

1851 Marine Trust

**Annual Report and Financial Statements
Year Ended 31 December 2020**

Charity registration number: 1158670

1851 Marine Trust

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1851 Marine Trust

Trustees' Report for the year ended 31 December 2020

Royal Patron

HRH The Duchess of Cambridge

Patron

Sir Ben Ainslie CBE

Reference and Administrative Details

Trustees

Dame Louise Makin (Chair)

Lady Georgina Ainslie (Vice Chair)

Roy Bedlow

Jeremy Boadle

Rodney Carr CBE

Robert Elliott

Paul Frew

Joanne Grindley

Rt Hon. Sir Richard Ottaway

Claire Oulton

Robert Stevens CB

Registered Office

The Camber

East Street

Portsmouth PO1 2JJ

Charity Registration Number

1158670

Solicitors

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Bankers

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London

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Independent Examiner

Moore (South) LLP

9 St Johns Place

Newport

Isle of Wight

PO30 1LH

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Trustees' Report for the year ended 31 December 2020 (cont ..)

The Trustees, who are also directors of the 1851 Marine Trust for the purposes of charity law, (referred to in this report as The Trust or 1851 Trust) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and regulations.

Charitable objectives

Introduction

The Trust was set up in October 2014 to help ensure that investment in the British challengers for sailing's America's Cup would also bring about social and community benefits. The 1851 Trust is the official charity of INEOS TEAM UK (the "Team"), the British challenger for the 36th America's Cup. The Trust is co-located with the Team at its HQ on The Camber in Portsmouth.

Objectives and activities

The core aims of the Trust are to work with young people from a wide demographic, principally through secondary schools, to engage them in the science of sport, to get them active and inspired by sport. The Trust achieves these aims by creating and delivering programmes that:

- Inspire young people to take up both educational and career opportunities in Science, Technology, Engineering and Maths (STEM);
- Engage young people to consider the environment and act sustainably; and
- Enable young people to experience sailing and give them opportunities to continue in the sport.

Objects of the Charity

As detailed in our Constitution, the objects of the Trust are:

- Advancing the amateur sport of sailing for the public benefit by delivering and supporting projects which provide opportunities for participation in sailing, with particular focus on creating opportunities for young people to participate and engaging participants from a wide social demographic in the sport;
- Advancing education for the public benefit by supporting projects which provide relevant skills and training opportunities, including in maritime, sporting and scientific fields;
- Advancing science for the public benefit by supporting research and development projects within maritime-based fields, the useful results of which are to be publicly disseminated;
- Advancing environmental improvement for the public benefit by supporting projects which include safeguarding the marine environment and raising awareness of the need for sustainable oceans and waterways.

Constitution

The 1851 Marine Trust is a Charitable Incorporated Organisation registered with the Charity Commission of England and Wales, with the charity number 1158670. The Charity was established by its Constitution dated 25 September 2014 and updated 14 July 2016.

Public benefit

In setting the Trust's programme of activities, the Trustees have regard to the Charity Commission's guidance on public benefit.

1851 Marine Trust

Trustees' Report for the year ended 31 December 2020 (cont ..)

Organisational Structure, Governance and Management

The 1851 Trust is controlled by a Board of Trustees with day-to-day management delegated to the Chief Executive Officer, who is supported by a small staff team. The Board meets on a quarterly basis to review the activities of the Trust, including income and expenditure, charitable activity, forthcoming plans, staffing matters, and to ensure good corporate governance. The Board of Trustees has established a sub-committee, the Governance, Audit and Risk Committee, to support it with its activities. Further details on this Committee are included under Risk Management below.

The Trust has a wholly owned trading company, Stem Crew Ltd. Directors of Stem Crew Ltd are Trustees or employees of the 1851 Marine Trust. In 2020 Stem Crew Ltd was dormant and therefore the charity has opted not to produce Group accounts.

Patrons

The Trust is exceptionally fortunate to have two high profile and committed Patrons. The Trust's Royal Patron is Her Royal Highness The Duchess of Cambridge and the Patron is Sir Ben Ainslie CBE.

Trustees

Trustees are appointed by virtue of their demonstrating abilities of value to the Trust and by invitation of the current Board of Trustees. There have been no changes to the Board of Trustees since 1 January 2020.

Staff

By the end of 2020, the Trust Chief Executive Officer, Ben Cartledge was supported by three colleagues working full or part-time supported by specialist consultants working on a contract basis. Two colleagues remained on the Government Job Retention Scheme in anticipation of new work being secured in 2021.

Achievements and Performance

As set out in the Trust's 2019 Annual Report and Accounts, the impact of Covid-19 had a significant impact on the Trust's ability to deliver its planned activity in 2020 with the successful Tech Deck, Rebels Crew and Roadshow programmes being mothballed. However, the Trust's STEM Crew digital platform experienced a significant over 100% uplift in activity throughout the year with an ongoing demand for high quality online resources to support home learning (as set out in the STEM Crew section below).

The uncertainty also affected the Trust's income targets for 2020. A significant corporate supporter reduced the level of their pledged support for the Trust and opportunities to engage new supporters were lost. Although income raised was around half that originally budgeted, costs were managed in line with this reduction with the aim of achieving an overall breakeven position.

Alongside managing the impacts of Covid-19, the Trust team also engaged new sports and funding partners to widen the appeal of its programmes to more young people and invested time in articulating more clearly its educational approach, which highlights how the combination of aspirational role models, accessible STEM activities and character development opportunities delivers outcomes for young people.

1851 Marine Trust

Trustees' Report for the year ended 31 December 2020 (cont ..)

Educational approach



Diversity and inclusion

The Trust designs all its programmes to appeal to young people from diverse backgrounds and with a wide range of skills, interests and learning styles. Unfortunately, in 2020 we were unable to deliver programmes focused on under-represented groups, such as Roadshows for girls, or Rebels Crew for disadvantaged young people. These programmes are expected to restart in the second half of 2021 once Covid restrictions are eased.

However, the resources on STEM Crew are being used by teachers and students across schools in some of the most deprived areas of the UK, including many schools with higher than average levels of disadvantaged pupils. The advantage for schools of using STEM Crew resources with these groups is the unique combination of aspirational sporting role models, accessible curriculum-based STEM activities and integrated character development exercises.

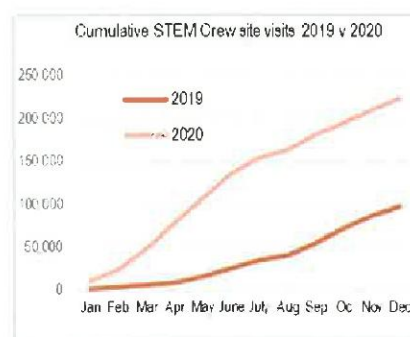
In 2021, we plan to work with partners to create new resources that help to challenge perceptions around sports and STEM careers.

STEM Crew digital education platform (www.stemcrew.org)

STEM Crew now has a following of 4,000 teachers at nearly 40% of UK secondary schools and a further 3,000 teachers, parents and educators across the UK and in over 40 countries. The growth achieved in 2020 exceeded targets set for the year.

STEM Crew overview

STEM CREW KPIs	End 2020	Annual % increase	2020 Target	2021 Target
Young people taught *	200K	+33%	✓	300K
* Plus ZERO Days resources used in 600 schools with est. reach 1M children				
All registered users	6,500	+65%	✓	9,000
Secondary teachers	3,550	+33%	✓	5,000
% UK secondary schools	38%	+35%	✓	45%



The Trust's education team responded to the increase in demand due to increased online learning with a range of new functionality and content to ensure that STEM Crew resources are easy to access for teachers and young people.

1851 Marine Trust

Trustees' Report for the year ended 31 December 2020 (cont ..)

These developments were generously funded by supporters including INEOS, Lloyd's Register Foundation and Fidelity Foundation and included:

- A new Pupil Portal which increased access and the resources available directly to young people
- New America's Cup inspired resources and "at home" activities
- Three new resources inspired by the sub-2 hour marathon, INEOS 1:59 Challenge, which the Trust education team delivered as a STEM Activity Day as a "live" online lesson (www.stemcrew.org/ineos159challenge/)

Feedback from teachers, parents and young people continued to reinforce the positive impact of STEM crew resources on the engagement and aspirations of young people in relation to careers in science, technology and engineering.

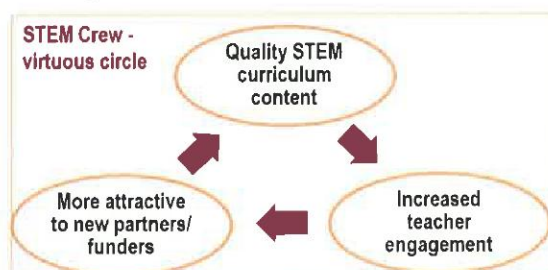
ZERO Days (www.stemcrew.org/zerodays/)

The Trust also launched a new ZERO Days Back to School programme which helped to keep secondary schools open. The programme is based on tried and tested science behind INEOS sports teams and backed by sports stars with the aim of keeping pupils safe at school, at home and in communities by encouraging positive behaviour change. The resources were promoted to schools across the UK and adopted by 600 schools with an amazing reach of c1M pupils.



Planning for the future

In Autumn 2020, the Board of Trustees undertook a second annual review of the strategic aims of the Trust. The review identified two important areas for development over the next 12-36 months: (i) building on the strength of STEM Crew through a virtuous circle based on high quality education resources; and (ii) a diversification of income through new sporting and funding partnerships.



Plans for 2021

With the impacts of Covid continuing into 2021, the year is likely to present challenges for many organisations. The 1851 Trust is fortunate to start 2021 in a strong position: having supported more teachers and young people than ever in 2020 and with income secured for key projects for 2021. The Trust has exciting opportunities to grow the reach and impact of the Trust's STEM education work in partnership with new sports and funders, at the same time as being able to respond to the needs of its beneficiaries.

1851 Marine Trust

Trustees' Report for the year ended 31 December 2020 (cont ..)

In 2021, the Trust's key aim is to establish the STEM Crew digital education model as transferable beyond America's Cup sailing and INEOS Sport by securing new sporting partnerships and income streams. Achieving this aim will further the Trust's charitable objectives by significantly increasing the number of young people reached and positively influenced with STEM resources and activities.

In 2021 the Trust will assess the value of planned activity and new opportunities according to the following short, medium and long term aims to achieving its charitable objectives:

- Capitalising on INEOS TEAM UK's America's Cup campaign (0-6months) (which in the first 3 months of 2021 has achieved outstanding results);
- Supporting schools, teachers and pupils with a post-Covid "recovery curriculum" (6-18 months); and
- Preparing STEM Crew to be an outstanding multi-sport and science education hub (18-36 months).

Despite the uncertainty created by Covid throughout 2020 and into 2021, the STEM Crew targets remain in line with ambitious targets set in 2019. This growth is expected to be achieved through a combination of:

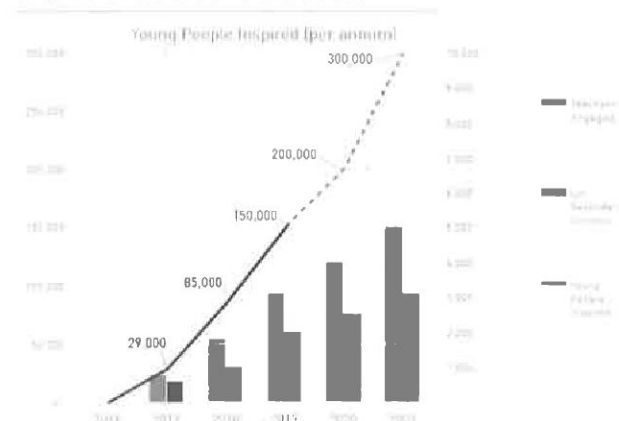
- securing new sports partners and funders; and
- working with education charities on new opportunities to deliver our charitable objectives.

STEM Crew targets for 2021

2021 KPIs	End 2019	End 2020	2021 Target	% increase
Young people reached	150K	200K	300K	+50%
All STEM Crew users	3,900	6,500	9,000	+40%
Secondary STEM teachers	2,650	3,600	5,000	+40%
% UK secondary schools	28%	39%	45%*	+15%

* Based on our understanding of the national penetration of other STEM Programmes into schools, we expect the growth in schools represented to slow, and are pursuing growth through more teachers within current schools.

STEM Crew Growth



Financial Review

Income and Major Funding Streams

During this reporting period, the Trust's activities were funded by donations from individuals, corporations, charitable trusts and statutory sources. Responsibility for the day to day management of funds donated and received was with the Chief Executive Officer, reporting directly to the Board of Trustees. In 2020, the 1851 Trust's most significant funder was INEOS Holdings Ltd.

Financial Position

At the end of 2020, the Trust had generated a small overall deficit of £1,168 (2019 – surplus £80,880). Given the challenges of the year, the Trust finished 2020 with reserves in line with its reserves policy.

Reserves Policy and Application

The Trustees' intention is to build unrestricted reserves equivalent to at least 6 months expenditure on core charitable activity on a rolling basis. The Trustees recognise that as the Trust continues to grow and invest in expanding its charitable activity; its reserve position may fall below this level temporarily.

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Trustees' Report for the year ended 31 December 2020 (cont ..)

In considering the Trust's reserves position against the 6 months target, the Trustees take into account the pipeline of committed and anticipated income and the levels of fixed and variable costs associated with delivering the charitable activity.

Due to the high level of risk around the impact of Covid, in 2020 the Trustees and Chief Executive determined to take steps to reduce the core cost base of the Trust so as to maintain reserves in excess of the 6 months policy. With the ongoing uncertainty in 2021, this approach means the Trust is able to invest some of its reserves in diversifying income streams and exploring new sports partnerships whilst continuing to meet the needs of young people through investment in STEM Crew resources.

The Trust's total reserves at 31 December 2020 totalled £466,930 (2019 - £468,098) comprising:

- Unrestricted funds at 31 December 2020 of £376,930 (2019 - £328,598), as detailed in Note 15 to the accounts; and
- Restricted funds at 31 December 2020 of £90,000 (2019 - £139,500), which represented unspent monies on specific projects, also as detailed in Note 15 of the accounts.

The unrestricted free reserves (unrestricted reserves less those tied up in fixed assets) of £368,097 (2019 - £314,678) are equivalent to over 6 months of core costs budgeted in 2021.

The Trustees are comfortable that the level of reserves are appropriate given the Trust's ability to proactively manage its variable costs in line with income received as the Trust team seek to achieve its growth targets.

The Trust's reserve position is reviewed by the Trustees at Board meetings on a quarterly basis and by the Governance, Audit and Risk Committee at its further four annual meetings to ensure that the Trust maintains appropriate reserves.

Risk Management

The Trustees considered the strategic, business and operational risks faced by the charity's activities. The Board has established processes to consider and manage those risks. Key policies are reviewed annually. The Governance, Audit and Risk Committee meets at least four times a year between Board meetings and has responsibility for providing support, assurance and recommendations to the Board in relation to:

- best practice in charity governance and appropriate governance arrangements for the 1851 Trust;
- the effectiveness of the Trust's internal control and risk management framework, including key policies and procedures;
- the conduct of the audit and the Trust's annual report and accounts, including the performance of the auditors; and
- the day-to-day financial operations and controls including monitoring income and expenditure against the annual budget.

1851 Marine Trust

Trustees' Report for the year ended 31 December 2020 (cont ..)

Statement of Trustees' Responsibilities

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

The law applicable to charities 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 of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

The annual report was approved by the trustees of the Charity on 22 April '21 and signed on its behalf by:



Dame Louise Makin
Chair of Trustee

1851 Marine Trust

Independent Examiner's Report to the Trustees

I report on the accounts for the year ended 31 December 2020 set out on pages 10 to 24.

Responsibilities and basis of report

As the charity trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011.

Having satisfied myself that the accounts of the company are not required to be audited under the Charities Act 2011, and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales.

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

1. accounting records were not kept in respect of the company as required by section 130 of the Charities Act 2011; or
2. the accounts do not accord with those records; or
3. the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Moore (South) LLP

Kevin R Cooper BA FCA DChA

For and on behalf of

Moore (South) LLP

Chartered Accountants

Isle of Wight

Dated: 7 May 2021

1851 Marine Trust

Statement of Financial Activities

For the year ended 31 December 2020
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 31 December 2020 £	Total 31 December 2019 £
Income and Endowments from:					
Donations and legacies	3	567,514	120,000	687,514	1,065,093
Other trading activities and events	4	85,000	-	85,000	300,720
Investment income		-	-	-	508
Total income		652,514	120,000	772,514	1,366,321
Expenditure on:					
Raising funds		(41,475)	-	(41,475)	(32,454)
Charitable activities	5	(562,707)	(169,500)	(732,207)	(1,252,987)
Total expenditure		(604,182)	(169,500)	(773,682)	(1,285,441)
Net income/(expenditure)		<u>48,332</u>	<u>(49,500)</u>	<u>(1,168)</u>	<u>80,880</u>
Net movement in funds		48,332	(49,500)	(1,168)	80,880
Reconciliation of funds					
Total funds brought forward		<u>328,598</u>	<u>139,500</u>	<u>468,098</u>	<u>387,218</u>
Total funds carried forward	15	376,930	90,000	466,930	468,098
		=====	=====	=====	=====

All of the Charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 15.

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Balance Sheet

For the year ended 31 December 2020

	Note	31 December 2020 £	31 December 2019 £
Fixed assets			
Tangible assets	10	7,833	12,920
Investments	11	<u>1,000</u>	<u>1,000</u>
		8,833	13,920
Current assets			
Debtors	12	69,662	152,416
Cash at bank and in hand		<u>418,841</u>	<u>476,328</u>
		488,503	628,744
Creditors: Amounts falling due within one year	13	<u>(30,406)</u>	<u>(174,566)</u>
Net current assets		<u>458,097</u>	<u>454,178</u>
Net assets		<u>466,930</u>	<u>468,098</u>
Funds of the Charity:			
Restricted income funds		90,000	139,500
Unrestricted income funds		<u>376,930</u>	<u>328,598</u>
Total funds	15	<u>466,930</u>	<u>468,098</u>

The financial statements on pages 10 to 24 were approved by the trustees, and authorised for issue on
22 APRIL 2021 and signed on their behalf by:

Louise Makin.

Dame Louise Makin
Chair of Trustees

1851 Marine Trust

Statement of Cash Flow For the year ended 31 December 2020

	Note	2020 £	2019 £
Cashflow from operating activities			
Net cashflow from operations	See below	<u>(56,456)</u>	<u>62,031</u>
Total cashflow from operating activities		<u>(56,456)</u>	<u>62,031</u>
Cashflow from investing activities			
Interest received		-	508
Payments to acquire fixed assets		<u>(1,031)</u>	<u>(13,373)</u>
Total cashflow on Investing activities		<u>(1,031)</u>	<u>(12,685)</u>
Net decrease in cash and cash equivalents		(57,487)	49,166
Cash and cash equivalents at 1 January 2020		<u>476,328</u>	<u>427,162</u>
Cash and cash equivalents at 31 December 2020		418,841 =====	476,328 =====
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>418,841</u>	<u>476,328</u>
Cash and cash equivalent at 31 December 2020		418,841 =====	476,328 =====
Reconciliation of income to net cash flow from operations:			
		2020 £	2019 £
Net income resources		(1,168)	80,880
Adjustments for:			
Interest received		-	(508)
Depreciation charges		6,118	4,873
(Increase)/decrease in debtors		82,754	(121,263)
Increase/(decrease) in creditors		<u>(144,160)</u>	<u>98,049</u>
Net cash from operations		<u>(56,456)</u> =====	<u>62,031</u> =====
The Charity has no net debt (2019 - £nil).			

1851 Marine Trust

Notes to the Financial Statements For the year ended 31 December 2020

1 Accounting policies

1.1 Summary of significant accounting policies and legal form

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Charity is a Charitable Incorporated Organisation registered with the Charity Commission of England and Wales with the charity number 1158670.

1.2 Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

1.3 Basis of preparation

1851 Marine Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The accounts reflect the activities of the Trust and its wholly owned, but currently dormant trading subsidiary company is not consolidated in these accounts.

1.4 Going concern

The trustees have considered the impact of Covid-19 on income forecasts for 2021 and on the demand for, and the Trust's ability to deliver, its charitable programmes. The Trust's management took steps to reduce the Charity's costs in line with the forecast reduction in income in 2020 and for 2021 have developed scenarios based on different levels of income. In each scenario the Trust maintains core activity and reserves at appropriate levels. Consequently, there are no material uncertainties about the Charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

1.5 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have received the funds or been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

1.5 Income (cont'd)

Income from trading activities includes income received from fundraising and sponsorship income. Income is received in exchange for the right to sponsor the charity including branding, and is recognised when entitlement has occurred.

Interest income is recognised using the effective interest method.

1.6 Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable entity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Pension costs

Staff and pension costs are recognised as incurred with all associated costs. The retirement benefits for the specific employees of the Trust are provided by a money purchase scheme with Royal London. The Trust's obligation is restricted to their contributions.

1.9 Financial instruments

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

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

1.10 Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Costs in respect of the rebranding project are not capitalised but treated as project expenditure in the year.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	3 years straight line

1.11 Debtors

Debtors are amounts due from customers for merchandise sold or services provided. Grants receivable reflect the amounts due for confirmed grants from donors.

Debtors are recognised initially at the transaction value. A provision for the impairment of debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

1.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

1.13 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of activities. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Creditors are recognised at the transaction price.

1.14 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

1.15 Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

1.16 Operating Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

2 Comparative Statement of Financial Activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 31 December 2019 £
Income and Endowments from:				
Donations and legacies	3	760,593	304,500	1,065,093
Other trading activities	4	720	300,000	300,720
Investment income		<u>508</u>	<u>-</u>	<u>508</u>
Total Income		761,821	604,500	1,366,321
Expenditure on:				
Raising funds		(32,454)	-	(32,454)
Charitable activities	5	<u>(776,987)</u>	<u>(476,000)</u>	<u>(1,252,987)</u>
Total expenditure		<u>(809,441)</u>	<u>(476,000)</u>	<u>(1,285,441)</u>
Net income/(expenditure)		<u>(47,620)</u>	<u>128,500</u>	<u>80,880</u>
Net movement in funds		<u>(47,620)</u>	<u>128,500</u>	<u>80,880</u>
Reconciliation of funds				
Total funds brought forward		<u>376,218</u>	<u>11,000</u>	<u>387,218</u>
Total funds carried forward	15	<u>328,598</u> =====	<u>139,500</u> =====	<u>468,098</u> =====

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Trusts and Foundations	-	94,000	94,000	106,490
Government grants (job retention scheme)	52,198	-	52,198	-
Corporate donations	515,000	26,000	541,000	932,200
Individual donations	<u>316</u>	<u>-</u>	<u>316</u>	<u>26,403</u>
	<u>567,514</u> =====	<u>120,000</u> =====	<u>687,514</u> =====	<u>1,065,093</u> =====

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

4 Other trading activities and events

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Income from fundraising events	-	-	-	720
Sponsorship income	<u>85,000</u>	-	<u>85,000</u>	<u>300,000</u>
	85,000	-	85,000	300,720
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

5 Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Roadshow programme	398	19,727	20,125	66,646
Sustainability projects	-	-	-	38,596
Go Sail and Rebels Crew sailing programme	19,020	-	19,020	225,767
Tech Deck and STEM Crew projects	117,547	94,303	211,850	338,831
Programme development	2,685	-	2,685	15,893
Programme marketing to schools/teachers	-	-	-	7,310
Staff costs (see note 9)	341,013	46,419	387,432	419,755
Support costs	<u>82,044</u>	<u>9,051</u>	<u>91,095</u>	<u>140,189</u>
	562,707	169,500	732,207	1,252,987
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

Support costs are made up as follows:

Rent and property costs	20,144	2,051	22,195	42,068
Staff training, recruitment and clothing	4,520	1,000	5,520	9,341
Travel subsistence and accommodation	4,815	2,000	6,815	12,315
Office and IT	15,661	4,000	19,661	12,812
Insurance	7,514	-	7,514	5,120
Finance costs	457	-	457	1,959
Subcontractor costs	-	-	-	6,391
Governance costs (see note 6)	10,899	-	10,899	24,073
Finance support	11,916	-	11,916	21,237
Depreciation	<u>6,118</u>	-	<u>6,118</u>	<u>4,873</u>
	82,044	9,051	91,095	140,189
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

1851 Marine Trust
Notes to the Financial Statements (cont ..)
For the year ended 31 December 2020

6 Governance costs

	2020	2019
	£	£
Independent examiner's fee	3,000	-
Auditors remuneration	2,864	12,080
Taxation advice	240	3,825
Accountancy and advisory	2,802	3,786
Legal fees	<u>1,993</u>	<u>4,382</u>
	10,899	24,073
	=====	=====

7 Net incoming resources

Net incoming resources for the year is stated after:

	2020	2019
	£	£
Depreciation of fixed assets	6,118	4,873
	=====	=====

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the Charity during the year.

No expenses were paid to a Trustee in the year (2019 – nil). No balances were due at the year end (2019 - nil).

Trustee indemnity insurance is included within the main insurance policy, see note 5 in the accounts.

9 Staff costs

	2020	2019
	£	£
Staff costs during the year were:		
Wages and salaries	341,890	369,422
Social security costs	32,768	34,879
Pension costs	<u>12,774</u>	<u>15,454</u>
Total Staff costs	387,432	419,755
	=====	=====

The monthly average number of persons (including senior management team) employed by the Charity during the year expressed as full time equivalents was as follows:

	31 December	31 December
	2020	2019
Average number of employees	9	10
	==	==

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

9 Staff costs (continued)

The total employee benefits of the key management personnel (Chief Executive Officer) of the charity were £108,579 (2019 - £108,064). The number of employees whose annual remuneration was £60,000 were:

	2020	2019
£90,000-£100,000	1	1
	==	==

10 Tangible fixed assets

	Office Equipment	
	2020 £	2019 £
Cost		
At 1 January 2020	19,119	16,641
Additions	1,031	13,373
Disposals	-	(10,895)
At 31 December 2020	<u>20,150</u>	<u>19,119</u>
Depreciation		
At 1 January 2020	6,199	12,221
Charge for the year	6,118	4,873
Depreciation eliminated on disposal	-	(10,895)
At 31 December 2020	<u>12,317</u>	<u>6,199</u>
Net book value		
At 31 December 2020	<u>7,833</u>	<u>12,920</u>
At 31 December 2019	<u>12,920</u>	<u>4,420</u>

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

11 Investments

Investment in Stem Crew Ltd

	Unlisted Investments	
	2020	2019
	£	£
Cost		
At 1 January 2020 and 31 December 2020	1,000	1,000
	=====	=====
Net book value		
At 31 December 2020, and 31 December 2019	1,000	1,000
	=====	=====

The investment represents the entire ordinary share capital of Stem Crew Ltd, which acts as a trading subsidiary to the charity and shares a registered office and trading address with the Trust.

The trading subsidiary was dormant in the past two years:

	2020	2019
	£	£
Income	-	-
Expenditure	-	-
	=====	=====
Net profit (loss)	-	-
	=====	=====
Net assets at 31 December	-	-
	=====	=====

For the year ending 31 December 2020 the company was dormant.

12 Debtors

	2020	2019
	£	£
Grants receivable	60,000	80,000
Amounts recoverable from trading company	68	68
Accrued income	-	64,000
Prepayments	4,594	7,072
Other debtors	<u>5,000</u>	<u>1,276</u>
	69,662	152,416
	=====	=====

1851 Marine Trust

Notes to the Financial Statements (cont ...) For the year ended 31 December 2020

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Creditors	12,166	32,494
Taxation and social security	14,748	24,336
Accruals and deferred income	<u>3,492</u>	<u>117,736</u>
	30,406	174,566
	=====	=====

14 Deferred income

Deferred income comprises of monies towards future Road shows, the STEM crew project and Go Sail.

	2020 £	2019 £
Balance at 1 January 2020	64,000	20,000
Amounts released to income earned from charitable activities	(64,000)	(10,000)
Amount deferred in year	<u>-</u>	<u>54,000</u>
	-	64,000
	=====	=====

15 Funds

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Unrestricted funds	328,598	652,514	(604,182)	376,930
Restricted funds				
Roadshows	35,000	59,000	(35,000)	59,000
STEM and the Sea, and the Tech Deck	11,000	11,000	(11,000)	11,000
Rebels Crew	-	20,000	-	20,000
STEM Crew	<u>93,500</u>	<u>30,000</u>	<u>(123,500)</u>	<u>-</u>
Total restricted funds	<u>139,500</u>	<u>120,000</u>	<u>(169,500)</u>	<u>90,000</u>
Total funds	<u>468,098</u>	<u>772,514</u>	<u>(773,682)</u>	<u>466,930</u>
	=====	=====	=====	=====

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

15 Funds (continued)

Roadshows are multi-activity days for groups of over 100 young people delivered by the 1851 Trust at locations around the UK.

STEM and the Sea involves the delivery by the 1851 Trust of workshops for young people taking part in voyages with the Tall Ships Youth Trust. The Tech Deck is the education space run by the Trust to deliver STEM workshops inspired by INEOS TEAM UK in Portsmouth.

Rebels Crew is a sailing programme, which provides sailing experiences for disadvantaged young people in partnership with sailing centres and schools in deprived areas of the UK.

STEM Crew is the Trust's flagship digital education platform which provides teachers with the resources to deliver sports-inspiring lessons in STEM subjects to young people.

2019 Comparative	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
Unrestricted funds	376,218	761,821	(809,441)	328,598
Restricted funds				
Roadshows	-	140,000	(105,000)	35,000
STEM and the Sea, and the Tech Deck	11,000	149,819	(149,819)	11,000
Go Sail programme	-	10,000	(10,000)	-
Rebels Crew	-	73,023	(73,023)	-
STEM Crew	-	<u>231,658</u>	<u>(138,158)</u>	<u>93,500</u>
Total restricted funds	<u>11,000</u>	<u>604,500</u>	<u>(476,000)</u>	<u>139,500</u>
Total funds	<u>387,218</u> =====	<u>1,366,321</u> =====	<u>(1,285,441)</u> =====	<u>468,098</u> =====

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

16 Analysis of net assets between funds

Net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds 31 December 2020 £
Tangible fixed assets	7,833	-	7,833
Investments	1,000	-	1,000
Current assets	398,503	90,000	488,503
Current liabilities	<u>(30,406)</u>	<u>-</u>	<u>(30,406)</u>
	376,930	90,000	466,930
	=====	=====	=====

Comparative information:	Unrestricted funds £	Restricted funds £	Total funds 31 December 2019 £
Tangible fixed assets	12,920	-	12,920
Investments	1,000	-	1,000
Current assets	489,244	139,500	628,744
Current liabilities	<u>(174,566)</u>	<u>-</u>	<u>(174,566)</u>
	328,598	139,500	468,098
	=====	=====	=====

17 Financial instruments

	2020 £	2019 £
Financial assets at amortised cost	483,909	620,396
Financial liabilities at amortised cost	<u>(30,406)</u>	<u>(110,566)</u>
Net financial assets	453,503	509,830
	=====	=====

1851 Marine Trust

Notes to the Financial Statements (cont ..) For the year ended 31 December 2020

18 Related party transactions

During the year, the Charity made the following related party transactions:

Athena Racing

Athena Racing Ltd is a related party due to a series of relationships between the company and trustees and their close family members. Sir Charles Benedict Ainslie is a Director of Athena Racing Ltd and is the husband of trustee, Lady Ainslie. Sir Ben is the majority shareholder of Athena Holdco Limited, the ultimate parent company of Athena Racing Ltd. Athena Racing Ltd supports the 1851 Trust by providing its office space, finance and IT support services at the company's base in Portsmouth. The charges in 2020 for these services were £54,608 (2019 - £48,013). At the balance sheet date the amount due to Athena Racing Ltd was £ nil (2019 - £4,167).

Into the Blue

Into the Blue is an award-winning integrated marketing, sustainability and digital communications agency. Jo Grindley is a trustee of the 1851 Marine Trust and director and shareholder of Into the Blue. During the period, payments of £26,407 (2019-£45,940) for marketing, design and communications support were made to Into the Blue. These payments related to costs associated with delivering design work for new education programmes and resources for STEM Crew, and ZERO Days Back to School projects. At the balance sheet date the amount due to Into the Blue was £nil (2019-£nil).

19 Leasing Commitments

At the reporting date, the Trust had the following minimum future lease commitments in respect of office space falling due as below:

	2020	2019
	£	£
Within one year	11,034	11,034
Between two and five years	<u>7,356</u>	<u>18,390</u>
	18,390	29,424
	=====	=====