

Charity registration number 1091598

Company registration number 04365550 (England and Wales)

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

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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

**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	B Sainsbury	
	J Douglas-Hughes OBE DL	
	C Anderson	
	D Lee	
	Ms S Courtauld	
	J Weil	
	Dr M.C. Jackson	
	J Hare	
	W Bulgin	
	J Berney	
	Capt S Hodgkinson	
	N Willis	
	L Abbott	(Appointed 20 October 2023)
	G Telford	(Appointed 20 October 2023)
<b>Charity number</b>	1091598	
<b>Company number</b>	04365550	
<b>Registered office</b>	Bradwell Marina	
	Waterside	
	Bradwell on Sea	
	CM0 7RB	
<b>Independent examiner</b>	Rachel Skells BA FCA	
	The Old Exchange	
	64 West Stockwell Street	
	Colchester	
	Essex	
	CO1 1HE	
<b>Bankers</b>	Barclays Bank plc	
	60 High Street	
	Maldon	
	Essex	
	CM9 5PR	
<b>Solicitors</b>	Gepp & Sons	
	58 New London Road	
	Chelmsford	
	Essex	
	CM2 0PA	

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# **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 DIRECTOR'S REPORT)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2023***

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The trustees present their annual report and financial statements for the year ended 31 December 2023.

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**

While not alone, we had a difficult year recruiting sea staffing as there seemed to be a dearth of suitably trained and qualified candidates in the industry particularly for skipper and mates. It would appear that post Covid, many individuals have opted not to return to the sea making it difficult to find candidates to fill these roles. However, we managed with some judicious intervention by our CEO Ed Humphries bridging the odd gaps with freelancers new to the Trust.

Our work continues with the young disadvantaged and to categorise 'disadvantaged' is difficult but may include those from dysfunctional backgrounds who have often suffered deprivation and are excluded from education or society. Others may have suffered abuse, are homeless or have mental health or behaviour issues. Our aim is to make a significant contribution to the development of life skills, increase their confidence and self-esteem, build resilience, improve communication skills, stimulate the desire to learn and generally enhance their mental health and wellbeing.

Our core activities in 2023 once again included our Voyage to Recovery project which involved ten voyages for Early Intervention in Psychosis (EIP) services collaborating to circumnavigate the UK with a relay crew of 80, over a 9 week period, with each group taking a different leg of the trip. These individuals have all experienced early episodes of psychosis and as a result may lead extremely isolated and limited lives, with little meaning or structure or opportunity for personal growth. Sailing adventure therapy with Cirdan is included as part of their support programme and feedback from these particularly challenged individuals was very encouraging and largely consistent with our overall results.

We were pleased to welcome our charity's founder Bill Broad onboard Queen Galadriel in May for a special celebration of Cirdan's 40th Anniversary. Continuing this theme, all three vessels sailed into London in mid-September where we celebrated the work of the Trust over the years. A special thanks to Hermitage Community Moorings for their support and generosity providing free moorings for the extended weekend. The celebration included individuals who have been connected to Cirdan over the last four decades, from shipwrights and engineers to past crew and staff members.

Duet continued her run of Duke of Edinburgh Gold Residentials across seven weeks during the school holidays. The young people come from differing backgrounds but are predominantly students from low income families who have restricted finances. The majority are given financial support and many of them face their own additional challenges such as autism, ADHD, low self-esteem and anxiety.

Duet also enjoyed taking part in the exhilarating Round the Island Race in July and Faramir took part in the ASTO Small Ships Race in Cowes with local young people from the Island. In July, Faramir also came second in her class and fourth overall in the prestigious Tall Ships' Race Event, sailing from Den Helder in The Netherlands to Hartlepool, UK. In addition to the Cirdan crew 8 young people from disadvantaged backgrounds took part and all came home with a real sense of achievement and memories for life.

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

## TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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Sourcing funds for our activities is ever more challenging. However, the Trust has valued supporters to whom we are eternally grateful, as well as our own considerable expertise and knowledge in raising funds. Support from Central Government remains unavailable for non-statutory activities making our fundraising skills when supporting the groups, invaluable.

We were fortunate to have been chosen by the "Anchorites" as their nominated charity for 2023 and while the funds raised would be modest every bit helps. Additionally, it is a good way of getting our name in front of new avenues and channels for support.

#### Helping to understand our work

We work hard to minimise restriction in all areas:

- **geographically**, while based in Essex, during the sailing season we deploy our fleet around the UK. The groups and individuals that sail with us come from all parts of the UK and include those who live inland and have no recreational access to the water.
- **characteristics**, we do not restrict ourselves to personal disadvantages.
- **in general**, while a small part of our work, we provide voyages for able bodied individuals mainly through the Duke of Edinburgh scheme, homeless adults or those with special needs.
- our **membership** is open to all.
- **evidence** and feedback of activities is received from each group detailing the benefits experienced from the voyage.

Academic research validates the benefits attributed to the sailing experience and our own evidence through the EIP groups substantiates this. Similarly, a study by the University of Edinburgh found measurable improvements in social confidence and the ability to work with others through sailing. In addition, the University of Otago in New Zealand reported in a paper, 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, presents a great sense of existence, self-discovery and accomplishment."

Feedback from our own groups can be found on our social media sites.

#### Public benefit and activities

Our reach around the country, appeals to all sectors and communities and our ability to work with and influence the significantly deprived, means we are able to work for the public good. Our voyages are designed to cover all aspects of 'life skills'. We involve every member of the group in all activities from cooking to passage planning. On return from a voyage individuals can take what some would consider simple chores and implement them in their day to day life. While some activities are directly related to sailing a lot of the voyage activities can be applied to land based activities:-

- menu planning; shopping; food preparation; cooking; clearing and cleaning in heads, cabin and galley
- passage planning; understanding risks; obtaining safety information eg marine forecast; setting courses; sailing instruction underway; control, monitoring and reporting the voyage.

The outcome is a better relationship with others through teamwork and the importance of respect and communication.

Furthering our Public Benefit as required by the Charity Commission, the Trustees encourage these activities whenever possible on every voyage and we refer to this as delivering the "Cirdan Experience". Additionally, we are pleased to report an ever growing involvement of young volunteers who return to assist with refits, shake-down sails and as extra deck hands.

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

## **TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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### **Achievements and performance**

The Cirdan Experience across the fleet is we believe where our success lies and in 2023, a total of 454 people sailed with us on 50 voyages. Working alongside our professional crew, participants are involved in all aspects of running and sailing the vessel, both above and below deck – such as getting involved in planning and navigation, learning to cook for themselves and each other and keep a tidy ship. Mealtimes are taken together, generally sitting around the table, where social skills are learned alongside essential communication skills. Through this active involvement, they learn about themselves, develop an acceptance of others, develop a willingness to take controlled risks, discover hidden strengths and talents and gain an understanding of the value of working as a team, together with an awareness of the environment and wildlife around them.

The different groups have different needs and objectives, and we tailor each voyage to meet those needs. In the case of groups from the Youth Justice Service who are working on prevention and diversion interventions, the voyages provide disruption from being exploited and participation in anti-social behaviour. The groups that come to us from supported housing organisations are homeless young people from the care system or unaccompanied asylum-seeking young people who are having complex transitions. In their case our voyages are used as part of their programme of integration into communal living, working together, sharing experience, relieving social isolation, and developing an understanding of different race and cultures promoting tolerance. In addition, they are looking to build daily life skills such as budgeting, cooking meals together and food shopping, all of which are part of our experiential education on the voyages.

The result of this has been shown to give the participants the skills they need to go on and lead better lives, to have a sense of pride and to feel the value of being part of something positive.

However, we faced a few challenges in 2023, most notably trouble with recruiting crew, as already mentioned, and a number of mechanical issues with Queen Galadriel resulting in her entering dry dock and postponing a voyage for a group until 2024. The shortage of qualified crew delayed Faramir starting her season by two months, but the use of freelance crew to fill the gaps meant we could honour voyages previously booked and were able to welcome the return of the EIP (Early Intervention for Psychosis) groups.

### **Financial review**

Despite the challenges previously outlined, we are pleased to be able to report a modest surplus for the year, maintaining our strong level of reserves.

We continue to receive solid support from regular and new supporters for which we express our deepest gratitude. We are also mindful of the need for tight fiscal controls and endeavour to keep costs to a minimum.

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

### **Plans for the future**

We plan to continue our work for the young disadvantaged from all areas of the UK. Not wishing to blame the Covid pandemic, but it is taking longer than anticipated to climb out of the stagnation it brought about and indeed, one other sail training organisation has sadly ceased trading altogether, with another having to drastically shorten its fleet. We are gradually returning to pre-pandemic booking levels and anticipate that this will enhance our marketing and fundraising efforts for the future.

### **Structure, governance and management**

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

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

## **TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)**

### ***FOR THE YEAR ENDED 31 DECEMBER 2023***

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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:

B Sainsbury

J Douglas-Hughes OBE DL

C Anderson

D Lee

R Ward

(Resigned 17 February 2023)

Ms S Courtauld

J Weil

Dr M.C. Jackson

J Hare

W Bulgin

J Berney

Capt S Hodgkinson

N Willis

L Abbott

(Appointed 20 October 2023)

G Telford

(Appointed 20 October 2023)

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 Trustees have access to 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 other Trustees deem necessary.

We were pleased to welcome two new Trustees (Louis Abbott & Gemma Telford) following the death of Roger Hodgkinson and the retirement of Richard Ward.

The Board of Trustees (the directors) is responsible for setting the strategic direction of the charity and for establishing policy. The Chief Executive Officer (CEO), 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. All systems and procedures including copies of the Memorandum and Articles of the company are available to the Trustees. In addition, they receive such training as they and the other Trustees deem necessary. Our CEO Mrs Back, retired in 2023 and our Fleet Manager Ec Humphries has been promoted into the role.

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.

Finally, it is with great sadness that we report the death of our founder Bill Broad who died at the beginning of 2024. His wife preceded him in 2023 and we offer our condolences to his family on the loss of both their parents so close together.

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

## **TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2023***

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### **Reference and administrative details**

The Board of Cirdan Sailing Trust (Incorporating the Faramir Trust) Limited (reg nos 1091598) are responsible for preparing the Trustees Report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In preparing these financial statements, the Trustees will:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practices (SORP);
- make judgements and estimates that are reasonable and prudent;
- 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 maintain 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**

N Willis  
**Trustee**

25 June 2024



# **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**

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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 2023.

#### **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 Skells BA FCA

Chartered Accountant  
The Old Exchange  
64 West Stockwell Street  
Colchester  
Essex  
CO1 1HE

Dated: 25 June 2024

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

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Notes							
<b>Income and endowments from:</b>							
Donations and legacies	3	254,611	113,702	368,313	242,505	110,000	352,505
Charitable activities	4	227,745	-	227,745	154,726	-	154,726
Other income		3,780	-	3,780	69	-	69
<b>Total income</b>		<b>486,136</b>	<b>113,702</b>	<b>599,838</b>	<b>397,300</b>	<b>110,000</b>	<b>507,300</b>
<b>Expenditure on:</b>							
Raising funds	5	35,560	-	35,560	34,950	-	34,950
Charitable activities	6	397,852	133,702	531,554	357,624	90,000	447,624
<b>Total expenditure</b>		<b>433,412</b>	<b>133,702</b>	<b>567,114</b>	<b>392,574</b>	<b>90,000</b>	<b>482,574</b>
<b>Net income/(expenditure) and movement in funds</b>		<b>52,724</b>	<b>(20,000)</b>	<b>32,724</b>	<b>4,726</b>	<b>20,000</b>	<b>24,726</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 January 2023		865,873	20,000	885,873	861,147	-	861,147
<b>Fund balances at 31 December 2023</b>		<b>918,597</b>	<b>-</b>	<b>918,597</b>	<b>865,873</b>	<b>20,000</b>	<b>885,873</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

## BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11		765,001		765,001
<b>Current assets</b>					
Stocks	12	3,057		2,260	
Debtors	13	10,663		11,782	
Cash at bank and in hand		214,350		202,739	
		<u>228,070</u>		<u>216,781</u>	
<b>Creditors: amounts falling due within one year</b>	14	(74,474)		(95,909)	
Net current assets			153,596		120,872
<b>Total assets less current liabilities</b>			<u>918,597</u>		<u>885,873</u>
<b>Income funds</b>					
Restricted funds	17	-		20,000	
Unrestricted funds		918,597		865,873	
		<u>918,597</u>		<u>885,873</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 2023.

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 25 June 2024

C Anderson  
Trustee

N Willis  
Trustee

Company registration number 04365550

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

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2023*

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### **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 or grantors 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 2023**

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### **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
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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 and deposits held at call with banks.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### **1 Accounting policies**

**(Continued)**

#### **1.10 Financial instruments**

The Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

#### **1.11 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.

#### **1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.13 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.

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**3 Donations**

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Donations	37,505	113,702	151,207	158,062
Charter fees donated as bursaries	217,106	-	217,106	194,443
	<u>254,611</u>	<u>113,702</u>	<u>368,313</u>	<u>352,505</u>
<b>For the year ended 31 December 2022</b>	<u>242,505</u>	<u>110,000</u>		<u>352,505</u>

**4 Charter income**

	Charter fees	Souvenir income	RYA income	Total	Total 2022
	£	£	£	£	£
Sales within charitable activities	225,144	1,035	1,566	227,745	154,726
	<u>225,144</u>	<u>1,035</u>	<u>1,566</u>	<u>227,745</u>	<u>154,726</u>

**5 Raising funds**

	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Share of support costs (see note 7)	35,560	34,950
	<u>35,560</u>	<u>34,950</u>

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**6 Charitable activities**

	Vessel running costs	Marketing and administration costs	Total	Total 2022
	£	£	£	£
Wages, salaries, travel and subsistence	162,754	-	162,754	139,786
Vessel running costs	54,756	-	54,756	66,761
Vessel insurance/survey	18,575	-	18,575	22,383
Vessel repairs	34,416	-	34,416	19,415
Vessel reinstatement	118,812	-	118,812	59,478
	<u>389,313</u>	<u>-</u>	<u>389,313</u>	<u>307,823</u>
Share of support costs (see note 7)	-	142,241	142,241	139,801
	<u>389,313</u>	<u>142,241</u>	<u>531,554</u>	<u>447,624</u>
	<u><u>389,313</u></u>	<u><u>142,241</u></u>	<u><u>531,554</u></u>	<u><u>447,624</u></u>
<b>Analysis by fund</b>				
Unrestricted funds - general	267,644	130,208	397,852	
Restricted funds	121,669	12,033	133,702	
	<u>389,313</u>	<u>142,241</u>	<u>531,554</u>	
	<u><u>389,313</u></u>	<u><u>142,241</u></u>	<u><u>531,554</u></u>	
<b>For the year ended 31 December 2022</b>				
Unrestricted funds - general	225,923	131,701		357,624
Restricted funds	81,900	8,100		90,000
	<u>307,823</u>	<u>139,801</u>		<u>447,624</u>
	<u><u>307,823</u></u>	<u><u>139,801</u></u>		<u><u>447,624</u></u>



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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**7 Support costs**

	Support costs	Governance costs	2023	2022
	£	£	£	£
Staff costs	135,768	-	135,768	125,667
Office and general expenses	26,689	-	26,689	17,551
Motor and travel expenses	5,254	-	5,254	4,166
Interest received	(508)	-	(508)	(57)
Fundraising costs	6,284	-	6,284	23,001
Bank charges	1,221	-	1,221	1,262
Legal and professional	3,093	-	3,093	3,161
	<u>177,801</u>	<u>-</u>	<u>177,801</u>	<u>174,751</u>
Analysed between				
Fundraising	35,560	-	35,560	34,950
Charitable activities	142,241	-	142,241	139,801
	<u>177,801</u>	<u>-</u>	<u>177,801</u>	<u>174,751</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 £1,900 (2022: £1,900).

**8 Trustees**

None of the trustees (or any persons connected with them) received any remuneration during the year.

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**9 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
	11	9
	<b>=====</b>	<b>=====</b>
<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	275,317	232,370
Social security costs	14,503	15,695
Other pension costs	4,697	4,466
Travel, subsistence and other staff costs	4,005	12,922
	<b>=====</b>	<b>=====</b>
	298,522	265,453
	<b>=====</b>	<b>=====</b>

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

**10 Taxation**

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

**11 Tangible fixed assets**

	<b>Sailing vessels</b>	<b>Van</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2023	765,000	11,155	776,155
	<b>=====</b>	<b>=====</b>	<b>=====</b>
At 31 December 2023	765,000	11,155	776,155
	<b>=====</b>	<b>=====</b>	<b>=====</b>
<b>Depreciation and impairment</b>			
At 1 January 2023	-	11,154	11,154
	<b>=====</b>	<b>=====</b>	<b>=====</b>
At 31 December 2023	-	11,154	11,154
	<b>=====</b>	<b>=====</b>	<b>=====</b>
<b>Carrying amount</b>			
At 31 December 2023	765,000	1	765,001
	<b>=====</b>	<b>=====</b>	<b>=====</b>
At 31 December 2022	765,000	1	765,001
	<b>=====</b>	<b>=====</b>	<b>=====</b>

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**11 Tangible fixed assets (Continued)**

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 were of the opinion that the value at 31 December 2023 was similar to that at 31 December 2007. The historical cost of these vessels is £380,446.

<b>12 Stocks</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Sundry stocks	3,057	2,260
	<b>=====</b>	<b>=====</b>

<b>13 Debtors</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Other debtors	10,663	11,782
	<b>=====</b>	<b>=====</b>

<b>14 Creditors: amounts falling due within one year</b>		<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Other taxation and social security		3,271	3,626
Deferred income	<b>15</b>	49,354	65,600
Trade creditors		17,232	3,187
Other creditors		-	21,000
Accruals		4,617	2,496
		<b>=====</b>	<b>=====</b>
		<b>74,474</b>	<b>95,909</b>
		<b>=====</b>	<b>=====</b>

<b>15 Deferred income</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Arising from Bursary income not yet due to be allocated	49,354	65,600
	<b>=====</b>	<b>=====</b>

<b>16 Retirement benefit schemes</b>	<b>2023</b>	<b>2022</b>
<b>Defined contribution schemes</b>	<b>£</b>	<b>£</b>
Charge to profit or loss in respect of defined contribution schemes	4,697	4,466
	<b>=====</b>	<b>=====</b>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 16 Retirement benefit schemes

(Continued)

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.

### 17 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 2023	Movement in funds		Balance at 31 December 2023
	£	Income	Expenditure	£
Duet maintenance and associated administration	20,000	113,702	(133,702)	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 18 Unrestricted funds

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
General funds	865,873	486,136	(433,412)	918,597
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
General funds	861,147	397,300	(392,574)	865,873
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

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