

Charity registration number 1091598

Company registration number 4365550 (England and Wales)

**THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR
TRUST) LIMITED**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|---|--|
| Trustees | B Sainsbury J Douglas-Hughes OBE DL C Anderson D Lee R Ward Ms S Courtauld J Weil Dr M.C. Jackson J Hare W Bulgin J Berney Capt S Hodgkinson N Willis | (Appointed 17 September 2021) (Appointed 25 March 2022) |
| Secretary | R Ward | |
| Charity number | 1091598 | |
| Company number | 4365550 | |
| Registered office | Bradwell Marina Waterside Bradwell on Sea CM0 7RB | |
| Independent examiner | Rachel Skells BA FCA Whittle & Partners LLP The Old Exchange 64 West Stockwell Street Colchester Essex CO1 1HE | |
| Bankers | Barclays Bank plc 60 High Street Maldon Essex CM9 5PR | |
| Solicitors | Gepp & Sons 58 New London Road Chelmsford Essex CM2 0PA | |

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

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THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's Memorandum and Articles of Association dated 31 January 2002, the Companies Act 2006 and "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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The Cirdan Sailing Trust, amongst the largest such organisations in Britain, was founded by the Rev. Bill Broad over thirty years ago. During this time we have successfully brought the challenge of sea going adventure to over 34,000 young people aboard our fleet of sailing vessels. The main focus of our work is with young socially, mentally and physically disadvantaged groups, with the aim of improving their lives by developing social skills, team building, self-confidence, self-esteem and a broader understanding of themselves and others. Although most of our work is with such groups, we also provide the same opportunities to others such as in main stream schools, young offenders and vulnerable adults.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Trust should undertake. All our charitable activities focus on the self development of disadvantaged young people and are undertaken to further our charitable purpose for the public benefit.

We cannot stress enough the importance of working in partnership with youth leaders, social workers, teachers and local authorities amongst others to help them achieve their aims of integrating young people into the community. As the benefits lie in providing the individuals with an experience away from their sedentary or negative environments it is important that the new skills, confidence and aspirations developed at sea are built upon on their return to dry land. The challenging experience is intensified not only by the passion of our crew but by the commitment of the youth workers.

In terms of who benefits from our service, we cover a wide and diverse range of the population in creed, ethnicity and attainment from all social backgrounds and localities. Our client groups are finding it increasingly challenging to source the funding for the adventurous activity of sailing. However the Trust has developed significant expertise in sourcing support and ideas for fund raising which we pass on to the groups. We also provide financial support through our own Voyage of Discovery Fund scheme. Despite the claims of Central Government that funds are available for youth development, these are complicated to access and not generally available for non-statutory activities so the skills we can bring to accessing alternative sources of funding are of enormous value to the groups.

We work hard to minimise restriction:

- geographically, while based in Essex, we deploy our fleet around the UK during the sailing season.
- we do not restrict ourselves to personal characteristics; while our focus remains disadvantaged young people, we also provide voyages suitable for other individuals e.g. those undertaking sections of the Duke of Edinburgh Awards and adults who are homeless or have special needs.
- our membership is open to all.

Evidence and feedback from our client groups about the benefits accrued by young people from a sailing experience is validated by comprehensive academic research. A study by the University of Edinburgh found measurable improvements in social confidence and the ability to work with others. The University of Otago in New Zealand reported that "Sharing the pleasure, hardships and camaraderie that develop out of life at sea has a profound impact on strengthening character, fortitude and confidence. The importance of mutual respect, perseverance, responsibility and teamwork towards others and nature present a great sense of existence, self discovery and accomplishment."

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

We brought forward a number of voyages from the 2020 season, although due to continued restrictions within the youth service, some of these had to be rescheduled again into 2022. Our main project was aboard Faramir with mental health teams from across the UK working on Early Intervention for Psychosis. They sailed with eight groups of challenged young adults to enhance the outcomes of their adventure therapy programme. The feedback from clinicians and participants was unanimously positive and is reiterated in the enthusiastic interviews on a video made by one of the groups (available on Cirdan's Facebook), well worth watching.

Across the fleet, we ran voyages for a mixture of disadvantaged young people from, young carers to specialist behaviour units, plus a limited number of vulnerable adults. Both Queen Galadriel and Duet ran voyages with students catching up on missed time for their Duke of Edinburgh Award. The feedback from the leaders, parents and young people emphasised how much their experience provided a positive effect on the mental health and well-being of all participants. No matter what their background or ability, they all benefited from the challenge, adventure, activity, and stimulation which helped them move forward after the lockdowns and isolation of the previous two years.

There is no doubt that whilst government restrictions were lifted mid-season, Covid still had an adverse effect on bookings with many groups unable to commit due to their internal restrictions, pressure of work and illness. As the season progressed, a factor that became more and more evident was the apparent disappearance of some youth organisations for whom we have provided a service in the past.

We feel that despite the overwhelming odds stacked against us in what was a very difficult season, it still turned out to be an undeniable success. This is because we remained undeterred in our dedication to bringing lifetime experiences to the individuals who sail with us and overcoming obstacles in order to do so. Looking forward we will be bringing this determination into the next season, reinforced with the knowledge that our services are now more vital than ever before.

Financial review

We are mindful of the need for tight fiscal controls.

We continued to receive solid support from regular and new supporters for which we express our deepest gratitude. The agreement to our flexible use of this funding by many of our supporters was of particular importance as we moved into a second year of the pandemic. The Courtaulds' Duet Fund, managed by the Essex Community Foundation, once again supported the maintenance and operation of Duet and also benefitted some of the young people who sailed across the fleet in another challenging year.

Despite the Covid restrictions preventing the vessels operating during the first half of the season, the dedication of the staff, the need for our service and the generosity of our supporters, resulted in the Trust being well placed by the year end and in a strong position to shape 2022 and the immediate years to come.

Duet is under permanent loan from the owners in accordance with an agreement with the Rev Christopher Courtauld and has benefitted from a legacy which was established by the Rev Christopher Courtauld just prior to his death in 2014 and is administered by the Essex Community Foundation. Restricted proceeds of this fund are utilised by the Trust to cover much of her work within sail training.

The Trustees policy is to maintain sufficient reserves to meet the anticipated day to day expenditure.

The trustees have a written Risk Register which assesses the risks to our business and sets out how these risks are minimised and is regularly reviewed. There have been no additional risks identified in the year.

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for the future

In order to survive these gruelling times, we have survived the past and previous years on a skeleton staff and plan to bring back numbers particularly in the office to those pre-covid. This will improve our marketing arm and strengthen our bookings team for the challenges ahead.

Structure, governance and management

The Trust is a company limited by guarantee governed by its Memorandum and Articles dated 31 January 2002.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

| | |
|-------------------------|-------------------------------|
| R Hodgkinson | (Resigned 17 June 2022) |
| B Sainsbury | |
| J Douglas-Hughes OBE DL | |
| C Anderson | |
| D Cole | (Resigned 8 January 2021) |
| D Lee | |
| R Ward | |
| Ms S Courtauld | |
| J Weil | |
| Dr M.C. Jackson | |
| Gillian Wraw | (Resigned 20 March 2021) |
| J Hare | |
| W Bulgin | |
| J Berney | |
| Capt S Hodgkinson | (Appointed 17 September 2021) |
| N Willis | (Appointed 25 March 2022) |

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees (the directors) is responsible for setting the strategic direction of the charity and for establishing policy. A Chief Executive Officer (CEO) Mrs Leonie Back, is appointed by the trustees to manage the day to day operation of the charity. To facilitate effective operation, the CEO has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and sailing related activities.

Trustees are provided with copies of all systems and procedures operated by the Trust including copies of the Memorandum and Articles of the company. In addition, they receive such training as they and the other Trustees deem necessary.

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of trustees responsibilities

The trustees, who are also the directors of The Cirdan Sailing Trust (Incorporating the Faramir Trust) Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 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 in operation.

The trustees are responsible for keeping adequate accounting records that 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. 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 report was approved by the Board of Trustees.

C Anderson

Trustee

Dated: 22 July 2022

R Ward

Trustee

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

I report to the trustees on my examination of the financial statements of The Cirdan Sailing Trust (Incorporating the Faramir Trust) Limited (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Trust's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Trust's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the Trust as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for 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 (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Rachel Skills BA FCA

Chartered Accountant
Whittle & Partners LLP
The Old Exchange
64 West Stockwell Street
Colchester
Essex
CO1 1HE

Dated: 22 July 2022

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ |
|---|-------|---------------------------------|-------------------------------|--------------------|---------------------------------|-------------------------------|--------------------|
| <u>Income from:</u> | | | | | | | |
| Donations | 3 | 368,552 | 62,659 | 431,211 | 299,291 | 41,630 | 340,921 |
| Charter income | 4 | 2,766 | - | 2,766 | (678) | - | (678) |
| Total income | | 371,318 | 62,659 | 433,977 | 298,613 | 41,630 | 340,243 |
| <u>Expenditure on:</u> | | | | | | | |
| Raising funds | 5 | 20,769 | - | 20,769 | 19,014 | - | 19,014 |
| Charitable activities | 6 | 323,631 | 72,659 | 396,290 | 289,723 | 31,630 | 321,353 |
| Total expenditure | | 344,400 | 72,659 | 417,059 | 308,737 | 31,630 | 340,367 |
| Net income/(expenditure) for the year/ | | | | | | | |
| Net movement in funds | | 26,918 | (10,000) | 16,918 | (10,124) | 10,000 | (124) |
| Fund balances at 1 January 2021 | | 834,229 | 10,000 | 844,229 | 844,353 | - | 844,353 |
| Fund balances at 31 December 2021 | | 861,147 | - | 861,147 | 834,229 | 10,000 | 844,229 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-------|------------------|----------------|------------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 765,001 | | 765,001 |
| Current assets | | | | | |
| Stocks | 11 | 1,906 | | 2,353 | |
| Debtors | 12 | 15,315 | | 3,051 | |
| Cash at bank and in hand | | 259,875 | | 202,956 | |
| | | <u>277,096</u> | | <u>208,360</u> | |
| Creditors: amounts falling due within one year | 13 | <u>(180,950)</u> | | <u>(129,132)</u> | |
| Net current assets | | | 96,146 | | 79,228 |
| Total assets less current liabilities | | | <u>861,147</u> | | <u>844,229</u> |
| Income funds | | | | | |
| Restricted funds | 16 | | - | | 10,000 |
| Unrestricted funds | | | 861,147 | | 834,229 |
| | | | <u>861,147</u> | | <u>844,229</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22 July 2022

C Anderson
Trustee

R Ward
Trustee

Company registration number 4365550

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

The Cirdan Sailing Trust (Incorporating the Faramir Trust) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Bradwell Marina, Waterside, Bradwell on Sea, CM0 7RB.

1.1 Accounting convention

The accounts have been prepared in accordance with the Trust's Memorandum and Articles of Association, the Companies Act 2006 and "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 UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Trust is a Public Benefit Entity as defined by FRS 102.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, unless they are incapable of financial measurement.

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is included on an accruals basis.

Management and administration costs comprise the costs of running the charity itself as an organisation.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----|-------------------|
| Van | 20% straight line |
|-----|-------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

The trust's vessels are not depreciated and are stated at valuation.

Reinstatement costs are written off as expenditure in the period in which they are incurred.

1.7 Impairment of fixed assets

At each reporting end date, the Trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any.

1.8 Stocks

Stocks are stated at the lower of cost and estimated net realisable value.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

2 Critical accounting estimates and judgements

In the application of the Trust'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 in 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.

Critical judgements

Valuation of sailing vessels

The trustees have valued the sailing vessels on an existing use basis. These vessels are regularly inspected and maintained to a high standard such that the trustees consider their value in the financial statements to be realistic.

3 Donations

| | Unrestricted funds | Restricted funds | Total 2021 | Total 2020 |
|--|-----------------------|---------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Donations | 107,611 | 62,659 | 170,270 | 80,311 |
| Coronavirus Job Retention Scheme Grant | 4,338 | - | 4,338 | 51,791 |
| Charter fees donated as bursaries | 256,603 | - | 256,603 | 208,819 |
| | <u>368,552</u> | <u>62,659</u> | <u>431,211</u> | <u>340,921</u> |
| For the year ended 31 December 2020 | <u>299,291</u> | <u>41,630</u> | | <u>340,921</u> |

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charter income

| | Souvenir income £ | RYA income £ | Total £ | Total 2020 £ |
|------------------------------------|-------------------------|---------------------|---------------------|---------------------|
| Sales within charitable activities | 1,067 | 1,699 | 2,766 | (742) |
| Other income | - | - | - | 64 |
| | <u>1,067</u> | <u>1,699</u> | <u>2,766</u> | <u>(678)</u> |
| | <u><u>1,067</u></u> | <u><u>1,699</u></u> | <u><u>2,766</u></u> | <u><u>(678)</u></u> |

5 Raising funds

| | 2021 £ | 2020 £ |
|-------------------------------------|----------------------|----------------------|
| <u>Fundraising and publicity</u> | | |
| Share of support costs (see note 7) | 20,769 | 19,014 |
| | <u>20,769</u> | <u>19,014</u> |
| | <u><u>20,769</u></u> | <u><u>19,014</u></u> |

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

| | Vessel running costs | Marketing and administration costs | Total | Total 2020 |
|--|----------------------|------------------------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Wages, salaries, travel and subsistence | 138,977 | - | 138,977 | 117,666 |
| Vessel running costs | 61,473 | - | 61,473 | 28,868 |
| Vessel insurance/survey | 24,303 | - | 24,303 | 24,342 |
| Vessel repairs | 4,010 | - | 4,010 | 67 |
| Vessel reinstatement | 80,793 | - | 80,793 | 74,352 |
| Vessel COVID 19 Equipment | 3,659 | - | 3,659 | - |
| | <u>313,215</u> | <u>-</u> | <u>313,215</u> | <u>245,295</u> |
| Share of support costs (see note 7) | - | 83,075 | 83,075 | 76,058 |
| | <u>313,215</u> | <u>83,075</u> | <u>396,290</u> | <u>321,353</u> |
| Analysis by fund | | | | |
| Unrestricted funds - general | 247,105 | 76,526 | 323,631 | |
| Restricted funds | 66,110 | 6,549 | 72,659 | |
| | <u>313,215</u> | <u>83,075</u> | <u>396,290</u> | |
| For the year ended 31 December 2020 | | | | |
| Unrestricted funds - general | 213,665 | 76,058 | | 289,723 |
| Restricted funds | 31,630 | - | | 31,630 |
| | <u>245,295</u> | <u>76,058</u> | | <u>321,353</u> |

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Support costs

| | Support costs | Governance costs | 2021 | 2020 |
|-----------------------------|----------------|------------------|----------------|---------------|
| | £ | £ | £ | £ |
| Staff costs | 71,250 | - | 71,250 | 60,037 |
| Depreciation | - | - | - | 2,130 |
| Office and general expenses | 13,910 | - | 13,910 | 12,878 |
| Motor and travel expenses | 2,658 | - | 2,658 | 2,693 |
| Interest received | (5) | - | (5) | (47) |
| Fundraising costs | 13,175 | - | 13,175 | 14,467 |
| Bank charges | 1,155 | - | 1,155 | 1,217 |
| Legal and professional | 1,701 | - | 1,701 | 1,697 |
| | <u>103,844</u> | <u>-</u> | <u>103,844</u> | <u>95,072</u> |
| Analysed between | | | | |
| Fundraising | 20,769 | - | 20,769 | 19,014 |
| Charitable activities | 83,075 | - | 83,075 | 76,058 |
| | <u>103,844</u> | <u>-</u> | <u>103,844</u> | <u>95,072</u> |

Support costs are allocated 80% to charitable activities and 20% to fundraising.

Legal and professional fees includes a fee for the Independent Examination of £785 (2020: £745).

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but indemnity insurance costing £1,400 (2020: £1,400) was incurred for the trustees.

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2021 Number | 2020 Number |
|--|----------------|----------------|
| | 7 | 8 |
| | <u>7</u> | <u>8</u> |

Employment costs

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Wages and salaries | 192,425 | 152,906 |
| Social security costs | 10,309 | 8,865 |
| Other pension costs | 3,488 | 3,010 |
| Travel, subsistence and other staff costs | 4,005 | 12,922 |
| | <u>210,227</u> | <u>177,703</u> |

There were no employees whose annual remuneration was £60,000 or more.

10 Tangible fixed assets

| | Sailing vessels £ | Van £ | Total £ |
|------------------------------------|-------------------------|---------------|----------------|
| Cost | | | |
| At 1 January 2021 | 765,000 | 11,155 | 776,155 |
| At 31 December 2021 | <u>765,000</u> | <u>11,155</u> | <u>776,155</u> |
| Depreciation and impairment | | | |
| At 1 January 2021 | - | 11,154 | 11,154 |
| At 31 December 2021 | <u>-</u> | <u>11,154</u> | <u>11,154</u> |
| Carrying amount | | | |
| At 31 December 2021 | <u>765,000</u> | <u>1</u> | <u>765,001</u> |
| At 31 December 2020 | <u>765,000</u> | <u>1</u> | <u>765,001</u> |

The vessels were valued by the Trustees as at 31 December 2007 after consultation with their Marine Surveyor on the existing use basis. The Trustees are of the opinion that the value at 31 December 2021 is similar to that at 31 December 2007. The historical cost of these vessels is £380,446.

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

| | | | | |
|-----------|---|--------------|-------------------|-------------------|
| 11 | Stocks | | 2021 | 2020 |
| | | | £ | £ |
| | Sundry stocks | | 1,906 | 2,353 |
| | | | <u> </u> | <u> </u> |
| 12 | Debtors | | 2021 | 2020 |
| | | | £ | £ |
| | Amounts falling due within one year: | | | |
| | Other debtors | | 15,315 | 3,051 |
| | | | <u> </u> | <u> </u> |
| 13 | Creditors: amounts falling due within one year | | 2021 | 2020 |
| | | Notes | £ | £ |
| | Other taxation and social security | | 2,304 | 2,526 |
| | Deferred income | 14 | 92,168 | 75,532 |
| | Trade creditors | | 15,466 | 4,355 |
| | Other creditors | | 69,303 | 45,065 |
| | Accruals | | 1,709 | 1,654 |
| | | | <u> </u> | <u> </u> |
| | | | 180,950 | 129,132 |
| | | | <u> </u> | <u> </u> |
| 14 | Deferred income | | 2021 | 2020 |
| | | | £ | £ |
| | Arising from Bursary income not yet due to be allocated | | 92,168 | 75,532 |
| | | | <u> </u> | <u> </u> |
| 15 | Retirement benefit schemes | | | |

Defined contribution schemes

The Trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Trust in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,488 (2020 - £3,010).

THE CIRDAN SAILING TRUST (INCORPORATING THE FARAMIR TRUST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Restricted funds

Donors have provided funds during this and previous years for a number of restricted purposes. The Rev Christopher Courtauld, just before his death, established a legacy to be used for the maintenance of Duet and other associated administration costs. The fund is administered by the Essex Community Foundation.

| | Balance at 1 January 2021 | Movement in funds | | Balance at 31 December 2021 |
|--|---------------------------------|-------------------|-------------|-----------------------------------|
| | | Income | Expenditure | |
| | £ | £ | £ | £ |
| Duet maintenance and associated administration | 10,000 | 62,659 | (72,659) | - |
| | ===== | ===== | ===== | ===== |

17 Related party transactions

During the year N Back MBE (the retired Chief Executive Officer), the husband of the Chief Executive Officer, invoiced the Trust fees of £11,771 (2020: £13,342) for fundraising services.