

REARDON SMITH NAUTICAL TRUST

England & Wales · Charity number 1153623

Details

Status Registered

Legal form CIO

Company number [CE000138](#)

Registered 2013-09-02

Register [View on the Charity Commission register](#)

Contact

Address Reardon Smith Nautical Trust
C/O FoxSE Consultancy.co.uk
Cardiff House
Cardiff Road
Vale of Glamorgan
CF63 2AW

Phone 02920 022 143

Email SARAH@FOXSECONSULTANCY.CO.UK

Activities

Objects: The object of the CIO is THE ADVANCEMENT OF EDUCATION OF YOUNG PERSONS UP TO THE AGE OF 25, RESIDENT IN WALES, and in the County of Devon, IN PARTICULAR (BUT NOT LIMITED TO) THOSE RESIDENT IN THE CITY AND COUNTY OF CARDIFF, INCLUDING, BUT SO AS NOT TO LIMIT THE FOREGOING, BY PAYMENT OF GRANTS, SCHOLARSHIPS, EXHIBITIONS AND BURSARIES TO INDIVIDUALS TO ATTEND RECOGNISED NAUTICAL OR MARITIME COURSES RELATING TO SHIPPING, MARITIME LAW AND COMMERCE, NAVIGATION, SAILING, OCEANOGRAPHY AND MARINE RELATED ENVIRONMENTAL ISSUES, IN PARTICULAR THOSE WHICH AFFORD SUCH INDIVIDUALS FIRST HAND PRACTICAL EXPERIENCE OF BEING AT SEA, WHETHER SUCH COURSES BE OFFERED WITHIN ANY PART OF THE UNITED KINGDOM OR ABROAD.

Activities: The object of the trust is the advancement of education of young persons up to the age of 25, resident in Wales, and Devon in particular those resident in the City of Cardiff, including, but so as not to limit the foregoing, by payment of grants, scholarships, exhibitions and bursaries to individuals to attend recognised or maritime courses relating to shipping, maritime law and commerce.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training
- **Who:** Children/young People

Geography

- Devon
- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£125,549	£230,082	-	-
2024-04-05	£129,743	£200,511	-	-
2023-04-05	£120,255	£166,461	-	-
2022-04-05	£126,173	£247,982	-	-
2021-04-05	£118,705	£80,700	-	-

Trustees

Name	Role	Appointed
CHARLES REARDON SMITH	Chair	2013-08-30
David Gareth Rees		2013-08-30
JOHN PHILIP REARDON SMITH		2013-08-30
KATHERINE LISA WILLIAMS		2013-08-30
Neil Pugh		2024-09-24
Nick Toye		2024-09-24
Steve Berry		2021-12-14
Terry Lewis		2020-02-25

REARDON SMITH NAUTICAL TRUST

England & Wales - Charity number 1153623

Accounts

**Report of the Trustees and
Audited Financial Statements for the Year Ended 5th April 2025
for
Reardon Smith Nautical Trust**

Reardon Smith Nautical Trust

**Contents of the Financial Statements
for the Year Ended 5th April 2025**

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Reardon Smith Nautical Trust

Report of the Trustees for the Year Ended 5th April 2025

The trustees present their report with the financial statements of the charity for the year ended 5th April 2025. 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 object of the CIO is the advancement of education of young persons up to the age of 25, resident in Wales and in the County of Devon, in particular (but not limited to) those resident in the City and County of Cardiff, including, but so as not to limit the foregoing, by payment of grants, scholarships, exhibition and bursaries to individuals to attend recognised nautical or maritime courses relating to shipping, maritime law and commerce, navigation, sailing, oceanography and marine related environmental issues, in particular those which afford such individuals first hand practical experience of being at sea, whether such courses be offered within any part of the United Kingdom or abroad.

Significant activities

The organisation achieved its objective for the year by finding suitable candidates for financial assistance. The process of identifying providers of courses continued, the participants of which could meet the organisation's criteria for financial assistance. Awards of £208,861 were made in the year. A full list of awards paid is given in the notes of the statutory financial statements.

Public benefit

We will review our aims, objectives and activities each year. This review will look at what we achieved and the outcomes of our work in the previous twelve months. The review will also help us ensure our aims, objectives and activities remain focused on our stated objectives. We will refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities thus ensuring that it continues in its purpose in the advancement of education of young persons up to the age of 25, by payment of grants, scholarships, exhibitions and bursaries to individuals to attend recognised nautical or maritime courses.

Grantmaking

Grants are made to those individuals who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are also paid through sail training providers such as Island Trust and Challenge Wales, and through higher and further education bodies such as Pembroke college and the Military Preparation Training College.

Financial review

Principal funding sources

The investment portfolio and monies deposited with banks and building societies provided the Trust with a total income for the year of £125,549 (2024: £129,743). After making awards of £208,861 (2024: £155,974), and incurring direct costs of £21,221 (2024: £24,267) including support costs of £2,781 (2024: £2,928), the charity reported an unrestricted operating deficit of £104,533 (2024: deficit £50,498).

After taking into account the costs of running the portfolio and the net gains/(losses) on investments a deficit of £210,764 (2024: surplus £71,648) has been made.

This can be broken down between unrestricted funds which have decreased from £273,051 to £168,518 and the Endowment fund which have decreased from £2,927,227 to £2,820,996.

Unrestricted funds are represented by fixed asset investments of £114,699, current assets of £56,599 and current liabilities of £2,780. The Endowment fund is fully represented by fixed asset investments.

Investment policy and objectives

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the Charity and to achieve capital growth. The investment performance has made a realised surplus of (£8,355) (2024: £8,355) at the balance sheet date reflecting the current state of the Financial Markets.

At the year end the value of the portfolio was £2,935,695 (2024: £3,168,187).

Reardon Smith Nautical Trust

Report of the Trustees for the Year Ended 5th April 2025

Financial review

Reserves policy

The reserves policy of the organisation recognises the need to hold reserves to ensure funds are available to continue the payment of grants and scholarships to individuals to attend recognised nautical or maritime courses should the level of applications received be greater than the incoming resources in any one year. The trustees are mindful of their obligation under their own policies and procedures to ensure the applications received are genuine and have recognised the possibility of bogus applications as part of their risk policy. The timing, therefore of processing applications may mean that the number of grant payments in any one accounting period is greater than the incoming resources, which are restricted to the investment income generated from the capital held in the permanent endowment fund. Each year the level of investment income is affected by changes in interest rates, general market conditions and the endowment capital is affected by an annual re-valuation and by gains and losses arising from disposals. Also, a minimum level of reserves needs to be retained to ensure the trustees can operate their exit strategy and meet all legal and other commitments should the Charity be unable to continue for what ever reason.

Future plans

The objectives for 2025/26 will be the provision of financial assistance, within the principal objects of the Constitution, and to expand the data base from which selections are made.

Structure, governance and management

Governing document

The charity is controlled by its constitution being a constitution of a Charitable Incorporated Organisation (CIO) whose only voting members are its charity trustees as listed below.

Recruitment and appointment of new trustees

The trustees will appoint new trustees when necessary. New trustees will be drawn from the business and education Community to ensure the appropriate skills available. There must be a minimum of 3 and no more than 8 trustees.

Organisational structure

The trust is managed by the trustees who delegate the day to day administration to the Secretary/Administrator, who meets the trustees regularly throughout the year when decisions are made.

Induction and training of new trustees

The Secretary/Administrator operates the policy of induction. Appropriate training will be provided to new trustees either by the Secretary/Administrator or other appropriate persons.

Reference and administrative details

Registered Charity number

1153623

Principal address

c/o FoxSE Consultancy
Cardiff House
Cardiff Road
BARRY
Vale of Glamorgan
CF63 2AW

Trustees

Christopher Davies (resigned 24.9.2024)
Gareth Rees
Charles Reardon Smith
John Reardon Smith
Katherine Williams
Terry Lewis
Steve Berry
Nick Toye (appointed 24.9.2024)
Neil Pugh (appointed 24.9.2024)

Reardon Smith Nautical Trust

**Report of the Trustees
for the Year Ended 5th April 2025**

Reference and administrative details

Auditors

Menzies LLP, Statutory Auditors
5th Floor Hodge House
114-116 St Mary Street
Cardiff
CF101DY

Bankers

Santander Corporate Banking
9 Queen Street
Cardiff
CF10 2UD

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Stockbrokers

W H Ireland
13 Ravine Road
Canford Cliffs
Poole
BH13 7HS

Trustees' responsibility statement

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

.....
Charles Reardon Smith - Trustee

Report of the Independent Auditors to the Trustees of Reardon Smith Nautical Trust

Opinion

We have audited the financial statements of Reardon Smith Nautical Trust (the 'charity') for the year ended 5th April 2025 which comprise the Statement of Financial Activities, the Balance Sheet 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5th April 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of
Reardon Smith Nautical Trust**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the charity. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the Charities SORP, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities;
- Assessing the risk of management override, including the procedures of the Trustees over assessment of applications prior to acceptance.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and by their very nature, any such instances of fraud or irregularities likely to involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Menzies LLP, Statutory Auditors
5th Floor Hodge House
114-116 St Mary Street
Cardiff
CF101DY

Date:

Reardon Smith Nautical Trust

Statement of Financial Activities
for the Year Ended 5th April 2025

	Notes	Unrestricted funds £	Endowment fund £	2025 Total funds £	2024 Total funds £
Income and endowments from					
Investment income	2	<u>125,549</u>	<u>-</u>	<u>125,549</u>	<u>129,743</u>
Expenditure on					
Raising funds	3	-	20,269	20,269	20,270
Charitable activities	4				
Grants payable		208,861	-	208,861	155,974
Direct costs		<u>21,221</u>	<u>-</u>	<u>21,221</u>	<u>24,267</u>
Total		<u>230,082</u>	<u>20,269</u>	<u>250,351</u>	<u>200,511</u>
Net gains/(losses) on investments		<u>-</u>	<u>(85,962)</u>	<u>(85,962)</u>	<u>142,416</u>
NET INCOME/(EXPENDITURE)		(104,533)	(106,231)	(210,764)	71,648
Reconciliation of funds					
Total funds brought forward		273,051	2,927,227	3,200,278	3,128,629
Total funds carried forward		<u>168,518</u>	<u>2,820,996</u>	<u>2,989,514</u>	<u>3,200,277</u>

Continuing operations

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Reardon Smith Nautical Trust

Balance Sheet
5th April 2025

	Notes	Unrestricted funds £	Endowment fund £	2025 Total funds £	2024 Total funds £
Fixed assets					
Investments	9	114,699	2,820,996	2,935,695	3,168,186
Current assets					
Debtors	10	2,670	-	2,670	3,830
Cash at bank		<u>53,929</u>	<u>-</u>	<u>53,929</u>	<u>42,164</u>
		56,599	-	56,599	45,994
Creditors					
Amounts falling due within one year	11	(2,780)	-	(2,780)	(13,903)
		<u>53,819</u>	<u>-</u>	<u>53,819</u>	<u>32,091</u>
Net current assets					
		<u>53,819</u>	<u>-</u>	<u>53,819</u>	<u>32,091</u>
Total assets less current liabilities		168,518	2,820,996	2,989,514	3,200,277
		<u>168,518</u>	<u>2,820,996</u>	<u>2,989,514</u>	<u>3,200,277</u>
NET ASSETS					
		<u>168,518</u>	<u>2,820,996</u>	<u>2,989,514</u>	<u>3,200,277</u>
Funds	12				
Unrestricted funds				168,518	273,051
Endowment funds				<u>2,820,996</u>	<u>2,927,226</u>
Total funds				<u>2,989,514</u>	<u>3,200,277</u>

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

.....
Charles Reardon Smith - Trustee

The notes form part of these financial statements

Reardon Smith Nautical Trust

Notes to the Financial Statements for the Year Ended 5th April 2025

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. 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

Incoming resources relate to the investment income from the permanent endowment and are treated as unrestricted funds to meet the costs of the trust in furtherance of its objects. Any other income is recognised in the accounting period to which it relates.

Expenditure

Liabilities are recognised when the trust is committed to the expenditure. All costs in furtherance of the objectives of the trust are set against the income, except for expenditure relating to the permanent endowment, which include charges levied by the investment managers and realised and unrealised gains or losses arising of the fund. The costs incurred include irrecoverable VAT.

Grants are made to those individuals and organisations who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are paid through sail training providers, colleges and universities these include Island Trust, Challenge Wales, Atlantic Pacific, Pembroke College and the Military Preparation Training College.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Investments

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the trust and to achieve capital growth. The investment performance has achieved both capital growth and an income stream to enable the trust to achieve its objectives.

Cash and cash equivalents

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

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year and recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2025**

2. Investment income

	2025	2024
	£	£
Income from listed investments	124,788	128,678
Deposit account interest	<u>761</u>	<u>1,065</u>
	<u>125,549</u>	<u>129,743</u>

3. Raising funds

Investment management costs

	2025	2024
	£	£
Portfolio management	<u>20,269</u>	<u>20,270</u>

4. Charitable activities costs

	Direct Costs	Grant funding of activities (see note 5)	Support costs (see note 6)	Totals
	£	£	£	£
Grants payable	-	208,861	-	208,861
Direct costs	<u>18,440</u>	<u>-</u>	<u>2,781</u>	<u>21,221</u>
	<u>18,440</u>	<u>208,861</u>	<u>2,781</u>	<u>230,082</u>

5. Grants payable

	2025	2024
	£	£
Grants payable	<u>208,861</u>	<u>155,974</u>

The total grants paid to institutions during the year was as follows:

	2025	2024
	£	£
Atlantic College	5,000	2,000
Cardigan Bay Water Sports	13,892	-
Challenge Wales	110,500	40,500
Island Trust	35,000	52,750
Cardiff Bay Yacht Club	-	3,700
Atlantic Pacific	10,000	10,000
Pembroke college	8,000	6,000
St Illtyds	4,994	4,920
RYA Cymru	-	9,000
Military Preparation Training College	-	10,000
Military Preperation Training College Power Boat	<u>13,860</u>	<u>11,204</u>
	<u>201,246</u>	<u>150,074</u>

The total grants paid to individuals during the year was £7,615 and was made to four people (2024 : total paid £5,900 to two people).

In order to meet immediate and crucial needs to enable their activities to continue, it was discussed and agreed to award a higher grant to Challenge Wales this year.

Reardon Smith Nautical Trust

Notes to the Financial Statements - continued
for the Year Ended 5th April 2025

6. Support costs

	Governance costs £
Direct costs	<u>2,781</u>

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

	2025 Direct costs £	2024 Total activities £
Auditors' remuneration	<u>2,781</u>	<u>2,928</u>

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 5th April 2025 nor for the year ended 5th April 2024.

Trustees' expenses

During the year an amount of £1,191 (2024: £1,201) was expended for professional indemnity insurance which was paid on behalf of the trustees.

8. Comparatives for the statement of financial activities

	Unrestricted funds £	Endowment fund £	Total funds £
Income and endowments from			
Investment income	<u>129,743</u>	<u> </u>	<u>129,743</u>
Expenditure on			
Raising funds	-	20,270	20,270
Charitable activities			
Grants payable	155,974	-	155,974
Direct costs	<u>24,267</u>	<u> </u>	<u>24,267</u>
Total	<u>180,241</u>	<u>20,270</u>	<u>200,511</u>
Net gains on investments	<u> </u>	<u>142,416</u>	<u>142,416</u>
NET INCOME/(EXPENDITURE)	(50,498)	122,146	71,648
Reconciliation of funds			
Total funds brought forward	<u>323,549</u>	<u>2,805,080</u>	<u>3,128,629</u>
Total funds carried forward	<u>273,051</u>	<u>2,927,226</u>	<u>3,200,277</u>

Reardon Smith Nautical Trust

Notes to the Financial Statements - continued
for the Year Ended 5th April 2025

9. Fixed asset investments

	Listed investments £	Cash and settlements pending £	Totals £
Market value			
At 6th April 2024	3,139,141	29,045	3,168,186
Additions	488,927	600,190	1,089,117
Disposals	(608,945)	(626,702)	(1,235,647)
Revaluations	(85,961)	-	(85,961)
	<u>2,933,162</u>	<u>2,533</u>	<u>2,935,695</u>
At 5th April 2025			
Net book value			
At 5th April 2025	<u>2,933,162</u>	<u>2,533</u>	<u>2,935,695</u>
At 5th April 2024	<u>3,139,141</u>	<u>29,045</u>	<u>3,168,186</u>

There were no investment assets outside the UK.

Cost or valuation at 5th April 2025 is represented by:

	Listed investments £	Cash and settlements pending £	Totals £
Valuation in 2025	<u>2,933,162</u>	<u>2,533</u>	<u>2,935,695</u>

10. Debtors: amounts falling due within one year

	2025 £	2024 £
Prepayments and accrued income	<u>2,670</u>	<u>3,830</u>

11. Creditors: amounts falling due within one year

	2025 £	2024 £
Other creditors	<u>2,780</u>	<u>13,903</u>

12. Movement in funds

	At 6.4.24 £	Net movement in funds £	At 5.4.25 £
Unrestricted funds			
General fund	257,085	(96,141)	160,944
Tara Reardon Smith designated fund	<u>15,966</u>	<u>(8,392)</u>	<u>7,574</u>
	273,051	(104,533)	168,518
Endowment funds			
Permanent Endowment	<u>2,927,227</u>	<u>(106,231)</u>	<u>2,820,996</u>
TOTAL FUNDS	<u>3,200,278</u>	<u>(210,764)</u>	<u>2,989,514</u>

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2025**

12. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	125,549	(230,082)	-	(104,533)
Endowment funds				
Permanent Endowment	-	(20,269)	(85,962)	(106,231)
TOTAL FUNDS	<u>125,549</u>	<u>(250,351)</u>	<u>(85,962)</u>	<u>(210,764)</u>

Comparatives for movement in funds

	At 6.4.23 £	Net movement in funds £	Transfers between funds £	At 5.4.24 £
Unrestricted funds				
General fund	300,083	(32,998)	(10,000)	257,085
Tara Reardon Smith designated fund	<u>23,466</u>	<u>(17,500)</u>	<u>10,000</u>	<u>15,966</u>
	323,549	(50,498)	-	273,051
Endowment funds				
Permanent Endowment	<u>2,805,081</u>	<u>122,146</u>	<u>-</u>	<u>2,927,227</u>
TOTAL FUNDS	<u>3,128,630</u>	<u>71,648</u>	<u>-</u>	<u>3,200,278</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	129,743	(162,741)	-	(32,998)
Tara Reardon Smith designated fund	<u>-</u>	<u>(17,500)</u>	<u>-</u>	<u>(17,500)</u>
	129,743	(180,241)	-	(50,498)
Endowment funds				
Permanent Endowment	<u>-</u>	<u>(20,270)</u>	<u>142,416</u>	<u>122,146</u>
TOTAL FUNDS	<u>129,743</u>	<u>(200,511)</u>	<u>142,416</u>	<u>71,648</u>

General funds are funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Tara Reardon Smith designated fund is an amount set aside each year by the Trustees' to enable awards to be made.

Permanent Endowment fund is held to represent the investments held on the Charity's behalf. amounts generated by these investments are then awarded by the Trustee's in furtherance of the Charity's objectives.

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2025**

13. Related party disclosures

There were no related party transactions for the year ended 5th April 2025.

Reardon Smith Nautical Trust
Detailed Statement of Financial Activities
for the Year Ended 5th April 2025

	2025 £	2024 £
Income and endowments		
Investment income		
Income from listed investments	124,788	128,678
Deposit account interest	<u>761</u>	<u>1,065</u>
	<u>125,549</u>	<u>129,743</u>
Total incoming resources	125,549	129,743
Expenditure		
Investment management costs		
Portfolio management	20,269	20,270
Charitable activities		
Insurance	1,191	1,201
Sundries	78	35
Secretary fees & expenses	13,206	12,157
Trustees meeting	793	614
Bank charges	80	66
Website development	3,092	7,266
Grants to institutions	201,246	150,074
Grants to individuals	<u>7,615</u>	<u>5,900</u>
	227,301	177,313
Support costs		
Governance costs		
Auditors' remuneration	<u>2,781</u>	<u>2,928</u>
Total resources expended	<u>250,351</u>	<u>200,511</u>
Net expenditure before gains and losses	(124,802)	(70,768)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(8,355)</u>	<u>(8,355)</u>
Net expenditure	<u><u>(133,157)</u></u>	<u><u>(79,123)</u></u>

This page does not form part of the statutory financial statements

REARDON SMITH NAUTICAL TRUST

England & Wales - Charity number 1153623

Accounts

REGISTERED CHARITY NUMBER: 1153623

**Report of the Trustees and
Audited Financial Statements for the Year Ended 5 April 2024
for
Reardon Smith Nautical Trust**

Reardon Smith Nautical Trust

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for the Year Ended 5 April 2024**

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Reardon Smith Nautical Trust

Report of the Trustees for the Year Ended 5 April 2024

The trustees present their report with the financial statements of the charity for the year ended 5 April 2024. 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 object of the CIO is the advancement of education of young persons up to the age of 25, resident in Wales and in the County of Devon, in particular (but not limited to) those resident in the City and County of Cardiff, including, but so as not to limit the foregoing, by payment of grants, scholarships, exhibition and bursaries to individuals to attend recognised nautical or maritime courses relating to shipping, maritime law and commerce, navigation, sailing, oceanography and marine related environmental issues, in particular those which afford such individuals first hand practical experience of being at sea, whether such courses be offered within any part of the United Kingdom or abroad.

Significant activities

The organisation achieved its objective for the year by finding suitable candidates for financial assistance. The process of identifying providers of courses continued, the participants of which could meet the organisation's criteria for financial assistance. Awards of £155,974 were made in the year. A full list of awards paid is given in the notes of the statutory financial statements.

Public benefit

We will review our aims, objectives and activities each year. This review will look at what we achieved and the outcomes of our work in the previous twelve months. The review will also help us ensure our aims, objectives and activities remain focused on our stated objectives. We will refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities thus ensuring that it continues in its purpose in the advancement of education of young persons up to the age of 25, by payment of grants, scholarships, exhibitions and bursaries to individuals to attend recognised nautical or maritime courses.

Grantmaking

Grants are made to those individuals who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are also paid through sail training providers such as Island Trust and Challenge Wales, and through higher and further education bodies such as Plymouth University, Pembroke college and the Military Preparation Training College.

Financial review

Principal funding sources

The investment portfolio and monies deposited with banks and building societies provided the Trust with a total income for the year of £129,743 (2023: £120,225). After making awards of £155,974 (2023: £125,643), and incurring direct costs of £24,267 (2023: £22,368) including support costs of £2,928 (2023: £2,472), the charity reported an unrestricted operating deficit of £50,498 (2023: deficit £27,786).

After taking into account the costs of running the portfolio and the net gains/(losses) on investments a surplus of £71,648 (2023: deficit £309,764) has been made.

This can be broken down between unrestricted funds which have decreased from £323,549 to £273,051 and the Endowment fund which has increased from £2,805,080 to £2,927,226

Unrestricted funds are represented by fixed asset investments of £240,960, current assets of £45,994 and current liabilities of £13,903. The Endowment fund is fully represented by fixed asset investments.

Investment policy and objectives

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the Charity and to achieve capital growth. The investment performance has made a realised surplus of (£8,355) (2023: £1,314) at the balance sheet date reflecting the current state of the Financial Markets.

At the year end the value of the portfolio was £3,168,187 (2023: £3,107,118).

Reardon Smith Nautical Trust

Report of the Trustees for the Year Ended 5 April 2024

Financial review

Reserves policy

The reserves policy of the organisation recognises the need to hold reserves to ensure funds are available to continue the payment of grants and scholarships to individuals to attend recognised nautical or maritime courses should the level of applications received be greater than the incoming resources in any one year. The trustees are mindful of their obligation under their own policies and procedures to ensure the applications received are genuine and have recognised the possibility of bogus applications as part of their risk policy. The timing, therefore of processing applications may mean that the number of grant payments in any one accounting period is greater than the incoming resources, which are restricted to the investment income generated from the capital held in the permanent endowment fund. Each year the level of investment income is affected by changes in interest rates, general market conditions and the endowment capital is affected by an annual re-valuation and by gains and losses arising from disposals. Also, a minimum level of reserves needs to be retained to ensure the trustees can operate their exit strategy and meet all legal and other commitments should the Charity be unable to continue for what ever reason.

Future plans

The objectives for 2024/25 will be the provision of financial assistance, within the principal objects of the Constitution, and to expand the data base from which selections are made.

Structure, governance and management

Governing document

The charity is controlled by its constitution being a constitution of a Charitable Incorporated Organisation (CIO) whose only voting members are its charity trustees as listed below.

Recruitment and appointment of new trustees

The trustees will appoint new trustees when necessary. New trustees will be drawn from the business and education Community to ensure the appropriate skills available. There must be a minimum of 3 and no more than 8 trustees.

Organisational structure

The trust is managed by the trustees who delegate the day to day administration to the Secretary/Administrator, who meets the trustees regularly throughout the year when decisions are made.

Induction and training of new trustees

The Secretary/Administrator operates the policy of induction. Appropriate training will be provided to new trustees either by the Secretary/Administrator or other appropriate persons.

Reference and administrative details

Registered Charity number

1153623

Principal address

c/o FoxSE Consultancy
Cardiff House
Cardiff Road
BARRY
Vale of Glamorgan
CF63 2AW

Trustees

Christopher Davies
Gareth Rees
Charles Reardon Smith
John Reardon Smith
Katherine Williams
Nick Sawyer (resigned 11.12.23)
Terry Lewis
Steve Berry

Auditors

Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Reardon Smith Nautical Trust

**Report of the Trustees
for the Year Ended 5 April 2024**

Reference and administrative details

Bankers

Santander Corporate Banking
9 Queen Street
Cardiff
CF10 2UD

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Stockbrokers

W H Ireland
13 Ravine Road
Canford Cliffs
Poole
BH13 7HS

Trustees' responsibility statement

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 16 July 2024 and signed on its behalf by:



Charles Reardon Smith - Trustee

Report of the Independent Auditors to the Trustees of Reardon Smith Nautical Trust

Opinion

We have audited the financial statements of Reardon Smith Nautical Trust (the 'charity') for the year ended 5 April 2024 which comprise the Statement of Financial Activities, the Balance Sheet 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of
Reardon Smith Nautical Trust**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the charity. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the Charities SORP, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities.
- Assessing the risk of management override, including the procedures of the Trustees over assessment of applications prior to acceptance.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and by their very nature, any such instances of fraud or irregularities likely to involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date: 25 July 2024

Reardon Smith Nautical Trust

Statement of Financial Activities
for the Year Ended 5 April 2024

	Notes	Unrestricted funds £	Endowment fund £	2024 Total funds £	2023 Total funds £
Income and endowments from					
Investment income	2	<u>129,743</u>	<u>-</u>	<u>129,743</u>	<u>120,225</u>
Expenditure on					
Raising funds	3	-	20,270	20,270	18,450
Charitable activities					
Grants payable	4	155,974	-	155,974	125,643
Direct costs		<u>24,267</u>	<u>-</u>	<u>24,267</u>	<u>22,368</u>
Total		<u>180,241</u>	<u>20,270</u>	<u>200,511</u>	<u>166,461</u>
Net gains/(losses) on investments		<u>-</u>	<u>142,416</u>	<u>142,416</u>	<u>(263,528)</u>
NET INCOME/(EXPENDITURE)		(50,498)	122,146	71,648	(309,764)
Reconciliation of funds					
Total funds brought forward		<u>323,549</u>	<u>2,805,080</u>	<u>3,128,629</u>	<u>3,438,393</u>
Total funds carried forward		<u><u>273,051</u></u>	<u><u>2,927,226</u></u>	<u><u>3,200,277</u></u>	<u><u>3,128,629</u></u>

Continuing operations

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Reardon Smith Nautical Trust

Balance Sheet
5 April 2024

	Notes	Unrestricted funds £	Endowment fund £	2024 Total funds £	2023 Total funds £
Fixed assets					
Investments	9	240,960	2,927,226	3,168,186	3,107,118
Current assets					
Debtors	10	3,830	-	3,830	5,713
Cash at bank		<u>42,164</u>	<u>-</u>	<u>42,164</u>	<u>18,278</u>
		45,994	-	45,994	23,991
Creditors					
Amounts falling due within one year	11	(13,903)	-	(13,903)	(2,480)
Net current assets		<u>32,091</u>	<u>-</u>	<u>32,091</u>	<u>21,511</u>
Total assets less current liabilities		<u>273,051</u>	<u>2,927,226</u>	<u>3,200,277</u>	<u>3,128,629</u>
NET ASSETS		<u>273,051</u>	<u>2,927,226</u>	<u>3,200,277</u>	<u>3,128,629</u>
Funds	12				
Unrestricted funds				273,051	323,549
Endowment funds				<u>2,927,226</u>	<u>2,805,080</u>
Total funds				<u>3,200,277</u>	<u>3,128,629</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16 July 2024 and were signed on its behalf by:



Charles Reardon Smith - Trustee

The notes form part of these financial statements

Reardon Smith Nautical Trust

Notes to the Financial Statements for the Year Ended 5 April 2024

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. 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

Incoming resources relate to the investment income from the permanent endowment and are treated as unrestricted funds to meet the costs of the trust in furtherance of its objects. Any other income is recognised in the accounting period to which it relates.

Expenditure

Liabilities are recognised when the trust is committed to the expenditure. All costs in furtherance of the objectives of the trust are set against the income, except for expenditure relating to the permanent endowment, which include charges levied by the investment managers and realised and unrealised gains or losses arising of the fund. The costs incurred include irrecoverable VAT.

Grants are made to those individuals and organisations who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are paid through sail training providers, colleges and universities these include Island Trust, Challenge Wales, Atlantic Pacific, Plymouth University, Pembroke College and the Military Preparation Training College.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Investments

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the trust and to achieve capital growth. The investment performance has achieved both capital growth and an income stream to enable the trust to achieve its objectives.

Cash and cash equivalents

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

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year and recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2024**

2. Investment income

	2024	2023
	£	£
Income from listed investments	128,678	119,806
Deposit account interest	<u>1,065</u>	<u>419</u>
	<u>129,743</u>	<u>120,225</u>

3. Raising funds

Investment management costs

	2024	2023
	£	£
Portfolio management	<u>20,270</u>	<u>18,450</u>

4. Charitable activities costs

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Grants payable	-	155,974	-	155,974
Direct costs	<u>21,339</u>	<u>-</u>	<u>2,928</u>	<u>24,267</u>
	<u>21,339</u>	<u>155,974</u>	<u>2,928</u>	<u>180,241</u>

5. Grants payable

	2024	2023
	£	£
Grants payable	<u>155,974</u>	<u>125,643</u>

The total grants paid to institutions during the year was as follows:

	2024	2023
	£	£
Atlantic College	2,000	2,000
Challenge Wales	40,500	46,000
Island Trust	52,750	27,945
Cardiff Bay Yacht Club	3,700	-
Atlantic Pacific	10,000	10,000
Pembroke college	6,000	-
St Illtyds	4,920	5,000
RYA Cymru	9,000	8,868
Military Preparation Training College	10,000	8,300
Military Preperation Training College Power Boat	<u>11,204</u>	<u>9,280</u>
	<u>150,074</u>	<u>117,393</u>

The total grant to Island Trust above includes a £17,500 award from the Tara Reardon Smith designated fund.

The total grants paid to individuals during the year was £5,900 and was made to two people (2023 : total paid £8,250 to three people).

Reardon Smith Nautical Trust
Notes to the Financial Statements - continued
for the Year Ended 5 April 2024

6. Support costs

	Governance costs
	£
Direct costs	<u>2,928</u>

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

	2024	2023
	Direct costs	Total activities
	£	£
Auditors' remuneration	<u>2,928</u>	<u>2,472</u>

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 5 April 2024 nor for the year ended 5 April 2023.

Trustees' expenses

During the year an amount of £1,201 (2023: £1,238) was expended for professional indemnity insurance which was paid on behalf of the trustees.

8. Comparatives for the statement of financial activities

	Unrestricted funds	Endowment fund	Total funds
	£	£	£
Income and endowments from			
Investment income	<u>120,225</u>	<u>-</u>	<u>120,225</u>
Expenditure on			
Raising funds	-	18,450	18,450
Charitable activities			
Grants payable	125,643	-	125,643
Direct costs	<u>22,368</u>	<u>-</u>	<u>22,368</u>
Total	<u>148,011</u>	<u>18,450</u>	<u>166,461</u>
Net gains/(losses) on investments	<u>-</u>	<u>(263,528)</u>	<u>(263,528)</u>
NET INCOME/(EXPENDITURE)	(27,786)	(281,978)	(309,764)
Reconciliation of funds			
Total funds brought forward	351,335	3,087,058	3,438,393
Total funds carried forward	<u>323,549</u>	<u>2,805,080</u>	<u>3,128,629</u>

Reardon Smith Nautical Trust

Notes to the Financial Statements - continued
for the Year Ended 5 April 2024

9. Fixed asset investments

	Listed investments £	Cash and settlements pending £	Totals £
Market value			
At 6 April 2023	3,012,048	95,070	3,107,118
Additions	431,496	523,773	955,269
Disposals	(446,819)	(615,112)	(1,061,931)
Revaluations	142,416	-	142,416
Payable/Receivable	-	25,314	25,314
At 5 April 2024	<u>3,139,141</u>	<u>29,045</u>	<u>3,168,186</u>
Net book value			
At 5 April 2024	<u>3,139,141</u>	<u>29,045</u>	<u>3,168,186</u>
At 5 April 2023	<u>3,012,048</u>	<u>95,070</u>	<u>3,107,118</u>

There were no investment assets outside the UK.

Cost or valuation at 5 April 2024 is represented by:

	Listed investments £	Cash and settlements pending £	Totals £
Valuation in 2023	<u>3,139,141</u>	<u>29,045</u>	<u>3,168,186</u>

10. Debtors: amounts falling due within one year

	2024 £	2023 £
Prepayments and accrued income	<u>3,830</u>	<u>5,713</u>

11. Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	<u>13,903</u>	<u>2,480</u>

12. Movement in funds

	At 6.4.23 £	Net movement in funds £	Transfers between funds £	At 5.4.24 £
Unrestricted funds				
General fund	300,083	(32,998)	(10,000)	257,085
Tara Reardon Smith designated fund	<u>23,466</u>	<u>(17,500)</u>	<u>10,000</u>	<u>15,966</u>
	323,549	(50,498)	-	273,051
Endowment funds				
Permanent Endowment	<u>2,805,080</u>	<u>122,146</u>	<u>-</u>	<u>2,927,226</u>
TOTAL FUNDS	<u>3,128,629</u>	<u>71,648</u>	<u>-</u>	<u>3,200,277</u>

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2024**

12. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	129,743	(162,741)	-	(32,998)
Tara Reardon Smith designated fund	-	(17,500)	-	(17,500)
	129,743	(180,241)	-	(50,498)
Endowment funds				
Permanent Endowment	-	(20,270)	142,416	122,146
TOTAL FUNDS	<u>129,743</u>	<u>(200,511)</u>	<u>142,416</u>	<u>71,648</u>

Comparatives for movement in funds

	At 6.4.22 £	Net movement in funds £	Transfers between funds £	At 5.4.23 £
Unrestricted funds				
General fund	327,869	(17,786)	(10,000)	300,083
Tara Reardon Smith designated fund	23,466	(10,000)	10,000	23,466
	351,335	(27,786)	-	323,549
Endowment funds				
Permanent Endowment	3,087,058	(281,978)	-	2,805,080
TOTAL FUNDS	<u>3,438,393</u>	<u>(309,764)</u>	<u>-</u>	<u>3,128,629</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	120,225	(138,011)	-	(17,786)
Tara Reardon Smith designated fund	-	(10,000)	-	(10,000)
	120,225	(148,011)	-	(27,786)
Endowment funds				
Permanent Endowment	-	(18,450)	(263,528)	(281,978)
TOTAL FUNDS	<u>120,225</u>	<u>(166,461)</u>	<u>(263,528)</u>	<u>(309,764)</u>

General funds are funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Tara Reardon Smith designated fund is an amount set aside each year by the Trustees' to enable awards to be made. During the year £10,000 was transferred into the fund.

Permanent Endowment fund is held to represent the investments held on the Charity's behalf. amounts generated by these investments are then awarded by the Trustee's in furtherance of the Charity's objectives.

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5 April 2024**

13. Related party disclosures

There were no related party transactions for the year ended 5 April 2024.

REARDON SMITH NAUTICAL TRUST

England & Wales - Charity number 1153623

Accounts

REGISTERED CHARITY NUMBER: 1153623

**Report of the Trustees and
Audited Financial Statements for the Year Ended 5th April 2023
for
Reardon Smith Nautical Trust**

Reardon Smith Nautical Trust

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for the Year Ended 5th April 2023**

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Reardon Smith Nautical Trust

Report of the Trustees for the Year Ended 5th April 2023

The trustees present their report with the financial statements of the charity for the year ended 5th April 2023. 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 object of the CIO is the advancement of education of young persons up to the age of 25, resident in Wales and in the County of Devon, in particular (but not limited to) those resident in the City and County of Cardiff, including, but so as not to limit the foregoing, by payment of grants, scholarships, exhibition and bursaries to individuals to attend recognised nautical or maritime courses relating to shipping, maritime law and commerce, navigation, sailing, oceanography and marine related environmental issues, in particular those which afford such individuals first hand practical experience of being at sea, whether such courses be offered within any part of the United Kingdom or abroad.

Significant activities

The organisation achieved its objective for the year by finding suitable candidates for financial assistance. The process of identifying providers of courses continued, the participants of which could meet the organisation's criteria for financial assistance. Awards of £125,643 were made in the year. A full list of awards paid is given in the notes of the statutory financial statements.

Public benefit

We will review our aims, objectives and activities each year. This review will look at what we achieved and the outcomes of our work in the previous twelve months. The review will also help us ensure our aims, objectives and activities remain focused on our stated objectives. We will refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities thus ensuring that it continues in its purpose in the advancement of education of young persons up to the age of 25, by payment of grants, scholarships, exhibitions and bursaries to individuals to attend recognised nautical or maritime courses.

Grantmaking

Grants are made to those individuals who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are also paid through sail training providers such as Island Trust and Challenge Wales, and through higher and further education bodies such as Plymouth University, Pembroke college and the Military Preparation Training College.

Financial review

Principal funding sources

The investment portfolio and monies deposited with banks and building societies provided the Trust with a total income for the year of £120,225 (2022: £126,173). After making awards of £125,643 (2022: £203,538), and incurring direct costs of £22,368 (2022: £17,424) including support costs of £2,472 (2022: £2,509), the charity reported an unrestricted operating deficit of £27,786 (2022: deficit £105,473).

After taking into account the costs of running the portfolio and the net gains/(losses) on investments a deficit of £309,764 (2022: deficit £61,977) has been made.

This can be broken down between unrestricted funds which have decreased from £351,335 to £323,549 and the Endowment fund which has decreased from £3,087,058 to £2,805,080.

Unrestricted funds are represented by fixed asset investments of £302,038, current assets of £23,991 and current liabilities of £2,480. The Endowment fund is fully represented by fixed asset investments.

Investment policy and objectives

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the Charity and to achieve capital growth. The investment performance has made a realised surplus of £1,314 (2022: £46,223) at the balance sheet date reflecting the current state of the Financial Markets.

At the year end the value of the portfolio was £3,107,118 (2022: £3,434,021).

Reardon Smith Nautical Trust

Report of the Trustees for the Year Ended 5th April 2023

Financial review

Reserves policy

The reserves policy of the organisation recognises the need to hold reserves to ensure funds are available to continue the payment of grants and scholarships to individuals to attend recognised nautical or maritime courses should the level of applications received be greater than the incoming resources in any one year. The trustees are mindful of their obligation under their own policies and procedures to ensure the applications received are genuine and have recognised the possibility of bogus applications as part of their risk policy. The timing, therefore of processing applications may mean that the number of grant payments in any one accounting period is greater than the incoming resources, which are restricted to the investment income generated from the capital held in the permanent endowment fund. Each year the level of investment income is affected by changes in interest rates, general market conditions and the endowment capital is affected by an annual re-valuation and by gains and losses arising from disposals. Also, a minimum level of reserves needs to be retained to ensure the trustees can operate their exit strategy and meet all legal and other commitments should the Charity be unable to continue for what ever reason.

Future plans

The objectives for 2023/24 will be the provision of financial assistance, within the principal objects of the Constitution, and to expand the data base from which selections are made.

Structure, governance and management

Governing document

The charity is controlled by its constitution being a constitution of a Charitable Incorporated Organisation (CIO) whose only voting members are its charity trustees as listed below.

Recruitment and appointment of new trustees

The trustees will appoint new trustees when necessary. New trustees will be drawn from the business and education Community to ensure the appropriate skills available. There must be a minimum of 3 and no more than 8 trustees.

Organisational structure

The trust is managed by the trustees who delegate the day to day administration to the Secretary/Administrator, who meets the trustees regularly throughout the year when decisions are made.

Induction and training of new trustees

The Secretary/Administrator operates the policy of induction. Appropriate training will be provided to new trustees either by the Secretary/Administrator or other appropriate persons.

Reference and administrative details

Registered Charity number

1153623

Principal address

c/o FoxSE Consultancy
Cardiff House
Cardiff Road
BARRY
Vale of Glamorgan
CF63 2AW

Trustees

Christopher Davies
Gareth Rees
Charles Reardon Smith
John Reardon Smith
Katherine Williams
Nick Sawyer
Terry Lewis
Steve Berry

Reardon Smith Nautical Trust

**Report of the Trustees
for the Year Ended 5th April 2023**

Reference and administrative details

Auditors

Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Bankers

Santander Corporate Banking
9 Queen Street
Cardiff
CF10 2UD

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Stockbrokers

W H Ireland
St Andrews House
24 St Andrews Crescent
Cardiff
CF10 3DD

Trustees' responsibility statement

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 12th July 2023 and signed on its behalf by:



Charles Reardon Smith – Chairman of Trustees

Report of the Independent Auditors to the Trustees of Reardon Smith Nautical Trust

Opinion

We have audited the financial statements of Reardon Smith Nautical Trust (the 'charity') for the year ended 5th April 2023 which comprise the Statement of Financial Activities, the Balance Sheet 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5th April 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of Reardon Smith Nautical Trust

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the charity. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the Charities SORP, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities
- Assessing the risk of management override, including the procedures of the Trustees over assessment of applications prior to acceptance.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date: 21 July 2023

Reardon Smith Nautical Trust

**Statement of Financial Activities
for the Year Ended 5th April 2023**

	Notes	Unrestricted funds £	Endowment fund £	2023 Total funds £	2022 Total funds £
Income and endowments from					
Investment income	2	<u>120,225</u>	<u>-</u>	<u>120,225</u>	<u>126,173</u>
Expenditure on					
Raising funds	3	-	18,450	18,450	16,336
Charitable activities	4				
Charitable activities		-	-	-	10,684
Grants payable		125,643	-	125,643	203,538
Direct costs		<u>22,368</u>	<u>-</u>	<u>22,368</u>	<u>17,424</u>
Total		<u>148,011</u>	<u>18,450</u>	<u>166,461</u>	<u>247,982</u>
Net gains/(losses) on investments		<u>-</u>	<u>(263,528)</u>	<u>(263,528)</u>	<u>59,832</u>
NET INCOME/(EXPENDITURE)		(27,786)	(281,978)	(309,764)	(61,977)
Reconciliation of funds					
Total funds brought forward		<u>351,335</u>	<u>3,087,058</u>	<u>3,438,393</u>	<u>3,500,370</u>
Total funds carried forward		<u><u>323,549</u></u>	<u><u>2,805,080</u></u>	<u><u>3,128,629</u></u>	<u><u>3,438,393</u></u>

Continuing operations

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Reardon Smith Nautical Trust

**Balance Sheet
5th April 2023**

	Notes	Unrestricted funds £	Endowment fund £	2023 Total funds £	2022 Total funds £
Fixed assets					
Investments	9	302,038	2,805,080	3,107,118	3,434,021
Current assets					
Debtors	10	5,713	-	5,713	5,890
Cash at bank		<u>18,278</u>	<u>-</u>	<u>18,278</u>	<u>954</u>
		23,991	-	23,991	6,844
Creditors					
Amounts falling due within one year	11	(2,480)	-	(2,480)	(2,472)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net current assets		<u>21,511</u>	<u>-</u>	<u>21,511</u>	<u>4,372</u>
Total assets less current liabilities		<u>323,549</u>	<u>2,805,080</u>	<u>3,128,629</u>	<u>3,438,393</u>
NET ASSETS		<u>323,549</u>	<u>2,805,080</u>	<u>3,128,629</u>	<u>3,438,393</u>
Funds	12				
Unrestricted funds				323,549	351,335
Endowment funds				<u>2,805,080</u>	<u>3,087,058</u>
Total funds				<u>3,128,629</u>	<u>3,438,393</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12th July 2023 and were signed on its behalf by:



Charles Reardon Smith – Chairman of Trustees

The notes form part of these financial statements

Reardon Smith Nautical Trust

Notes to the Financial Statements for the Year Ended 5th April 2023

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. 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

Incoming resources relate to the investment income from the permanent endowment and are treated as unrestricted funds to meet the costs of the trust in furtherance of its objects. Any other income is recognised in the accounting period to which it relates.

Expenditure

Liabilities are recognised when the trust is committed to the expenditure. All costs in furtherance of the objectives of the trust are set against the income, except for expenditure relating to the permanent endowment, which include charges levied by the investment managers and realised and unrealised gains or losses arising of the fund. The costs incurred include irrecoverable VAT.

Grants are made to those individuals and organisations who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are paid through sail training providers, colleges and universities these include Island Trust, Challenge Wales, Atlantic Pacific, Plymouth University, Pembroke College and the Military Preparation Training College.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Investments

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the trust and to achieve capital growth. The investment performance has achieved both capital growth and an income stream to enable the trust to achieve its objectives.

Cash and cash equivalents

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

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year and recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2023**

2. Investment income

	2023	2022
	£	£
Income from listed investments	119,806	126,173
Deposit account interest	<u>419</u>	<u>-</u>
	<u>120,225</u>	<u>126,173</u>

3. Raising funds

Investment management costs

	2023	2022
	£	£
Portfolio management	<u>18,450</u>	<u>16,336</u>

4. Charitable activities costs

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Grants payable	-	125,643	-	125,643
Direct costs	<u>19,896</u>	<u>-</u>	<u>2,472</u>	<u>22,368</u>
	<u>19,896</u>	<u>125,643</u>	<u>2,472</u>	<u>148,011</u>

5. Grants payable

	2023	2022
	£	£
Grants payable	<u>125,643</u>	<u>203,538</u>

The total grants paid to institutions during the year was as follows:

	2023	2022
	£	£
Atlantic College	2,000	2,000
Challenge Wales	46,000	43,888
Island Trust	27,945	48,646
Atlantic Pacific	10,000	13,000
Pembroke college	-	4,792
St Illtyds	5,000	8,919
RYA Cymru	8,868	3,068
Plymouth University	-	60,000
Military Preparation Training College	8,300	14,725
Military Preparation Training College Power Boat	<u>9,280</u>	<u>-</u>
	<u>117,393</u>	<u>199,038</u>

The total grant to Challenge Wales above includes a £10,000 award from the Tara Reardon Smith designated fund.

The total grants paid to individuals during the year was £8,250 and was made to three people (2022 : total paid £4,500 to two people).

Reardon Smith Nautical Trust
Notes to the Financial Statements - continued
for the Year Ended 5th April 2023

6. Support costs

	Governance costs
	£
Direct costs	<u>2,472</u>

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

	2023	2022
	Direct costs	Total activities
	£	£
Auditors' remuneration	<u>2,472</u>	<u>2,509</u>

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 5th April 2023 nor for the year ended 5th April 2022.

Trustees' expenses

During the year an amount of £1,238 (2022: £1,201) was expended for professional indemnity insurance which was paid on behalf of the trustees.

8. Comparatives for the statement of financial activities

	Unrestricted funds	Endowment fund	Total funds
	£	£	£
Income and endowments from			
Investment income	<u>126,173</u>	<u>-</u>	<u>126,173</u>
Expenditure on			
Raising funds	-	16,336	16,336
Charitable activities			
Charitable activities	10,684	-	10,684
Grants payable	203,538	-	203,538
Direct costs	<u>17,424</u>	<u>-</u>	<u>17,424</u>
Total	<u>231,646</u>	<u>16,336</u>	<u>247,982</u>
Net gains on investments	<u>-</u>	<u>59,832</u>	<u>59,832</u>
NET INCOME/(EXPENDITURE)	(105,473)	43,496	(61,977)
Reconciliation of funds			
Total funds brought forward	456,808	3,043,562	3,500,370
Total funds carried forward	<u>351,335</u>	<u>3,087,058</u>	<u>3,438,393</u>

Reardon Smith Nautical Trust

Notes to the Financial Statements - continued
for the Year Ended 5th April 2023

9. Fixed asset investments

	Listed investments £	Cash and settlements pending £	Totals £
Market value			
At 6th April 2022	3,115,650	318,371	3,434,021
Additions	371,329	328,165	699,494
Disposals	(212,723)	(551,466)	(764,189)
Revaluations	<u>(262,208)</u>	<u>-</u>	<u>(262,208)</u>
At 5th April 2023	<u>3,012,048</u>	<u>95,070</u>	<u>3,107,118</u>
Net book value			
At 5th April 2023	<u>3,012,048</u>	<u>95,070</u>	<u>3,107,118</u>
At 5th April 2022	<u>3,115,650</u>	<u>318,371</u>	<u>3,434,021</u>

There were no investment assets outside the UK.

Cost or valuation at 5th April 2023 is represented by:

	Listed investments £	Cash and settlements pending £	Totals £
Valuation in 2023	<u>3,012,048</u>	<u>95,070</u>	<u>3,107,118</u>

10. Debtors: amounts falling due within one year

	2023 £	2022 £
Prepayments and accrued income	<u>5,713</u>	<u>5,890</u>

11. Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	<u>2,480</u>	<u>2,472</u>

12. Movement in funds

	At 6.4.22 £	Net movement in funds £	Transfers between funds £	At 5.4.23 £
Unrestricted funds				
General fund	327,869	(17,786)	(10,000)	300,083
Tara Reardon Smith designated fund	<u>23,466</u>	<u>(10,000)</u>	<u>10,000</u>	<u>23,466</u>
	351,335	(27,786)	-	323,549
Endowment funds				
Permanent Endowment	<u>3,087,058</u>	<u>(281,978)</u>	<u>-</u>	<u>2,805,080</u>
TOTAL FUNDS	<u>3,438,393</u>	<u>(309,764)</u>	<u>-</u>	<u>3,128,629</u>

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2023**

12. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	120,225	(138,011)	-	(17,786)
Tara Reardon Smith designated fund	-	(10,000)	-	(10,000)
	120,225	(148,011)	-	(27,786)
Endowment funds				
Permanent Endowment	-	(18,450)	(263,528)	(281,978)
TOTAL FUNDS	<u>120,225</u>	<u>(166,461)</u>	<u>(263,528)</u>	<u>(309,764)</u>

Comparatives for movement in funds

	At 6.4.21 £	Net movement in funds £	Transfers between funds £	At 5.4.22 £
Unrestricted funds				
General fund	443,342	(105,473)	(10,000)	327,869
Tara Reardon Smith designated fund	13,466	-	10,000	23,466
	456,808	(105,473)	-	351,335
Endowment funds				
Permanent Endowment	3,043,562	43,496	-	3,087,058
TOTAL FUNDS	<u>3,500,370</u>	<u>(61,977)</u>	<u>-</u>	<u>3,438,393</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	126,173	(231,646)	-	(105,473)
Endowment funds				
Permanent Endowment	-	(16,336)	59,832	43,496
TOTAL FUNDS	<u>126,173</u>	<u>(247,982)</u>	<u>59,832</u>	<u>(61,977)</u>

General funds are funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Tara Reardon Smith designated fund is an amount set aside each year by the Trustees' to enable awards to be made. During the year £10,000 was transferred into the fund.

Permanent Endowment fund is held to represent the investments held on the Charity's behalf. amounts generated by these investments are then awarded by the Trustee's in furtherance of the Charity's objectives.

Reardon Smith Nautical Trust

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2023**

13. Related party disclosures

There were no related party transactions for the year ended 5th April 2023.

REARDON SMITH NAUTICAL TRUST

England & Wales - Charity number 1153623

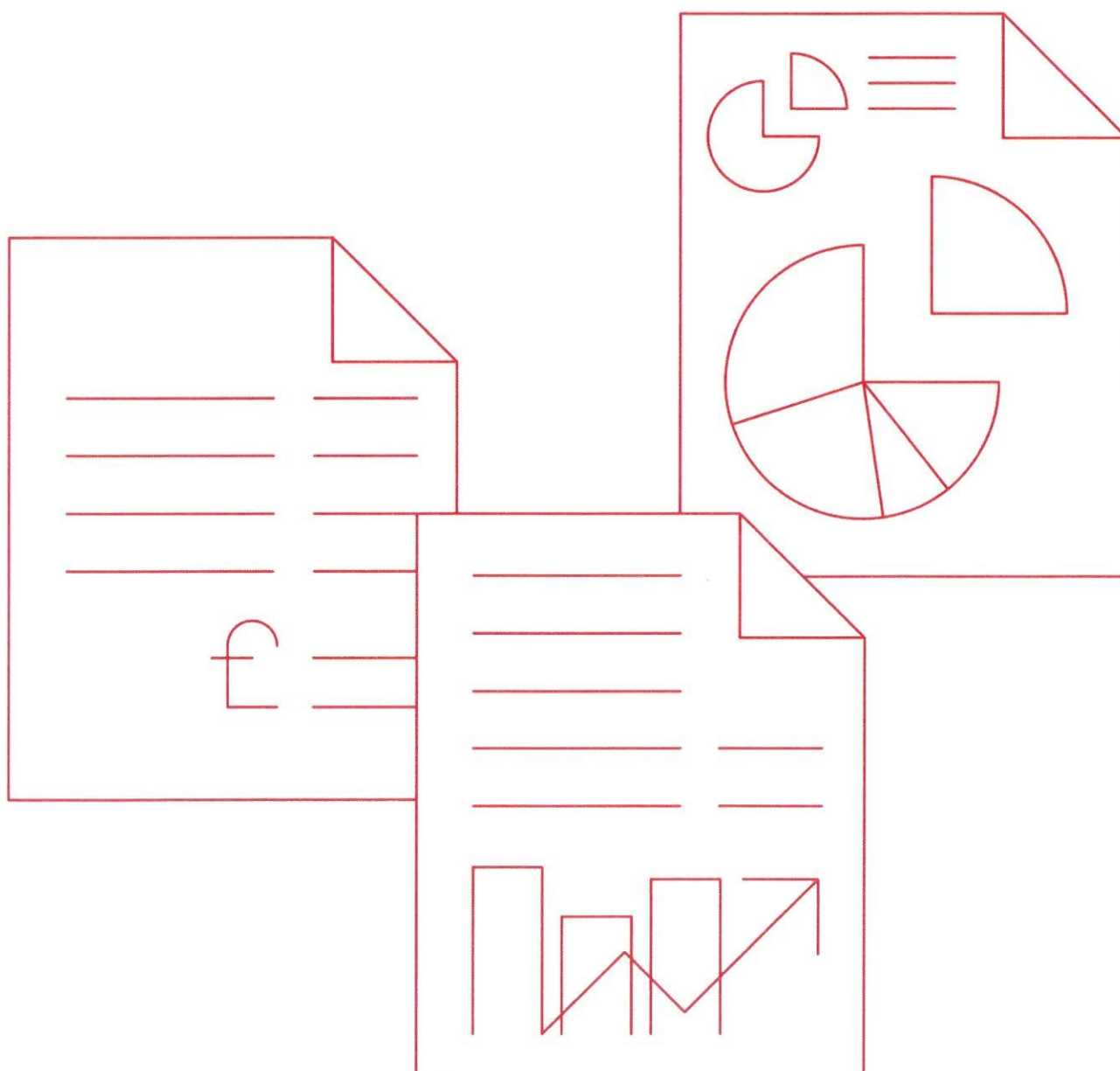
Accounts

Reardon Smith Nautical Trust

Report of the Trustees and Audited Financial Statements

For the Year Ended 5th April 2022

Charity Registered Number: 1153623





**Contents of the Financial Statements
for the Year Ended 5th April 2022**

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**Report of the Trustees
for the Year Ended 5th April 2022**

The trustees present their report with the financial statements of the charity for the year ended 5th April 2022. 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 object of the CIO is the advancement of education of young persons up to the age of 25, resident in Wales and in the County of Devon, in particular (but not limited to) those resident in the City and County of Cardiff, including, but so as not to limit the foregoing, by payment of grants, scholarships, exhibition and bursaries to individuals to attend recognised nautical or maritime courses relating to shipping, maritime law and commerce, navigation, sailing, oceanography and marine related environmental issues, in particular those which afford such individuals first hand practical experience of being at sea, whether such courses be offered within any part of the United Kingdom or abroad.

Significant activities

The organisation achieved its objective for the year by finding suitable candidates for financial assistance. The process of identifying providers of courses continued, the participants of which could meet the organisation's criteria for financial assistance. Awards of £203,538 were made in the year. A full list of awards paid is given in the notes of the statutory financial statements.

Public benefit

We will review our aims, objectives and activities each year. This review will look at what we achieved and the outcomes of our work in the previous twelve months. The review will also help us ensure our aims, objectives and activities remain focused on our stated objectives. We will refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities thus ensuring that it continues in its purpose in the advancement of education of young persons up to the age of 25, by payment of grants, scholarships, exhibitions and bursaries to individuals to attend recognised nautical or maritime courses.

Grantmaking

Grants are made to those individuals who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are also paid through sail training providers such as Island Trust and Challenge Wales, and through higher and further education bodies such as Plymouth University, Pembroke college and the Military Preparation Training College.

Financial review

Principal funding sources

The investment portfolio and monies deposited with banks and building societies provided the Trust with a total income for the year of £126,173 (2021: £118,705). After making awards of £203,538 (2021: £48,723), and incurring direct costs of £17,424 (2021: £16,858) including support costs of £2,509 (2021: £2,400), the charity reported an unrestricted operating deficit of £121,809 (2021: surplus £38,005).

After taking into account the costs of running the portfolio and the net gains/(losses) on investments a deficit of £61,977 (2020: surplus £621,395) has been made.

This can be broken down between unrestricted funds which have decreased from £456,808 to £351,335 and the Endowment fund which has increased from £3,043,562 to £3,087,058.

Unrestricted funds are represented by fixed asset investments of £346,963, current assets of £6,844 and current liabilities of £2,472. The Endowment fund is fully represented by fixed asset investments.

Investment policy and objectives

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the Charity and to achieve capital growth. The investment performance has made a realised surplus of £46,223 (2021: £12,629) at the balance sheet date reflecting the current state of the Financial Markets.

At the year end the value of the portfolio was £3,434,021 (2021: £3,470,782).



Reardon Smith Nautical Trust

Report of the Trustees for the Year Ended 5th April 2022

Financial review

Reserves policy

The reserves policy of the organisation recognises the need to hold reserves to ensure funds are available to continue the payment of grants and scholarships to individuals to attend recognised nautical or maritime courses should the level of applications received be greater than the incoming resources in any one year. The trustees are mindful of their obligation under their own policies and procedures to ensure the applications received are genuine and have recognised the possibility of bogus applications as part of their risk policy. The timing, therefore of processing applications may mean that the number of grant payments in any one accounting period is greater than the incoming resources, which are restricted to the investment income generated from the capital held in the permanent endowment fund. Each year the level of investment income is affected by changes in interest rates, general market conditions and the endowment capital is affected by an annual re-valuation and by gains and losses arising from disposals. Also, a minimum level of reserves needs to be retained to ensure the trustees can operate their exit strategy and meet all legal and other commitments should the Charity be unable to continue for what ever reason.

Covid-19

The impact of the pandemic has affected on-water activities and awards this year have been more focussed on supporting our partners and in relevant maritime research. The investment portfolio is largely unchanged over the year and this is after drawings made to fund awards. The trustees are likely to reduce the awards next year back towards typical annual average awards and they are confident that the portfolio can support this level.

Future plans

The objectives for 2022/23 will be the provision of financial assistance, within the principal objects of the Constitution, and to expand the data base from which selections are made.

Structure, governance and management

Governing document

The charity is controlled by its constitution being a constitution of a Charitable Incorporated Organisation (CIO) whose only voting members are its charity trustees as listed on page .

Recruitment and appointment of new trustees

The trustees will appoint new trustees when necessary. New trustees will be drawn from the business and education Community to ensure the appropriate skills available. There must be a minimum of 3 and no more than 8 trustees.

Organisational structure

The trust is managed by the trustees who delegate the day to day administration to the Secretary/Administrator, who meets the trustees regularly throughout the year when decisions are made.

Induction and training of new trustees

The Secretary/Administrator operates the policy of induction. Appropriate training will be provided to new trustees either by the Secretary/Administrator or other appropriate persons.

Reference and administrative details

Registered Charity number

1153623

Principal address

c/o FoxSE Consultancy
Cardiff House
Cardiff Road
BARRY
Vale of Glamorgan
CF63 2AW

Trustees

Johnathan Arter (resigned 14.12.2021)
Christopher Davies
Gareth Rees
Charles Reardon Smith
John Reardon Smith
Katherine Williams
Nick Sawyer
Terry Lewis
Steve Berry (appointed 14.12.2021)

**Report of the Trustees
for the Year Ended 5th April 2022**



Reference and administrative details

Auditors

Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Bankers

Santander Corporate Banking
9 Queen Street
Cardiff
CF10 2UD

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Stockbrokers

W H Ireland
St Andrews House
24 St Andrews Crescent
Cardiff
CF10 3DD

Trustees' responsibility statement

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 5th July 2022 and signed on its behalf by:

Charles Reardon Smith - Trustee



Report of the Independent Auditors to the Trustees of Reardon Smith Nautical Trust

Opinion

We have audited the financial statements of Reardon Smith Nautical Trust (the 'charity') for the year ended 5th April 2022 which comprise the Statement of Financial Activities, the Balance Sheet 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5th April 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of
Reardon Smith Nautical Trust**



Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the charity. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the Charities SORP, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities
- Assessing the risk of management override, including the procedures of the Trustees over assessment of applications prior to acceptance.
- Discussing with Trustees and management the legal and regulatory obligations of the charity and whether they have any knowledge or suspicion of non compliance.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Haines Watts Wales LLP

Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date:

5 July 2022



Reardon Smith Nautical Trust

Statement of Financial Activities
for the Year Ended 5th April 2022

	Notes	Unrestricted funds £	Endowment fund £	2022 Total funds £	2021 Total funds £
Income and endowments from					
Investment income	2	126,173	-	126,173	118,705
Expenditure on					
Raising funds	3	-	16,336	16,336	15,119
Charitable activities					
Charitable activities	4	10,684	-	10,684	-
Grants payable		203,538	-	203,538	48,723
Direct costs		17,424	-	17,424	16,858
Total		<u>231,646</u>	<u>16,336</u>	<u>247,982</u>	<u>80,700</u>
Net gains on investments		-	59,832	59,832	583,390
NET INCOME/(EXPENDITURE)		<u>(105,473)</u>	<u>43,496</u>	<u>(61,977)</u>	<u>621,395</u>
Reconciliation of funds					
Total funds brought forward		456,808	3,043,562	3,500,370	2,878,975
Total funds carried forward		<u>351,335</u>	<u>3,087,058</u>	<u>3,438,393</u>	<u>3,500,370</u>

Continuing operations

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Reardon Smith Nautical Trust



Balance Sheet 5th April 2022

	Notes	Unrestricted funds £	Endowment fund £	2022 Total funds £	2021 Total funds £
Fixed assets					
Investments	9	346,963	3,087,058	3,434,021	3,470,782
Current assets					
Debtors	10	5,890	-	5,890	6,457
Cash at bank		954	-	954	25,566
		<u>6,844</u>	<u>-</u>	<u>6,844</u>	<u>32,023</u>
Creditors					
Amounts falling due within one year	11	(2,472)	-	(2,472)	(2,435)
Net current assets		<u>4,372</u>	<u>-</u>	<u>4,372</u>	<u>29,588</u>
Total assets less current liabilities		<u>351,335</u>	<u>3,087,058</u>	<u>3,438,393</u>	<u>3,500,370</u>
NET ASSETS		<u>351,335</u>	<u>3,087,058</u>	<u>3,438,393</u>	<u>3,500,370</u>
Funds	12				
Unrestricted funds				351,335	456,808
Endowment funds				3,087,058	3,043,562
Total funds				<u>3,438,393</u>	<u>3,500,370</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 5th July 2022 and were signed on its behalf by:

Charles Reardon Smith - Trustee



1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. 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.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have tested their cash flow analysis to take into account the impact on the charity of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Incoming resources relate to the investment income from the permanent endowment and are treated as unrestricted funds to meet the costs of the trust in furtherance of its objects. Any other income is recognised in the accounting period to which it relates.

Expenditure

Liabilities are recognised when the trust is committed to the expenditure. All costs in furtherance of the objectives of the trust are set against the income, except for expenditure relating to the permanent endowment, which include charges levied by the investment managers and realised and unrealised gains or losses arising of the fund. The costs incurred include irrecoverable VAT.

Grants are made to those individuals and organisations who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are paid through sail training providers, colleges and universities these include Island Trust, Challenge Wales, Atlantic Pacific, Plymouth University, Pembroke College and the Military Preparation Training College.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Investments

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the trust and to achieve capital growth. The investment performance has achieved both capital growth and an income stream to enable the trust to achieve its objectives.

Cash and cash equivalents

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

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year and recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

Notes to the Financial Statements - continued
for the Year Ended 5th April 2022



2. Investment income

	2022 £	2021 £
Income from listed investments	126,173	118,703
Deposit account interest	-	2
	<u>126,173</u>	<u>118,705</u>

3. Raising funds

Investment management costs

	2022 £	2021 £
Portfolio management	<u>16,336</u>	<u>15,119</u>

4. Charitable activities costs

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Charitable activities	10,684	-	-	10,684
Grants payable	-	203,538	-	203,538
Direct costs	<u>14,915</u>	<u>-</u>	<u>2,509</u>	<u>17,424</u>
	<u>25,599</u>	<u>203,538</u>	<u>2,509</u>	<u>231,646</u>

5. Grants payable

	2022 £	2021 £
Grants payable	<u>203,538</u>	<u>48,723</u>

The total grants paid to institutions during the year was as follows:

	2022 £	2021 £
Atlantic College	2,000	2,000
Challenge Wales	43,888	5,000
Island Trust	48,646	15,223
Atlantic Pacific	13,000	4,200
Pembroke college	4,792	5,000
St Illtyds	8,919	-
Newport Sea Cadets	-	6,500
Tenby Sea Cadets	-	4,800
Milford Sea Cadets	-	3,000
RYA Cymru	3,068	-
Plymouth University	60,000	-
Military Preparation Training College	<u>14,725</u>	<u>-</u>
	<u>199,038</u>	<u>45,723</u>

The total grants paid to individuals during the year was £4,500 and was made to two people (2021 : total paid £3,000 to three people).



Reardon Smith Nautical Trust

Notes to the Financial Statements - continued
for the Year Ended 5th April 2022

6. Support costs

		Governance costs £
Direct costs		<u>2,509</u>
Support costs, included in the above, are as follows:		
	2022 Direct costs £	2021 Total activities £
Auditors' remuneration	<u>2,509</u>	<u>2,400</u>

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 5th April 2022 nor for the year ended 5th April 2021.

Trustees' expenses

During the year an amount of £1,201 (2021: £1,200) was expended for professional indemnity insurance which was paid on behalf of the trustees.

8. Comparatives for the statement of financial activities

	Unrestricted funds £	Endowment fund £	Total funds £
Income and endowments from			
Investment income	118,705	-	118,705
Expenditure on			
Raising funds	-	15,119	15,119
Charitable activities			
Grants payable	48,723	-	48,723
Direct costs	16,858	-	16,858
Total	<u>65,581</u>	<u>15,119</u>	<u>80,700</u>
Net gains on investments	-	583,390	583,390
NET INCOME	<u>53,124</u>	<u>568,271</u>	<u>621,395</u>
Reconciliation of funds			
Total funds brought forward	403,684	2,475,291	2,878,975
Total funds carried forward	<u>456,808</u>	<u>3,043,562</u>	<u>3,500,370</u>



Reardon Smith Nautical Trust

Notes to the Financial Statements - continued for the Year Ended 5th April 2022

9. Fixed asset investments

	Listed investments £	Cash and settlements pending £	Totals £
Market value			
At 6th April 2021	3,256,129	214,653	3,470,782
Additions	45,029	372,313	417,342
Disposals	(258,245)	(268,595)	(526,840)
Revaluations	72,737	-	72,737
At 5th April 2022	3,115,650	318,371	3,434,021
Net book value			
At 5th April 2022	3,115,650	318,371	3,434,021
At 5th April 2021	3,256,129	214,653	3,470,782

There were no investment assets outside the UK.

Cost or valuation at 5th April 2022 is represented by:

	Listed investments £	Cash and settlements pending £	Totals £
Valuation in 2022	3,115,650	318,371	3,434,021

10. Debtors: amounts falling due within one year

	2022 £	2021 £
Prepayments and accrued income	5,890	6,457

11. Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	2,472	2,435

12. Movement in funds

	At 6.4.21 £	Net movement in funds £	Transfers between funds £	At 5.4.22 £
Unrestricted funds				
General fund	443,342	(105,473)	(10,000)	327,869
Tara Reardon Smith designated fund	13,466	-	10,000	23,466
	456,808	(105,473)	-	351,335
Endowment funds				
Permanent Endowment	3,043,562	43,496	-	3,087,058
TOTAL FUNDS	3,500,370	(61,977)	-	3,438,393



Reardon Smith Nautical Trust

Notes to the Financial Statements - continued for the Year Ended 5th April 2022

12. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	126,173	(231,646)	-	(105,473)
Endowment funds				
Permanent Endowment	-	(16,336)	59,832	43,496
TOTAL FUNDS	<u>126,173</u>	<u>(247,982)</u>	<u>59,832</u>	<u>(61,977)</u>

Comparatives for movement in funds

	At 6.4.20 £	Net movement in funds £	Transfers between funds £	At 5.4.21 £
Unrestricted funds				
General fund	400,218	53,124	(10,000)	443,342
Tara Reardon Smith designated fund	3,466	-	10,000	13,466
	<u>403,684</u>	<u>53,124</u>	<u>-</u>	<u>456,808</u>
Endowment funds				
Permanent Endowment	2,475,291	568,271	-	3,043,562
TOTAL FUNDS	<u>2,878,975</u>	<u>621,395</u>	<u>-</u>	<u>3,500,370</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	118,705	(65,581)	-	53,124
Endowment funds				
Permanent Endowment	-	(15,119)	583,390	568,271
TOTAL FUNDS	<u>118,705</u>	<u>(80,700)</u>	<u>583,390</u>	<u>621,395</u>

General funds are funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Tara Reardon Smith designated fund is an amount set aside each year by the Trustees' to enable awards to be made. During the year £10,000 was transferred into the fund.

Permanent Endowment fund is held to represent the investments held on the Charity's behalf. amounts generated by these investments are then awarded by the Trustee's in furtherance of the Charity's objectives.



Reardon Smith Nautical Trust
Notes to the Financial Statements - continued
for the Year Ended 5th April 2022

13. Related party disclosures

There were no related party transactions for the year ended 5th April 2022.

REARDON SMITH NAUTICAL TRUST

England & Wales - Charity number 1153623

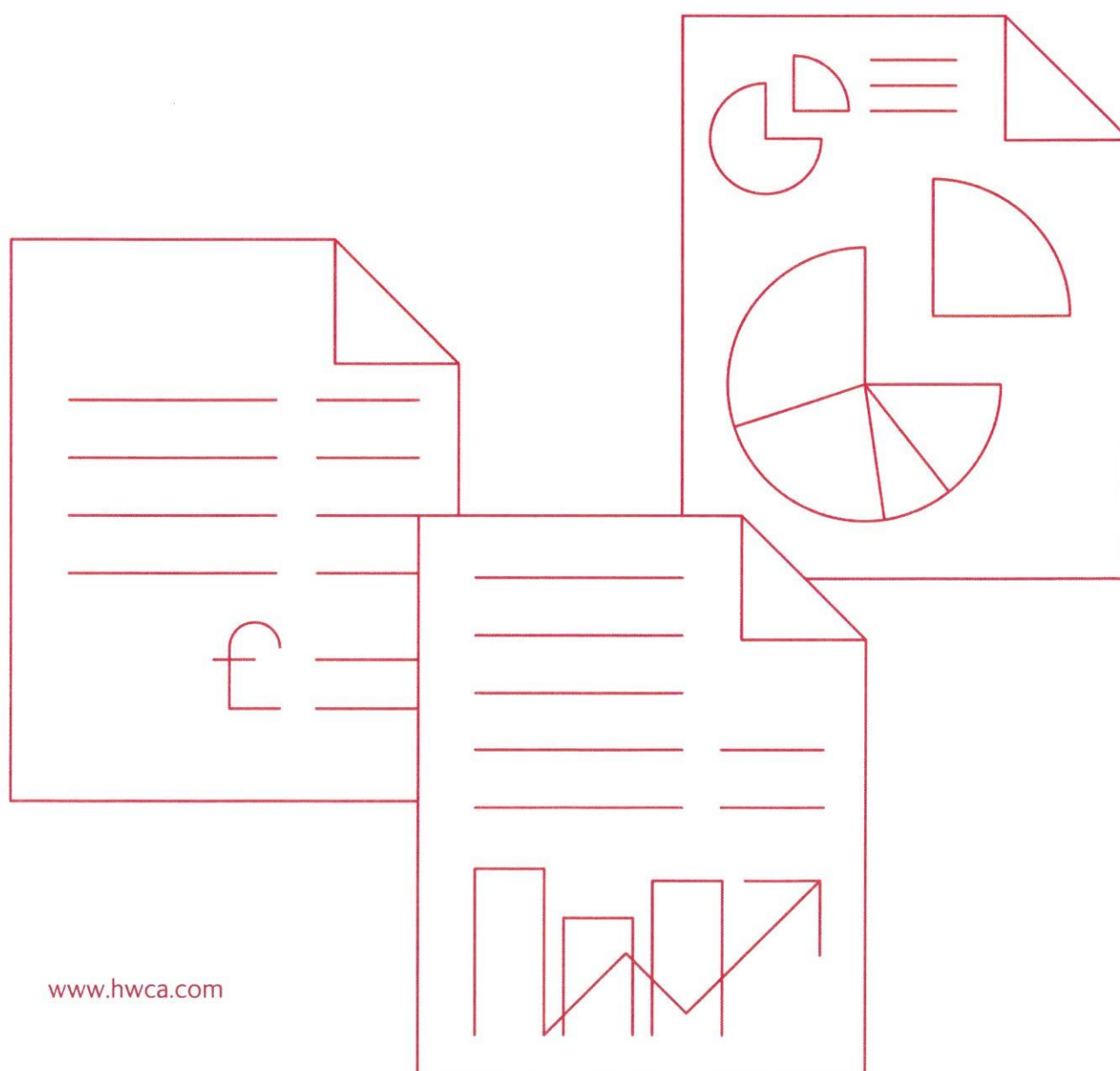
Accounts

Reardon Smith Nautical Trust

Report of the Trustees and Audited Financial Statements

For the Year Ended 5 April 2021

Registered Charity No: 1153623





**Contents of the Financial Statements
for the Year Ended 5th April 2021**

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**Report of the Trustees
for the Year Ended 5th April 2021**

The trustees present their report with the financial statements of the charity for the year ended 5th April 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 object of the CIO is the advancement of education of young persons up to the age of 25, resident in Wales and in the County of Devon, in particular (but not limited to) those resident in the City and County of Cardiff, including, but so as not to limit the foregoing, by payment of grants, scholarships, exhibition and bursaries to individuals to attend recognised nautical or maritime courses relating to shipping, maritime law and commerce, navigation, sailing, oceanography and marine related environmental issues, in particular those which afford such individuals first hand practical experience of being at sea, whether such courses be offered within any part of the United Kingdom or abroad.

Significant activities

The organisation achieved its objective for the year by finding suitable candidates for financial assistance. The process of identifying providers of courses continued, the participants of which could meet the organisation's criteria for financial assistance. Awards of £48,723 were made in the year. A full list of awards paid is given in the notes of the statutory financial statements.

Public benefit

We will review our aims, objectives and activities each year. This review will look at what we achieved and the outcomes of our work in the previous twelve months. The review will also help us ensure our aims, objectives and activities remain focused on our stated objectives. We will refer to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities thus ensuring that it continues in its purpose in the advancement of education of young persons up to the age of 25, by payment of grants, scholarships, exhibitions and bursaries to individuals to attend recognised nautical or maritime courses.

Grantmaking

Grants are made to those individuals who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are paid through sail training providers, these include Island Trust, Tall Ships Youth Trust and Challenge Wales.

Financial review

Principal funding sources

The investment portfolio and monies deposited with banks and building societies provided the Trust with a total income for the year of £118,705 (2020: £131,646). After making awards of £48,723 (2020: £118,579), and incurring direct costs of £16,858 (2020: £21,175) including support costs of £2,400 (2020: £2,620), the charity reported an unrestricted operating surplus of £38,005 (2020: deficit £8,518).

After taking into account the costs of running the portfolio and the net gains/(losses) on investments a surplus of £621,395 (2020: deficit £497,572) has been made.

This can be broken down between unrestricted funds which have increased from £403,684 to £456,808 and the Endowment fund which has increased from £2,475,291 to £3,043,562.

Unrestricted funds are represented by fixed asset investments of £427,220 and current assets of £32,023. The Endowment fund is fully represented by fixed asset investments.

Investment policy and objectives

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the Charity and to achieve capital growth. The investment performance has made a realised surplus of £12,629 (2020: deficit £16,098) at the balance sheet date reflecting the current state of the Financial Markets.

At the year end the value of the portfolio was £3,470,782 (2020: £2,868,049).



**Report of the Trustees
for the Year Ended 5th April 2021**

Financial review

Reserves policy

The reserves policy of the organisation recognises the need to hold reserves to ensure funds are available to continue the payment of grants and scholarships to individuals to attend recognised nautical or maritime courses should the level of applications received be greater than the incoming resources in any one year. The trustees are mindful of their obligation under their own policies and procedures to ensure the applications received are genuine and have recognised the possibility of bogus applications as part of their risk policy. The timing, therefore of processing applications may mean that the number of grant payments in any one accounting period is greater than the incoming resources, which are restricted to the investment income generated from the capital held in the permanent endowment fund. Each year the level of investment income is affected by changes in interest rates, general market conditions and the endowment capital is affected by an annual re-valuation and by gains and losses arising from disposals. Also, a minimum level of reserves needs to be retained to ensure the trustees can operate their exit strategy and meet all legal and other commitments should the Charity be unable to continue for what ever reason.

Covid-19

The impact of the pandemic can be seen to have been reflected in the 10% decline in the charity's investment income. Despite this reduction the value of investments has recovered significantly and this has lifted by 21% at the year end. The trustees are confident that they can maintain the current level of awards given this uplift in the value of the portfolio.

The trustees believe that the charity's reserves are sufficient to meet the current level of commitments.

Future plans

The objectives for 2021/22 will be the provision of financial assistance, within the principal objects of the Constitution, and to expand the data base from which selections are made.

Structure, governance and management

Governing document

The charity is controlled by its constitution being a constitution of a Charitable Incorporated Organisation (CIO) whose only voting members are its charity trustees as listed on page .

Recruitment and appointment of new trustees

The trustees will appoint new trustees when necessary. New trustees will be drawn from the business and education Community to ensure the appropriate skills available. There must be a minimum of 3 and no more than 8 trustees.

Organisational structure

The trust is managed by the trustees who delegate the day to day administration to the Secretary/Administrator, who meets the trustees regularly throughout the year when decisions are made.

Induction and training of new trustees

The Secretary/Administrator operates the policy of induction. Appropriate training will be provided to new trustees either by the Secretary/Administrator or other appropriate persons.

Reference and administrative details

Registered Charity number

1153623

Principal address

Suite One
4 Bessemer Road
Cardiff
CF11 8BA

Trustees

Johnathan Arter
Christopher Davies
Gareth Rees
Charles Reardon Smith
John Reardon Smith
Katherine Williams
Nick Sawyer
Terry Lewis

**Report of the Trustees
for the Year Ended 5th April 2021**



Reference and administrative details

Auditors

Haines Watts Wales LLP, Statutory Auditors
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Bankers

Santander Corporate Banking
9 Queen Street
Cardiff
CF10 2UD

Solicitors

Geldards LLP
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

Stockbrokers

W H Ireland
St Andrews House
24 St Andrews Crescent
Cardiff
CF10 3DD

Trustees' responsibility statement

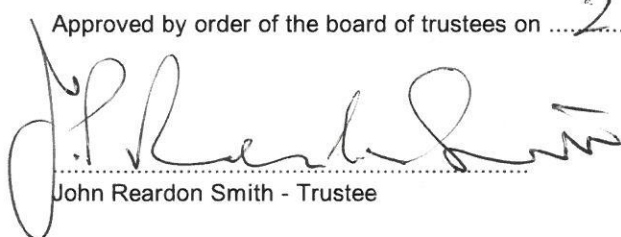
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 2/7/21 and signed on its behalf by:



John Reardon Smith - Trustee

**Report of the Independent Auditors to the Trustees of
Reardon Smith Nautical Trust**

Opinion

We have audited the financial statements of Reardon Smith Nautical Trust (the 'charity') for the year ended 5th April 2021 which comprise the Statement of Financial Activities, The Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5th April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

The impact of uncertainties due to COVID -19 on our audit

Uncertainties relating to the effects of COVID -19 are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the trustees, such as valuation of assets, appropriateness of the going concern basis of preparation of the financial statements and associated disclosures. All of these depend on assessments of the future economic environment and the charity's future prospects and performance.

The COVID -19 viral pandemic is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We have applied a standardised approach in response to that uncertainty when assessing the charity's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a charity and this is particularly the case in relation to the COVID -19 pandemic.

**Report of the Independent Auditors to the Trustees of
Reardon Smith Nautical Trust**



Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the charity. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the Charities SORP, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities
- Assessing the risk of management override, including the procedures of the Trustees over assessment of applications prior to acceptance.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Haines Watts Wales LLP

Haines Watts Wales LLP, Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
7 Neptune Court
Vanguard Way
Cardiff
CF24 5PJ

Date: *6 July 2021*



**Statement of Financial Activities
for the Year Ended 5th April 2021**

	Notes	Unrestricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Investment income	2	118,705	-	118,705	131,646
Expenditure on					
Raising funds	3	-	15,119	15,119	410
Charitable activities					
Grants payable	4	48,723	-	48,723	118,579
Direct costs		16,858	-	16,858	21,175
Total		65,581	15,119	80,700	140,164
Net gains/(losses) on investments		-	583,390	583,390	(489,054)
NET INCOME/(EXPENDITURE)		53,124	568,271	621,395	(497,572)
Reconciliation of funds					
Total funds brought forward		403,684	2,475,291	2,878,975	3,376,547
Total funds carried forward		456,808	3,043,562	3,500,370	2,878,975

Continuing operations

All income and expenditure has arisen from continuing activities.

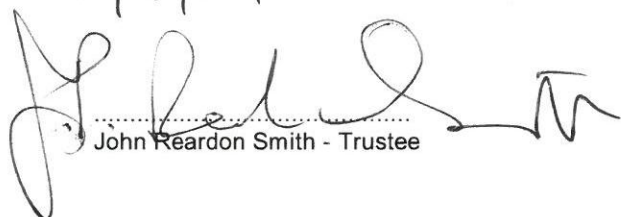
Reardon Smith Nautical Trust



Balance Sheet 5th April 2021

	Notes	Unrestricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
Fixed assets					
Investments	9	427,220	3,043,562	3,470,782	2,868,049
Current assets					
Debtors	10	6,457	-	6,457	7,217
Cash at bank		25,566	-	25,566	6,144
		<u>32,023</u>	<u>-</u>	<u>32,023</u>	<u>13,361</u>
Creditors					
Amounts falling due within one year	11	(2,435)	-	(2,435)	(2,435)
Net current assets		<u>29,588</u>	<u>-</u>	<u>29,588</u>	<u>10,926</u>
Total assets less current liabilities		<u>456,808</u>	<u>3,043,562</u>	<u>3,500,370</u>	<u>2,878,975</u>
NET ASSETS		<u>456,808</u>	<u>3,043,562</u>	<u>3,500,370</u>	<u>2,878,975</u>
Funds	12				
Unrestricted funds				456,808	403,684
Endowment funds				3,043,562	2,475,291
Total funds				<u>3,500,370</u>	<u>2,878,975</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 2/7/21 and were signed on its behalf by:


John Reardon Smith - Trustee



1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. 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.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Trustees have tested their cash flow analysis to take into account the impact on the charity of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

Incoming resources relate to the investment income from the permanent endowment and are treated as unrestricted funds to meet the costs of the trust in furtherance of its objects. Any other income is recognised in the accounting period to which it relates.

Expenditure

Liabilities are recognised when the trust is committed to the expenditure. All costs in furtherance of the objectives of the trust are set against the income, except for expenditure relating to the permanent endowment, which include charges levied by the investment managers and realised and unrealised gains or losses arising of the fund. The costs incurred include irrecoverable VAT.

Grants are made to those individuals and organisations who apply to the trustees for financial support. Although grant payments are accounted for in the year of payment, liability by the applicant to repay the grant remains until the trustees are satisfied that the criteria have been met. As a result of this requirement the liability is not recognised until satisfactory reports are received.

Grants are paid through sail training providers, colleges and universities these include Island Trust, Youth Trust, Challenge Wales and Pembroke College.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Investments

The investments are managed by professional managers. The portfolio is structured to provide income to meet the objectives of the trust and to achieve capital growth. The investment performance has achieved both capital growth and an income stream to enable the trust to achieve its objectives.

Cash and cash equivalents

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

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year and recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

Notes to the Financial Statements - continued
for the Year Ended 5th April 2021



2. Investment income

	2021 £	2020 £
Income from listed investments	118,703	131,638
Deposit account interest	2	8
	<u>118,705</u>	<u>131,646</u>

3. Raising funds

Investment management costs

	2021 £	2020 £
Portfolio management	<u>15,119</u>	<u>410</u>

4. Charitable activities costs

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Grants payable	-	48,723	-	48,723
Direct costs	<u>14,458</u>	<u>-</u>	<u>2,400</u>	<u>16,858</u>
	<u>14,458</u>	<u>48,723</u>	<u>2,400</u>	<u>65,581</u>

5. Grants payable

	2021 £	2020 £
Grants payable	<u>48,723</u>	<u>118,579</u>

The total grants paid to institutions during the year was as follows:

	2021 £	2020 £
Atlantic College	2,000	2,000
Cardiff St David's Rotary	-	(1,378)
Challenge Wales	5,000	30,000
Island Trust	15,223	47,067
Cardiff Bay Yacht Club	-	2,625
Atlantic Pacific	4,200	10,000
Barry Yacht Club	-	2,200
Fishguard Cadets	-	1,020
Pembroke college	5,000	22,135
St Illtyds	-	960
Newport Sea Cadets	6,500	-
Tenby Sea Cadets	4,800	-
Milford Sea Cadets	3,000	-
	<u>45,723</u>	<u>116,629</u>

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2021**

**5. Grants payable - continued**

The total grants paid to individuals during the year was as follows:

	2021	2020
	£	£
Jacob Hayden	-	500
Asia Hoile	500	500
Alfie & Max Sewell	-	950
Iwan Morgan & Aelwyn Roberts	2,500	-
	<u>3,000</u>	<u>1,950</u>

6. Support costs

Direct costs

**Governance
costs**
£
2,400

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

	2021	2020
	Direct costs	Total activities
	£	£
Auditors' remuneration	<u>2,400</u>	<u>2,620</u>

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 5th April 2021 nor for the year ended 5th April 2020.

Trustees' expenses

During the year an amount of £1,200 (2020: £851) was expended for professional indemnity insurance which was paid on behalf of the trustees.

8. Comparatives for the statement of financial activities

	Unrestricted funds	Endowment fund	Total funds
	£	£	£
Income and endowments from			
Investment income	131,646	-	131,646
Expenditure on			
Raising funds	-	410	410
Charitable activities			
Grants payable	118,579	-	118,579
Direct costs	21,175	-	21,175
Total	<u>139,754</u>	<u>410</u>	<u>140,164</u>
Net gains/(losses) on investments	-	(489,054)	(489,054)
NET INCOME/(EXPENDITURE)	<u>(8,108)</u>	<u>(489,464)</u>	<u>(497,572)</u>
Reconciliation of funds			
Total funds brought forward	411,792	2,964,755	3,376,547

Notes to the Financial Statements - continued
for the Year Ended 5th April 2021

8. Comparatives for the statement of financial activities - continued

	Unrestricted funds £	Endowment fund £	Total funds £
Total funds carried forward	403,684	2,475,291	2,878,975

9. Fixed asset investments

	Listed investments £	Cash and settlements pending £	Totals £
Market value			
At 6th April 2020	2,532,238	335,811	2,868,049
Additions	542,953	518,098	1,061,051
Disposals	(408,641)	(639,256)	(1,047,897)
Revaluations	589,579	-	589,579
At 5th April 2021	3,256,129	214,653	3,470,782
Net book value			
At 5th April 2021	3,256,129	214,653	3,470,782
At 5th April 2020	2,532,238	335,811	2,868,049

There were no investment assets outside the UK.

Cost or valuation at 5th April 2021 is represented by:

	Listed investments £	Cash and settlements pending £	Totals £
Valuation in 2021	3,256,129	214,653	3,470,782

10. Debtors: amounts falling due within one year

	2021 £	2020 £
Prepayments and accrued income	6,457	7,217

11. Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	2,435	2,435

Notes to the Financial Statements - continued
for the Year Ended 5th April 2021

 12. Movement in funds

	At 6.4.20 £	Net movement in funds £	Transfers between funds £	At 5.4.21 £
Unrestricted funds				
General fund	400,218	53,124	(10,000)	443,342
Tara Reardon Smith designated fund	3,466	-	10,000	13,466
	<u>403,684</u>	<u>53,124</u>	<u>-</u>	<u>456,808</u>
Endowment funds				
Permanent Endowment	2,475,291	568,271	-	3,043,562
	<u>2,475,291</u>	<u>568,271</u>	<u>-</u>	<u>3,043,562</u>
TOTAL FUNDS	<u>2,878,975</u>	<u>621,395</u>	<u>-</u>	<u>3,500,370</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	118,705	(65,581)	-	53,124
Endowment funds				
Permanent Endowment	-	(15,119)	583,390	568,271
	<u>-</u>	<u>(15,119)</u>	<u>583,390</u>	<u>568,271</u>
TOTAL FUNDS	<u>118,705</u>	<u>(80,700)</u>	<u>583,390</u>	<u>621,395</u>

Comparatives for movement in funds

	At 6.4.19 £	Net movement in funds £	Transfers between funds £	At 5.4.20 £
Unrestricted funds				
General fund	408,326	1,892	(10,000)	400,218
Tara Reardon Smith designated fund	3,466	(10,000)	10,000	3,466
	<u>411,792</u>	<u>(8,108)</u>	<u>-</u>	<u>403,684</u>
Endowment funds				
Permanent Endowment	2,964,755	(489,464)	-	2,475,291
	<u>2,964,755</u>	<u>(489,464)</u>	<u>-</u>	<u>2,475,291</u>
TOTAL FUNDS	<u>3,376,547</u>	<u>(497,572)</u>	<u>-</u>	<u>2,878,975</u>

**Notes to the Financial Statements - continued
for the Year Ended 5th April 2021**

**12. Movement in funds - continued**

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	131,646	(129,754)	-	1,892
Tara Reardon Smith designated fund	-	(10,000)	-	(10,000)
	<u>131,646</u>	<u>(139,754)</u>	<u>-</u>	<u>(8,108)</u>
Endowment funds				
Permanent Endowment	-	(410)	(489,054)	(489,464)
	<u>-</u>	<u>(410)</u>	<u>(489,054)</u>	<u>(489,464)</u>
TOTAL FUNDS	<u>131,646</u>	<u>(140,164)</u>	<u>(489,054)</u>	<u>(497,572)</u>

General funds are funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Tara Reardon Smith designated fund is an amount set aside each year by the Trustees' to enable awards to be made. During the year £10,000 was transferred into the fund.

Permanent Endowment fund is held to represent the investments held on the Charity's behalf. amounts generated by these investments are then awarded by the Trustee's in furtherance of the Charity's objectives.

13. Related party disclosures

There were no related party transactions for the year ended 5th April 2021.