets;
- vouched a sample of berthing fee and dry sail revenue transactions from source documentation to the accounting records; and
- tested berthing fee income cut off by agreeing a sample of deferred income calculations to supporting customer agreements.

In response to the classification of income between restricted and unrestricted funds we:
- agreed a sample of donations recorded in the nominal ledger to source documentation to ensure any restrictions were correctly identified; and
- agreed a sample of expenses incurred to ensure that they had been allocated to the appropriate fund.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the charitable parent 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 charitable parent 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 charitable parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sue Lucas - Senior Statutory Auditor
for and on behalf of Moore (South) LLP

Dated.....

Chartered Accountants
Statutory Auditor

9 St Johns Place
Newport
Isle of Wight
PO30 1LH

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
Income and Endowments from:					
Donations and legacies		101	6,000	6,101	6,140
Investment income	3	309,763	-	309,763	270,799
Other trading activities	4	1,683,487	-	1,683,487	1,770,260
Total income		1,993,351	6,000	1,999,351	2,047,199
Expenditure on:					
Charitable activities	6	454,559	-	454,559	513,392
Other trading activities	7	1,176,628	-	1,176,628	1,162,397
Total expenditure		1,631,187	-	1,631,187	1,675,789
Net gains/(losses) on investments		110,000	-	110,000	-
Net income		472,164	6,000	478,164	371,410
Transfer between funds		3,675	(3,675)	-	-
Other Recognised gains / (losses):					
Gains / (losses) on revaluation of fixed assets		154,467	-	154,467	-
Net movement in funds before minority interest		630,306	2,325	632,631	371,410
Non controlling interest		(8)	-	(8)	-
Net movement in funds and net income for the period		630,298	2,325	632,623	371,410
Fund balances brought forward at 1 April 2024		5,361,609	3,676	5,365,285	4,993,875
Fund balances carried forward At 31 March 2025		**5,991,907**	**6,001**	**5,997,908**	**5,365,285**

The accompanying accounting policies and notes form an integral part of these financial statements.

All operations of the Trust and its subsidiary are classified as continuing.

The individual results of the Charity alone are included in the notes to these accounts and are not presented as a primary statement in accordance with s408 Companies Act 2006.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2025

	Note	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Fixed assets					
Tangible assets	11	3,840,000	3,571,406	3,840,000	3,571,406
Investment properties	12	2,260,000	2,150,000	2,260,000	2,150,000
Investments	13	-	-	98	98
		6,100,000	5,721,406	6,100,098	5,721,504
Current assets					
Debtors	14	607,362	556,523	50,636	27,724
Cash at bank and in hand		1,402,739	1,037,473	969,708	691,684
		2,010,101	1,593,996	1,020,344	719,408
Creditors: amounts falling due within one year	15	(1,285,541)	(1,118,528)	(296,667)	(244,804)
Net current assets		724,560	475,468	723,677	474,604
Total assets less current liabilities		6,824,560	6,196,874	6,823,775	6,196,108
Creditors: amounts falling due after more than one year	16	(826,652)	(831,589)	(826,652)	(831,589)
		5,997,908	5,365,285	5,997,123	5,364,519
Funds					
Restricted funds	17	6,001	3,676	6,001	3,676
Unrestricted funds	18	5,836,634	5,360,825	5,836,655	5,360,843
Revaluation reserve	18	154,467	-	154,467	-
Trading funds	18	806	784	-	-
		5,997,908	5,365,285	5,997,123	5,364,519

The financial statements were approved by the Trustees on:

J N Dale – Chairman Date: 17/10/25

Charity Number: 1019760 **Company Number: 02751595**

The accompanying accounting policies and notes form an integral part of these financial statements.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Group 2025 £	Group 2024 £
Cashflow from operating activities			
Net cashflow from operations	See below	636,464	548,382
Total cashflow from operating activities		636,464	548,382
Cashflow from investing activities			
Payments to acquire fixed assets		(268,538)	(19,124)
Interest received		3,522	1,715
Total cashflow on Investing activities		(265,016)	(17,409)
Cash from financing activities			
Bank loan repayments		(6,182)	(361,875)
Total cashflow on financing activities		(6,182)	(361,875)
Net increase in cash and cash equivalents		365,266	169,098
Cash and cash equivalents at 1 April 2024		1,037,473	868,375
Cash and cash equivalents at 31 March 2025		1,402,739	1,037,473
Cash and cash equivalents consist of:			
Cash at bank and in hand		1,402,739	1,037,473
Cash and cash equivalent at 31 March 2025		1,402,739	1,037,473

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2025 £	Group 2024 £
Net income resources	632,623	371,410
Depreciation charges	154,411	165,383
(Increase)/Decrease in debtors	(50,839)	(168,571)
Increase/(Decrease) in creditors	168,258	181,875
Gain on revaluation of assets	(264,467)	-
Interest received	(3,522)	(1,715)
Net cash inflow/(outflow) from operations	636,464	584,382

ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/2024	Cashflows	At 31/3/2025
Long term borrowing	£	£	£
Bank loan	(87,771)	6,182	(81,589)
Property finance lease	(750,000)	-	(750,000)
Total liabilities	(837,771)	6,182	(831,589)
Bank and cash balances	1,037,473	365,266	1,402,739
Total net debt	199,702	371,448	571,150

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

1 ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

1.1 General Information and Basis of Accounting

Cowes Town Waterfront Trust Limited is a charitable company limited by guarantee, registered in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is detailed on page 1 and the objects of the Charity are given on page 2 of these financial statements.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS 102) effective from January 2019, the Charities Act 2011, Companies Act 2006, and UK Generally Accepted Accounting Practice.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest £1.

1.2 Going Concern

The Trustees have evaluated the net assets and reserves of CTWT, taking into account the need for ongoing investment in the CTWT properties, which going forward will be funded from growth and monies raised as a result of reviewing processes and becoming more efficient by enhancing internal procedures. Consequently, the Trustees are confident that sufficient reserves are available for the Trust to continue to trade.

The Trustees are optimistic about the future and the way the Trust and its subsidiary are working together. The Charity's finances will continue to be reviewed regularly and forecasts amended accordingly, giving the Trustees confidence that the Charity and its trading subsidiary have adequate resources and cash flow to continue in operational existence for the foreseeable future. Therefore, the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Basis of Consolidation

The group financial statements consolidate those of the Charity and of its subsidiary undertaking (see note 5) drawn up to 31 March 2025. The results of the Charity's trading subsidiary, Cowes Yacht Haven Limited have been consolidated on a line by line basis.

1.4 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

1.5 Income Recognition Policies

Donations and Gifts - All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. Donations, and any associated income tax recoveries when donated under gift aid, are credited as income when the amounts are received.

Activities for Generating Funds - Revenue from activities such as special fund raising events is recognised in the period in which the activity or event occurs.

Investment and rental income - Investment income including bank interest is recognised when received. Income from rental income is recognised in accordance with the period of letting, in accordance with individual lease agreements.

Grants Receivable - Revenue grants are recognised as incoming resources when the charity is entitled to the funds, their receipt is probable and can be quantified. Grants for which performance criteria are not met, or which are specified to future periods are deferred. Grants for the purchase of fixed assets are initially credited to restricted incoming resources as with revenue grants. On completion of the purchase or construction of the fixed asset towards which the grant was receivable, and once the restricted purpose has been fulfilled, the grant is transferred from restricted to unrestricted resources. Government grants for support are recognised as revenue grants.

Income from berthing and trading activities - Income is recognised net of VAT and applicable discounts over the period to which the berthing rental applies. Short term berthing fees are recognised on receipt, whereas long term and annual berthing arrangements are deferred over the period to which they relate. Other services income and sale of any goods are recognised immediately.

1.6 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes details of the costs in relation to fundraising events, following up donations, and seeking voluntary contributions and donations from supporters, and available sources;
- Expenditure on charitable activities includes management and operation of rental projects on Cowes Waterfront.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.7 Allocation of Support Costs

The analysis of these costs is included in note 6. Support costs are those which are not directly part of the activity, but which provides support administrative functions.

1.8 Tangible assets and depreciation

Land and buildings are treated as historic assets; the ownership is central to the purpose for which the company was formed. Land and buildings are stated at valuation, net of depreciation, and includes finance costs incurred prior to the asset being brought into use.

Revaluation gains and losses are recognised as gains on the revaluation of fixed assets within the Statement of Financial Activities and accumulated in a separate revaluation reserve, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in the Statement of Financial Activities or a revaluation loss exceeds the accumulated revaluation gains recognised in the revaluation reserve, such losses are recognised in Statement of Financial Activities

Other fixed assets are stated at cost, net of depreciation. Depreciation is calculated on all tangible assets to write down the costs or valuation less estimated residual value by annual instalments over their useful economic lives. The periods applicable are:

Freehold buildings and reclaimed land	2%	straight line
Dredging	33%	straight line
Plant & Equipment	2% - 25%	straight line
Pontoons	3% - 5%	straight line

1.9 Investment Properties

Property assets which are held for rental return, and which are let on a commercial basis to fund the charitable activities of the Trust are classified as investment properties. They are valued at market value and have been included at the values taken from the March 2025 valuation report prepared by Vail Williams, Property Consultants. Future valuations will reflect the properties market value at each period end, with reference to their ongoing rental yield and will be included at Trustee valuations, where Trustees believe they have sufficient knowledge to estimate the values. Changes in value will be reflected in unrestricted reserves, and reported annually through the Statement of Financial Activities. Investment properties are not depreciated. Where the properties are included on the long term finance lease, these properties will depreciate in line with the long term net present value of lease payments.

1.10 Investments

Assets held for investment purposes are included at market value. The investment in group trading subsidiaries are reflected at cost.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid based on the time apportionments of services received.

1.12 Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Retirement benefits – defined contribution schemes

The trading company, Cowes Yacht Haven Limited, operates a defined contribution pension scheme for employees. Contributions made to the scheme represents the pension cost charge in the statement of financial activities in the year in which they are payable.

1.14 Leased assets

Finance lease agreements
Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors. The Charitable Company entered into a 125 year lease in 2011 for land and buildings which forms a part of the overall premises operated as part of Cowes Yacht Haven. As this is a long term lease the liability is reflected at an 8% discounted present value of the lease payments, which does not reduce materially during the early years of the agreement. Consequently that liability will not reduce, and the payments reflected as lease rentals in the Statement of Financial Activities.

1.15 Taxation

This charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.16 Financial assets and liabilities

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.17 Judgements and key estimates

In the application of the Charitable Company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The significant estimates in relation to the accounting treatment of the finance lease for land included the discount factor to arrive at fair value.

NOTES TO THE ACCOUNTS (CONT)
FOR THE YEAR ENDED 31 MARCH 2025

2. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Income and Endowments from:					
Donations and legacies		140	6,000	6,140	6,186
Investment income	3	270,799	-	270,799	242,233
Other trading activities	4	1,770,260	-	1,770,260	1,678,896
Total income		2,041,199	6,000	2,047,199	1,927,315
Expenditure on:					
Charitable activities	6	513,392	-	513,392	459,102
Other trading activities	7	1,162,397	-	1,162,397	1,184,732
Total expenditure		1,675,789	-	1,675,789	1,643,834
Net income		365,410	6,000	371,410	283,481
Transfer between funds		4,532	(4,532)	-	-
		369,942	1,468	371,410	283,481
Net movement in funds before minority interest		369,942	1,468	371,410	283,481
Non controlling interest		-	-	-	6
Net movement in funds and net income for the period		369,942	1,468	371,410	283,487
Fund balances brought forward at 1 April 2023		4,991,667	2,208	4,993,875	4,710,388
Fund balances carried forward At 31 March 2024		5,361,609	3,676	5,365,285	4,993,875

3. INCOME FROM INVESTMENT ACTIVITIES

	2025 £	2024 £
Generated from:		
Rental income	286,595	269,084
Bank interest receivable	3,522	1,715
Electric recharges	19,646	-
	309,763	270,799

4. INCOME FROM OTHER TRADING ACTIVITIES

	2025 £	2024 £
Berthing, site space and miscellaneous income in the trading subsidiary.	1,683,487	1,770,260

5. NET INCOME FROM ACTIVITIES OF SUBSIDIARIES

The Charity has one subsidiary, Cowes Yacht Haven Limited, which is incorporated in the UK. Cowes Yacht Haven Limited operates Cowes Yacht Haven marina and covenants any taxable profits to Cowes Town Waterfront Trust Limited. Its results are included in these consolidated group accounts. A summary of the subsidiary's trading results is shown below. The net profit adjusted for net inter-company charges of £347,000 (2024 £293,500) is £492,022 (2024 £593,498).

	2025 £	2024 £
Total income	1,683,487	1,770,262
Cost of sales	(106,620)	(152,871)
Gross profit	1,576,867	1,617,391
Operating expenses	(1,088,207)	(1,025,608)
Marina licence paid to charity	(382,000)	(328,500)
Management charge to the charity	35,000	35,000
Investment Income	3,362	1,715
Profit/(Loss) for the financial period	145,022	299,998

The net assets and liabilities of the active subsidiary are:

	2025 £	2024 £
Current assets	1,204,342	995,319
Creditors: amounts falling due within one year	(1,203,436)	(994,435)
Total net assets	906	884
Aggregate of share capital and reserves	906	884

6. ANALYSIS OF CHARITABLE EXPENDITURE

Charitable activities – property costs	2025 £	2024 £
Property costs, rates and utilities	89,368	117,045
Finance and operating lease rentals	90,294	90,294
Property repairs and upkeep, development	28,402	30,313
Depreciation	154,411	165,383
Donations	36,292	33,058
Loan interest	3,153	17,511
Support and governance		
Office support cost	17,379	28,408
Governance costs audit and non-audit services	35,260	31,380
	454,559	513,392

7. ANALYSIS OF OTHER TRADING ACTIVITIES

	2025 £	2024 £
Costs of running the Yacht Haven operation		
Direct cost of marina events	106,620	152,871
Overhead costs	1,070,008	1,009,526
	1,176,628	1,162,397

8. OTHER COSTS

The deficit is stated after charging:	2025 £	2024 £
Auditors' remuneration:		
Audit services	25,340	24,600
Non-audit services	9,920	6,780
Depreciation	154,411	165,383
Finance lease and operating rentals	90,294	79,269

9. STAFF COSTS

Employee costs during the period were as follows:	2025 £	2024 £
Wages and salaries	511,613	496,933
Social security costs	46,355	43,977
Other pension costs	28,326	27,686
	586,294	568,596

The average number of employees during the period were as follows:	17	18

The emoluments of higher paid employees fell within the following range:

	2025	2024
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

The Charity bore no staff costs during either the current or comparative period. The payment of gross remuneration incurred in the year for Senior Management Personnel was £86,745 (2024 – £82,986).

No Trustee received remuneration or expenses in the period or the comparative period, directly or indirectly, from either the Charity or its trading subsidiary.

10. SURPLUS/(DEFICIT) OF EXPENDITURE OVER INCOME

The Consolidated Statement of Financial Activities includes the results of the Charity's subsidiary, Cowes Yacht Haven Limited. Details of the results of the trading subsidiary are set out in note 5. The summary financial performance of the Charity alone was:

	2025 £	2024 £
Income		
Charitable activities	382,000	328,500
Income from donations	151,101	306,140
Investment income	306,401	269,084
Total income	839,502	903,724
Expenditure		
Charitable activities	471,365	532,308
Total expenditure	471,365	532,308
Net income/(expenditure) for the period	368,137	371,416
Gains and losses on the revaluation of fixed assets	264,467	-
	632,604	371,416
Total funds brought forward on 1 April 2024	5,364,519	4,993,103
Total funds carried forward at 31 March 2025	5,997,123	5,364,519

11. TANGIBLE FIXED ASSETS

Consolidated and Cowes Town Waterfront Trust Limited

	Freehold Land & building £	Long Leasehold £	Plant and Equipment £	Total £
Cost or valuation:				
At 1 April 2024	2,236,448	390,000	2,285,016	4,911,464
Additions	-	-	268,538	268,538
Revaluations	95,009	-	-	95,009
At 31 March 2025	2,331,457	390,000	2,553,554	5,275,011
Depreciation:				
At 1 April 2024	59,458	-	1,280,600	1,340,058
Provided in the period	-	-	154,411	154,411
Revaluations	(59,458)	-	-	(59,458)
At 31 March 2025	-	-	1,435,011	1,435,011
Net book amount at 31 March 2025	2,331,457	390,000	1,118,543	3,840,000
Net book amount at 31 March 2024	2,176,990	390,000	1,004,416	3,571,406

The valuation of assets has been included at a revalued sum following an independent valuation by Vail Williams, Property Consultants in March 2025. Long leasehold property represents a strip of land held on the remaining 112 of 125-year lease.

12. INVESTMENT PROPERTIES

	2025	2024
	£	£
Freehold property	1,774,000	1,774,000
Revaluation	110,000	-
Long leasehold investment properties	376,000	376,000
	2,260,000	2,150,000

The Freehold Investment properties were valued by Vail Williams, Property Consultants in March 2025 on an open market basis. The value above also includes an assessment on the market value of the properties included within the Trust's finance lease, consistent with the rental yields, held on the remaining 112 of a 125 - year lease. One investment property with a value of £157,000 has been provided as security for the bank loan (2024 one property with a value of £157,000).

13. FIXED ASSET INVESTMENTS – COWES TOWN WATERFRONT TRUST LIMITED

The Trust owns 98% of the ordinary share capital of Cowes Yacht Haven Limited, a company registered in England and Wales (number 02744819) where principal activity is the operation of Cowes Yacht Haven, and whose registered office address is Vectis Yard, High Street, Cowes, Isle of Wight, PO31 7BD. The minority interest, consisting of 2% of the ordinary share capital of Cowes Yacht Haven Limited is held by the Isle of Wight Council. There are no restrictions placed on the Group's activities by the minority interest.

	2025 £	2024 £
Unlisted investment in the ordinary Share Capital Of Cowes Yacht Haven Limited	98	98

14. DEBTORS

	Consolidated		Cowes Town Waterfront Trust Limited	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	464,163	542,966	3,419	4,632
Other debtors	-	346	-	-
Prepayments	143,199	13,211	13,212	13,211
Social Security and other taxes	-	-	34,005	9,881
	607,362	556,523	50,636	27,724

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	156,952	50,050	19,911	21,828
Social Security and other taxes	154,134	155,749	-	-
Bank loan	4,937	6,182	4,937	6,182
Deferred income (see below)	831,449	771,548	6,554	21,061
Other creditors and accruals	138,045	134,983	84,589	84,885
Profits attributable to non-controlling interest	24	16	-	-
Amount due to subsidiary undertaking	-	-	180,676	110,848
	1,285,541	1,118,528	296,667	244,804

Deferred income represented berthing fees and rents received in advance.

At 1 April 2024	771,548	725,379	21,061	7,917
Amounts released to income in the period	(771,548)	(725,379)	(21,061)	(7,917)
Deferred in the period	831,449	771,548	6,554	21,061
At 31 March 2025	831,449	771,548	6,554	21,061

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2025	2024	2025	2024
	£	£	£	£
Net present value of future lease obligations	750,000	750,000	750,000	750,000
Bank loan	76,652	81,589	76,652	81,589
	826,652	831,589	826,652	831,589

The above liability relates to a net present value of the minimum lease payments under a 125-year lease agreement, which has been discounted at 8%. Lease rentals of circa £79,268 per annum are payable for 112 years remaining of the lease. Lease rentals are payable by quarterly instalments, and the capital sum will not diminish in less than five years. Rent reviews are every 5 years and are based on RPI. Any increases in lease payments arising from these reviews are treated as contingent rent and are recognised in the Statement of Financial Activities as incurred. The calculation of the finance lease liability therefore excludes such contingent rent adjustments.

The bank loan is secured on a fixed and floating charge on the Group's assets, and a number of investment properties within Cowes Town Waterfront Trust Limited.

17. RESTRICTED FUNDS (Consolidated and Charity)

	Balance at 01/04/2024	Income	Expenditure	Transfer	Balance at 31/03/2025
	£	£	£	£	£
Visual Improvements Fund	3,676	6,000	-	(3,675)	6,001
Total restricted funds	3,676	6,000	-	(3,675)	6,001

Comparative (Consolidated and charity)	Balance at 01/04/2023	Income	Expenditure	Transfer	Balance at 31/03/2024
	£	£	£	£	£
Visual Improvements Fund	2,208	6,000	-	(4,532)	3,676
Total restricted funds	2,208	6,000	-	(4,532)	3,676

The Visual Improvements Fund is restricted within the accounts of the Trust for visible improvements to Cowes Yacht Haven marina and events centre.

The transfer between funds relates to the expenditure of restricted funds on unrestricted fixed assets.

18. UNRESTRICTED FUNDS

Consolidated

	Balance at 01/04/2024	Income	Expenditure	Transfer/ gains/loss	Non-controlling interest	Balance at 31/03/2025
	£	£	£	£	£	£
General fund	5,361,609	1,993,351	(1,631,187)	113,675	(8)	5,837,440
Revaluation reserve	-	-	-	154,467	-	154,467

The revaluation reserve represents the un-realised gains on the valuation of the charity's investment properties.

Comparative Consolidated

	Balance at 01/04/2023 £	Income £	Expenditure £	Transfer £	Non-controlling interest £	Balance at 31/03/2024 £
General fund	4,991,667	2,041,199	(1,675,789)	4,532	-	5,361,609

Charity

	Balance at 01/04/2024 £	Income £	Expenditure £	Transfer/ Gains/Loss £	Non-controlling interest £	Balance at 31/03/2025 £
General fund	5,360,843	833,502	(471,365)	113,675	-	5,836,655
Revaluation reserve	-	-	-	154,467	-	154,467

The revaluation reserve represents the un-realised gains on the valuation of the charity's investment properties.

Comparative Charity

	Balance at 01/04/2023 £	Income £	Expenditure £	Transfer £	Non-controlling interest £	Balance at 31/03/2024 £
General fund	4,990,895	897,724	(532,308)	4,532	-	5,360,843

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Consolidated at 31 March 2025			
Tangible fixed assets	3,840,000	-	3,840,000
Investment properties	2,260,000	-	2,260,000
Current assets	2,004,100	6,001	2,010,101
Current liabilities	(1,285,541)	-	(1,285,541)
Non-Current liabilities	(826,652)	-	(826,652)
	5,991,907	6,001	5,997,908
Cowes Town Waterfront Trust at 31 March 2025			
Tangible fixed assets	3,840,000	-	3,840,000
Investments	2,260,098	-	2,260,098
Current assets	1,014,343	6,001	1,020,344
Current liabilities	(296,667)	-	(296,667)
Non-Current liabilities	(826,652)	-	(826,652)
	5,991,122	6,001	5,997,123

20. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Consolidated at 31 March 2024			
Tangible fixed assets	3,571,406	-	3,571,406
Investment properties	2,150,000	-	2,150,000
Current assets	1,590,320	3,676	1,593,996
Current liabilities	(1,118,528)	-	(1,118,528)
Non-Current liabilities	(831,589)	-	(831,589)
	5,361,609	3,676	5,365,285
Cowes Town Waterfront Trust at 31 March 2024			
Tangible fixed assets	3,571,406	-	3,571,406
Investments	2,150,098	-	2,150,098
Current assets	715,732	3,676	719,408
Current liabilities	(244,804)	-	(244,804)
Non-Current liabilities	(831,589)	-	(831,589)
	5,360,843	3,676	5,364,519

21. PENSIONS

Defined contribution scheme

The Trust through its trading subsidiary, operates a defined contribution pension scheme for its employees, and also to meet its obligations of auto-enrolment. The sums in respect of employee and employer contributions are paid to third-party providers and are managed external to the Trust. The contribution payable to the pension funds during the year was £28,326 (2024 £27,686). At the year-end, £nil was payable to the fund (2024 £3,416).

22. RELATED PARTY TRANSACTIONS

During the year the Charity's subsidiary, Cowes Yacht Haven Limited, paid the Charity £382,000 (2024 £328,500) in relation to a Marina licence. During the year, the Charity also paid a management charge to Cowes Yacht Haven Limited amounting to £35,000 (2024 £35,000). The amount due to the subsidiary at 31 March 2025 is shown in note 15.

The charity's subsidiary, Cowes Yacht Haven Limited, made a distribution to the charity of £145,000 (2024 £300,000).

Two Trustees, paid for berthing fees, container storage and other marina services at arms length basis to the subsidiary during the year, amounting to:-

Mr M Greville £5,008 (2024 £5,198)

Mr J James £26,454 (2024 £24,000)

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Group balances	2025 £	2024 £
Financial assets at amortised cost	1,866,902	1,580,785
Financial liabilities at Present Value	(750,000)	(750,000)
Financial liabilities at amortised cost	(530,744)	(428,569)
Net financial assets	586,158	402,216

The Charity's financial assets comprise debtors, cash and bank balances. Financial liabilities include trade creditors, loans, accruals and other creditors, together with the finance lease obligations and long-term bank loans.

24. CAPITAL COMMITMENTS

	2025 £	2024 £
Purchase of motorised boat hoist	255,618	-
	255,618	-

COWES TOWN WATERFRONT TRUST LIMITED

England & Wales - Charity number 1019760

Accounts

Company No: 02751595

REGISTERED CHARITY
ENGLAND AND WALES NO. 1019760

COWES TOWN WATERFRONT TRUST LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2024

COWES TOWN WATERFRONT TRUST LIMITED

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FOR THE YEAR ENDED 31 MARCH 2024

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COWES TOWN WATERFRONT TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2024

Cowes Town Waterfront Trust Limited is a company limited by guarantee and a registered charity.

Directors and Trustees	J N Dale (Chairman) M T Elsom M G S Greville J T James C J Lloyd-Jennings A F C Lucas R P Owen J A L Riley M C Shepherd
Charity Number	1019760
Company Number	02751595
Registered Office	Cowes Yacht Haven Vectis Yard High Street Cowes Isle of Wight PO31 7BD
Chief Executive	D Jehan
Company Secretary	C M Thomas
Auditors	Moore (South) LLP 9 St John's Place Newport Isle of Wight PO30 1LH
Solicitors	Roach Pittis 60-66 Lugley Street Newport Isle of Wight PO30 5EU
Bankers	Lloyds Bank Plc 22 St Thomas' Square Newport Isle of Wight PO30 1SQ

REPORT OF THE TRUSTEES AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

The Trustees, who are also Directors and Members of Cowes Town Waterfront Trust Limited (the "Trust"), present their report together with the financial statements of the Trust for the year to 31 March 2024. This report also includes the requirements of a Directors' Report under Company law. The Trustees who served during the year and since the year end are as shown on page 1.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to these accounts and comply with the Trust's Memorandum & Articles of Association, the Charities Act 2011, Companies Act 2006, and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland effective January 2019.

Objectives and activities

The Trust's objectives are:

1. To promote for the benefit of the inhabitants of Cowes and the Isle of Wight the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the life of the said inhabitants and to advance sailing and water sports in the waters around Cowes, and in furtherance of this Object to provide facilities for mooring and storage of boats for the benefit of the public at large.
2. To promote the culture and heritage of Cowes and support the maritime heritage of the Isle of Wight;
3. To promote the protection and improvement of the environment of Cowes Harbour.

In order to achieve these objectives, the Trust, through its trading subsidiary Cowes Yacht Haven Limited (CYH), manages Cowes Yacht Haven Marina, Boatyard and Event Centre, as well as directly receiving rental income from various investment properties for use to further develop services and achieve outcomes for public benefit.

Structure, governance and management

The Trust is a Company limited by guarantee, established in 1992, whose governing documents are its Memorandum and Articles of Association, the latter of which was revised on 8 November 2021. The Trustees are appointed by the existing Board of Trustees and the minimum number of Trustees shall be three. One third of the Trustees must retire at each AGM and may be considered for re-appointment. Trustees are individual members of the Company and applications to become a member of the Trust are determined by the Board of Trustees.

The Trust advertises occasionally for new Trustees as well as welcoming letters of interest. New Trustees are appointed following discussion, and with reference to the specific skills required of the Board, including but not limited to commercial, business, property, events and hospitality, legal, marketing, regulatory and financial aspects.

Following the conclusion of an advertising campaign in February 2023 (using a national recruitment agency), four new Trustees were appointed. Their skills ranging from Maritime PR and crisis communications, through HR and employment advice to experience with major international consulting firms and marketing and corporate networking as well as knowledge and top level experience within the hospitality industry.

The Trustees agree the Board's strategy and areas of activity for the Trust, including the approval of the annual budget, for both revenue and capital expenditure. At each meeting of the Board, the latest financial position is reviewed and authorisation as appropriate is given to individual items of capital expenditure, pursuant to the approval of the overall capital programme. Policy decisions on all land and property transactions are also made by the Board of Trustees.

The actual operation of Cowes Yacht Haven (CYH) is the responsibility of the Directors of CYH and the day-to-day management decisions are carried out by that company's Managing Director, Management Team and Staff. The CYH Board, which currently includes two Trustees and the Managing Director, makes recommendations to the Trust on issues of budget and policy for management of CYH, which are then

considered and determined by the Trust. The Managing Director of CYH reports regularly to the Trust, and attends meetings of the Trust Board as appropriate to give advice and answer questions.

The total number of staff employed by CYH on a permanent basis is 15, enhanced during peak periods by the employment of part-time seasonal staff.

Throughout the year, joint meetings of the Trust Board and CYH directors take place to consider matters such as the Trust's strategic plan, budget for the forthcoming period and capital development plans. In addition, when required ad-hoc committees may be established, comprising representatives of both companies, designed to consider specific matters referred to them and report their recommendations to the Trust for determination.

The Trustees give due regard to the Charitable Objects and also the Public Benefit guidance issued by the Charity Commission in setting their business plans and strategy.

Charitable gifts

Etchells Academy Youth Sailing – Object 1
The Trust continued its support of Youth Sailing initiatives and engagement within the sailing fraternity including the Etchells Youth Academy to encourage and promote sailing to younger people.

The Trust's involvement included:

1. Provision of a substantial donation in the form of a discount for the storage and launching / recovery of four Etchells keelboats used by youth, support ribs and other boats.
2. Free of charge storage for a 20ft container and the equivalent area for a client supplied marquee for the use of storage, repairs and briefings.
3. A discount off the cost of a storage container which supported both youth sailing and other sailing and a tent that youth sailors use as a base. In addition, the container is used as a dry repair / dust containment shop in the winter.
4. Provision of additional facilities free of charge including sail drying and folding facilities and meeting rooms (when not booked by any other fee paying client).

Greig City Academy (GCA) / Scaramouche Sailing Trust – Object 1
GCA is a mixed-sex secondary school in the London borough of Haringey; it has around 1,100 pupils on its roll. As well as a busy main school, the Academy includes a thriving Sixth Form with links to The Russell Group and other universities, as well as specialist sports and arts colleges. The Scaramouche Sailing Trust provides opportunities for disadvantaged inner city children to enhance their life chances through sailing. The CTWT supports The Scaramouche Sailing Trust by providing drysail facilities for a Quarter Ton yacht and an Intro 22 yacht as well as a marina berth for their Rib.

British Powerboat Racing Club (BPRC) – Objects 1 & 2
The BPRC organises the annual Cowes-Torquay-Cowes International Powerboat Festival once again hosted from Cowes Yacht Haven. This event brings a unique business and profile to the town, along with a large number of followers who flock into the town to watch the boats preparing for their racing. Cowes Town Waterfront Trust was pleased to support the cost of berthing for the competitors and the provision of the Events Centre for race briefings and for the prizegiving ceremony.

Sea Cadets – Object 1
TS Osborne, the local branch of Sea Cadets requested financial assistance to help buy a new safety boat for their cadet sail training activities. The Trust supported half of the cost with the Sea Cadets successfully sourcing the other half from other supporters.

The Association of Sail Training Organisations (ASTO) – Object 1
ASTO's mission is to "*promote Sail Training in the UK and to support the Sail Training Industry*".
The Trust helped ASTO by gifting the CYH Events Centre venue hire fee and providing 50% off the cost of berthing for their fleet whilst staying at CYH for their annual Small Ships Race weekend.

DECADeANCE – Object 1
This 'decades of dance' music event raises funds for the local IOW Hospice. The Trust supported the event by covering the CYH Events Centre venue hire fee as a direct donation to the IOW Hospice.

The value of all of the gifts (in cash and *in specie*) for the above activities totals £32,888 (2023 £35,383).

Plans for future period
The CYH Marina team continues to accept bookings for rallies and regattas and the Trustees are confident of a steady year ahead. 2025 is looking especially busy with a large number of high profile events running out of the marina. Including the Royal Thames Yacht Club 250 year celebrations in June and the return after an absence of over 20 years of the Admiral's Cup regatta run by The Royal Ocean Racing Club. Both events will berth boats in the CYH marina and host shoreside activities in the Events Centre. The Admiral's Cup regatta (taking place in the centenary year of RORC) will also incorporate the Rolex Fastnet Race which will bring even more boats to Cowes and the CYH marina.

These events are in addition to the regular calendar events such as British Classics Week, Cowes Week Regatta and Round the Island Race.

Financial review
The Group achieved a surplus of £371,410 (2023 £283,481) in what was improving trading conditions. The Trust's 98% owned trading subsidiary, CYH Ltd, delivered an operating surplus in the year of £299,998 (2023 £249,689).

The unrestricted funds at 31 March 2024 were £5,360,825 (2023 £4,990,881). At a consolidated level, available funds increased to £5,365,285 (2023 £4,993,875). The Trust licenses CYH to manage its marina and boatyard assets in the centre of Cowes. The licence fee paid was £328,500 (2023 £260,000). As the CYH surplus for 2024 exceeded the cumulative losses, it was able to gift £300,000 (2023 £250,000) to the Trust.

The Trust understands the importance of maintaining the facilities offered at a level that matches or exceeds any other major regatta venue (worldwide) and has resumed its capital investment programme in furtherance of that target.

Reserves
The Trustees consider that the nature of the Trust and its subsidiary Company's operations means that it is appropriate for it to hold free reserves of at least one year's expenditure for both the Trust and its trading subsidiary.

The Trust has free reserves of £471,008 (2023 £259,453) plus a further £1,774,000 (2023 £1,774,000) funds in investment properties forming part of the site at Cowes, within the total funds of £5,365,285 (2023 £4,993,875).

The Trustees will continue to work to increase the level of free reserves, and consider that the Trust's assets are sufficient to enable it to support CYH's continuing capital expenditure and marina enhancement programme, as well as fulfil its charitable obligations for the foreseeable future.

Risk management
The Trustees regularly review the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to manage any exposure to the major risks.

The principal risk for CYH is that of being a seasonal business heavily dependent upon favourable weather conditions. Prolonged periods of adverse conditions would have a material impact upon income.

Prevailing economic conditions within the sailing industry, and markets that the Trust used to rely upon for corporate sponsorship of events, have been in decline over several years. CYH continued to benefit from a diverse range of services which has allowed it to spread risk and, while demand for certain services has reduced, the Trust has been able to adapt and generate growth in other areas of the business.

Tributes
The Trustees are most grateful for the hard work and diligence of the CYH staff, who are regularly the first point of contact that a customer has with the business. Their role is vital to repeat business and their contact with the customer may create business enquiries in other departments.

The Trust and CYH benefit in many ways from the skills and advice of the Trustees and the non-executive CYH directors who spend a considerable amount of time advising on the activities of both the Trust and CYH. The Trust is grateful for their advice and commitment for which they receive no remuneration.

Environmental and Sustainability
The Trustees are very aware of their responsibilities to protect and care for the environment, especially the quality of the water via which the majority of customers arrive and spend their leisure time.

CYH has installed a collecting system for the gathering of paint and particles removed from the under sides of boats when they are washed off. These collected particles are prevented from reaching the sea and are taken away and disposed of with non recycling waste.

Waste and recycling signage around the site has been further improved to guide customers to the recycling locations and to educate customers to properly separate their recycling into the correct bins.

CYH plans to continue to:

- Investigate whether onsite machinery and plant could operate using plant derived biofuels.
- Reduce water usage / wastage by improving water stands and upgrading plumbing where necessary.
- Carry out improvements to help educate customers and staff with recycling.
- Encourage boat owners using CYH facilities not to use soft anti-fouling paint.
- Promote best practice in environmental matters as guided by The Royal Yachting Association's Green Blue initiative, (whose mission is to promote a sustainable leisure marine sector in the UK).
- Work to maintain the high standards of quality and service delivery for customers that is required having achieved the top level five gold anchor accolade from The Yacht Harbour Association scheme.

Statement of Trustees' responsibilities
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Trust and of the net incoming / outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102 and the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Trust's constitution.They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure of Information to Auditors
The following statements have been affirmed by each of the Trustees:

- so far as each Trustee is aware, there is no relevant audit information, (that is information needed by the company's auditors in connection with preparing their report), of which the company's auditors are unaware; and

- each Trustee has taken all the steps that he / she ought to have taken as a Trustee in order to make himself/ herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors
Moore (South) LLP has indicated its willingness to be reappointed as statutory auditor and a resolution to re-appoint them as auditors will be proposed at the next Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP).

Approved by the Trustees and signed on their behalf by:

J N Dale
Chairman

Dated: 27 June 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COWES TOWN WATERFRONT TRUST LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the consolidated financial statements of Cowes Town Waterfront Trust Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31st March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and the charitable parent company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, 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 group and the charitable parent company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 trustees' 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 group's and charitable parent 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 trustees 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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in Directors' Report, included in the Trustees' Report.

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

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us: or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the consolidated financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirements to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees, who are also the directors of the charitable parent company for the purposes of company law, 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 trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the groups and charitable parent 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 trustees either intend to liquidate the group and parent charitable 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 consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company and the group.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Revenue recognition was also identified as part of our audit planning as a significant risk to the audit. Although the processing and recording of transactions is straight forward, there is the risk that revenue might not be recognised within the correct accounting period.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charites Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

- The consolidated financial statements of the group incorporate the results of the subsidiary company. Moore (South) LLP are auditors to the whole group and the same approach has been adopted to the subsidiary company as is appropriate to that entity.

In response to the risk of fraud through management override we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed transactions with related parties, in particular the management charges and transactions with group entities; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of incorrect recognition of income we:
- performed a proof in total of rental income received in the period, agreeing the amounts due to contracts and where appropriate the amount of income deferred;
- performed analytical procedures including comparing revenue received to the prior period and to budgets;
- vouched a sample of berthing fee and dry sail revenue transactions from source documentation to the accounting records; and
- tested berthing fee income cut off by agreeing a sample of deferred income calculations to supporting customer agreements.

In response to the classification of income between restricted and unrestricted funds we:
- agreed a sample of donations recorded in the nominal ledger to source documentation to ensure any restrictions were correctly identified; and
- agreed a sample of expenses incurred to ensure that they had been allocated to the appropriate fund.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the charitable parent 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 charitable parent 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 charitable parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sue Lucas - Senior Statutory Auditor
for and on behalf of Moore (South) LLP

Dated 28/6/24

Chartered Accountants
Statutory Auditor

9 St Johns Place
Newport
Isle of Wight
PO30 1LH

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
Income and Endowments from:					
Donations and legacies		140	6,000	6,140	6,186
Investment income	3	270,799	-	270,799	242,233
Other trading activities	4	1,770,260	-	1,770,260	1,678,896
Total income		2,041,199	6,000	2,047,199	1,927,315
Expenditure on:					
Charitable activities	6	513,392	-	513,392	459,102
Other trading activities	7	1,162,397	-	1,162,397	1,184,732
Total expenditure		1,675,789	-	1,675,789	1,643,834
Net income		365,410	6,000	371,410	283,481
Transfer between funds		4,532	(4,532)	-	-
		369,942	1,468	371,410	283,481
Net movement in funds before minority interest		369,942	1,468	371,410	283,481
Non controlling interest		-	-	-	6
Net movement in funds and net income for the period		369,942	1,468	371,410	283,487
Fund balances brought forward at 1 April 2023		4,991,667	2,208	4,993,875	4,710,388
Fund balances carried forward At 31 March 2024		5,361,609	3,676	5,365,285	4,993,875

The accompanying accounting policies and notes form an integral part of these financial statements.

All operations of the Trust and its subsidiary are classified as continuing.

The individual results of the Charity alone are included in the notes to these accounts and are not presented as a primary statement in accordance with s408 Companies Act 2006.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2024

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Tangible assets	11	3,571,406	3,717,665	3,571,406	3,717,665
Investment properties	12	2,150,000	2,150,000	2,150,000	2,150,000
Investments	13	-	-	98	98
		5,721,406	5,867,665	5,721,504	5,867,763
Current assets					
Debtors	14	556,523	387,952	27,724	48,708
Cash at bank and in hand		1,037,473	868,375	691,684	407,649
		1,593,996	1,256,327	719,408	456,357
Creditors: amounts falling due within one year	15	(1,118,528)	(993,880)	(244,804)	(194,780)
Net current assets		475,468	262,447	474,604	261,577
Total assets less current assets		6,196,874	6,130,112	6,196,108	6,129,340
Creditors: amounts falling due after more than one year	16	(831,589)	(1,136,237)	(831,589)	(1,136,237)
		5,365,285	4,993,875	5,364,519	4,993,103
Funds					
Restricted funds	17	3,676	2,208	3,676	2,208
Unrestricted funds	18	5,360,825	4,990,881	5,360,843	4,990,895
Trading funds	18	784	786	-	-
		5,365,285	4,993,875	5,364,519	4,993,103

The financial statements were approved by the Trustees on:

J N Dale – Chairman **Date: 27 June 2024**

Charity Number: 1019760 **Company Number: 02751595**

The accompanying accounting policies and notes form an integral part of these financial statements.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Group 2024 £	Group 2023 £
Cashflow from operating activities			
Net cashflow from operations	See below	548,382	500,200
Total cashflow from operating activities		548,382	500,200
Cashflow from investing activities			
Payments to acquire fixed assets		(19,124)	(411,775)
Interest received		1,715	-
Total cashflow on Investing activities		(17,409)	(411,775)
Cash from financing activities			
Bank loan repayments		(361,875)	(62,891)
Total cashflow on financing activities		(361,875)	(62,891)
Net increase in cash and cash equivalents		169,098	25,534
Cash and cash equivalents at 1 April 2023		868,375	842,841
Cash and cash equivalents at 31 March 2024		1,037,473	868,375
Cash and cash equivalents consist of:			
Cash at bank and in hand		1,037,473	868,375
Cash and cash equivalent at 31 March 2024		1,037,473	868,375

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2024 £	Group 2023 £
Net income resources	371,410	283,487
Depreciation charges	165,383	154,110
(Increase)/Decrease in debtors	(168,571)	(3,450)
Increase/(Decrease) in creditors	181,875	66,053
Interest received	(1,715)	-
Net cash inflow/(outflow) from operations	584,382	500,200

ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/2023	Cashflows	At 31/3/2024
Long term borrowing	£	£	£
Bank loan	(449,645)	361,875	(87,770)
Property finance lease	(750,000)	-	(750,000)
Total liabilities	(1,199,645)	361,875	(837,770)
Bank and cash balances	868,375	169,098	1,037,473
Total net debt	(331,270)	530,973	199,703

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

1 ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

1.1 General Information and Basis of Accounting

Cowes Town Waterfront Trust Limited is a charitable company limited by guarantee, registered in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is detailed on page 1 and the objects of the Charity are given on page 2 of these financial statements.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS 102) effective from January 2019, the Charities Act 2011, Companies Act 2006, and UK Generally Accepted Accounting Practice.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest £1.

1.2 Going Concern

The Trustees have evaluated the net assets and reserves of CTWT, taking into account the need for ongoing investment in the CTWT properties, which going forward will be funded from growth and monies raised as a result of reviewing processes and becoming more efficient by enchancing internal procedures. Consequently, the Trustees are confident that sufficient reserves are available for the Trust to continue to trade.

The Trustees are optimistic about the future and the way the Trust and its subsidiary are working together. The Charity's finances will continue to be reviewed regularly and forecasts amended accordingly, giving the Trustees confidence that the Charity and its trading subsidiary have adequate resources and cash flow to continue in operational existence for the foreseeable future. Therefore, the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Basis of Consolidation

The group financial statements consolidate those of the Charity and of its subsidiary undertaking (see note 5) drawn up to 31 March 2024. The results of the Charity's trading subsidiary, Cowes Yacht Haven Limited have been consolidated on a line by line basis.

1.4 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

1.5 Income Recognition Policies

Donations and Gifts - All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. Donations, and any associated income tax recoveries when donated under gift aid, are credited as income when the amounts are received.

Activities for Generating Funds - Revenue from activities such as special fund raising events is recognised in the period in which the activity or event occurs.

Investment and rental income - Investment income including bank interest is recognised when received. Income from rental income is recognised in accordance with the period of letting, in accordance with individual lease agreements.

Grants Receivable - Revenue grants are recognised as incoming resources when the charity is entitled to the funds, their receipt is probable and can be quantified. Grants for which performance criteria are not met, or which are specified to future periods are deferred. Grants for the purchase of fixed assets are initially credited to restricted incoming resources as with revenue grants. On completion of the purchase or construction of the fixed asset towards which the grant was receivable, and once the restricted purpose has been fulfilled, the grant is transferred from restricted to unrestricted resources. Government grants for support are recognised as revenue grants.

Income from berthing and trading activities - Income is recognised net of VAT and applicable discounts over the period to which the berthing rental applies. Short term berthing fees are recognised on receipt, whereas long term and annual berthing arrangements are deferred over the period to which they relate. Other services income and sale of any goods are recognised immediately.

1.6 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes details of the costs in relation to fundraising events, following up donations, and seeking voluntary contributions and donations from supporters, and available sources;
- Expenditure on charitable activities includes management and operation of rental projects on Cowes Waterfront.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.7 Allocation of Support Costs

The analysis of these costs is included in note 6. Support costs are those which are not directly part of the activity, but which provides support administrative functions.

1.8 Tangible assets and depreciation

Land and buildings are treated as historic assets; the ownership is central to the purpose for which the company was formed. Land and buildings are stated at valuation, net of depreciation, and includes finance costs incurred prior to the asset being brought into use.

Revaluation gains and losses are recognised as gains on the revaluation of fixed assets within the Statement of Financial Activites and accumulated in a separate revaluation reserve, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in the Statement of Financial Acitivites or a revaluation loss exceeds the accumulated revaluation gains recognised in the revaluation reserve, such losses are recognised in Statement of Financial Acitivites

Other fixed assets are stated at cost, net of depreciation. Depreciation is calculated on all tangible assets to write down the costs or valuation less estimated residual value by annual instalments over their useful economic lives. The periods applicable are:

Freehold buildings and reclaimed land	2%	straight line
Dredging	33%	straight line
Plant & Equipment	2% - 25%	straight line
Pontoons	3% - 5%	straight line

1.9 Investment Properties

Property assets which are held for rental return, and which are let on a commercial basis to fund the charitable activities of the Trust are classified as investment properties. They are valued at market value and have been included at the values taken from the March 2022 valuation report prepared by Vail Williams, Property Consultants. Future valuations will reflect the properties market value at each period end, with reference to their ongoing rental yield and will be included at Trustee valuations, where Trustees believe they have sufficient knowledge to estimate the values. Changes in value will be reflected in unrestricted reserves, and reported annually through the Statement of Financial Activities. Investment properties are not depreciated. Where the properties are included on the long term finance lease, these properties will depreciate in line with the long term net present value of lease payments.

1.10 Investments

Assets held for investment purposes are included at market value. The investment in group trading subsidiaries are reflected at cost.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid based on the time apportionments of services received.

1.12 Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Retirement benefits – defined contribution schemes

The trading company, Cowes Yacht Haven Limited, operates a defined contribution pension scheme for employees. Contributions made to the scheme represents the pension cost charge in the statement of financial activities in the year in which they are payable.

1.14 Leased assets

Finance lease agreements
Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors. The Charitable Company entered into a 125 year lease in 2011 for land and buildings which forms a part of the overall premises operated as part of Cowes Yacht Haven. As this is a long term lease the liability is reflected at an 8% discounted present value of the lease payments, which does not reduce materially during the early years of the agreement. Consequently that liability will not reduce, and the payments reflected as lease rentals in the Statement of Financial Activities.

1.15 Taxation

This charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.16 Financial assets and liabilities

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.17 Judgements and key estimates

In the application of the Charitable Company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The significant estimates in relation to the accounting treatment of the finance lease for land included the discount factor to arrive at fair value.

NOTES TO THE ACCOUNTS (CONT)
FOR THE YEAR ENDED 31 MARCH 2024

2. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income and Endowments from:					
Donations and legacies		186	6,000	6,186	117
Investment income	3	242,233	-	242,233	232,755
Other trading activities	4	1,678,896	-	1,678,896	1,432,880
Total income		1,921,315	6,000	1,927,315	1,665,752
Expenditure on:					
Charitable activities	6	459,102	-	459,102	437,525
Other trading activities	7	1,184,732	-	1,184,732	968,063
Total expenditure		1,643,834	-	1,643,834	1,405,588
Net income		277,481	6,000	283,481	260,164
Transfer between funds		3,792	(3,792)	-	-
		281,273	2,208	283,481	
Other recognised gains and losses					
Gains and losses on the revaluation of fixed assets		-	-	-	(205,213)
Net movement in funds before minority interest		281,273	2,208	283,481	54,951
Non controlling interest		6	-	6	(3,095)
Net movement in funds and net income for the period		281,279	2,208	283,487	51,856
Fund balances brought forward at 1 April 2022		4,710,388	-	4,710,388	4,658,532
Fund balances carried forward At 31 March 2023		4,991,667	2,208	4,993,875	4,710,388

3. INCOME FROM INVESTMENT ACTIVITIES

	2024 £	2023 £
Generated from:		
Rental income	269,084	242,233
Bank interest receivable	1,715	-
	270,799	242,233

4. INCOME FROM OTHER TRADING ACTIVITIES

	2024 £	2023 £
Berthing, site space and miscellaneous income in the trading subsidiary.	1,770,260	1,678,896

5. NET INCOME FROM ACTIVITIES OF SUBSIDIARIES

The Charity has one subsidiary, Cowes Yacht Haven Limited, which is incorporated in the UK. Cowes Yacht Haven Limited operates Cowes Yacht Haven marina and covenants any taxable profits to Cowes Town Waterfront Trust Limited. Its results are included in these consolidated group accounts. A summary of the subsidiary's trading results is shown below. The net profit adjusted for net inter-company charges of £293,500 (2023 £228,500) is £593,498 (2023 £478,189).

	2024 £	2023 £
Total income	1,770,262	1,678,898
Cost of sales	(152,871)	(175,374)
Gross profit	1,617,391	1,503,524
Operating expenses	(1,025,608)	(1,025,335)
Marina licence paid to charity	(328,500)	(260,000)
Management charge to the charity	35,000	31,500
Investment Income	1,715	-
Profit/(Loss) for the financial period	299,998	249,689

The net assets and liabilities of the active subsidiary are:

	2024 £	2023 £
Current assets	995,319	871,616
Creditors: amounts falling due within one year	(994,435)	(870,730)
Total net assets	884	886
Aggregate of share capital and reserves	884	886

NOTES TO THE ACCOUNTS (CONT)
FOR THE YEAR ENDED 31 MARCH 2024

6. ANALYSIS OF CHARITABLE EXPENDITURE

Charitable activities – property costs	2024 £	2023 £
Property costs, rates and utilities	117,045	77,187
Finance and operating lease rentals	90,294	90,294
Property repairs and upkeep, development	30,313	26,962
Depreciation	165,383	154,110
Donations	33,058	34,482
Loan interest	17,511	18,349
Support and governance		
Office support cost	28,408	28,523
Governance costs audit and non-audit services	31,380	29,195
	513,392	459,102

7. ANALYSIS OF OTHER TRADING ACTIVITIES

	2024 £	2023 £
Costs of running the Yacht Haven operation		
Direct cost of marina events	152,871	175,374
Overhead costs	1,009,526	1,009,358
	1,162,397	1,184,732

8. OTHER COSTS

The deficit is stated after charging:	2024 £	2023 £
Auditors' remuneration:		
Audit services	24,600	23,450
Non-audit services	6,780	5,745
Depreciation	165,383	154,110
Finance lease rentals	79,269	79,269

9. STAFF COSTS

Employee costs during the period were as follows:	2024 £	2023 £
Wages and salaries	496,933	510,631
Social security costs	43,977	46,576
Other pension costs	27,686	27,590
	568,596	584,797

The average number of employees during the period were as follows:	18	18

The emoluments of higher paid employees fell within the following range:

	2024	2023
£60,000 - £70,000	1	1

The Charity bore no staff costs during either the current or comparative period. The payment of gross remuneration incurred in the year for Senior Management Personnel was £82,986 (2023 – £77,388).

No Trustee received remuneration or expenses in the period or the comparative period, directly or indirectly, from either the Charity or its trading subsidiary.

10. SURPLUS/(DEFICIT) OF EXPENDITURE OVER INCOME

The Consolidated Statement of Financial Activities includes the results of the Charity's subsidiary, Cowes Yacht Haven Limited. Details of the results of the trading subsidiary are set out in note 5. The summary financial performance of the Charity alone was:

	2024 £	2023 £
Income		
Charitable activities	328,500	260,000
Income from donations	306,140	256,186
Investment income	269,084	242,233
Total income	903,724	758,419
Expenditure		
Charitable activities	532,308	474,627
Total expenditure	532,308	474,627
Net income/(expenditure) for the period	371,416	283,792
Total funds brought forward on 1 April 2023	4,993,103	4,709,311
Total funds carried forward at 31 March 2024	5,364,519	4,993,103

11. TANGIBLE FIXED ASSETS

Consolidated and Cowes Town Waterfront Trust Limited

	Freehold Land & building £	Long Leasehold £	Plant and Equipment £	Total £
Cost or valuation:				
At 1 April 2023	2,236,448	390,000	2,265,892	4,892,340
Additions	-	-	19,124	19,124
At 31 March 2024	2,236,448	390,000	2,285,016	4,911,464
Depreciation:				
At 1 April 2023	29,729	-	1,144,946	1,174,675
Provided in the period	29,729	-	135,654	165,383
At 31 March 2024	59,458	-	1,280,600	1,340,058
Net book amount at 31 March 2024	2,176,990	390,000	1,004,416	3,571,406
Net book amount at 31 March 2023	2,206,719	390,000	1,120,946	3,717,665

The valuation of assets has been included at a revalued sum following an independent valuation by Vail Williams, Property Consultants in March 2022. Long leasehold property represents a strip of land held on the remaining 113 of 125-year lease. The valuation was followed up with a desk-top review as at March 2024, and since the values were not materially different – no adjustment has been included in these accounts.

12. INVESTMENT PROPERTIES

	2024	2023
	£	£
Freehold property	1,774,000	1,774,000
Long leasehold investment properties	376,000	376,000
	2,150,000	2,150,000

The Freehold Investment properties were valued by Vail Williams, Property Consultants in March 2022 on an open market basis. The value above also includes an assessment on the market value of the properties included within the Trust's finance lease, consistent with the rental yields, held on the remaining 113 of a 125 - year lease. One investment property with a value of £157,000 has been provided as security for the bank loan (2023 six properties with a value of £1,346,000). As with tangible assets, the investment properties were also considered by Vail Williams in a desk-top review as at 31 March 2024, and since these values were not considered materially different to book values, no adjustment has been made in these accounts.

13. FIXED ASSET INVESTMENTS – COWES TOWN WATERFRONT TRUST LIMITED

The Trust owns 98% of the ordinary share capital of Cowes Yacht Haven Limited, a company registered in England and Wales (number 02744819) where principal activity is the operation of Cowes Yacht Haven, and whose registered office address is Vectis Yard, High Street, Cowes, Isle of Wight, PO31 7BD. The minority interest, consisting of 2% of the ordinary share capital of Cowes Yacht Haven Limited is held by the Isle of Wight Council. There are no restrictions placed on the Group's activities by the minority interest.

	2024	2023
	£	£
Unlisted investment in the ordinary Share Capital Of Cowes Yacht Haven Limited	98	98

14. DEBTORS

	Consolidated		Cowes Town Waterfront Trust Limited	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	542,966	368,284	4,632	4,083
Other debtors	346	900	-	-
Prepayments	13,211	18,768	13,211	13,211
Social Security and other taxes	-	-	9,881	31,414
	556,523	387,952	27,724	48,708

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	50,050	58,272	21,828	20,416
Social Security and other taxes	155,749	48,204	-	-
Bank loan	6,182	63,409	6,182	63,409
Deferred income (see below)	771,548	725,379	21,061	7,917
Other creditors and accruals	134,983	98,600	84,885	62,807
Profits attributable to non-controlling interest	16	16		-
Amount due to subsidiary undertaking	-	-	110,848	40,231
	1,118,528	993,880	244,804	194,780

Deferred income represented berthing fees and rents received in advance.

At 1 April 2023	725,379	612,434	7,917	-
Amounts released to income in the period	(725,379)	(612,434)	(7,917)	-
Deferred in the period	771,548	725,379	21,061	7,917
At 31 March 2024	771,548	725,379	21,061	7,917

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2024	2023	2024	2023
	£	£	£	£
Net present value of future lease obligations	750,000	750,000	750,000	750,000
Bank loan	81,589	386,237	81,589	386,237
	831,589	1,136,237	831,589	1,136,237

The above liability relates to a net present value of the minimum lease payments under a 125-year lease agreement, which has been discounted at 8%. Lease rentals of circa £67,000 per annum are payable for 113 years remaining of the lease. Lease rentals are payable by quarterly instalments, and the capital sum will not diminish in less than five years.

The bank loan is secured on a fixed and floating charge on the Group's assets, and a number of investment properties within Cowes Town Waterfront Trust Limited.

17. RESTRICTED FUNDS (Consolidated and Charity)

	Balance at 01/04/2023	Income	Expenditure	Transfer	Balance at 31/03/2024
	£	£	£	£	£
Visual Improvements Fund	2,208	6,000	-	(4,532)	3,676
Total restricted funds	2,208	6,000	-	(4,532)	3,676

Comparative (Consolidated and charity)	Balance at 01/04/2022	Income	Expenditure	Transfer	Balance at 31/03/2023
	£	£	£	£	£
Visual Improvements Fund	-	6,000	-	(3,792)	2,208
Total restricted funds	-	6,000	-	(3,792)	2,208

The Visual Improvements Fund is restricted within the accounts of the Trust for visible improvements to Cowes Yacht Haven marina and events centre.

The transfer between funds relates to the expenditure of restricted funds on unrestricted fixed assets.

18. UNRESTRICTED FUNDS

Consolidated

	Balance at 01/04/2023	Income	Expenditure	Transfer	Non-controlling interest	Balance at 31/03/2024
	£	£	£	£	£	£
General fund	4,991,667	2,041,199	(1,675,789)	4,532	-	5,361,609

Comparative Consolidated

	Balance at 01/04/2022 £	Income £	Expenditure £	Transfer £	Non-controlling interest £	Balance at 31/03/2023 £
General fund	4,710,388	1,921,315	(1,643,834)	3,792	6	4,991,667

18. UNRESTRICTED FUNDS

Charity

	Balance at 01/04/2023 £	Income £	Expenditure £	Transfer £	Non-controlling interest £	Balance at 31/03/2024 £
General fund	4,990,895	897,724	(532,308)	4,532	-	5,360,843

Comparative Charity

	Balance at 01/04/2022 £	Income £	Expenditure £	Transfer £	Non-controlling interest £	Balance at 31/03/2023 £
General fund	4,709,311	752,419	(474,627)	3,792	-	4,990,895

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Consolidated at 31 March 2024			
Tangible fixed assets	3,571,406	-	3,571,406
Investment properties	2,150,000	-	2,150,000
Current assets	1,590,320	3,676	1,593,996
Current liabilities	(1,118,528)	-	(1,118,528)
Non-Current liabilities	(831,589)	-	(831,589)
	5,361,609	3,676	5,365,285
Cowes Town Waterfront Trust at 31 March 2024			
Tangible fixed assets	3,571,406	-	3,571,406
Investments	2,150,098	-	2,150,098
Current assets	715,732	3,676	719,408
Current liabilities	(244,804)	-	(244,804)
Non-Current liabilities	(831,589	-	(831,589)
	5,360,843	3,676	5,364,519

20. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Consolidated at 31 March 2023			
Tangible fixed assets	3,717,665	-	3,717,665
Investment properties	2,150,000	-	2,150,000
Current assets	1,254,119	2,208	1,256,327
Current liabilities	(993,880)	-	(993,880)
Non-Current liabilities	(1,136,237)	-	(1,136,23)
	4,991,667	2,208	4,993,875
Cowes Town Waterfront Trust at 31 March 2023			
Tangible fixed assets	3,717,665	-	3,717,665
Investments	2,150,098	-	2,150,098
Current assets	454,149	2,208	456,357
Current liabilities	(194,780)	-	(194,780)
Non-Current liabilities	(1,136,237)	-	(1,136,237)
	4,990,895	2,208	4,993,103

21. PENSIONS

Defined contribution scheme

The Trust through its trading subsidiary, operates a defined contribution pension scheme for its employees, and also to meet its obligations of auto-enrolment. The sums in respect of employee and employer contributions are paid to third-party providers and are managed external to the Trust. The contribution payable to the pension funds during the year was £27,686 (2023 £27,590). At the year-end, £3,416 was payable to the fund (2023 £nil).

22. RELATED PARTY TRANSACTIONS

During the year the Charity's subsidiary, Cowes Yacht Haven Limited, paid the Charity £328,500 (2023 £260,000) in relation to a Marina licence. During the year, the Charity also paid a management charge to Cowes Yacht Haven Limited amounting to £35,000 (2023 £31,500). The amount due to the subsidiary at 31 March 2024 is shown in note 15.

The charity's subsidiary, Cowes Yacht Haven Limited, made a distribution to the charity of £300,000 (2023 £250,000).

Two Trustees, paid for berthing fees, container storage and other marina services at arms length basis to the subsidiary during the year, amounting to:-

Mr M Greville £5,198 (2023 £746)

Mr J James £24,000 (2023 nil)

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Group balances	2024 £	2023 £
Financial assets at amortised cost	1,580,785	1,237,559
Financial liabilities at Present Value	(750,000)	(750,000)
Financial liabilities at amortised cost	(428,569)	(654,738)
Net financial liabilities	402,216	167,179

The Charity's financial assets comprise debtors, cash and bank balances. Financial liabilities include trade creditors, loans, accruals and other creditors, together with the finance lease obligations and long-term bank loans.

COWES TOWN WATERFRONT TRUST LIMITED

England & Wales - Charity number 1019760

Accounts

Company No: 02751595

REGISTERED CHARITY
ENGLAND AND WALES NO. 1019760

COWES TOWN WATERFRONT TRUST LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2023

COWES TOWN WATERFRONT TRUST LIMITED

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FOR THE YEAR ENDED 31 MARCH 2023

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COWES TOWN WATERFRONT TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2023

Cowes Town Waterfront Trust Limited is a company limited by guarantee and a registered charity.

Directors and Trustees

J N Dale (Chairman)	
M T Elsom	(Appointed 30 January 2023)
M G S Greville	
D W Jaggar	(Resigned 21 November 2022)
J T James	(Appointed 16 May 2022)
C J Lloyd-Jennings	(Appointed 30 January 2023)
A F C Lucas	(Appointed 30 January 2023)
P B Morton	(Resigned 21 November 2022)
R P Owen	
J A L Riley	
M C Shepherd	(Appointed 30 January 2023)

Charity Number 1019760

Company Number 02751595

Registered Office
Cowes Yacht Haven
Vectis Yard
High Street
Cowes
Isle of Wight
PO31 7BD

Chief Executive D Jehan

Company Secretary C M Thomas

Auditors
Moore (South) LLP
9 St John's Place
Newport
Isle of Wight
PO30 1LH

Solicitors
Roach Pittis
60-66 Lugley Street
Newport
Isle of Wight
PO30 5EU

Bankers
Lloyds Bank Plc
22 St Thomas' Square
Newport
Isle of Wight
PO30 1SQ

REPORT OF THE TRUSTEES AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also Directors and Members of the Company, present their report together with the financial statements of the Charity for the year to 31 March 2023. This report also includes the requirements of a Directors' Report under Company Law. The Trustees who served during the year and since the year end are as shown on page 1.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to these accounts and comply with the Trust's Memorandum & Articles of Association, the Charities Act 2011, Companies Act 2006, and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Objectives and activities

The charity's objectives are:

1. To promote for the benefit of the inhabitants of Cowes and the Isle of Wight the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the life of the said inhabitants and to advance sailing and water sports in the waters around Cowes, and in furtherance of this Object to provide facilities for mooring and storage of boats for the benefit of the public at large.
2. To promote the culture and heritage of Cowes and support the maritime heritage of the Isle of Wight;
3. To promote the protection and improvement of the environment of Cowes Harbour.

In order to achieve these objectives, the Trust, through its trading subsidiary Cowes Yacht Haven Limited (CYH) manages Cowes Yacht Haven Marina, Boatyard, Event Centre, as well as directly receiving rental income from various investment properties for use to further develop services and achieve outcomes for public benefit.

Structure, governance and management

The Trust is a Company limited by guarantee, established in 1992, whose governing documents are its Memorandum and Articles of Association, the latter of which was revised on 8 November 2021. The Trustees are appointed by the existing Board of Trustees and the minimum number of Trustees shall be three. One third of the Trustees must retire at each AGM and may be considered for re-appointment. Trustees are individual members of the Company and applications to become a member of the Trust are determined by the Board of Trustees.

The Trust advertises occasionally for new Trustees as well as welcoming letters of interest. New Trustees are appointed following discussion, and with reference to the specific skills required of the Board, including but not limited to commercial, business, property, events and hospitality, legal, marketing, regulatory and financial aspects.

Following the conclusion of an advertising campaign in February 2023 (using a national recruitment agency), four new Trustees were appointed. Their skills ranging from Maritime PR and crisis communications, through HR and employment advice to experience with major international consulting firms and marketing and corporate networking as well as knowledge and top level experience within the hospitality industry.

The Trustees agree the Board's strategy and areas of activity for the Trust, including the approval of the annual budget, for both revenue and capital expenditure. At each meeting of the Board, the latest financial position is reviewed and authorisation as appropriate is given to individual items of capital expenditure, pursuant to the approval of the overall capital programme. Policy decisions on all land and property transactions are also made by the Board of Trustees.

The actual operation of Cowes Yacht Haven (CYH) is the responsibility of the Directors of CYH and the day-to-day management decisions are carried out by that company's Managing Director, Management Team and Staff. The CYH Board, which currently includes two Trustees and the Managing Director, makes recommendations to the Trust on issues of budget and policy for management of CYH, which are then considered and determined by the Trust. The Managing Director of CYH reports regularly to the Trust, and attends meetings of the Trust Board as appropriate to give advice and answer questions.

The total number of staff employed by CYH on a permanent basis is 15, enhanced during peak periods by the employment of part-time seasonal staff.

Throughout the year, joint meetings of the Trust Board and CYH directors take place to consider matters such as the Trust's strategic plan, budget for the forthcoming period and capital development plans. In addition, when required ad-hoc committees may be established, comprising representatives of both companies, designed to consider specific matters referred to them and report their recommendations to the Trust for determination.

The Trustees give due regard to the Charitable Objects and also the Public Benefit guidance issued by the Charity Commission in setting their business plans and strategy.

Charitable gifts

Youth Sailing – Object 1
The Trust continued its support of Youth Sailing initiatives and engagement within the sailing fraternity including the Etchells Youth Academy to encourage and promote sailing to younger people.

The Trust's involvement included:

1. Provision of a substantial donation in the form of a discount for the storage and launching / recovery of four Etchells keelboats used by youth, support ribs and other boats.
2. Free of charge storage for a 20ft container and the equivalent area for a client supplied marquee for the use of storage, repairs and briefings.
3. A discount off the cost of a storage container which supported both youth sailing and other sailing and a tent that youth sailors use as a base. In addition, the container is used as a dry repair / dust containment shop in the winter.
4. Provision of additional facilities free of charge including sail drying and folding facilities and meeting rooms (when not booked by any other fee paying client).

Miss Isle / Natasha Lambert charity – Object 1
The Miss Isle School of Sip & Puff Sailing (MISSPS) provides a unique sailing and training experience.

The school's vision is to offer affordable sailing tuition to young people with physical disabilities who would benefit from using the sip and puff method of controlling a sailing boat.

Both organisations *work together on the* common goal of improving facilities for the disabled onshore and on the water. CYH provide marina and boatyard services for two boats.

Greig's City Academy (GCA) – Object 1
GCA is a mixed-sex secondary school in the London borough of Haringey; it has around 1,100 pupils on its roll. As well as a busy main school, the Academy includes a thriving Sixth Form with links to The Russell Group and other universities, as well as specialist sports and arts colleges. The Trust supports GCA by providing drysail facilities for a Quarter Ton yacht and an Intro 22 yacht as well as a marina berth for their Rib.

British Powerboat Racing Club (BPRC) – Object 1
The BPRC organises the annual Cowes-Torquay-Cowes International Powerboat Festival and once again was hosted from Cowes Yacht Haven. This event brings a unique business and profile to the town. Cowes Town Waterfront Trust was pleased to support the cost of berthing for the competitors and the provision of the Events Centre for race briefings and for the prizegiving ceremony.

Isle of Wight Sports Foundation Awards – Object 1
The IOW Sports Foundation charity provides grants to organisations or individuals to enable them to promote greater participation in sport and physical activity. It gives information and advice, promotes sport and physical activity on the Isle of Wight, works for the maintenance and expansion of sporting facilities on the Isle of Wight and carries out research and co-operates with other bodies in promoting its aims. CTWT supported the awards ceremony by sponsoring one of the award categories.

Isle of Wight Ladies Football Team – Object 1
The International Island Games Association (IIGA) is made up of 23 Member Islands whose representatives come together every 2 years to compete in friendly competition in up to 14 sports. The IOW Ladies Football team approached CTWT for financial assistance with the cost of getting their team to Guernsey in June 2023. The IOW is a founding member of the IIGA and CTWT sponsored the travel costs of 1 team member.

The Classic Boat Museum – East Cowes – Object 2
The Classic Boat Museum, based in East Cowes sought support from local businesses as part of the Uffa Fox 50 year anniversary. Uffa Fox was an Isle of Wight boat designer responsible for a number of designs still in popular use today. Uffa was born and raised in East Cowes and regularly raced in Cowes Week with Prince Philip, Duke of Edinburgh. CTWT made a donation towards the cost of the exhibition celebrating his life and the impact he had on East Cowes, Cowes and sailing as a whole.

The Association of Sail Training Organisations (ASTO) – Object 1
On their website, ASTO's mission is to "*promote Sail Training in the UK and to support the Sail Training Industry*".
The Trust helped ASTO by paying for the CYH Events Centre venue hire fee and providing 50% off the cost of berthing for their fleet whilst staying at CYH for their annual Small Ships Race weekend.

DECADeANCE – Object 1
This 'decades of dance' music event raises funds for the local IOW Hospice. The Trust supported the event by covering the CYH Events Centre venue hire fee as a direct donation to the IOW Hospice.

The value of all of the gifts (in cash and *in specie*) for the above activities totals £35,383 (2022 £30,938).

COVID-19
The COVID-19 outbreak that commenced in March 2020 had a significant impact on the business of the Trust's subsidiary CYH. With the removal of all Covid restrictions the business saw a return of regular customers and businesses. The 2022 high season returned to almost normal levels, of the number of regattas and rallies that had previously visited the marina, albeit with a reduced number of guests within each event.

The CYH Marina team continue to accept bookings for rallies and regattas and the Trustees are confident of a busy year ahead.

The Boards of both entities are committed to continuing to work closely together, considering the introduction of new and modifying existing strategies to develop and protect the business as well as supporting employees and customers of CYH and continuing to meet the objectives of the Trust.

Financial review
The Group achieved a surplus of £283,481 (2022 £54,951) in what were improving trading conditions. The Charity's 98% owned trading subsidiary, CYH Ltd, delivered an operating surplus for the year of £249,689 (2022 £231,131) before making a donation to the Trust of £250,000 - (2022 £71,665). The Charity licences CYH to manage its marina and boatyard assets in the centre of Cowes. The licence fee paid was £260,000 (2022 £240,000).

The unrestricted funds at 31 March 2023 were £4,990,881 (2022 £4,709,311). At a consolidated level, available funds increased to £4,993,875 (2022 £4,710,388).

The Charity understands the importance of maintaining the facilities offered at a level that matches or exceeds any other major regatta venue (worldwide) and has resumed its capital investment programme in furtherance of that target.

Reserves

The Trustees consider that the nature of the Trust and its subsidiary Company's operations means that it is appropriate for it to hold free reserves of at least one year's expenditure for both the Charity and its trading subsidiary.

The Trust has free reserves of £262,447 (2022 £303,256) plus a further £1,774,000 (2022 £1,774,000) funds in investment properties forming part of the site at Cowes, within the total funds of £4,993,875 (2022 £4,710,388).

The Trustees will continue to work to increase the level of free reserves, and consider that the Trust's assets are sufficient to enable it to support CYH's continuing capital expenditure and marina enhancement programme, as well as fulfil its charitable obligations for the foreseeable future.

Risk management

The Trustees have updated their work on the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to manage any exposure to the major risks.

With the effects of COVID-19 now past, the principal risk for CYH is that of being a seasonal business heavily dependent upon favourable weather conditions. Prolonged periods of adverse conditions do have a material impact upon income.

Prevailing economic conditions within the sailing industry, and markets that the Trust used to rely upon for corporate sponsorship of events, have been in decline over several years. CYH has benefitted from having a diverse range of services which has allowed it to spread risk and, while demand for certain services has reduced, the Trust has been able to adapt and generate growth in other areas of the business.

Tributes

The Trustees are most grateful for the hard work and diligence of the CYH staff, who more often than not are the first point of contact that a customer has with the business. Their role is vital to repeat business and their contact with the customer may create business enquiries in other departments.

The Trust and CYH benefit in many ways from the skills and advice of the Trustees and the non-executive CYH directors who spend a considerable amount of time advising on the activities of both the Trust and CYH. The Trust is grateful for their advice and commitment for which they receive no remuneration.

In November Mr David Jaggar and Mr Peter Morton resigned as Trustees / Directors of the company. The Chairman thanked them both for their valuable advice and guidance. Mr Jaggar had given over 20 years of service to the company in addition to some years on the Cowes Yacht Haven Ltd board of directors. Mr Morton had spent over 5 years on the CTWT board and additional years on the CYH board.
Mrs P Lewington also resigned her post on the CYH board after 5 years service. She was thanked for all her hard work and diligence whilst on the board.

The Trustees are very aware of their responsibilities to protect and care for the environment, especially the quality of the water via which the majority of customers arrive and spend their leisure time.

CYH has already installed a collecting system for the gathering of paint and particles removed from the under sides of boats when they are washed off. These collected particles are prevented from reaching the sea and are taken away and disposed of with non recycling waste.

Waste and recycling signage around the site has been improved to better guide customers to the recycling locations and to educate customers to separate their recycling into the correct bins.

CYH plans to *continue to*:

- Investigate whether onsite machinery and plant could operate using plant derived biofuels.
- Reducing water usage / wastage.
- Improvements to waste recycling for customers, property owners and staff.
- Encourage boat owners using CYH facilities not to use soft anti-fouling paint.
- Having joined the Royal Yachting Association's Green Blue initiative, (whose mission is to promote a sustainable leisure marine sector in the UK) improving CYH's impact on the environment and advising others of best practice.
- Join the Gold Anchor scheme run by The Yacht Harbour Association to maintain high standards of quality and service delivery for customers.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the net incoming / outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102 and the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure of Information to Auditors

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information, (that is information needed by the company's auditors in connection with preparing their report), of which the company's auditors are unaware; and

- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/ herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Moore (South) LLP has indicated its willingness to be reappointed as statutory auditor and a resolution to re-appoint them as auditors will be proposed at the next Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP).

Approved by the Trustees and signed on their behalf by:

J N Dale
Chairman

Dated:

16/10/23

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COWES TOWN WATERFRONT TRUST LIMITED FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the consolidated financial statements of Cowes Town Waterfront Trust Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31st March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and the charitable parent company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, 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 group and the charitable parent company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 trustees' 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 group's and charitable parent 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 trustees 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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in Directors' Report, included in the Trustees' Report.

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

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us: or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the consolidated financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirements to prepare a Strategic Report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees, who are also the directors of the charitable parent company for the purposes of company law, 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 trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the groups and charitable parent 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 trustees either intend to liquidate the group and parent charitable 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 consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company and the group.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Revenue recognition was also identified as part of our audit planning as a significant risk to the audit. Although the processing and recording of transactions is straight forward, there is the risk that revenue might not be recognised within the correct accounting period.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charites Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

- The consolidated financial statements of the group incorporate the results of the subsidiary company. Moore (South) LLP are auditors to the whole group and the same approach has been adopted to the subsidiary company as is appropriate to that entity.

In response to the risk of fraud through management override we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed transactions with related parties, in particular the management charges and transactions with group entities; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of incorrect recognition of income we:
- performed a proof in total of rental income received in the period, agreeing the amounts due to contracts and where appropriate the amount of income deferred;
- performed analytical procedures including comparing revenue received to the prior period and to budgets;
- vouched a sample of berthing fee and dry sail revenue transactions from source documentation to the accounting records; and
- tested berthing fee income cut off by agreeing a sample of deferred income calculations to supporting customer agreements.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the charitable parent 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 charitable parent 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 charitable parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sue Lucas - Senior Statutory Auditor
for and on behalf of Moore (South) LLP

Dated 18/10/23

Chartered Accountants
Statutory Auditor

9 St Johns Place
Newport
Isle of Wight
PO30 1LH

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income and Endowments from:					
Donations and legacies		186	6,000	6,186	117
Investment income	1	242,233	-	242,233	232,755
Other trading activities	2	1,678,896	-	1,678,896	1,432,880
Total income		1,921,315	6,000	1,927,315	1,665,752
Expenditure on:					
Charitable activities	4	459,102	-	459,102	437,525
Other trading activities	5	1,184,732	-	1,184,732	968,063
Total expenditure		1,643,834	-	1,643,834	1,405,588
Net income		277,481	6,000	283,481	260,164
Transfer between funds		3,792	(3,792)	-	-
		281,273	2,208	283,481	
Other recognised gains and losses					
Gains and losses on the revaluation of fixed assets		-	-	-	(205,213)
Net movement in funds before minority interest		281,273	2,208	283,481	54,951
Non controlling interest		6	-	6	(3,095)
Net movement in funds and net income for the period		281,279	2,208	283,487	51,856
Fund balances brought forward at 1 April 2022		4,710,388	-	4,710,388	4,658,532
Fund balances carried forward At 31 March 2023		4,991,667	2,208	4,993,875	4,710,388

The accompanying accounting policies and notes form an integral part of these financial statements.

All operations of the Trust and its subsidiary are classified as continuing.

The individual results of the Charity alone are included in the notes to these accounts and are not presented as a primary statement in accordance with s408 Companies Act 2006. All funds in the comparative period represented unrestricted funds and therefore no comparative statement of Financial Activities is presented with these financial statements.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2023

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Tangible assets	9	3,717,665	3,460,000	3,717,665	3,460,000
Investment properties	10	2,150,000	2,150,000	2,150,000	2,150,000
Investments	11	-	-	98	98
		5,867,665	5,610,000	5,867,763	5,610,098
Current assets					
Debtors	12	387,952	384,502	48,708	71,889
Cash at bank and in hand		868,375	842,841	407,649	367,575
		1,256,327	1,227,343	456,357	439,464
Creditors: amounts falling due within one year	13	(993,880)	(924,087)	(194,780)	(137,383)
Net current assets		262,447	303,256	261,577	302,081
Total assets less current assets		6,130,112	5,913,256	6,129,340	5,912,179
Creditors: amounts falling due after more than one year	14	(1,136,237)	(1,202,868)	(1,136,237)	(1,202,868)
		4,993,875	4,710,388	4,993,103	4,709,311
Funds					
Restricted funds	15	2,208	-	2,208	-
Unrestricted funds	16	4,990,881	4,709,311	4,990,895	4,709,311
Trading funds		786	1,077	-	-
		4,993,875	4,710,388	4,993,103	4,709,311

The financial statements were approved by the Trustees on:

J N Dale – Chairman Date: 16/10/23

Charity Number: 1019760 **Company Number: 02751595**

The accompanying accounting policies and notes form an integral part of these financial statements.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Group 2023 £	Group 2022 £
Cashflow from operating activities			
Net cashflow from operations	See below	500,200	362,574
Total cashflow from operating activities		500,200	362,574
Cashflow from investing activities			
Payments to acquire fixed assets		(411,775)	(135,766)
Interest received		-	2
Total cashflow on investing activities		(411,775)	(135,764)
Cash from financing activities			
Bank loan repayments		(62,891)	(60,828)
Total cashflow on financing activities		(62,891)	(60,828)
Net increase in cash and cash equivalents		25,534	165,982
Cash and cash equivalents at 1 April 2022		842,841	676,859
Cash and cash equivalents at 31 March 2023		868,375	842,841
Cash and cash equivalents consist of:			
Cash at bank and in hand		868,375	842,841
Cash and cash equivalent at 31 March 2023		868,375	842,841

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 £
Net income resources	283,487	51,856
Depreciation charges	154,110	173,290
(Increase)/Decrease in debtors	(3,450)	114,648
Increase/(Decrease) in creditors	66,053	(182,431)
Interest received	-	(2)
Loss on revaluation of assets	-	205,213
Net cash inflow/(outflow) from operations	500,200	362,574

ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/2022 £	Cashflows £	At 31/3/2023 £
Long term borrowing			
Bank loan	(512,536)	62,891	(449,645)
Property finance lease	(750,000)	-	(750,000)
Total liabilities	(1,262,536)	62,891	(1,199,645)
Bank and cash balances	842,841	25,534	868,375
Total net debt	(419,695)	88,425	(331,270)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

General Information and Basis of Accounting

Cowes Town Waterfront Trust Limited is a charitable company limited by guarantee, registered in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office, together with the objects of the Charity are given in the charity information on page 1 of these financial statements.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS 102) issued in October 2019, the Charities Act 2011, Companies Act 2006, and UK Generally Accepted Accounting Practice.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest £1.

Going Concern

The Trustees have evaluated the net assets and reserves of CTWT, taking into account the need for ongoing investment in the CTWT properties, which going forward will be funded from growth and monies raised as a result of reviewing processes and becoming more efficient together with lessons learned from COVID-19 times. Consequently, the Trustees are confident that sufficient reserves are available for the Trust to continue to trade.

The Trustees are optimistic about the future and the way the Trust and its subsidiary are working together and are aware of the recent challenge presented by COVID-19 and the need to be proactive and responsive to changes in both customer behaviours and requirements. The Charity's finances will continue to be reviewed regularly and forecasts amended accordingly, giving the Trustees confidence that the Charity and its trading subsidiary have adequate resources and cash flow to continue in operational existence for the foreseeable future. Therefore, the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of Consolidation

The group financial statements consolidate those of the Charity and of its subsidiary undertaking (see note 3) drawn up to 31 March 2023. The results of the Charity's trading subsidiary, Cowes Yacht Haven Limited have been consolidated on a line by line basis.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Income Recognition Policies

Donations and Gifts - All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. Donations, and any associated income tax recoveries when donated under gift aid, are credited as income when the amounts are received.

Activities for Generating Funds - Revenue from activities such as special fund raising events is recognised in the period in which the activity or event occurs.

Investment and rental income - Investment income including bank interest is recognised when received. Income from rental income is recognised in accordance with the period of letting, in accordance with individual lease agreements.

Grants Receivable - Revenue grants are recognised as incoming resources when the charity is entitled to the funds, their receipt is probable and can be quantified. Grants for which performance criteria are not met, or which are specified to future periods are deferred. Grants for the purchase of fixed assets are initially credited to restricted incoming resources as with revenue grants. On completion of the purchase or construction of the fixed asset towards which the grant was receivable, and once the restricted purpose has been fulfilled, the grant is transferred from restricted to unrestricted resources. Government grants for support are recognised as revenue grants.

Income from berthing and trading activities - Income is recognised net of VAT and applicable discounts over the period to which the berthing rental applies. Short term berthing fees are recognised on receipt, whereas long term and annual berthing arrangements are deferred over the period to which they relate. Other services income and sale of any goods are recognised immediately.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds includes details of the costs in relation to fundraising events, following up donations, and seeking voluntary contributions and donations from supporters, and available sources;

Expenditure on charitable activities includes management and operation of rental projects on Cowes Waterfront.

Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of Support Costs

The analysis of these costs is included in note 4. Support costs are those which are not directly part of the activity, but which provides support administrative functions.

Tangible assets and depreciation

Land and buildings are treated as historic assets; the ownership is central to the purpose for which the company was formed. Land and buildings are stated at valuation, net of depreciation, and includes finance costs incurred prior to the asset being brought into use. Other fixed assets are stated at valuation, net of depreciation. Depreciation is calculated on all tangible assets to write down the costs less estimated residual value by annual instalments over their useful economic lives. The periods applicable are:

Freehold buildings and reclaimed land	2%	straight line
Dredging	33%	straight line
Plant & Equipment	2% - 25%	straight line
Pontoons	3% - 5%	straight line

Investment Properties

Property assets which are held for rental return, and which are let on a commercial basis to fund the charitable activities of the Trust are classified as investment properties. They are valued at market value and have been included at the values taken from the March 2022 valuation report prepared by Vail Williams, Property Consultants. Future valuations will reflect the properties market value at each period end, with reference to their ongoing rental yield and will be included at Trustee valuations, where Trustees believe they have sufficient knowledge to estimate the values. Changes in value will be reflected in unrestricted reserves, and reported annually through the Statement of Financial Activities. Investment properties are not depreciated. Where the properties are included on the long term finance lease, these properties will depreciate in line with the long term net present value of lease payments.

Investments

Assets held for investment purposes are included at market value. The investment in group trading subsidiaries are reflected at cost.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid based on the time apportionments of services received.

Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Retirement benefits – defined contribution schemes

The trading company, Cowes Yacht Haven Limited, operates a defined contribution pension scheme for employees. Contributions made to the scheme represents the pension cost charge in the statement of financial activities in the year in which they are payable.

Leased assets

Finance lease agreements
Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors. The Charitable Company entered into a 125 year lease in 2011 for land and buildings which forms a part of the overall premises operated as part of Cowes Yacht Haven. As this is a long term lease the liability is reflected at an 8% discounted present value of the lease payments, which does not reduce materially during the early years of the agreement. Consequently that liability will not reduce, and the payments reflected as lease rentals in the Statement of Financial Activities.

Taxation

No corporation tax has been provided in these accounts because the income of the Charity is within the exemption granted by HM Revenue & Customs to the extent that these funds are applied to charitable objects.

Financial assets and liabilities

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Judgements and key estimates

In the application of the Charitable Company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The significant estimates in relation to the accounting treatment of the finance lease for land included the discount factor to arrive at fair value.

1. INCOME FROM INVESTMENT ACTIVITIES

	2023 £	2022 £
Generated from:		
Rental income	242,233	232,753
Bank interest receivable	-	2
	242,233	232,755

2. INCOME FROM OTHER TRADING ACTIVITIES

	2023 £	2022 £
Berthing, site space and miscellaneous income in the trading subsidiary.	1,678,896	1,432,880

NOTES TO THE ACCOUNTS (CONT)
FOR THE YEAR ENDED 31 MARCH 2023

3. NET INCOME FROM ACTIVITIES OF SUBSIDIARIES

The Charity has one subsidiary, Cowes Yacht Haven Limited, which is incorporated in the UK. Cowes Yacht Haven Limited operates Cowes Yacht Haven marina and covenants any taxable profits to Cowes Town Waterfront Trust Limited. Its results are included in these consolidated group accounts. A summary of the subsidiary's trading results is shown below. The net profit adjusted for net inter-company charges of £228,500 (2022 £215,000) is £478,189 (2022 £446,131).

	2023 £	2022 £
Total income	1,678,898	1,426,615
Cost of sales	(175,374)	(42,342)
Gross profit	1,503,524	1,384,273
Government grant	-	6,267
Operating expenses	(1,025,335)	(944,409)
Marina licence paid to charity	(260,000)	(240,000)
Management charge to the charity	31,500	25,000
Profit/(Loss) for the financial period	249,689	231,131

The net assets and liabilities of the active subsidiary are:

	2023 £	2022 £
Current assets	871,616	824,257
Creditors: amounts falling due within one year	(870,730)	(823,060)
Total net assets	886	1,197
Aggregate of share capital and reserves	886	1,197

4. ANALYSIS OF CHARITABLE EXPENDITURE

Charitable activities – property costs	2023 £	2022 £
Property costs, rates and utilities	77,187	75,171
Finance and operating lease rentals	90,294	83,404
Property repairs and upkeep, development	26,962	7,866
Depreciation	154,110	173,289
Donations	34,482	10,415
Loan interest	18,349	16,780
Support and governance		
Office support cost	28,523	40,663
Governance costs audit and non-audit services	29,195	29,937
	459,102	437,525

NOTES TO THE ACCOUNTS (CONT)
FOR THE YEAR ENDED 31 MARCH 2023

5. ANALYSIS OF OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Costs of running the Yacht Haven operation		
Direct cost of marina events	175,374	42,342
Overhead costs	1,009,358	925,721
	1,184,732	968,063

6. OTHER COSTS

The deficit is stated after charging:	2023 £	2022 £
Auditors' remuneration:		
Audit services	23,450	21,450
Non-audit services	5,745	8,487
Depreciation	154,110	173,290
Finance lease rentals	79,269	71,093

7. STAFF COSTS

Employee costs during the period were as follows:	2023 £	2022 £
Wages and salaries	510,631	441,813
Social security costs	46,576	37,842
Other pension costs	27,590	27,945
	584,797	507,600

The average number of employees during the period were as follows:	18	18

The emoluments of higher paid employees fell within the following range:

	2023	2022
£60,000 - £70,000	1	-

The Charity bore no staff costs during either the current or comparative period. The payment of gross remuneration incurred in the year for Senior Management Personnel was £77,388 (2022 – £71,874).

No Trustee received remuneration or expenses in the period or the comparative period, directly or indirectly, from either the Charity or its trading subsidiary.

8. SURPLUS/(DEFICIT) OF EXPENDITURE OVER INCOME

The Consolidated Statement of Financial Activities includes the results of the Charity's subsidiary, Cowes Yacht Haven Limited. Details of the results of the trading subsidiary are set out in note 3. The summary financial performance of the Charity alone was:

	2023 £	2022 £
Income		
Charitable activities	260,000	240,000
Income from donations	256,186	71,782
Investment income	242,233	232,755
Total income	758,419	544,537
Expenditure		
Charitable activities	474,627	445,806
Total expenditure	474,627	445,806
Net income/(expenditure) for the period	283,792	98,731
Gains and losses on the revaluation of fixed assets	-	(205,213)
	283,792	(104,514)
Total funds brought forward on 1 April 2022	4,709,311	4,813,825
Total funds carried forward at 31 March 2023	4,993,103	4,709,311

9. TANGIBLE FIXED ASSETS

Consolidated and Cowes Town Waterfront Trust Limited

	Freehold Land & building £	Long Leasehold £	Plant and Equipment £	Total £
Cost or valuation:				
At 1 April 2022	2,236,448	390,000	1,854,117	4,480,565
Additions	-	-	411,775	411,775
At 31 March 2023	2,236,448	390,000	2,265,892	4,892,340
Depreciation:				
At 1 April 2022	-	-	1,020,565	1,020,565
Provided in the period	29,729	-	124,381	154,110
At 31 March 2023	29,729	-	1,144,946	1,174,675
Net book amount at 31 March 2023	2,206,719	390,000	1,120,946	3,717,665
Net book amount at 31 March 2022	2,236,448	390,000	833,552	3,460,000

The valuation of assets has been included at a revalued sum following an independent valuation by Vail Williams, Property Consultants in March 2022. Long leasehold property represents a strip of land held on the remaining 114 of 125-year lease. The valuation was followed up with a desk-top review as at March 2023, and since the values were not materially different – no adjustment has been included in these accounts.

10. INVESTMENT PROPERTIES

Investment properties	2023 £	2022 £
Freehold property	1,774,000	2,145,692
Additions	-	110,763
Revaluation	-	(482,455)
	1,774,000	1,774,000
Long leasehold investment properties	376,000	460,000
Revaluation	-	(84,000)
	376,000	376,000
	2,150,000	2,150,000

The Freehold Investment properties were valued by Vail Williams, Property Consultants in March 2022 on an open market basis. The value above also includes an assessment on the market value of the properties included within the Trust's finance lease, consistent with the rental yields, held on the remaining 114 of a 125 - year lease. Six investment properties with a value of £1,346,000 have been provided as security for the bank loan (2022 six properties with a value of £1,346,000). As with tangible assets, the investment properties were also considered by Vail Williams in a desk-top review as at 31 March 2023, and since these values were not considered materially different to book values, no adjustment has been made in these accounts.

11. FIXED ASSET INVESTMENTS – COWES TOWN WATERFRONT TRUST LIMITED

The Trust owns 98% of the ordinary share capital of Cowes Yacht Haven Limited, a company registered in England and Wales (number 02744819) where principal activity is the operation of Cowes Yacht Haven, and whose registered office address is Vectis Yard, High Street, Cowes, Isle of Wight, PO31 7BD. The minority interest, consisting of 2% of the ordinary share capital of Cowes Yacht Haven Limited is held by the Isle of Wight Council. There are no restrictions placed on the Group's activities by the minority interest.

	2023 £	2022 £
Unlisted investment in the ordinary Share Capital Of Cowes Yacht Haven Limited	98	98

12. DEBTORS

	Consolidated		Cowes Town Waterfront Trust Limited	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	368,284	344,228	4,083	-
Other debtors	900	22,604	-	22,604
Prepayments	18,768	17,670	13,211	13,211
Social Security and other taxes	-	-	31,414	17,195
Amount due from subsidiary undertaking	-	-	-	18,879
	387,952	384,502	48,708	71,889

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	58,272	55,524	20,416	171
Social Security and other taxes	48,204	67,548	-	-
Bank Loan	63,409	59,668	63,409	59,668
Deferred income (see below)	725,379	612,434	7,917	-
Other creditors and accruals	98,600	128,891	62,807	77,544
Profits attributable to non-controlling interest	16	22	-	-
Amount due to subsidiary undertaking	-	-	40,231	-
	993,880	924,087	194,780	137,383

Deferred income represented berthing fees and rents received in advance.

At 1 April 2022	612,434	612,837	-	-
Amounts released to income in the period	(612,434)	(612,837)	-	-
Deferred in the period	725,379	612,434	7,917	-
At 31 March 2023	725,379	612,434	7,917	-

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2023	2022	2023	2022
	£	£	£	£
Net present value of future lease obligations	750,000	750,000	750,000	750,000
Bank Loan	386,237	452,868	386,237	452,868
	1,136,237	1,202,868	1,136,237	1,202,868

The above liability relates to a net present value of the minimum lease payments under a 125-year lease agreement, which has been discounted at 8%. Lease rentals of circa £67,000 per annum are payable for 114 years remaining of the lease. Lease rentals are payable by quarterly instalments, and the capital sum will not diminish in less than five years.

The bank loan is secured on a fixed and floating charge on the Group's assets, and a number of investment properties within Cowes Town Waterfront Trust Limited.

15. RESTRICTED FUNDS

	Balance at 01/04/2022 £	Income £	Expenditure £	Transfer £	Balance at 31/03/2023
Visual Improvements Fund	-	6,000	-	(3,792)	2,208
Total restricted funds	-	6,000	-	(3,792)	2,208

The Visual Improvements Fund is restricted within the accounts of the Trust for visible improvements to Cowes Yacht Haven marina and events centre.

The transfer between funds relates to the expenditure of restricted funds on unrestricted fixed assets.

16. UNRESTRICTED FUNDS

Consolidated

	Balance at 01/04/2022 £	Income £	Expenditure £	Transfer	Non-controlling interest £	Balance at 31/03/2023 £
General fund	4,710,388	1,921,315	(1,643,834)	3,792	6	4,991,667

Comparative Consolidated

	Balance at 01/04/2021 £	Income £	Expenditure £	Gains/ (losses)	Non-controlling interest £	Balance at 31/03/2022 £
General fund	4,658,532	1,665,752	(1,405,588)	(205,213)	(3,095)	4,710,388

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Consolidated at 31 March 2023			
Tangible fixed assets	3,717,665	-	3,717,665
Investment properties	2,150,000	-	2,150,000
Current assets	1,254,119	2,208	1,256,327
Current liabilities	(993,880)	-	(993,880)
Non-Current liabilities	(1,136,237)	-	(1,136,237)
	4,991,667	2,208	4,993,875
Cowes Town Waterfront Trust at 31 March 2023			
Tangible fixed assets	3,717,665	-	3,717,665
Investments	2,150,098	-	2,150,098
Current assets	454,149	2,208	456,357
Current liabilities	(194,780)	-	(194,780)
Non-Current liabilities	(1,136,237)	-	(1,136,237)
	4,990,895	2,208	4,993,103

18. PENSIONS

Defined contribution scheme

The Trust through its trading subsidiary, operates a defined contribution pension scheme for its employees, and also to meet its obligations of auto-enrolment. The sums in respect of employee and employer contributions are paid to third-party providers and are managed external to the Trust. The contribution payable to the pension funds during the year was £27,590 (2022 £27,945). At the year-end, £nil was payable to the fund (2022 £3,906).

19. RELATED PARTY TRANSACTIONS

During the year the Charity's subsidiary, Cowes Yacht Haven Limited, paid the Charity £260,000 (2022 £240,000) in relation to a Marina licence. During the year, the Charity also paid a management charge to Cowes Yacht Haven Limited amounting to £31,500 (2022 £25,000). The amount due to the subsidiary at 31 March 2023 is shown in note 13 and the amount due from the subsidiary at 31 March 2022 is shown in note 12.

The charity's subsidiary, Cowes Yacht Haven Limited, made a distribution to the charity of £250,000 (2022 £71,665).

Three Trustees, paid for berthing fees, container storage and other marina services at arms length basis to the subsidiary during the year, amounting to:-

Mr P Morton	£2,531 (2022 £8,335) resigned 21 November 2022
Mr M Greville	£746 (2022 £9,126)

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Group balances	2023 £	2022 £
Financial assets at amortised cost	1,237,559	1,209,673
Financial liabilities at Present Value	(750,000)	(750,000)
Financial liabilities at amortised cost	(654,738)	(764,518)
Net financial liabilities	(167,179)	(304,845)

The Charity's financial assets comprise debtors, cash and bank balances. Financial liabilities include trade creditors, loans, accruals and other creditors, together with the finance lease obligations and long-term bank loans.

COWES TOWN WATERFRONT TRUST LIMITED

England & Wales - Charity number 1019760

Accounts

Company No: 02751595

REGISTERED CHARITY
ENGLAND AND WALES NO. 1019760

COWES TOWN WATERFRONT TRUST LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2022

COWES TOWN WATERFRONT TRUST LIMITED

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FOR THE YEAR ENDED 31 MARCH 2022

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COWES TOWN WATERFRONT TRUST LIMITED

REFERENCE AND AMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2022

Cowes Town Waterfront Trust Limited is a company limited by guarantee and a registered charity.

Directors and Trustees	J N Dale (Chairman) M G S Greville D W Jaggar J T James (Appointed 16 May 2022) P B Morton R P Owen J A L Riley P P Shears (Resigned 1 October 2021)
Charity Number	1019760
Company Number	02751595
Registered Office	Cowes Yacht Haven Vectis Yard High Street Cowes Isle of Wight PO31 7BD
Chief Executive	D Jehan
Company Secretary	C M Thomas
Auditors	Moore (South) LLP 9 St John's Place Newport Isle of Wight PO30 1LH
Solicitors	Roach Pittis 60-66 Lugley Street Newport Isle of Wight PO30 5EU
Bankers	Lloyds Bank Plc 22 St Thomas' Square Newport Isle of Wight PO30 1SQ

REPORT OF THE TRUSTEES AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also Directors and Members of the Company, present their report together with the financial statements of the Charity for the year to 31 March 2022. This report also includes the requirements of a Directors' Report under Company Law. The Trustees who served during the year and since the year end are as shown on page 1.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to these accounts and comply with the Trust's Memorandum & Articles of Association, the Charities Act 2011, Companies Act 2006, and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Objectives and activities

New Articles of Association were adopted by the company on 8 November 2021, which incorporated updated objects.

The charity's objectives are:

1. To promote for the benefit of the inhabitants of Cowes and the Isle of Wight the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the life of the said inhabitants and to advance sailing and water sports in the waters around Cowes, and in furtherance of this Object to provide facilities for mooring and storage of boats for the benefit of the public at large.
2. To promote the culture and heritage of Cowes and support the maritime heritage of the Isle of Wight;
3. To promote the protection and improvement of the environment of Cowes Harbour.

In order to achieve these objectives, the Trust, through its trading subsidiary Cowes Yacht Haven Limited (CYH) manages Cowes Yacht Haven Marina, Boatyard, Event Centre, as well as directly receiving rental income from various investment properties for use to further develop services and achieve outcomes for public benefit.

Structure, governance and management

The Trust is a Company limited by guarantee, established in 1992, whose governing documents are its Memorandum and Articles of Association, the latter of which was revised on 8 November 2021. The Trustees are appointed by the existing Board of Trustees and the minimum number of Trustees shall be three. One third of the Trustees must retire at each AGM and may be considered for re-appointment. Trustees are individual members of the Company and applications to become a member of the Trust are determined by the Board of Trustees.

The Trust advertises occasionally for new Trustees as well as welcoming letters of interest. New Trustees are appointed following discussion, and with reference to the specific skills required of the Board, including but not limited to commercial, business, property, legal, marketing, regulatory and financial aspects.

The Trustees agree the Board's strategy and areas of activity for the Trust, including the approval of the annual budget, for both revenue and capital expenditure. At each meeting of the Board, the latest financial position is reviewed and authorisation as appropriate is given to individual items of capital expenditure, pursuant to the approval of the overall capital programme. Policy decisions on all land and property transactions are also made by the Board of Trustees.

The actual operation of Cowes Yacht Haven (CYH) is the responsibility of the Directors of CYH and the day-to-day management decisions are carried out by that company's Managing Director, Management Team and staff. The CYH Board, which currently includes two Trustees and two other non-executive directors, makes recommendations to the Trust on issues of budget and policy for management of CYH, which are then considered and determined by the Trust. The Managing Director of CYH reports regularly to the Trust, and attends meetings of the Trust Board as appropriate to give advice and answer questions.

The total number of staff employed by CYH on a permanent basis is 15, enhanced during peak periods by the employment of part-time staff.

Throughout the year, joint meetings of the Trust Board and CYH directors take place to consider matters such as the Trust's strategic plan, budget for the forthcoming period and capital development plans. In addition, when required ad-hoc committees may be established, comprising representatives of both companies, designed to consider specific matters referred to them and report their recommendations to the Trust for determination.

The Trustees give due regard to the Charitable Objects and also the Public Benefit guidance issued by the Charity Commission in setting their business plans and strategy.

Charitable gifts

Cowes Heritage – Object 2
The Trust supported a request for funds to help with the cost of enlarging the Beckford Centre to accommodate Cowes Heritage's extensive research material following their merger with the organisation previously operating there.

Youth Sailing – Object 1
The Trust has continued its support of Youth Sailing initiatives and engagement within the sailing fraternity including the Etchells Youth Academy to encourage and promote sailing to younger people.

The Trust's involvement includes:

1. Providing a substantial donation in the form of a discount for the storage and launching / recovery of four Etchells keelboats used by youth, support ribs and other boats.

2. Discounting the cost of a storage container which supports both youth sailing and other sailing and a tent that youth sailors use as a base. In addition, the container is used as a dry repair / dust containment shop in the winter.

3. Provision of additional facilities free of charge including sail drying and folding facilities and meeting rooms (when not booked by any other fee paying client).

Miss Isle / Natasha Lambert charity – Object 1
The Miss Isle School of Sip & Puff Sailing (MISSPS) is a unique sailing and training experience on the Isle of Wight. The school's vision is to provide affordable sailing tuition to young people with physical disabilities who would benefit from using the sip and puff method of controlling a sailing boat.
The MISSPS has benefited from the Trust not only welcoming the Charity in making its home at CYH, but also working together to make CYH more accessible for disabled sailors. Both organisations are continuing to work together on the common goal of improving facilities for the disabled onshore and on the water, with the ultimate aim that CYH will be recognised as the number one marina for offering disabled people excellent facilities. CYH provide marina and boatyard services for two boats.

Greig's City Academy (GCA) – Object 1
GCA is a mixed-sex secondary school in the London borough of Haringey; it has around 1,100 pupils on its roll. As well as a busy main school, the Academy includes a thriving Sixth Form with links to The Russell Group and other universities, as well as specialist sports and arts colleges. The Trust supports GCA by providing drysail facilities for a Quarter Ton yacht and an Intro 22 yacht as well as a marina berth for their Rib.

British Powerboat Racing Club (BPRC) – Object 1
The BPRC celebrated their 60th anniversary in 2021 and the annual Cowes-Torquay-Cowes International Powerboat Festival was once again held in Cowes Yacht Haven, bringing unique business and profile to the town. Cowes Town Waterfront Trust was pleased to support the cost of berthing for the competitors.

Isle of Wight Sports Foundation Awards – Object 1
The IOW Sports Foundation charity provides grants to organisations or individuals to enable them to promote greater participation in sport and physical activity. It gives information and advice, promotes sport and physical activity on the Isle of Wight, works for the maintenance and expansion of sporting facilities on the Isle of Wight and carries out research and co-operates with other bodies in promoting its aims. CTWT supported the awards ceremony by sponsoring one of the awards.

Sea Cadets – Object 1

The Sea Cadets "... rely on the support of people and organisations who feel strongly about helping teenagers to find their way in life". The Trust provided financial support to help with the cost of replacing a worn out RIB.

The value of all of the gifts (in cash and in specie) for the above activities totals £30,938 (2021 £17,203).

COVID-19 and Future Plans

The COVID-19 outbreak that commenced in March 2020 had a significant impact on a global scale, and in turn impacted on the business of the Trust's subsidiary CYH. The introduction of nationwide lockdowns curtailed all activities at CYH and the majority of employees were put onto the Government's Job Retention scheme to protect cashflows and future employment capabilities.

During 2021 with the relaxation of some government restrictions, a limited number of event activities took place. A reduced offering was possible for Round the Island Race, albeit with some Covid restrictions remaining in place.

In August the annual Cowes Week Regatta returned in a similar way to previous years, with both on the water and onshore activities . In a change to previous years, the main hospitality area moved to the northern end of the boatyard and a smaller offering was laid on. There was no big stage and no headline bands that would attract large crowds. The whole site was closed by 2200hrs each day.

From the start of the pandemic and through the subsequent relaxation of restrictions, the Trustees and the Directors of CYH, worked together to develop and maintain a strategy to minimise non-essential expenditure and maximise revenue opportunities.

The Trustees are determined to ensure that the facilities offered to visiting yachtsmen, yachting events and the general public are of the highest possible standard. They believe it is essential that investment continues so as to attract yachting and associated business to CYH. Having negotiated the restrictions of the past couple of years, the Trustees and Directors are reviewing investment needs and drawing up a medium term plan of improvements. However, the timing of investment will be kept under regular review with careful consideration goven to managing the business in the aftermath of the COVID-19 pandemic. CTWT will also continue its challenging policy of requiring the CYH Board of Directors to examine all available measures to increase revenues and reduce overheads against a background of the pandemic, changing customer needs, competition and declining corporate sponsorship income.

The Boards of both entities are committed to continuing to work closely together, considering the introduction of new and modifying existing strategies to develop and protect the business as well as supporting employees and customers of CYH and continuing to meet the objectives of the Trust.

Financial review

The Group achieved a surplus of £54,951 (2021 deficit of £21,616) in what were continued uncertain trading conditions as restrictions due to the pandemic eased. The Charity's 98% owned trading subsidiary, CYH Ltd, delivered an operating surplus in the year of £231,131 (2021 surplus £38,371), covering the deficit on reserves brought forward.

The unrestricted funds at 31 March 2022 were £4,709,311 (2021 £4,813,826). At a consolidated level, available funds increased to £4,710,388 (2021 £4,658,532). The Charity licences CYH, its 98% owned subsidiary, to manage its marina and boatyard assets in the centre of Cowes. The licence fee paid was £240,000 (2021 £120,000). As the CYH surplus for 2022 exceeded the cumulative losses, the Company was able to gift £71,665 (2021 nil) to the Trust.

The Charity understands the importance of maintaining the facilities offered at a level that matches or exceeds any other major regatta venue (worldwide) and has resumed its capital investment programme in furtherance of that target.

Reserves

The Trustees consider that the nature of the Trust and its subsidiary Company's operations means that it is appropriate for it to hold free reserves of at least one year's expenditure for both the Charity and its trading subsidiary.

The Trust has free reserves of £303,256 (2021 £69,796) plus a further £1,774,000 (2021 £2,145,692) funds in investment properties forming part of the site at Cowes, within the total funds of £4,710,388 (2021 £4,658,532).

The Trustees will continue to work on increasing the level of free reserves, and consider that the Trust's assets are sufficient to enable it to support CYH's continuing capital expenditure and marina enhancement programme, as well as fulfil its charitable obligations for the foreseeable future.

Risk management

The Trustees have carried out work on the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to manage any exposure to the major risks.

The principal risk affecting the past two seasons has been the Coronavirus pandemic, which created much uncertainty. The Trustees, together with the Directors of CYH, are confident that business will return to normal as the public's confidence grows in the aftermath of vaccine rollouts and the relaxation of Covid restrictions.

In any other year, the principal risk for CYH is that of being a seasonal business heavily dependent upon favourable weather conditions. Prolonged periods of adverse conditions do have a material impact upon income.

Prevailing economic conditions within the sailing industry, and markets that the Trust used to rely upon for corporate sponsorship of events, have been in decline over several years. CYH has benefitted from having a diverse range of services which has allowed it to spread risk and, while demand for certain services has reduced, the Trust has been able to adapt and generate growth in other areas of the business.

Tributes

The Trustees are most grateful for the hard work and diligence of the CYH staff, who more often than not are the first point of contact that a customer has with the business. Their role is vital to repeat business and their contact with the customer may create business enquiries in other departments.

The Trust and CYH benefit in many ways from the skills and advice of the Trustees and the non-executive CYH directors who spend a most considerable amount of time in advising on the activities of both the Trust and CYH. The Trust is grateful for their advice and commitment for which they receive no remuneration.

On 1 October 2021 Trustee Philip Shears resigned from the Board due to other commitments. Mr Shears was appointed in January 2016 and the Trust thanked him for his hard work and contributions during his time on the Board.

Lessons learned

During the pandemic, the business was quick to react to changing Government rules and regulations and through the use of the Government's Covid19 job retention scheme was able to use staff more flexibly and bring them back to work just as soon as rules allowed.

The onsite bar and food outlet, known as Pontoon View (PV), operated under licence when Covid regulations allowed and subsequent to the lifting of restrictions has brought in a welcome revenue stream. Its location, on the waterfront, is attractive both to sailors visiting CYH by boat and to other visitors to Cowes seeking an outside waterfront hostelry. The licence for operation of the PV has been repeated for the current year.

It is expected that Brexit will continue to have an impact on the boating community by way of new rules and regulations imposed on travel to and those returning from non-UK waters. As was seen during the summer of 2021, these regulations already have and are expected to continue to persuade many leisure users to remain in UK waters and bookings for weekends are filling fast for the remainder of the year.

Environmental and Sustainability

CYH is very aware of its responsibilities to protect and care for the environment, especially the quality of the water via which the majority of customers arrive and spend their leisure time.

CYH plans to continue/embark on a number of projects including:

- Investigating whether onsite machinery and plant could operate using plant derived biofuels.
- Managing water run-off from vessels, including the use of special matting purchased and disposal of particulate captured.
- Reducing water usage / wastage.
- Improvements to waste recycling for customers, property owners and staff.
- Working towards joining the Royal Yachting Association's Green Blue initiative, whose mission is to promote a sustainable leisure marine sector in the UK.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the net incoming / outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102 and the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure of Information to Auditors

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information, (that is information needed by the company's auditors in connection with preparing their report), of which the company's auditors are unaware; and

- each Trustee has taken all the steps that he / she ought to have taken as a Trustee in order to make himself/ herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Moore (South) LLP has indicated its willingness to be reappointed as statutory auditor and a resolution to re-appoint them as auditors will be proposed at the next Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP).

Approved by the Trustees and signed on their behalf by:

J N Dale
Chairman

Dated: 25 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COWES TOWN WATERFRONT TRUST LIMITED
FOR THE YEAR ENDED 31 MARCH 2022

Opinion
We have audited the consolidated financial statements of Cowes Town Waterfront Trust Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31st March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and the charitable parent company's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, 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 group and the charitable parent company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 trustees' 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 group's and charitable parent 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 trustees 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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in Directors' Report, included in the Trustees' Report.

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

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us: or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the consolidated financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirements to prepare a Strategic Report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees, who are also the directors of the charitable parent company for the purposes of company law, 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 trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the groups and charitable parent 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 trustees either intend to liquidate the group and parent charitable 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 consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company and the group.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Revenue recognition was also identified as part of our audit planning as a significant risk to the audit. Although the processing and recording of transactions is straight forward, there is the risk that revenue might not be recognised within the correct accounting period.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charites Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.evidence was obtained as required.

- We obtained an understanding and assessed the impact of Covid-19 on the operations of the charitable company and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption in the preparation of the financial statements and dovetailed this with knowledge gained from our audit work

- The consolidated financial statements of the group incorporate the results of the subsidiary company. Moore (South) LLP are auditors to the whole group and the same approach has been adopted to the subsidiary company as is appropriate to that entity.

In response to the risk of fraud through management override we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed transactions with related parties, in particular the management charges and transactions with group entities; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of incorrect recognition of income we:
- performed a proof in total of rental income received in the period, agreeing the amounts due to contracts and where appropriate the amount of income deferred;
- performed analytical procedures including comparing revenue received to the prior period and to budgets;
- vouched a sample of berthing fee and dry sail revenue transactions from source documentation to the accounting records; and
- tested berthing fee income cut off by agreeing a sample of deferred income calculations to supporting customer agreements.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the charitable parent 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 charitable parent 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 charitable parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Sue Lucas - Senior Statutory Auditor
for and on behalf of Moore (South) LLP

Dated 26/10/22

Chartered Accountants
Statutory Auditor

9 St Johns Place
Newport
Isle of Wight
PO30 1LH

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Total Funds 2022 £	Total Funds 2021 £
Income and Endowments from:			
Donations and legacies		117	-
Investment income	1	232,755	224,023
Other trading activities	2	1,432,880	984,427
Other income – gain on disposal of assets		-	3,431
Total income		1,665,752	1,211,881
Expenditure on:			
Charitable activities	4	437,525	401,820
Other trading activities	5	968,063	831,677
Total expenditure		1,405,588	1,233,497
Net income / (expenditure)		260,164	(21,616)
Other recognised gains and losses			
Gains and losses on the revaluation of fixed assets		(205,213)	-
Net movement in funds before minority interest		54,951	(21,616)
Non controlling interest		(3,095)	(732)
Net movement in funds and net (expenditure)/income for the period		51,856	(22,348)
Fund balances brought forward at 1 April 2021		4,658,532	4,680,880
Fund balances carried forward At 31 March 2022		4,710,388	4,658,532

The accompanying accounting policies and notes form an integral part of these financial statements.

All operations of the Trust and its subsidiaries are classified as continuing.

The individual results of the Charity alone are included in the notes to these accounts and are not presented as a primary statement in accordance with s408 Companies Act 2006. All funds in both the current and comparative figures represent unrestricted funds and therefore no comparative statement of Financial Activities is presented with these financial statements.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2022

	Note	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed assets					
Tangible assets	9	3,460,000	3,247,045	3,460,000	3,247,045
Investment properties	10	2,150,000	2,605,692	2,150,000	2,605,692
Investments	11	-	-	98	98
		5,610,000	5,852,737	5,610,098	5,852,835
Current assets					
Debtors	12	384,502	499,150	71,889	145,387
Cash at bank and in hand		842,841	676,859	367,575	265,974
		1,227,343	1,176,009	439,464	411,361
Creditors: amounts falling due within one year	13	(924,087)	(1,106,213)	(137,383)	(186,369)
Net current assets/(liabilities)		303,256	69,796	302,081	224,992
Total assets less current assets		5,913,256	5,922,533	5,912,179	6,077,827
Creditors: amounts falling due after more than one year	14	(1,202,868)	(1,264,001)	(1,202,868)	(1,264,001)
		4,710,388	4,658,532	4,709,311	4,813,826
Funds					
Unrestricted funds		4,709,311	4,813,826	4,709,311	4,813,826
Trading funds		1,077	(155,294)	-	-
		4,710,388	4,658,532	4,709,311	4,813,826

The financial statements were approved by the Trustees on:

J N Dale – Chairman **Date:** 25 October 2022

Charity Number: 1019760 **Company Number: 02751595**

The accompanying accounting policies and notes form an integral part of these financial statements.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Group 2022 £	Group 2021 £
Cashflow from operating activities			
Net cashflow from operations	See below	362,574	226,969
Total cashflow from operating activities		362,574	226,969
Cashflow from investing activities			
Payments to acquire fixed assets		(135,766)	(377,213)
Proceeds from disposal of fixed assets		-	9,000
Interest received		2	39
Total cashflow on Investing activities		(135,764)	(368,174)
Cash from financing activities			
Loans advanced in year		-	157,250
Bank loan repayments		(60,828)	(48,319)
Total cashflow on financing activities		(60,828)	108,931
Net increase/(decrease) in cash and cash equivalents		165,982	(32,274)
Cash and cash equivalents at 1 April 2021		676,859	709,133
Cash and cash equivalents at 31 March 2022		842,841	676,859
Cash and cash equivalents consist of:			
Cash at bank and in hand		842,841	676,859
Cash and cash equivalent at 31 March 2022		842,841	676,859

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £	Group 2021 £
Net income resources	51,856	(22,348)
Depreciation charges	173,290	201,380
Decrease/(Increase in trade debtors)	114,648	(152,999)
(Decrease)/Increase in creditors	(182,431)	204,406
Interest received	(2)	(39)
Gain on disposal of asset	-	(3,431)
Loss on revaluation of assets	205,213	-
Net cash inflow/(outflow) from operations	362,574	226,969

ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/2021	Cashflows	At 31/3/2022
Long term borrowing	£	£	£
Bank loan	(573,364)	60,828	(512,536)
Property finance lease	(750,000)	-	(750,000)
Total liabilities	(1,323,364)	60,828	(1,262,536)
Bank and cash balances	676,859	165,982	842,841
Total net debt	(646,505)	226,810	(419,695)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

General Information and Basis of Accounting

Cowes Town Waterfront Trust Limited is a charitable company limited by guarantee, registered in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office, together with the objects of the Charity are given in the charity information on page 1 of these financial statements.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS 102) issued in October 2019, the Charities Act 2011, Companies Act 2006, and UK Generally Accepted Accounting Practice.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest £1.

Going Concern

The Trustees have evaluated the net assets and reserves of CTWT, taking into account the need for ongoing investment in the CTWT properties, which going forward will be funded from growth and monies raised as a result of reviewing processes and becoming more efficient together with lessons learned from COVID-19 times. Consequently, the Trustees are confident that sufficient reserves are available for the Trust to continue to trade.

The Trustees are optimistic about the future and the way the Trust and its subsidiary are working together and are aware of the recent challenge presented by COVID-19 and the need to be proactive and responsive to changes in both customer behaviours and requirements. The Charity's finances will continue to be reviewed regularly and forecasts amended accordingly, giving the Trustees confidence that the Charity and its trading subsidiary have adequate resources and cash flow to continue in operational existence for the foreseeable future. Therefore, the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of Consolidation

The group financial statements consolidate those of the Charity and of its subsidiary undertaking (see note 3) drawn up to 31 March 2022. The results of the Charity's trading subsidiary, Cowes Yacht Haven Limited have been consolidated on a line by line basis.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Income Recognition Policies

Donations and Gifts - All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. Donations, and any associated income tax recoveries when donated under gift aid, are credited as income when the amounts are received.

Activities for Generating Funds - Revenue from activities such as special fund raising events is recognised in the period in which the activity or event occurs.

Investment and rental income - Investment income including bank interest is recognised when received. Income from rental income is recognised in accordance with the period of letting, in accordance with individual lease agreements.

Grants Receivable - Revenue grants are recognised as incoming resources when the charity is entitled to the funds, their receipt is probable and can be quantified. Grants for which performance criteria are not met, or which are specified to future periods are deferred. Grants for the purchase of fixed assets are initially credited to restricted incoming resources as with revenue grants. On completion of the purchase or construction of the fixed asset towards which the grant was receivable, and once the restricted purpose has been fulfilled, the grant is transferred from restricted to unrestricted resources. Government grants for support such as relating to COVID-19, are recognised as revenue grants.

Income from berthing and trading activities - Income is recognised net of VAT and applicable discounts over the period to which the berthing rental applies. Short term berthing fees are recognised on receipt, whereas long term and annual berthing arrangements are deferred over the period to which they relate. Other services income and sale of any goods, are recognised immediately.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds includes details of the costs in relation to fundraising events, following up donations, and seeking voluntary contributions and donations from supporters, and available sources;

Expenditure on charitable activities includes management and operation of rental projects on Cowes Waterfront.

Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of Support Costs

The analysis of these costs is included in note 4. Support costs are those which are not directly part of the activity, but which provides support administrative functions.

Tangible assets and depreciation

Land and buildings are treated as historic assets; the ownership is central to the purpose for which the company was formed. Land and buildings are stated at valuation, net of depreciation, and includes finance costs incurred prior to the asset being brought into use. Other fixed assets are stated at valuation, net of depreciation. Depreciation is calculated on all tangible assets to write down the costs less estimated residual value by annual instalments over their useful economic lives. The periods applicable are:

Freehold buildings and reclaimed land	2%	straight line
Dredging	33%	straight line
Plant & Equipment	2% - 25%	straight line
Pontoons	3% - 5%	straight line

Investment Properties

Property assets which are held for rental return, and which are let on a commercial basis to fund the charitable activities of the Trust are classified as investment properties. They are valued at market value and have been included at the values taken from the March 2022 valuation report prepared by Vail Williams, Property Consultants. Future valuations will reflect the properties market value at each period end, with reference to their ongoing rental yield and will be included at Trustee valuations, where Trustees believe they have sufficient knowledge to estimate the values. Changes in value will be reflected in unrestricted reserves, and reported annually through the Statement of Financial Activities. Investment properties are not depreciated. Where the properties are included on the long term finance lease, these properties will depreciate in line with the long term net present value of lease payments.

Investments

Assets held for investment purposes are included at market value. The investment in group trading subsidiaries are reflected at cost.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid based on the time apportionments of services received.

Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Retirement benefits – defined contribution schemes

The trading company, Cowes Yacht Haven Limited, operates a defined contribution pension scheme for employees. Contributions made to the scheme represents the pension cost charge in the statement of financial activities in the year in which they are payable.

Leased assets

Finance lease agreements
Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors. The Charitable Company entered into a 125 year lease in 2011 for land and buildings which forms a part of the overall premises operated as part of Cowes Yacht Haven. As this is a long term lease the liability is reflected at an 8% discounted present value of the lease payments, which does not reduce materially during the early years of the agreement. Consequently that liability will not reduce, and the payments reflected as lease rentals in the Statement of Financial Activities.

Taxation

No corporation tax has been provided in these accounts because the income of the Charity is within the exemption granted by HM Revenue & Customs to the extent that these funds are applied to charitable objects.

Financial assets and liabilities

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Judgements and key estimates

In the application of the Charitable Company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The significant estimates in relation to the accounting treatment of the finance lease for land included the discount factor to arrive at fair value.

1. INCOME FROM INVESTMENT ACTIVITIES

	2022 £	2021 £
Generated from:		
Rental income	232,753	224,020
Bank interest receivable	2	3
	232,755	224,023

2. INCOME FROM OTHER TRADING ACTIVITIES

	2022 £	2021 £
Berthing, site space and miscellaneous income in the trading subsidiary, including COVID-19 support grants.	1,432,880	984,427

3. NET INCOME FROM ACTIVITIES OF SUBSIDIARIES

The Charity has one subsidiary, Cowes Yacht Haven Limited, which is incorporated in the UK. Cowes Yacht Haven Limited operates Cowes Yacht Haven marina and covenants any taxable profits to Cowes Town Waterfront Trust Limited. Its results are included in these consolidated group accounts. A summary of the subsidiary's trading results is shown below. The net profit adjusted for net inter-company charges of £215,000 (2021 £95,000) is £446,131 (2021 £133,371).

	2022 £	2021 £
Total income	1,426,615	905,864
Cost of sales	(42,342)	(2,012)
Gross profit	1,384,273	903,852
Government grant	6,267	78,527
Investment income	-	36
Operating expenses	(944,409)	(849,044)
Marina licence paid to charity	(240,000)	(120,000)
Management charge to the charity	25,000	25,000
Profit/(Loss) for the financial period	231,131	38,371

The net assets and liabilities of the active subsidiary are:

	2022 £	2021 £
Current assets	824,257	857,564
Creditors: amounts falling due within one year	(823,060)	1,015,833
Total net assets	1,197	(158,269)
Aggregate of share capital and reserves	1,197	(158,269)

4. ANALYSIS OF CHARITABLE EXPENDITURE

	2022 £	2021 £
Charitable activities – property costs		
Property costs, rates and utilities	75,171	36,811
Finance and operating lease rentals	83,404	58,691
Property repairs and upkeep, development	7,866	10,943
Depreciation	173,289	201,380
Donations	10,415	7,533
Loan interest	16,780	14,468
Support and governance		
Office support costs	40,663	46,344
Governance costs audit and non-audit services	29,937	25,650
	437,525	401,820

5. ANALYSIS OF OTHER TRADING ACTIVITIES

	2022 £	2021 £
Costs of running the Yacht Haven operation		
Direct cost of marina events	42,342	2,012
Overhead costs	925,721	829,665
	968,063	831,677

6. OTHER COSTS

The deficit is stated after charging:	2022 £	2021 £
Auditors' remuneration:		
Audit services	21,450	20,000
Non-audit services	8,487	5,650
Depreciation	173,290	201,380
Finance lease rentals	71,093	53,623

7. STAFF COSTS

Employee costs during the period were as follows:	2022 £	2021 £
Wages and salaries	441,813	386,317
Social security costs	37,842	37,145
Other pension costs	27,945	20,735
	507,600	444,197
The average number of employees during the period were as follows:	18	14

No employee earned more than £60,000 in the current or prior accounting period. The Charity bore no staff costs during either the current or comparative period. The payment of gross remuneration incurred in the year for Senior Management Personnel was £71,874 (2021 – £69,298).

No Trustee received remuneration or expenses in the period or the comparative period, directly or indirectly, from either the Charity or its trading subsidiary.

8. SURPLUS/(DEFICIT) OF EXPENDITURE OVER INCOME

The Consolidated Statement of Financial Activities includes the results of the Charity's subsidiary, Cowes Yacht Haven Limited. Details of the results of the trading subsidiary are set out in note 3. The summary financial performance of the Charity alone was:

	2022 £	2021 £
Income		
Charitable activities	240,000	120,000
Income from donations	71,782	-
Investment income	232,755	227,454
Total income	544,537	347,454
Expenditure		
Charitable activities	445,806	407,441
Total expenditure	445,806	407,441
Net income/(expenditure) for the period	98,731	(59,987)
Gains and losses on the revaluation of fixed assets	(205,213)	-
	(104,514)	(59,987)
Total funds brought forward on 1 April 2021	4,813,825	4,873,812
Total funds carried forward at 31 March 2022	4,709,311	4,813,825

9. TANGIBLE FIXED ASSETS

Consolidated and Cowes Town Waterfront Trust Limited

	Freehold Land & building £	Long Leasehold Land £	Plant & Equipment £	Total £
Cost or valuation:				
At 1 April 2021	2,083,351	390,000	1,829,114	4,302,465
Additions	-	-	25,003	25,003
Revaluation	153,097			153,097
At 31 March 2022	2,236,448	390,000	1,854,117	4,480,565
Depreciation:				
At 1 April 2021	208,145	-	847,275	1,055,420
Provided in the period	-	-	173,290	173,290
Revaluation	(208,145)	-	-	(208,145)
At 31 March 2022	-	-	1,020,565	1,020,565
Net book amount at 31 March 2022	2,236,448	390,000	833,552	3,460,000
Net book amount at 31 March 2021	1,875,206	390,000	981,839	3,247,045

The valuation of assets has been included at a revalued sum following an independent valuation by Vail Williams, Property Consultants in March 2022. Long leasehold property represents a strip of land held on the remaining 114 of 125-year lease.

10. INVESTMENT PROPERTIES

Investment properties	2022 £	2021 £
Freehold property	2,145,692	1,928,828
Additions	110,763	216,864
Revaluation	(482,455)	-
	1,774,000	2,145,692
Long leasehold investment properties	460,000	460,000
Revaluation	(84,000)	-
	376,000	460,000
	2,150,000	2,605,692

The Freehold Investment properties were valued by Vail Williams, Property Consultants in March 2022 on an open market basis. The value above also includes an assessment on the market value of the properties included within the Trust's finance lease, consistent with the rental yields, held on the remaining 114 of a 125 - year lease. Six investment properties with a value of £1,346,000 have been provided as security for the bank loan (2021 five properties with a value of £1,325,000).

11. FIXED ASSET INVESTMENTS – COWES TOWN WATERFRONT TRUST LIMITED

The Trust owns 98% of the ordinary share capital of Cowes Yacht Haven Limited, a company registered in England and Wales (number 02744819) where principal activity is the operation of Cowes Yacht Haven, and whose registered office address is Vectis Yard, High Street, Cowes, Isle of Wight, PO31 7BD. The minority interest, consisting of 2% of the ordinary share capital of Cowes Yacht Haven Limited is held by the Isle of Wight Council. There are no restrictions placed on the Group's activities by the minority interest.

	2022 £	2021 £
Unlisted investment in the ordinary Share Capital Of Cowes Yacht Haven Limited	98	98

12. DEBTORS

	Consolidated		Cowes Town Waterfront Trust Limited	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	344,228	440,394	-	9,943
Other debtors	22,604	34,876	22,604	28,294
Prepayments	17,670	20,808	13,211	11,160
Losses attributable to non-controlling interest	-	3,072	-	-
Social Security and other taxes	-	-	17,195	9,147
Amount due from subsidiary undertaking	-	-	18,879	86,843
	384,502	499,150	71,889	145,387

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	55,524	123,129	171	68,780
Social Security and other taxes	67,548	203,458	-	-
Bank Loan	59,668	59,363	59,668	59,363
Deferred income (see below)	612,434	612,837	-	-
Other creditors and accruals	128,891	107,426	77,544	58,226
Profits attributable to non-controlling interest	22	-	-	-
	924,087	1,106,213	137,383	186,369

Deferred income represented berthing fees and rents received in advance.

At 1 April 2021	612,837	478,594	-	7,519
Amounts released to income in the period	(612,837)	(478,594)	-	(7,519)
Deferred in the period	612,434	612,837	-	-
At 31 March 2022	612,434	612,837	-	-

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2022	2021	2022	2021
	£	£	£	£
Net present value of future lease obligations	750,000	750,000	750,000	750,000
Bank Loan	452,868	514,001	452,868	514,001
	1,202,868	1,264,001	1,202,868	1,264,001

The above liability relates to a net present value of the minimum lease payments under a 125-year lease agreement, which has been discounted at 8%. Lease rentals of circa £67,000 per annum are payable for 114 years remaining of the lease. Lease rentals are payable by quarterly instalments, and the capital sum will not diminish in less than five years.

The bank loan is secured on a fixed and floating charge on the Group's assets, and a number of investment properties within Cowes Town Waterfront Trust Limited.

15. PENSIONS

Defined contribution scheme

The Trust through its trading subsidiary, operates a defined contribution pension scheme for its employees, and also to meet its obligations of auto-enrolment. The sums in respect of employee and employer contributions are paid to third-party providers and are managed external to the Trust. The contribution payable to the pension funds during the year was £27,945 (2021 £20,735). At the year-end, £3,906 was payable to the fund (2021 £2,781).

16. RELATED PARTY TRANSACTIONS

During the year the Charity's subsidiary, Cowes Yacht Haven Limited, paid the Charity £240,000 (2021 £120,000) in relation to a Marina licence. During the year, the Charity also paid a management charge to Cowes Yacht Haven Limited amounting to £25,000 (2021 £25,000). The amount due from the subsidiary at 31 March 2022 and 31 March 2021 is shown in note 12.

The charity's subsidiary, Cowes Yacht Haven Limited, made a distribution to the charity of £71,665 (2021 £Nil).

Three Trustees, paid for berthing fees, container storage and other marina services at arms length basis to the subsidiary during the year, amounting to:-

Mr P Morton	£8,335 (2021 £7,888)
Mr P Shears	£Nil (2021 £6,424)
Mr M Greville	£9,126 (2021 £7,023)

17. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Group balances	2022 £	2021 £
Financial assets at amortised cost	1,209,673	1,152,128
Financial liabilities at Present Value	(1,202,868)	(1,264,001)
Financial liabilities at amortised cost	(311,650)	(493,376
Net financial liabilities	(304,845)	(605,249)

The Charity's financial assets comprise debtors, cash and bank balances. Financial liabilities include trade creditors, loans, accruals and other creditors, together with the finance lease obligations and long-term bank loans.

COWES TOWN WATERFRONT TRUST LIMITED

England & Wales - Charity number 1019760

Accounts

Company No: 02751595

REGISTERED CHARITY
ENGLAND AND WALES NO. 1019760

COWES TOWN WATERFRONT TRUST LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 MARCH 2021

COWES TOWN WATERFRONT TRUST LIMITED

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FOR THE YEAR ENDED 31 MARCH 2021

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COWES TOWN WATERFRONT TRUST LIMITED

REFERENCE AND AMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021

Cowes Town Waterfront Trust Limited is a company limited by guarantee and a registered charity.

Directors and Trustees	J N Dale (Chairman) M G S Greville D W Jaggar P B Morton R P Owen R Reynolds (Resigned 9th November 2020) J A L Riley P P Shears
Charity Number	1019760
Company Number	02751595
Registered Office	Cowes Yacht Haven Vectis Yard Marina Walk Cowes Isle of Wight PO31 7BD
Chief Executive	D Jehan
Company Secretary	C M Thomas (Appointed 18th December 2020)
Auditors	Moore (South) LLP 9 St John's Place Newport Isle of Wight PO30 1LH
Solicitors	Roach Pittis 60-66 Lugley Street Newport Isle of Wight PO30 5EU
Bankers	Lloyds Bank Plc 22 St Thomas' Square Newport Isle of Wight PO30 1SQ

REPORT OF THE TRUSTEES AND STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also Directors and Members of the Company, present their report together with the financial statements of the Charity for the year to 31st March 2021. This report also includes the requirements of a Directors' Report under Company Law. The Trustees who served during the year and since the year end are as shown on page 1.

The financial statements have been prepared in accordance with the accounting policies set out in notes to these accounts and comply with the charity's governing document, the Charities Act 2011, Companies Act 2006, and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Objectives and activities

The principal purposes of the Charity are as follows:

(i) To promote high standards of planning and architecture in or affecting Cowes;
(ii) To educate the public in the geography, history and architecture of Cowes;
(iii) To secure the preservation, protection, development and improvement of features of historic or public interest in Cowes;
(iv) To provide or assist in the provision of facilities for recreation or other leisure-time occupation in the interests of social welfare with the object of improving the conditions of life of the inhabitants of the Isle of Wight and visitors thereto, and to provide or assist in the provision of facilities for the mooring of boats to be available to members of the public at large.

In order to achieve these objectives, the Trust (through its trading subsidiary) manages the Cowes Yacht Haven, and a number of events at the Event Centre, as well as directly receiving rental income from various properties to use to further develop services and achieve outcomes for public benefit.

Structure, governance and management

The Trust is a Company limited by guarantee, established in 1992, whose governing documents are its Memorandum and Articles of Association, which were last amended 5 November 2009. The Trustees are appointed by the existing Board of Trustees and the number of Trustees shall not be less than three. One third of the Trustees are considered for re-appointment each year. Trustees are individual members of the Company and applications to become a member of the Trust are determined by the Board of Trustees.

The Trust advertises ocassionally for new Trustees as well as welcoming letters of interest. New Trustees are appointed following discussion, and with reference to the specific skills required of the Board, including but not limited to commercial, business, property, legal, regulatory and financial aspects.

The Trustees agree the Board's strategy and areas of activity for the Trust, including the approval of the annual budget, for both revenue and capital expenditure. At each meeting of the Board, the latest financial position is reviewed and authorisation as appropriate is given to individual items of capital expenditure, pursuant to the approval of the overall capital programme. Policy decisions on all land and property transactions are also made by the Board of Trustees.

The actual operation of CYH is the responsibility of the Directors of CYH and the day-to-day management decisions are carried out by that company's Managing Director, Management Team and staff. The CYH Board, which includes two Trustees and two other non-executive directors, makes recommendations to the Trust on issues of budget and policy for management of CYH and the Trust's properties, which are then considered and determined by the Trust. The Managing Director of CYH reports regularly to the Trust, and attends meetings of the Trust Board as appropriate to give advice and answer questions.

The total number of staff employed by CYH on a permanent basis is 14, enhanced during peak periods by the employment of part-time staff.

Throughout the year, joint meetings of the Trust Board and CYH directors take place to consider matters such as the Trust's strategic plan, budget for the forthcoming period and capital development plans. In addition, when required ad-hoc committees may be established, comprising representatives of both companies, designed to consider specific matters referred to them and report their recommendations to the Trust for determination.

The Trustees give due regard to the Charitable Objects and also the Public Benefit guidance issued by the Charity Commission in setting their business plans and strategy.

Achievements and performance

Youth Sailing (purpose iv)
The Trust has continued its support of Youth Sailing initiatives and engagement within the sailing fraternity including the Etchells Youth Academy to encourage and promote sailing to younger people.

The Trust's involvement includes:

1. Providing a substantial donation in the form of a discount for the storage and launching / recovery of four Etchells keelboats used by youth, support ribs and other boats.

2. We discount the cost of keeping a storage container that supports both youth sailing and other sailing and a tent that youth sailors use as a base. In addition, the container is used as a dry repair / dust containment shop in the winter.

3. We provide additional facilities free of charge including sail drying and folding facilities and meeting rooms (when not booked by any other fee paying client).

Miss Isle / Natasha Lambert charity (purpose iv)
The Miss Isle School of Sip & Puff Sailing (MISSPS) is a unique sailing and training experience on the Isle of Wight. The school's vision is to provide affordable sailing tuition to young people with physical disabilities who would benefit from using the sip and puff method of controlling a sailing boat.

The MISSPS has benefited from the Trust not only welcoming the Charity in making its home at CYH, but also working together to make CYH more accessible for disabled sailors. Both organisations are currently working on a common goal of improving facilities for the disabled onshore and on the water, with the ultimate aim that CYH will be recognised as the number one marina for offering disabled people excellent facilities. CYH provide free mooring, launch and recovery and washing for two boats and a RIB.

St Mary's Church, Cowes (purpose iii)
The Trust received a letter from the church administrator appealing for financial support to repair the South Western Corner of the church which was suffering from subsidence. Additionally the church was looking at having to re-roof the south side of the building and their funds were significantly depleted.

St Mary's Church is a Grade 2 listed building established in 1657 with the current building of Victorian Gothic Revival dating from the 1860's. The church helps with the welfare of local people, including many who are vulnerable, ill or isolated and in need of friendship and sustenance.

Isle of Wight Sports Foundation Awards (purpose iv)
The IOW Sports Foundation charity provides grants to organisations or individuals to enable them to promote greater particpation in sport and physical activity. It gives information and advice, promotes sport and physical activity on the Isle of Wight, works for the maintainance and expansion of sporting facilities on the Isle of Wight and carries out research and co-operates with other bodies in promoting its aims.

Sea Cadets (purpose iv)
The Sea Cadets "*...rely on the support of people and organisations who feel strongly about helping teenagers to find their way in life*". The Sea Cadets contacted the Trust asking for financial support to help with essential maintenance of their facilities, to meet basic needs.

The value of all of the gifts for the above activity totals £17, 203.12 for the year ending 31st March 2021.

COVID-19 and Future Plans

The COVID-19 outbreak that commenced in March 2020 had a significant impact on a global scale, and in turn impacted on the business of the Trust's subsidiary CYH. The introduction of the nationwide UK lockdown in late March 2020 meant all activities at CYH were closed down and access to the site restricted. With revenues limited to pre-existing boatyard storage, the majority of employees were put onto the Government's Job Retention scheme to protect cashflows and future employment capabilities.

From the start of the pandemic, the Trustees and the Directors of CYH, worked together to develop a strategy to minimise non-essential expenditure and maximise revenue opportunities. While the next phase of the replacement of pontoons pre-dated the pandemic, all other capital expenditure was put on hold pending the resumption of business.

Budgets and cashflows were revised to incorporate reduced trading opportunities, including the cancellation of major events such as Round the Island Race and Cowes Week Regatta, and recognised limited trading opportunities for the Trust's tenants.

The relaxation of lockdown rules enabled the staggered reopening of CYH on 8th June 2020, initially for short stays in the marina and boatyard work only, and widening in early July for overnight stays and limited rafting of boats. Advice in understanding the new regulations was gathered from British Marine and The Yacht Harbour Association as well as The Royal Yachting Association and the local Cowes Harbour Commissioners.

The use of the Events Centre for boat storage continued throughout the summer and winter 2020/21, with all social and other gatherings cancelled. The return to work allowed permanent staff to manage the day to day business without the usual recruitment of extra seasonal staff. Throughout the pandemic CYH retained all of its permanent staff members.

The high season trading of 2020 was significantly reduced from the historical norm, but with flexibility and modification, together with listening to customers' needs, actual performance during the year was better than anticipated in March 2020.

The Trustees are determined to ensure that the facilities offered to visiting yachtsmen, yachting events and the general public are of the highest possible standard. They believe it is essential that investment continues so as to attract yachting and associated business to CYH. The Trust is therefore determined to resume its programme of capital investment in the facilities of CYH. However the timing of investment will be kept under regular review with careful consideration of managing the business through the remainder of the COVID-19 pandemic. CTWT will also continue its challenging policy of requiring the CYH Board of Directors to examine all available measures to increase revenues and reduce overheads against a background of the pandemic, competition and declining corporate sponsorship income.

The Boards of both entities are committed to continuing to work closely together through the pandemic, introducing new and modifying existing strategies to steer the business through difficult times, alongside protecting the assets of CTWT and supporting employees and customers of CYH and continuing to meet the objectives of the Trust.

Financial review

The Group incurred a deficit of £21,616 (2020 - £70,367) in what were difficult trading conditions during the COVID-19 pandemic. The Charity's 98% owned subsidiary, Cowes Yacht Haven Ltd (CYH), delivered an operating surplus in the year of £38,371 (2020 - £21,288).

The unrestricted funds at 31 March 2021 were £4,813,829 (2019 - £4,873,812). At a consolidated level, available funds reduced to £4,658,532 (2020 £4,680,880) due to prior period losses incurred by CYH. The Charity licences CYH, its 98% owned subsidiary, to manage its marina and boatyard assets in the centre of Cowes. The licence fee paid was £120,000 (2020 £160,000). The surplus cannot be paid up to the Trust short term until all prior period losses have been recovered; any surplus earned after agreed expenses thereafter will be gifted to the Charity.

The Charity understands the importance of maintaining the facilities offered at a level that matches or exceed any other major regatta venue (worldwide). In October 2020 the Trust acquired the freehold of 126 Cowes High Street, shop /office premises adjacent to other properties owned by the Trust.

Reserves
The Trustees consider that the nature of the Trust and its subsidiary Company's operations means that it is appropriate for it to hold free reserves of at least one year's expenditure for both the Charity and its trading subsidiary.

The Trust has free reserves of £69,796 (2020 £168,969), plus a further £2,145,692 (2020 - £1,928,828) funds tied up in investment properties forming part of the site at Cowes, within the total funds of £4,658,532 at 31 March 2021 (2020 £4,680,880).

The Trustees intend to increase the level of free reserves, and consider that the Trust's assets are sufficient to enable it to support Cowes Yacht Haven's continuing capital expenditure and marina enhancement programme, as well as fulfil its charitable obligations for the foreseeable future.

Environmental and Sustainability
CYH is very aware of its responsibilities to protect and care for the environment, especially the quality of the water via which the majority of customers arrive and spend their leisure time.
CYH plans to embark on a number of projects including:

- Investigating whether onsite machinery and plant could operate using plant derived biofuels.
- Managing water run off from vessels
- Reducing water usage / wastage
- Improvements to recycling for customers, property owners and staff

Risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to manage any exposure to the major risks.

The principal risk has been the Coronavirus pandemic which created much uncertainty. The Trustees, together with the Directors of CYH, are confident that business will return to normal as the general public's confidence grows in vaccine roll outs and the relaxation of Covid restrictions.

In any other year, the principal risk for CYH is that it is a seasonal business that is heavily dependent upon favourable weather conditions. Prolonged periods of adverse conditions do have a material impact upon income.

Prevailing economic conditions within the sailing industry, and markets that the Trust used to rely upon for corporate sponsorship of events, has been in decline over several years. CYH has benefitted from having a diverse range of services which has allowed it to spread risk and, while demand for certain services has reduced , the Trust has been able to adapt and generate growth in other areas of the business.

Lessons learned
During the pandemic the business was quick to react to changing Government rules and regulations and through the use of the Government's Corona Virus job retention scheme was able to use staff more flexibly and bring them back to work

The onsite bar and food outlet, known as Pontoon View (PV), operated under licence when Covid regulations allowed and brought in a welcome revenue stream. Its location, on the waterfront, is attractive both to sailors visiting CYH by boat and to other visitors to Cowes seeking an outside waterfront hostelry. The licence for operation of the PV has been repeated for the current year.

It is expected that Brexit will continue to have an impact on the boating community by way of new rules and regulations imposed on travel to and returning from non UK waters. These regulations will cause some leisure users to remain in UK waters and bookings for weekends are already filling fast for the remainder of the year.

Tributes
The Trustees are most grateful for the hard work and diligence of the staff, who more often than not are the first point of contact that a customer has with the business. Their role is vital to repeat business and their contact with the customer may create business enquiries in other departments.

It was important to the Trustees to be able to maintain all of the staff through the pandemic and not to take steps to reduce the headcount. Along with this, the Trustees topped up to 100% the wages of any staff that were put onto the Government Corona Virus Job Retention Scheme (Government paid 80% of salaries).

The Trust and CYH benefit in many ways from the skills and advice of the Trustees and the non-executive CYH directors who spend a most considerable amount of time in advising on the activities of both the Trust and CYH. The Trust is grateful for their advice and commitment for which they receive no remuneration.

At the AGM held in November Trustee Roger Reynolds retired from the Board. Mr Reynolds was appointed in Dec 2016 and the Trust thanked him for his hard work and contributions during his time on the board.

On 14th December 2020 the Company Secretary of The Trust, Mr Andrew Bamford died suddenly at home. Condolences were forwarded to his family. Mr Bamford was also Financial Manager of CYH and had worked for the company for over 19 years.

On 6th April 2021 James Hynes resigned as a director of CYH, having taken a full time position with another organisation. The Trust is grateful for his valuable contributions to the management of CYH for over 4 years.

Statement of trustees' responsibilities
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under Company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102 and the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to Disclosure of Information to Auditors
The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information, (that is information needed by the company's auditors in connection with preparing their report), of which the company's auditors are unaware; and

- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Moore (South) LLP has indicated its willingness to be reappointed as statutory auditor and a resolution to re-appoint them as auditors will be proposed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP).

Approved by the Trustees and signed on their behalf by:

J N Dale
Chairman

Dated: 15 October 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COWES TOWN WATERFRONT TRUST LIMITED
FOR THE YEAR ENDED 31 MARCH 2021

Opinion
We have audited the consolidated financial statements of Cowes Town Waterfront Trust Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31st March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and the charitable parent company's affairs as at 31st March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, 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 group and the charitable parent company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 trustees' 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 group's and charitable parent 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 trustees 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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COWES TOWN WATERFRONT TRUST LIMITED (CONT)
FOR THE YEAR ENDED 31 MARCH 2021

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the charitable parent company and their environment obtained in the course of the audit, we have not identified material misstatements in Directors' Report, included in the Trustees' Report.

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

- adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us: or
- the charitable parent company's financial statements are not in agreement with the accounting records; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the consolidated financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirements to prepare a Strategic Report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees, who are also the directors of the charitable parent company for the purposes of company law, 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 trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the groups and charitable parent 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 trustees either intend to liquidate the group and parent charitable 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 consolidated financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company and the group.

Our approach was as follows:

- The engagement partner selected staff for the audit who had prior knowledge of the client and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.

- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.

- Revenue recognition was also identified as part of our audit planning as a significant risk to the audit. Although the processing and recording of transactions is straight forward, there is the risk that revenue might not be recognised within the correct accounting period.

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant to be the Companies Act 2006, the Charites Act 2011, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.

- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

- We obtained an understanding and assessed the impact of Covid-19 on the operations of the charitable company and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption in the preparation of the financial statements and dovetailed this with knowledge gained from our audit work

- The consolidated financial statements of the group incorporate the results of the subsidiary company. Moore (South) LLP are auditors to the whole group and the same approach has been adopted to the subsidiary company as is appropriate to that entity.

In response to the risk of fraud through management override we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed transactions with related parties, in particular the management charges and transactions with group entities; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of incorrect recognition of income we:
- performed a proof in total of rental income received in the period, agreeing the amounts due to contracts and where appropriate the amount of income deferred;
- performed analytical procedures including comparing revenue received to the prior period and to budgets;
- vouched a sample of berthing fee and dry sail revenue transactions from source documentation to the accounting records; and
- tested berthing fee income cut off by agreeing a sample of deferred income calculations to supporting customer agreements.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the charitable parent 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 charitable parent 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 charitable parent company and the charitable parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mrs Sue Lucas - Senior Statutory Auditor
for and on behalf of Moore (South) LLP

Dated 15/10/2021

Chartered Accountants
Statutory Auditor

9 St Johns Place
Newport
Isle of Wight
PO30 1LH

Moore (South) LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Note	Total Funds 2021 £	Total Funds 2020 £
Income and Endowments from:			
Investment income	1	224,023	219,481
Other trading activities	2	984,427	1,495,465
Other income – gain on disposal of assets		3,431	-
Total Income		1,211,881	1,714,946
Expenditure on:			
Charitable activities	4	401,820	462,203
Other trading activities	5	831,677	1,323,110
Total expenditure		1,233,497	1,785,313
Net movement in funds before minority interest		(21,616)	(70,367)
Non controlling interest		(732)	(554)
Net movement in funds and net (expenditure)/income for the period		(22,348)	(70,921)
Fund balances brought forward at 1 April 2020		4,680,880	4,751,801
Fund balances carried forward At 31 March 2021		4,658,532	4,680,880

The accompanying accounting policies and notes form an integral part of these financial statements.

All operations of the Trust and its subsidiaries are classified as continuing.

The individual results of the Charity alone are included in the notes to these accounts and are not presented as a primary statement in accordance with s408 Companies Act 2006. All funds in both the current and comparative figures represent unrestricted funds and therefore no comparative statement of Financial Activities is presented with these financial statements.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible assets	9	3,247,045	3,293,645	3,247,045	3,293,645
Investment properties	10	2,605,692	2,388,828	2,605,692	2,388,828
Investments	11	-	-	98	98
		5,852,737	5,682,473	5,852,835	5,682,571
Current assets					
Debtors	12	499,150	346,151	145,387	55,318
Cash at bank and in hand		676,859	709,133	265,974	528,653
		1,176,009	1,055,284	411,361	583,971
Creditors: amounts falling due within one year	13	(1,106,213)	(886,315)	(186,369)	(222,168)
Net current assets/(liabilities)		69,796	168,969	224,992	361,803
Total assets less current assets		5,922,533	5,851,442	6,077,827	6,044,374
Creditors: amounts falling due after more than one year	14	(1,264,001)	(1,170,562)	(1,264,001)	(1,170,562)
		4,658,532	4,680,880	4,813,826	4,873,812
Funds					
Unrestricted funds		4,813,826	4,873,812	4,813,826	4,873,812
Trading funds		(155,294)	(192,932)	-	-
		4,658,532	4,680,880	4,813,826	4,873,812

The financial statements were approved by the Trustees on:

J N Dale – Chairman Date: 15 October 2021

Charity Number: 1019760 **Company Number: 02751595**

The accompanying accounting policies and notes form an integral part of these financial statements.

COWES TOWN WATERFRONT TRUST LIMITED

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Group 2021 £	Group 2020 £
Cashflow from operating activities			
Net cashflow from operations	See below	226,969	174,641
Total cashflow from operating activities		226,969	174,641
Cashflow from investing activities			
Payments to acquire fixed assets		(377,213)	(386,315)
Proceeds from disposal of fixed assets		9,000	-
Interest received		39	-
Total cashflow on investing activities		(368,174)	(386,315)
Cash from financing activities			
Loans advanced in year		157,250	-
Bank loan repayments		(48,319)	(43,068)
Total cashflow on financing activities		108,931	(43,068)
Net increase/(decrease) in cash and cash equivalents		(32,274)	(254,742)
Cash and cash equivalents at 1 April 2020		709,133	963,875
Cash and cash equivalents at 31 March 2021		676,859	709,133
Cash and cash equivalents consist of:			
Cash at bank and in hand		676,859	709,133
Cash and cash equivalent at 31 March 2021		676,859	709,133

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 £	Group 2020 £
Net income resources	(22,348)	(70,367)
Depreciation charges	201,380	194,424
Decrease/(Increase in trade debtors)	(152,999)	194,741
(Decrease)/Increase in creditors	204,406	(144,157)
Interest received	(39)	-
Gain on disposal of asset	(3,431)	-
Net cash inflow/(outflow) from operations	226,969	174,641

ANALYSIS OF CHANGES IN NET DEBT

	At 1/4/2020	Cashflows	At 31/3/2021
Long term borrowing	£	£	£
Bank loan	(464,434)	(108,930)	(573,364)
Property finance lease	(750,000)	-	(750,000)
Total liabilities	(1,214,434)	(108,930)	(1,323,364)
Bank and cash balances	709,133	(32,274)	676,859
Total net debt	(505,301)	(141,204)	(646,505)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

General Information and Basis of Accounting

Cowes Town Waterfront Trust Limited is a charitable company limited by guarantee, registered in England and Wales. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office, together with the objects of the Charity are given in the charity information on page 1 of these financial statements.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS 102) issued in October 2019, the Charities Act 2011, Companies Act 2006, and UK Generally Accepted Accounting Practice.

The financial statements are prepared under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the Charity and rounded to the nearest £1.

Going Concern

The Trustees have evaluated the net assets and reserves of CTWT, taking into account the need for ongoing investment in the CTWT properties, which going forward will be funded from growth and monies raised as a result of reviewing processes and becoming more efficient together with lessons learned from COVID-19 times. Consequently, the Trustees are confident that sufficient reserves are available for the Trust to continue to trade.

The Trustees are optimistic about the future and the way the Trust and its subsidiary are working together and are acutely aware of the recent challenge presented by COVID-19 as well as the opportunities that have arisen. The Charity's finances will continue to be reviewed regularly and forecasts amended accordingly, giving the Trustees confidence that the Charity and its trading subsidiary have adequate resources and cash flow to continue in operational existence for the foreseeable future. Therefore, the Trustees believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of Consolidation

The group financial statements consolidate those of the Charity and of its subsidiary undertaking (see note 3) drawn up to 31 March 2021. The results of the Charity's trading subsidiary, Cowes Yacht Haven Limited have been consolidated on a line by line basis.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Income Recognition Policies

Donations and Gifts - All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. Donations, and any associated income tax recoveries when donated under gift aid, are credited as income when the amounts are received.

Activities for Generating Funds - Revenue from activities such as special fund raising events is recognised in the period in which the activity or event occurs.

Investment and rental income - Investment income including bank interest is recognised when received. Income from rental income is recognised in accordance with the period of letting, in accordance with individual lease agreements.

Grants Receivable - Revenue grants are recognised as incoming resources when the charity is entitled to the funds, their receipt is probable and can be quantified. Grants for which performance criteria are not met, or which are specified to future periods are deferred. Grants for the purchase of fixed assets are initially credited to restricted incoming resources as with revenue grants. On completion of the purchase or construction of the fixed asset towards which the grant was receivable, and once the restricted purpose has been fulfilled, the grant is transferred from restricted to unrestricted resources. Government grants for support such as relating to COVID-19, are recognised as revenue grants.

Income from berthing and trading activities - Income is recognised net of VAT and applicable discounts over the period to which the berthing rental applies. Short term berthing fees are recognised on receipt, whereas long term and annual berthing arrangements are deferred over the period to which they relate. Other services income and sale of any goods, are recognised immediately.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of raising funds includes details of the costs in relation to fundraising events, following up donations, and seeking voluntary contributions and donations from supporters, and available sources;

Expenditure on charitable activities includes management and operation of rental projects on Cowes Waterfront.

Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of Support Costs

The analysis of these costs is included in note 4. Support costs are those which are not directly part of the activity, but which provides support administrative functions.

Tangible assets and depreciation

Land and buildings are treated as historic assets; the ownership is central to the purpose for which the company was formed. Land and buildings are stated at valuation, net of depreciation, and includes finance costs incurred prior to the asset being brought into use. Other fixed assets are stated at valuation, net of depreciation. Depreciation is calculated on all tangible assets to write down the costs less estimated residual value by annual instalments over their useful economic lives. The periods applicable are:

Freehold buildings and reclaimed land	2%	straight line
Dredging	33%	straight line
Plant & Equipment	2% - 25%	straight line
Pontoons	3% - 5%	straight line

Investment Properties

Property assets which are held for rental return, and which are let on a commercial basis to fund the charitable activities of the Trust are classified as investment properties. They are valued at market value and have been included at the values taken from the September 2018 valuation report prepared by Vail Williams, Property Consultants. Future valuations will reflect the properties market value at each period end, with reference to their ongoing rental yield and will be included at Trustee valuations, where Trustees believe they have sufficient knowledge to estimate the values. Changes in value will be reflected in unrestricted reserves, and reported annually through the Statement of Financial Activities. Investment properties are not depreciated. Where the properties are included on the long term finance lease, these properties will depreciate in line with the long term net present value of lease payments.

Investments

Assets held for investment purposes are included at market value. The investment in group trading subsidiaries are reflected at cost.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid based on the time apportionments of services received.

Creditors

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Retirement benefits – defined contribution schemes

The trading company, Cowes Yacht Haven Limited, operates a defined contribution pension scheme for employees. Contributions made to the scheme represents the pension cost charge in the statement of financial activities in the year in which they are payable.

Leased assets

Finance lease agreements
Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors. The Charitable Company entered into a 125 year lease in 2011 for land and buildings which forms a part of the overall premises operated as part of Cowes Yacht Haven. As this is a long term lease the liability is reflected at an 8% discounted present value of the lease payments, which does not reduce materially during the early years of the agreement. Consequently that liability will not reduce, and the payments reflected as lease rentals in the Statement of Financial Activities.

Taxation

No corporation tax has been provided in these accounts because the income of the Charity is within the exemption granted by HM Revenue & Customs to the extent that these funds are applied to charitable objects.

Financial assets and liabilities

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Judgements and key estimates

In the application of the Charitable Company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The significant estimates in relation to the accounting treatment of the finance lease for land included the discount factor to arrive at fair value.

1. INCOME FROM INVESTMENT ACTIVITIES

	2021 £	2020 £
Generated from:		
Rental income	224,020	219,318
Bank interest receivable	3	163
	224,023	219,481

2. INCOME FROM OTHER TRADING ACTIVITIES

	2021 £	2020 £
Berthing, site space and miscellaneous income in the trading subsidiary, including COVID-19 support grants.	984,427	1,495,465

3. NET INCOME FROM ACTIVITIES OF SUBSIDIARIES

The Charity has one subsidiary, Cowes Yacht Haven Limited, which is incorporated in the UK. Cowes Yacht Haven Limited operates Cowes Yacht Haven marina and covenants any taxable profits to Cowes Town Waterfront Trust Limited. Its results are included in these consolidated group accounts. A summary of the subsidiary's trading results is shown below. The net profit adjusted for net inter-company charges of £95,000 (2020 £135,000) is £133,371 (2020: £156,288).

	2021 £	2020 £
Total income	905,864	1,495,462
Cost of sales	(2,012)	(271,748)
Gross profit	903,852	1,223,714
Government grant	78,527	-
Investment income	36	-
Operating expenses	(849,044)	(1,067,426)
Marina licence paid to charity	(120,000)	(160,000)
Management charge to the charity	25,000	25,000
Profit/(Loss) for the financial period	38,371	21,288

3. NET INCOME FROM ACTIVITIES OF SUBSIDIARIES (Cont'd)

The net assets and liabilities of the active subsidiary are:

	2021 £	2020 £
Current assets	857,564	487,980
Creditors: amounts falling due within one year	1,015,833	(684,620)
Total net assets	(158,269)	(196,640)
Aggregate of share capital and reserves	(158,269)	(196,640)

4. ANALYSIS OF CHARITABLE EXPENDITURE

	2021 £	2020 £
Charitable activities – property costs		
Property costs, rates and utilities	36,811	78,671
Finance lease rentals	58,691	66,953
Property repairs and upkeep, development	10,943	17,250
Depreciation	201,380	194,424
Donations	7,533	17,800
Loan interest	14,468	16,134
Support and governance		
Office support costs	46,344	40,269
Governance costs audit and non-audit services	25,650	30,702
	401,820	462,203

5. ANALYSIS OF OTHER TRADING ACTIVITIES

	2021 £	2020 £
Costs of running the Yacht Haven operation		
Direct cost of marina events	2,012	271,748
Overhead costs	829,665	1,051,362
	831,677	1,323,110

6. OTHER COSTS

The deficit is stated after charging:	2021 £	2020 £
Auditors' remuneration		
Audit services	20,000	21,500
Non-audit services	5,650	9,202
Depreciation	201,380	194,424
Finance lease rentals	58,691	66,953

7. STAFF COSTS

Employee costs during the period were as follows:	2021 £	2020 £
Wages and salaries	386,317	419,371
Social security costs	37,145	39,353
Other pension costs	20,735	21,252
	444,197	479,976
The average number of employees during the period were as follows:	14	16

No employee earned more than £60,000 in the current or prior accounting period. The Charity bore no staff costs during either the current or comparative period. The payment of gross remuneration incurred in the year for Senior Management Personnel was £69,298 (2020 – £98,138).

No Trustee received remuneration or expenses in the period or the comparative period, directly or indirectly, from either the Charity or its trading subsidiary.

8. SURPLUS/(DEFICIT) OF EXPENDITURE OVER INCOME

The Consolidated Statement of Financial Activities includes the results of the Charity's subsidiary, Cowes Yacht Haven Limited. Details of the results of the trading subsidiary are set out in note 3. The summary financial performance of the Charity alone was:

	2021 £	2020 £
Income		
Charitable activities	120,000	160,000
Investment income	227,454	219,481
Total income	347,454	379,481
Expenditure		
Charitable activities	407,441	471,137
Total expenditure	407,441	471,137
Net income/(expenditure) for the period	(59,987)	(91,656)
Total funds brought forward on 1 April 2020	4,873,812	4,965,468
Total funds carried forward at 31 March 2021	4,813,825	4,873,812

9. TANGIBLE FIXED ASSETS

Consolidated and Cowes Town Waterfront Trust Limited

	Freehold Land & building £	Long Leasehold Land £	Plant & Equipment £	Total £
Cost or valuation:				
At 1 April 2020	2,083,351	390,000	1,677,333	4,150,684
Additions		-	160,349	160,349
Disposals	-	-	(8,568)	(8,568)
At 31 March 2021	2,083,351	390,000	1,829,114	4,302,465
Depreciation:				
At 1 April 2020	181,489	-	675,550	857,039
Provided in the period	26,656	-	174,724	201,380
Disposed of in year	-	-	(2,999)	(2,999)
At 31 March 2021	208,145	-	847,275	1,055,420
Net book amount at 31 March 2021	1,875,206	390,000	981,839	3,247,045
Net book amount at 31 March 2020	1,901,862	390,000	1,001,783	3,293,645

The valuation of assets has been included at a revalued sum following an Independent valuation by Vail Williams, Property Consultants in September 2018. Long leasehold property represents a strip of land held on the remaining 115 of 125-year lease.

10. INVESTMENT PROPERTIES

	2021 £	2020 £
Investment properties		
Freehold property	1,928,828	1,800,000
Additions	216,864	128,828
	2,145,692	1,928,828
Long leasehold investment properties	460,000	460,000
	2,605,692	2,388,828

The Freehold Investment properties were valued by Vail Williams, Property Consultants In September 2018 on an open market basis. The value above also includes an assessment on the market value of the properties included within the Trust's finance lease, consistent with the rental yields, held on the remaining 115 of a 125 - year lease. Three investment properties with a value of £1,325,000 have been provided as security for the bank loan.

11. FIXED ASSET INVESTMENTS – COWES TOWN WATERFRONT TRUST LIMITED

The Trust owns 98% of the ordinary share capital of Cowes Yacht Haven Limited, a company registered in England and Wales (number 02744819) where principal activity is the operation of Cowes Yacht Haven, and whose registered office address is Vectis Yard, High Street, Cowes, Isle of Wight, PO31 7BD. The minority interest, consisting of 2% of the ordinary share capital of Cowes Yacht Haven Limited is held by the Isle of Wight Council. There are no restrictions placed on the Group's activities by the minority interest.

	2021 £	2020 £
Unlisted investment in the ordinary Share Capital Of Cowes Yacht Haven Limited	98	98

12. DEBTORS

	Consolidated		Cowes Town Waterfront Trust Limited	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	440,394	330,700	9,943	30,939
Other debtors	34,876	1,581	28,294	-
Prepayments	20,808	10,065	11,160	3,906
Losses attributable to non-controlling interest	3,072	3,805	-	-
Social Security and other taxes	-	-	9,147	-
Amount due from subsidiary undertaking	-	-	86,843	20,473
	499,150	346,151	145,387	55,318

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	123,129	112,089	68,780	77,970
Social Security and other taxes	203,458	97,524	-	9,121
Bank Loan	59,363	43,872	59,363	43,872
Deferred income (see below)	612,837	478,594	-	7,519
Other creditors and accruals	107,426	154,236	58,226	83,686
	1,106,213	886,315	186,369	222,168
Deferred income represented berthing fees and rents received in advance.				
At 1 April 2020	478,594	549,557	7,519	-
Amounts released to income in the period	(478,594)	(549,557)	(7,519)	-
Deferred in the period	612,837	478,594	-	7,519
At 31 March 2021	612,837	478,594	-	7,519

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated		Cowes Town Waterfront Trust Limited	
	2021 £	2020 £	2021 £	2020 £
Net present value of future lease obligations	750,000	750,000	750,000	750,000
Bank Loan	514,001	420,562	514,001	420,562
	1,264,001	1,170,562	1,264,001	1,170,562

The above liability relates to a net present value of the minimum lease payments under a 125-year lease agreement, which has been discounted at 8%. Lease rentals of circa £67,000 per annum are payable for 115 years remaining of the lease. Lease rentals are payable by quarterly instalments, and the capital sum will not diminish in less than five years.

The bank loan is secured on a fixed and floating charge on the Group's assets, and a number of investment properties within Cowes Town Waterfront Trust Limited.

15. PENSIONS

Defined contribution scheme

The Trust through its trading subsidiary, operates a defined contribution pension scheme for its employees, and also to meet its obligations of auto-enrolment. The sums in respect of employee and employer contributions are paid to third-party providers and are managed external to the Trust. The contribution payable to the pension funds during the year was £20,735 (2020 - £37,867). At the year-end, £2,781 was payable to the fund (2020 - £5,138).

16. RELATED PARTY TRANSACTIONS

During the year the Charity's subsidiary, Cowes Yacht Haven Limited, paid the Charity £120,000 (2020 £160,000) in relation to a Marina licence. During the year, the Charity also paid a management charge to Cowes Yacht Haven Limited amounting to £25,000 (2020 £25,000). The amount due from the subsidiary at 31 March 2021 and 31 March 2020 is shown in note 12.

Four Trustees, paid for berthing fees and container storage at arms length basis to the subsidiary during the year, amounting to:-

Mr P Morton	£7,888 (2020 £6,430)
Mr P Shears	£6,424 (2020 £6,302)
Mr R Reynolds	£Nil (2020 £6,090)
Mr M Greville	£7,023 (2020 8,690)

17. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Group balances	2021 £	2020 £
Financial assets at amortised cost	1,152,128	1,041,413
Financial liabilities at Present Value	(1,264,001)	(1,170,562)
Financial liabilities at amortised cost	(493,376)	(434,324)
Net financial liabilities	(605,249)	(563,473)

The Charity's financial assets comprise debtors, cash and bank balances. Financial liabilities include trade creditors, loans, accruals and other creditors, together with the finance lease obligations and long-term bank loans.

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