

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31 March 2021**  
**for**  
**THE WELLINGTON TRUST**

Knox Cropper LLP  
Chartered Accountants and Statutory Auditors  
65 Leadenhall Street  
London  
EC3A 2AD

**THE WELLINGTON TRUST**

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for the Year Ended 31 March 2021**

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# THE WELLINGTON TRUST

## Report of the Trustees for the Year Ended 31 March 2021

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

The Wellington Trust was incorporated in 2005, as a company limited by guarantee. It is a registered charity whose objects are:

- the restoration, maintenance and preservation for the public benefit of the sloop HMS WELLINGTON as part of the nation's heritage;
- the education of the public in the history and traditions of the British Merchant Navy.

#### Significant activities

The WELLINGTON Trust continually raises funds through grants and donations to preserve and maintain the WELLINGTON for the future, and to raise the public awareness of the importance of the British Merchant Navy and seaborne trade to our island nation, and its protection. Since this fundraising started, the Trust has raised over £1.214m from the City, Livery Companies, individuals and other Trusts. On top of this The Honourable Company of Master Mariners, who have their Livery Hall onboard the ship, have gifted over £785,000 since the formation of the Trust.

The Trust soon realised that the mainstay for fund raising is education of young people and set up a project to develop this on a curriculum-based learning programme. The initial programme was based on Westminster City schools but has expanded to take in inner and outer London schools, with a focus on children living in disadvantaged areas. The Learning Programme for Primary and Secondary is now well established and being booked once again, but with reduced take-up owing to the current COVID-19 pandemic. This has expanded into a 6th form programme, using the ship as a classroom for aspects of Science, Technology, Engineering and Maths (STEM). This has been well received. In addition to over 50,000 visitors to the ship taking advantage of the Merchant Navy artefacts onboard, the Trust now plans to continue to hold specific Merchant Navy focussed exhibitions and events, presented with a broad appeal, for mariners and for the public at large, including families and children.

The main aims for the year were to stabilise the Trust's financial position and its operational functions whilst continuing with its preservation and education initiatives as far as possible during the Coronavirus pandemic. These aims are fundamental to the Trust's work.

Key strategies to achieve this were the outsourcing of the ship's management, the ongoing works to secure the ship's moorings and continuing development of the Trust's education and other heritage programmes.

Significant activities undertaken during the year included substantial alterations to the hull of the ship to secure new mooring lines and development of Augmented Reality installations to demonstrate life in a working ship during HMS WELLINGTON's wartime role. Also, the Trust carried out a Trustee skills audit and used the output to inform decisions about changes to the Trustee Board. All Governance Policies were reviewed and signed off by the Board. New accounts systems and IT systems were introduced to enable the Trust to function more efficiently in a digital world.

The Trust has continued to manage a team of volunteers who assist with the education sessions onboard and marshalling visitors to exhibitions and on tours of the ship. The Trust has successfully recruited many more volunteers in this current year and have included mentoring and a first aid course in their personal development. The Trust continues to keep in touch regularly with all volunteers who are very loyal to the programmes run on HMS WELLINGTON.

The Trust put into place extensive Covid protection measures to care for staff, volunteers and any visitors in preparation for opening the ship to the public, which was delayed for most of the year as opening was considered a risk by the Wellington Trust Board.



## THE WELLINGTON TRUST

### Report of the Trustees for the Year Ended 31 March 2021

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#### Public benefit

The trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The trustees have referred to this guidance when reviewing the charity's aims and objectives and in planning future activities of the charity.

#### ACHIEVEMENT AND PERFORMANCE

##### *Organisational Structure*

The Trust is managed by the Board of Trustees which meets quarterly. The Board has instituted a trustee skills audit that has been used for existing Trustees and is used when new Trustees are recruited

The Board appointed a Management Committee of five Trustees which meets fortnightly to deal with day-to-day matters.

The Trust is managed on a day to basis by a full time General Manager who is the only employee. Remuneration arrangements for the Manager are recommended by the Management Committee and approved by the Trustees

In the year, the Board has appointed lead Trustees for finance, education, marketing, and development including fundraising, media and filmography, museums and exhibitions, Merchant Navy heritage, legal and commercial activities. The leaders of these groups involve other people, including expertise from outside the Trustees as required, and report quarterly to the Board.

##### *Charitable Objects - Preservation of HQS WELLINGTON*

The regular maintenance programme has continued throughout the year without a break. In addition, a considerable amount of work has been undertaken on the moorings. In conjunction with the HCMM the work to replace the mooring points away from the two dolphins onto steel piles newly embedded in the river, ahead and astern of the ship, and structural modifications to the ship to improve the securing arrangements were completed in the summer of 2021. The Wellington Trust is grateful to the sponsor who has provided funding to allow this work to proceed.

##### *Charitable Objects - Education and Heritage*

Although the education programme has continued with bookings, most sessions have been delayed by Covid. However, there is a long waiting list of Primary and Secondary schools with sessions offered in the 6th Form STEM areas using the developed syllabus and is the most popular of the current educational offering.

The Trust is constantly assessing the future needs of the programme to fit with the changing educational environment. The STEM Maths syllabus has been developed into an online course which schools or individuals can undertake at home and the Trust's Education Development Officer has now extended the STEM provision into the area of Physics.

The Trust has continued preparing annual exhibitions onboard which have now been running for many years. Subjects range from Operation PEDESTAL 1942, covering the Dunkirk and St. Valéry evacuations in which HMS WELLINGTON took part, through to Convoy - the Battle of the Atlantic, Hospital and Troop Ships and Abandon Ship.

The latest exhibition, delayed until 2022 due to Covid-19, is entitled 'South Asian Seafarers' - the story of Lascars and their descendants from 1700 to the present day. The exhibition onboard will be accompanied by a film and will travel after closure to a number of interested locations as this subject is rarely told in a way that brings so many important elements together.

Heritage Lectures, now held online monthly, have gathered audiences from across the globe and bring to the public, free of charge, distinguished lecturers in maritime heritage subjects.



## Report of the Trustees for the Year Ended 31 March 2021

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### *Support and development*

During this year the Trust has, with the help of a National Lottery Heritage Grant and a considerable amount of experienced volunteer time, hired a full time manager, restructured the Board of Trustees to ensure the appropriate skills needed for the future are represented, restructured the IT services, produced new updated Governance policies, revamped the accounting system to provide the financial information that is needed, built a new website and a new database, and launched a very successful new heritage lecture programme.

The Trust's new website has generated further support and donations from members of the public and the marketing and awareness programme, including social media, has increased visitors to the website five-fold and will also reflect positively on future activities on the ship.

The organisation of Friends of the WELLINGTON was formed in 2009 and currently there are 134 Friends who have contributed significantly to the Trust's activities. Development plans are in place to increase this vital audience for when the Wellington Trust can go back onboard. The continuing programme of open Heritage Lecture evenings has also been carried out monthly using an online platform. This has attracted a large number of attendees, including international participants, and generous levels of online donations.

### *The effect of Covid-19*

Like many other heritage organisations, Covid-19 has had a dramatic effect on the Trust's activities. The Board considered that opening the ship for public admission during non-lockdown periods was a risk to all, not only to families with young children but to the older generation who visit the ship frequently.

This has severely reduced the revenue obtained from admission and tours. However, obtaining increased grants and donations during this difficult period has enabled us to bridge the gap and the Trust has used the time wisely, both operationally and strategically, to be ready to launch into new and exciting projects as soon as we are able.

### *Key Achievements and Performance during the year:*

- A new Management Agreement with the HCMM for the operation of the ship was implemented with effect from 1 June 2020.
- Substantial progress on new Moorings arrangements was made during the year and this work was completed in the summer of 2021. The Wellington Trust is grateful to the sponsor who has provided funding to allow this work to proceed.
- The Education programme was disrupted by the pandemic but some sessions for children were held online, and the Trust has continued to develop its education strategy in readiness for the time when visitors can be welcomed back onboard the ship. This work includes development of Augmented Reality installations in the Wheelhouse and Court Room.
- A Management Committee has been formed comprising five Trustees who meet fortnightly to deal with day to day matters for the Trust.
- The Trustees are pleased that the charity's investment portfolio has performed well during the year with gains of over £60,000.
- The Coronavirus pandemic has had a huge effect on the Trust's activities during the year curtailing the ability to welcome visitors to the ship, but maintenance work onboard has continued. Substantial funding from the National Heritage Lottery Fund has enabled the Trust to proceed with its education work, the development of the Augmented Reality programme, an awareness programme, providing vital Covid supplies, and has assisted with some establishment and core costs.



## **FINANCIAL REVIEW**

### **Financial position**

The Trust achieved total income of £557,765, against expenditure of £373,899 and gains on investments of £61,742, resulting in net income for the year of £245,608. Total funds of the Trust increased by £245,608 to £928,980 which comprises restricted funds of £25,042 and unrestricted funds of £903,938. However, it should be noted that total funds largely reflects the Trust's principal asset, the ship, which is its principal raison d'être to preserve. Excluding fixed assets held for the Trust's own use and funds designated by the Trustees, unrestricted reserves amount to £278,363.

The operating deficit coupled with the substantial fall in stock market values at the end of the Trust's previous financial year depleted the Trust's resources to a critical level which has been reversed in this current year.

The Trustees entered into an agreement to outsource the management and maintenance of the ship to the HCMM. This initiative took effect from 1 June 2020 and was undertaken to reduce the financial risk to the Trust. Therefore, the income and expenditure pattern in the last nine months of the year have changed considerably with the Trust no longer receiving rental income from the HCMM and other occupiers, but not making payments for the upkeep of the ship. As a result, the Trust no longer has responsibility for staff costs, save for a new Trust Manager who was appointed with effect from 1 April 2021.

The Trust will need to obtain further funding to continue its work, particularly in education and preservation of the ship. The ongoing pandemic has precluded any revenue from visitors to the ship. Development of new income streams to fund the fulfilment of the Trust's aims is now a key priority. The Trust's regular expenditure has now reduced substantially, with only one employee, and day to day maintenance work outsourced. This has significantly reduced the financial risks to the charity although funding is still required for future projects.

### **Investment policy and objectives**

The investment policy is to invest for the long term at moderate risk level and mainly in quoted equities, so as to provide a suitable balance between dividend income and capital appreciation. However, the trustees are mindful that it may be necessary to realise some of the investments in order to carry out or contribute to necessary works. The trustees have reviewed the investment policy and consider the investments to be prudently managed and with reasonable diversification.

### **Reserves policy**

The free reserves of the charitable company are to be utilised to finance conservation and improvement of the ship and to meet operational expenses. The Trust has an obligation for the ultimate removal of the ship from the Thames when it is no longer physically or economically possible to maintain the vessel. This cost is difficult to quantify but the Trustees have provided a designated reserve of £50,000 this year against this eventual expense. The Trustees believe that the Trust has adequate reserves available for its ongoing operations.

### **Fixed Assets**

The fixed assets of the Trust include the HQS WELLINGTON and the moorings, ownership of which were transferred from the HCMM to the Trust by virtue of a Deed of Gift dated 11th September 2006.



## **FUTURE PLANS**

The Trust's focus must be on continuing to achieve its two Charitable Objects.

Future plans include opening the ship to the public and guiding them around the treasures within and telling the story of this unique Second World War escort ship.

Demonstrating the Augmented Reality attractions for the benefit of schoolchildren and visitors on re-opening. The immersive group attractions will be used during the education programme for primary and STEM subjects in the education sessions with an auto-guided but shorter version suitable for visitors of all ages.

Guided tours of the latest exhibition, South Asian Seafarers.

Mentoring staff and volunteers and keeping Trustees and Ambassadors current on charity and business matters.

Fundraising activities will be increased to cover the development of further programmes to enable the Trust to bring HQS WELLINGTON to the attention of a larger audience, and more schoolchildren into education sessions, and detailed marketing plans will put this into effect, both in the local community, including disadvantaged areas in London, and to the maritime audience at large. Such fundraising will also include options to support the preservation and maintenance of the ship.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

### **Organisational structure**

Trustees met as a full Board four times during the period to oversee the running of the Trust and the operation of the ship. A number of committees, appointed by Trustees, also met regularly to cover details of Finance, Education, Exhibitions, Marketing and Development, Sustainability and Heritage matters. They seek to keep administration costs to a minimum, so as to maximise the use of available funds towards the objectives of the Trust.

The board appointed a Management Committee of five trustees which meets fortnightly to deal with day-to-day matters. The Trust is managed on a day-to-day basis by a full time General Manager.

### **Induction and training of new trustees**

New trustees are provided with information concerning the finances, fund raising and expenditure policies of the Charity. Those who are not familiar with the legal obligations and responsibilities of a director are provided with information published by organisations such as the Charity Commission. The Trust will continue to review training requirements for existing and any new Trustees.

### **Risk management**

Trustees have been considering the major strategic, business, and operational risks which the charity faces, which includes the foreseen risks to both the Charity and the vessel. A Risk Register is now maintained and reviewed regularly by Trustees.

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

## **THE WELLINGTON TRUST**

### **Report of the Trustees for the Year Ended 31 March 2021**

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#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

05343257 (England and Wales)

##### **Registered Charity number**

1109066

##### **Registered office**

HQS Wellington  
Temple Stairs  
Victoria Embankment  
London  
WC2R 2PN

##### **Trustees**

M Ali (appointed 22.7.20)  
A D Barrett (resigned 30.6.21)  
R H Bennett (resigned 22.7.20)  
G P Brocklebank (resigned 29.6.20)  
L A Chapman (resigned 22.7.20)  
A Chapman  
N Dickinson  
D Hogben  
M Lincoln  
R K Mehrotra (resigned 22.7.20)  
J M Moseley  
A W Mullee (appointed 28.4.21)  
M Reed (appointed 22.7.20)  
M A Roberts (appointed 22.7.20) (resigned 21.5.21)  
S Robertson  
J M R Sail (resigned 22.7.20)  
E F Shawyer (resigned 22.7.20)  
S P Summers (appointed 22.7.20)  
S Taylor (resigned 22.7.20)  
A V Todd (appointed 22.7.20)

##### **Company Secretary**

N Dickinson

##### **Auditors**

Knox Cropper LLP  
Chartered Accountants and Statutory Auditors  
65 Leadenhall Street  
London EC3A 2AD

##### **Bankers**

Barclays Bank Plc  
114 Fenchurch Street  
London EC3P 3HY

##### **Investment Managers**

Smith and Williamson Investment Management  
25 Moorgate  
London EC2R 6AY



## THE WELLINGTON TRUST

### Report of the Trustees for the Year Ended 31 March 2021

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#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Wellington Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

The auditors, Knox Cropper LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 29 December 2021 and signed on its behalf by:



N Dickinson - Trustee



### **Opinion**

We have audited the financial statements of The Wellington Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the 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 charitable 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.



**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 charitable company or to cease operations, or have no realistic alternative but to do so.



**Our 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 a Report of the Independent Auditors 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 financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and the Charities Act 2011.
- The charitable company is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. These included risks associated with Revenue Recognition, Management Override of Controls, and the increased incentive and pressure to commit fraud due to the Covid-19 environment, which were discussed and agreed by the audit team.
- Our approach included agreeing the charitable company's recognition of income to the terms of the underlying grant agreements, legacy documentation and associated correspondence, the review of journal entries processed in the accounting records and the investigation of significant and unusual transactions identified from our review of the accounting records.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the charitable company.

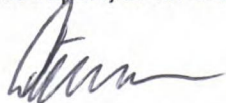
There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.



**Use of our report**

This report is made solely to the charitable 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 company's members those matters we are required to state to them in an auditors' 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 company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Greg Stevenson FCA (Senior Statutory Auditor)  
for and on behalf of Knox Cropper LLP  
Chartered Accountants and Statutory Auditors  
65 Leadenhall Street  
London  
EC3A 2AD

Date: 29 December 2021

# THE WELLINGTON TRUST

## Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 31 March 2021

		Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
	Notes				
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	267,077	229,595	496,672	115,797
<b>Charitable activities</b>	6				
Education		45	-	45	3,194
Other trading activities	4	56,193	-	56,193	265,431
Investment income	5	4,854	-	4,854	8,413
<b>Total</b>		<b>328,169</b>	<b>229,595</b>	<b>557,764</b>	<b>392,835</b>
<b>EXPENDITURE ON</b>					
Raising funds	7	6,804	-	6,804	28,586
<b>Charitable activities</b>	8				
Maintenance of the Wellington		149,551	127,466	277,017	452,369
Education		-	90,077	90,077	24,227
<b>Total</b>		<b>156,355</b>	<b>217,543</b>	<b>373,898</b>	<b>505,182</b>
Net gains/(losses) on investments		61,742	-	61,742	(38,577)
<b>NET INCOME/(EXPENDITURE)</b>		<b>233,556</b>	<b>12,052</b>	<b>245,608</b>	<b>(150,924)</b>
<b>Transfers between funds</b>	21	8,450	(8,450)	-	-
<b>Net movement in funds</b>		<b>242,006</b>	<b>3,602</b>	<b>245,608</b>	<b>(150,924)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>661,932</b>	<b>21,440</b>	<b>683,372</b>	<b>834,296</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>903,938</b>	<b>25,042</b>	<b>928,980</b>	<b>683,372</b>

The notes form part of these financial statements




**THE WELLINGTON TRUST**  
**Company Number: 05343257**  
**Balance Sheet**  
**31 March 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	15	575,575	475,521
Investments	16	<u>271,160</u>	<u>230,415</u>
		<b>846,735</b>	<b>705,936</b>
<b>CURRENT ASSETS</b>			
Stocks	17	-	7,015
Debtors	18	163,523	30,314
Cash at bank		<u>9,742</u>	<u>8,255</u>
		<b>173,265</b>	<b>45,584</b>
<b>CREDITORS</b>			
Amounts falling due within one year	19	<u>(91,020)</u>	<u>(68,148)</u>
<b>NET CURRENT ASSETS</b>		<u><b>82,245</b></u>	<u><b>(22,564)</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>928,980</b></u>	<u><b>683,372</b></u>
<b>NET ASSETS</b>		<u><b>928,980</b></u>	<u><b>683,372</b></u>
<b>FUNDS</b>	21		
Unrestricted funds		903,938	661,932
Restricted funds		<u>25,042</u>	<u>21,440</u>
<b>TOTAL FUNDS</b>		<u><b>928,980</b></u>	<u><b>683,372</b></u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 29 December 2021 and were signed on its behalf by:

  
 N Dickinson - Trustee

The notes form part of these financial statements



# THE WELLINGTON TRUST

## Cash Flow Statement for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(75,064)</u>	<u>(157,674)</u>
Net cash used in operating activities		<u>(75,064)</u>	<u>(157,674)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(134,291)	-
Purchase of fixed asset investments		(78,924)	(41,507)
Sale of fixed asset investments		283,487	144,962
Interest received		17	55
Dividends received		4,837	8,358
Movement in investment manager cash		<u>1,425</u>	<u>28,881</u>
Net cash provided by investing activities		<u>76,551</u>	<u>140,749</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>1,487</b>	<b>(16,925)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>8,255</u></b>	<b><u>25,180</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u>9,742</u></b>	<b><u>8,255</u></b>

The notes form part of these financial statements



Notes to the Cash Flow Statement  
for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	<b>245,608</b>	<b>(150,924)</b>
<b>Adjustments for:</b>		
Depreciation charges	13,544	16,340
(Gain)/losses on investments	(61,742)	38,577
Loss on disposal of fixed assets	20,693	-
Interest received	(17)	(55)
Dividends received	(4,837)	(8,358)
Non-cash gift of investments	(184,991)	-
Decrease/(increase) in stocks	7,015	(1,658)
Increase in debtors	(133,209)	(12,106)
Increase/(decrease) in creditors	<u>22,872</u>	<u>(39,490)</u>
<b>Net cash used in operations</b>	<b><u>(75,064)</u></b>	<b><u>(157,674)</u></b>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
<b>Net cash</b>			
Cash at bank	<u>8,255</u>	<u>1,487</u>	<u>9,742</u>
	<u>8,255</u>	<u>1,487</u>	<u>9,742</u>
<b>Total</b>	<b><u>8,255</u></b>	<b><u>1,487</u></b>	<b><u>9,742</u></b>



**1. STATUS OF THE WELLINGTON TRUST**

The Wellington Trust is a private charitable company limited by guarantee incorporated in England & Wales, register number 05343257. It is also a registered charity, registered with the Charity Commission with number 1109066. The registered office is as disclosed on page 3.

A description of the nature of the charitable company's operations and principal activities are disclosed in the Report of the Trustees.

The functional currency of the charitable company and the presentation currency used in the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised when received. Gift Aid recoverable on donations is recognised when received.

Charitable Activities income is recognised according to the degree of completion of the agreement.

Other Trading Income is accounted for on an accruals basis.

Investment Income is recognised on the date on which the dividend is payable, or the interest accrues.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

The HQS WELLINGTON was transferred by the Honourable Company of Master Mariners (HCMM) to the Wellington Trust at its net book value on 1st July 2005. The costs and improvements have been capitalised and are being written off over their estimated useful lives. The estimated useful life of the ship is considered to be 50 years. Improvements and fixtures and fittings, depending on their nature, are considered to have useful lives of between 5 and 50 years.



**2. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**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.

Financial Instruments are recognised in the Trust's balance sheet when the Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measure at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Classification of financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measure at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised



**Notes to the Financial Statements - continued**  
**for the Year Ended 31 March 2021**

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective rate method.

**Critical judgement and key sources of estimation uncertainty**

The following are the critical judgements and key sources of estimation uncertainty that the board has made in the process of applying the charitable company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

**Depreciation:**

The depreciation of fixed assets is based on the Board's estimate of their useful lives and residual value, which is kept under review.

**3. DONATIONS AND LEGACIES**

	2021 £	2020 £
Gifts	186,591	-
Donations	10,739	57,835
Gift aid	17,665	5,886
Legacies	20,011	-
Grants	244,164	23,800
Subscriptions	<u>17,502</u>	<u>28,276</u>
	<u><b>496,672</b></u>	<u><b>115,797</b></u>

Grants received, included in the above, are as follows:

	2021 £	2020 £
Coronavirus Job Retention Scheme	14,569	-
National Lottery Heritage Fund	219,595	23,800
The Portal Trust	<u>10,000</u>	<u>-</u>
	<u><b>244,164</b></u>	<u><b>23,800</b></u>

**4. OTHER TRADING ACTIVITIES**

	2021	2020
	£	£
Rents receivable	53,879	253,072
Sundry rental and other income	2,326	1,805
Functions	(12)	10,554
	<u>56,193</u>	<u>265,431</u>

**5. INVESTMENT INCOME**

	2021	2020
	£	£
Dividends	4,837	8,358
Deposit account interest	17	55
	<u>4,854</u>	<u>8,413</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

	2021	2020
	£	£
Heritage Evenings	45	3,194
Activity Education		

**7. RAISING FUNDS**

**Raising donations and legacies**

	2021	2020
	£	£
Fundraiser	1,700	11,013
Functions expenses	-	10,762
Friends' expenses	475	-
	<u>2,175</u>	<u>21,775</u>

**Other trading activities**

	2021	2020
	£	£
Bad debts	<u>4,557</u>	<u>6,481</u>

**Investment management costs**

	2021	2020
	£	£
Portfolio management	<u>72</u>	<u>330</u>

Total	<u>6,804</u>	<u>28,586</u>
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Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Maintenance of the Wellington Education	186,120 <u>90,077</u>	90,897 <u>-</u>	277,017 <u>90,077</u>
	<u>276,197</u>	<u>90,897</u>	<u>367,094</u>

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	27,019	122,069
Repairs and maintenance	87,200	129,273
Mooring fees	5,068	25,666
Rates	2,419	10,613
Insurance	12,125	11,533
Website	8,220	-
Utilities	9,832	28,185
Exhibitions	11,360	-
Augmented reality project	75,200	-
Education expenses	3,517	17,958
Heritage Evenings	-	3,219
Depreciation	13,544	16,340
Loss on sale of assets	<u>20,693</u>	<u>-</u>
	<u>276,197</u>	<u>364,856</u>

## THE WELLINGTON TRUST

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

#### 10. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Maintenance of the Wellington	<u>85,497</u>	<u>5,400</u>	<u>90,897</u>

Support costs, included in the above, are as follows:

	2021 Maintenance of the Wellington £	2020 Total activities £
Wages	9,050	62,849
Social security	1,003	5,961
Pensions	-	4,698
Consultant manager	26,894	-
Accounting	3,444	150
Database	14,198	-
Marketing	10,023	-
Bank and payment charges	1,192	715
Sundry expenses	3,004	4,667
IT and software costs	3,148	-
Legal fees	2,180	-
Professional fees	11,361	27,350
Auditors' remuneration	<u>5,400</u>	<u>5,350</u>
	<u>90,897</u>	<u>111,740</u>

#### 11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	5,400	5,350
Depreciation - owned assets	13,544	16,340
Deficit on disposal of fixed assets	<u>20,694</u>	<u>-</u>

#### 12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

##### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.



# THE WELLINGTON TRUST

## Notes to the Financial Statements - continued for the Year Ended 31 March 2021

### 13. STAFF COSTS

	2021 £	2020 £
Wages and salaries	33,640	171,189
Social security costs	3,288	14,857
Other pension costs	144	9,531
	<u>37,072</u>	<u>195,577</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Shipkeepers and maintenance	1	5
Administration	2	5
	<u>3</u>	<u>10</u>

No employees received emoluments in excess of £60,000.

### 14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	91,997	23,800	115,797
<b>Charitable activities</b>			
Education	3,194	-	3,194
Other trading activities	265,431	-	265,431
Investment income	8,413	-	8,413
<b>Total</b>	369,035	23,800	392,835
<b>EXPENDITURE ON</b>			
Raising funds	28,586	-	28,586
<b>Charitable activities</b>			
Maintenance of the Wellington	390,547	61,822	452,369
Education	3,219	21,008	24,227
<b>Total</b>	422,352	82,830	505,182
Net gains/(losses) on investments	(38,577)	-	(38,577)
<b>NET INCOME/(EXPENDITURE)</b>	(91,894)	(59,030)	(150,924)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	753,826	80,470	834,296
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>661,932</u>	<u>21,440</u>	<u>683,372</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

15. TANGIBLE FIXED ASSETS

	Improvements to HQS Wellington £	Fixtures and fittings £	HQS Wellington £	Totals £
<b>COST</b>				
At 1 April 2020	177,146	21,034	604,694	802,874
Additions	134,291	-	-	134,291
Disposals	(66,785)	(21,034)	-	(87,819)
At 31 March 2021	<u>244,652</u>	<u>-</u>	<u>604,694</u>	<u>849,346</u>
<b>DEPRECIATION</b>				
At 1 April 2020	98,871	20,966	207,516	327,353
Charge for year	2,276	-	11,268	13,544
Eliminated on disposal	(46,160)	(20,966)	-	(67,126)
At 31 March 2021	<u>54,987</u>	<u>-</u>	<u>218,784</u>	<u>273,771</u>
<b>NET BOOK VALUE</b>				
At 31 March 2021	<u>189,665</u>	<u>-</u>	<u>385,910</u>	<u>575,575</u>
At 31 March 2020	<u>78,275</u>	<u>68</u>	<u>397,178</u>	<u>475,521</u>

16. FIXED ASSET INVESTMENTS

	Listed investments £
<b>MARKET VALUE</b>	
At 1 April 2020	230,415
Additions	263,915
Disposals	(283,487)
Unrealised gains/(losses)	53,901
Realised gains/(losses)	7,841
Movement in cash	(1,425)
At 31 March 2021	<u>271,160</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>271,160</u>
At 31 March 2020	<u>230,415</u>

There were no investment assets outside the UK.



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

17. STOCKS

	2021	2020
	£	£
Stocks	-	7,015

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	2,674	15,934
Other debtors	38,881	148
VAT	47,042	-
Prepayments and accrued income	74,926	14,232
	<u>163,523</u>	<u>30,314</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	84,500	5,342
VAT	-	5,245
Other creditors	173	130
HCMM	-	38,441
Accrued expenses	6,347	18,990
	<u>91,020</u>	<u>68,148</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Fixed assets	575,575	-	575,575	475,521
Investments	271,160	-	271,160	230,415
Current assets	82,763	90,502	173,265	45,584
Current liabilities	(25,560)	(65,460)	(91,020)	(68,148)
	<u>903,938</u>	<u>25,042</u>	<u>928,980</u>	<u>683,372</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

## 21. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
<b>Unrestricted funds</b>				
General fund	661,932	233,556	(41,550)	853,938
Ship Removal Fund	-	-	50,000	50,000
	<u>661,932</u>	<u>233,556</u>	<u>8,450</u>	<u>903,938</u>
<b>Restricted funds</b>				
National Lottery Heritage Fund	-	5,569	-	5,569
Portal Trust	12,990	(3,517)	-	9,473
Replacement Moorings Project	8,450	-	(8,450)	-
Portal Trust 2020/21	-	10,000	-	10,000
	<u>21,440</u>	<u>12,052</u>	<u>(8,450)</u>	<u>25,042</u>
<b>TOTAL FUNDS</b>	<u>683,372</u>	<u>245,608</u>	<u>-</u>	<u>928,980</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	328,169	(156,355)	61,742	233,556
<b>Restricted funds</b>				
National Lottery Heritage Fund	219,595	(214,026)	-	5,569
Portal Trust	-	(3,517)	-	(3,517)
Portal Trust 2020/21	10,000	-	-	10,000
	<u>229,595</u>	<u>(217,543)</u>	<u>-</u>	<u>12,052</u>
<b>TOTAL FUNDS</b>	<u>557,764</u>	<u>(373,898)</u>	<u>61,742</u>	<u>245,608</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
<b>Unrestricted funds</b>			
General fund	753,826	(91,894)	661,932
<b>Restricted funds</b>			
Portal Trust	45,845	(32,855)	12,990
Replacement Moorings Project	<u>34,625</u>	<u>(26,175)</u>	<u>8,450</u>
	<u>80,470</u>	<u>(59,030)</u>	<u>21,440</u>
<b>TOTAL FUNDS</b>	<u>834,296</u>	<u>(150,924)</u>	<u>683,372</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	369,035	(422,352)	(38,577)	(91,894)
<b>Restricted funds</b>				
National Lottery Heritage Fund	23,800	(23,800)	-	-
Portal Trust	-	(32,855)	-	(32,855)
Replacement Moorings Project	<u>-</u>	<u>(26,175)</u>	<u>-</u>	<u>(26,175)</u>
	<u>23,800</u>	<u>(82,830)</u>	<u>-</u>	<u>(59,030)</u>
<b>TOTAL FUNDS</b>	<u>392,835</u>	<u>(505,182)</u>	<u>(38,577)</u>	<u>(150,924)</u>

**Portal Trust**

This fund represents grants received from The Portal Trust to support the cost of education activities carried out aboard HQS WELLINGTON.

**National Lottery Heritage Fund**

This fund represents grants received from the NLHF during 2020/21 to support the cost of maintaining the ship during the Covid pandemic as well as developing the ship into a visitor attraction and the creation of augmented reality installations.

In the 2019/20 financial year a grant was received from NLHF to support the costs of a business plan and governance review of the Trust.

22. RELATED PARTY DISCLOSURES

The Trust purchased professional services from a trustee, J Moseley, for £4,000 plus VAT. At the year end, £4,800 was owed to J Moseley in respect of these services.