

REGISTERED COMPANY NUMBER: 09250869 (England and Wales)
REGISTERED CHARITY NUMBER: 1159265

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020
FOR
THE FALKLANDS MARITIME HERITAGE TRUST**

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THE FALKLANDS MARITIME HERITAGE TRUST

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FOR THE YEAR ENDED 31 OCTOBER 2020**

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THE FALKLANDS MARITIME HERITAGE TRUST
REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
09250869 (England and Wales)

Registered Charity number
1159265

Registered office
4th Floor, The Anchorage
34 Bridge Street
Reading
RG1 2LU

Trustees
M M J Bound
W P Featherstone
D A Lamont
S G R Pitaluga – appointed 5 January 2021
D G Ainslie – until 29 August 2020
R H O Holme – appointed 9 September 2020, resigned 12 February 2021

Independent Examiner
J Howard FCA
Azets Audit Services
Chartered Accountants
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Solicitors
For charity law matters

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

For commercial/contract advice

BDB Pitmans LLP
47 Castle Street
Reading
Berkshire
RG1 7SR

Bankers
CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

THE FALKLANDS MARITIME HERITAGE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2020

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 2020. 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 2015) published on 16th July 2014 (as amended by Updated Bulletin 1 published on 2nd February 2016).

The founding Trustees were David Ainslie, Mensun Bound, William Featherstone and Donald Lamont. Advised by Stone King LLP, Solicitors, they adopted a Memorandum containing Articles of Association for the Company Limited by Guarantee on 6th October 2014. Alan Huckle was appointed a Trustee on the 8th January 2015 and resigned 31st December 2018. The company was incorporated and registered at Companies House on 6th October 2014, and subsequently registered with the Charity Commission on 18th November 2014.

INCORPORATION

The charitable company was incorporated on 6th October 2014.

OBJECTIVES AND ACTIVITIES

Objectives and aims for the public benefit

The Trust aims to advance the education of the public, including in the maritime history and heritage, both military and civilian, of the Falkland Islands and their neighbouring seas, and the improvement of public understanding of their historical and social significance; in particular but without limitation through research and exploration of the said seas; and to record, preserve and restore (if considered appropriate) craft, materials and information of historical significance and educative value relating to the Falkland Islands and their neighbouring seas, including naval and civilian vessels and related equipment, items and records and by the acquisition, restoration and maintenance of the same for public display, demonstration or exhibition at the Falkland Islands Museum and the Jane Cameron National Archives of the Falkland Islands or other suitable institutions open to the public.

Grant making

At this stage the trust does not consider itself to be a grant making organisation.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Following the conclusion of the expedition to locate the wrecks of German warships sunk in the Battle of the Falklands, the Trust arranged for the film of the expedition – "Lost Ships – the Hunt for the Kaiser's Superfleet" – to have a première simultaneously on 4 December 2019 in London and Stanley. During the year the trust received income from the sale of the film to the Smithsonian Channel, which continues to broadcast the film fairly regularly. Other sales followed.

The Trust embarked on the development of its own website (fmht.co.uk) and of a logo based on the model of a ship on top of the Battle Memorial in Stanley.

The Trust agreed to donate £2,000 to the SS Great Britain Trust to support the anniversary of the ship's return from the Falkland Islands.

The Trust agreed to become lead managers for a new expedition to the Weddell Sea to locate, survey and film the wreck of Shackleton's *Endurance*. Trustees agreed to engage BDB Pitmans as Legal Advisers, Charles Thompson as Media Adviser and John Shears as Expedition Consultant and Expedition leader.

THE FALKLANDS MARITIME HERITAGE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2020

FINANCIAL REVIEW

Trustees' investment powers

Although the Articles and Constitution of the trust permit it to exercise powers to make investment, at this time the business of the trust does not require it to exercise those powers.

Reserves policy

As a project based organisation it is not the intention to maintain any distinct reserves or seek endowment funds. There remain sufficient funds to cover foreseeable expenses pending identification of a new project, but do not justify investment advice at this stage. As it moves forward, it is the Trust's intention to review its investment and reserves policies regularly and to implement risk management and other policies as projects are identified.

Funds given to the trust for each project will be placed on deposit and depleted during the project life.

FUTURE PLANS

The Trust continues to manage the planning for the expedition "Endurance22", due to leave from Cape Town in early 2022. The Trust also intends to support the commemoration of the Falklands War of 1982.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new Trustees

As the Trust expands its operations it will seek to augment the trustee body by recruiting those with specific skills and knowledge which are germane to the trust - such as marine archaeology, maritime history, charity administration and the Falkland Islands.

Induction and training of new Trustees

Before a new Trustee is appointed, they receive full documentation – company and charity registration documents, minutes and accounts for the preceding three years, reports and digital accounts of previous projects and any policy statements agreed by Trustees. They have introductory conversations with the Chairman and Treasurer and are invited to ask questions of any Trustee before and after appointment.

The Trust was saddened by the death on 29 August 2020 of David Ainslie, a founding Trustee

THE FALKLANDS MARITIME HERITAGE TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 OCTOBER 2020

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees (who are also the directors of The Falklands Maritime Heritage Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

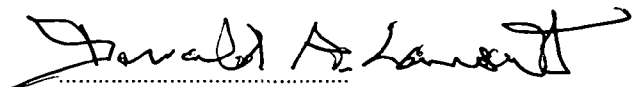
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by order of the board of Trustees on 24.9.2021 and signed on its behalf by:



D A Lamont - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE FALKLANDS MARITIME HERITAGE TRUST**

I report on the accounts of The Falklands Maritime Heritage Trust for the year ended 31 October 2020 set out on pages 6 to 14.

Responsibilities and basis of report

As the charity Trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company'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

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 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

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.



John Howard (FCA)
For and on behalf of Azets Audit Services
Chartered Accountants
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Date: 28 July 2021

THE FALKLANDS MARITIME HERITAGE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2020

		2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	50,000	750,000
Charitable activities	3	<u>78,833</u>	<u>-</u>
Total		128,833	750,000
 EXPENDITURE ON			
Charitable activities	4		
Maritime history and heritage		<u>132,227</u>	<u>735,680</u>
NET INCOME/(EXPENDITURE)		(3,394)	14,320
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>64,452</u>	<u>50,132</u>
 TOTAL FUNDS CARRIED FORWARD		<u>61,058</u>	<u>64,452</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities

The notes form part of these financial statements

THE FALKLANDS MARITIME HERITAGE TRUST

STATEMENT OF FINANCIAL POSITION
AT 31 OCTOBER 2020

Company number: 09250869

	Notes	2020 Unrestricted fund £	2019 Unrestricted fund £
CURRENT ASSETS			
Cash at bank		62,318	65,592
CREDITORS			
Amounts falling due within one year	9	(1,260)	(1,140)
NET CURRENT ASSETS/(LIABILITIES)		<u>61,058</u>	<u>64,452</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>61,058</u>	<u>64,452</u>
NET ASSETS/(LIABILITIES)		<u>61,058</u>	<u>64,452</u>
FUNDS	10		
Unrestricted funds		<u>61,058</u>	<u>64,452</u>
TOTAL FUNDS		<u>61,058</u>	<u>64,452</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2020.

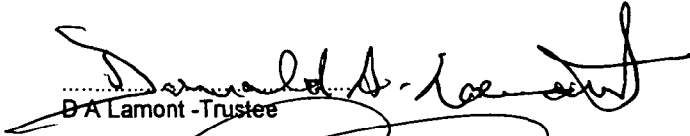
The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2020 in accordance with Section 476 of the Companies Act 2006.


The Trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 24.7.2021 and were signed on its behalf by:


D A Lamont - Trustee


W P Featherstone - Trustee

The notes form part of these financial statements

THE FALKLANDS MARITIME HERITAGE TRUST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Cash generated from operations	12	<u>(3,274)</u>	<u>14,380</u>
Net cash provided by (used in) operating activities		<u>(3,274)</u>	<u>14,380</u>
Change in cash and cash equivalents in the reporting period		<u>(3,274)</u>	<u>14,380</u>
Cash and cash equivalents at the beginning of the reporting period		<u>65,592</u>	<u>51,212</u>
Cash and cash equivalents at the end of the reporting period		<u>62,318</u>	<u>65,592</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1/11/19 £	Cash flow £	At 31/10/20 £
Net cash			
Cash at bank	65,592	(3,274)	62,318
Total	<u>65,592</u>	<u>(3,274)</u>	<u>62,318</u>

The notes form part of these financial statements

THE FALKLANDS MARITIME HERITAGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES

General information and basis of preparation

The Falklands Maritime Heritage Trust is a company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are set out on page 1.

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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Falklands Maritime Heritage Trust meets the definition of a public benefit entity under FRS 102. The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements are prepared in sterling which is the functional currency of the charity.

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

Legal status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Preparation of the accounts on a going concern basis

The Trust has reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. It has therefore continued to adopt the going concern basis in preparing its financial statements.

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.

Donations and legacies are recognised in the financial statements when the Trust is convinced that there is entitlement to the income, there is certainty of receipt and the amount in question is measurable. Any administration fee is charged is recognised as unrestricted income.

THE FALKLANDS MARITIME HERITAGE TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

1. ACCOUNTING POLICIES - continued

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Expenditure on charitable activities includes costs in relation to the maritime history and heritage.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of support and governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the Trust and its compliance with regulation and good practice. These costs include costs related to the independent examination, statutory audit and legal fees.

Support and Governance costs have been allocated across the charitable activities using various percentage allocations.

Taxation

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

Fund accounting

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

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

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Other creditors and accruals are recognised at their settlement amount due.

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

THE FALKLANDS MARITIME HERITAGE TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

2. DONATIONS AND LEGACIES

	2020 £	2019 £
Donations	<u>50,000</u>	<u>750,000</u>

3. CHARITABLE ACTIVITIES

	2020 £	2019 £
Sale of film rights	<u>78,833</u>	<u>-</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 5) £	Support costs (See note 6) £	Totals £
Maritime history and heritage	<u>103,585</u>	<u>28,642</u>	<u>132,227</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Search operation	-	484,465
Film of the search operation	<u>103,585</u>	<u>248,144</u>
	<u>103,585</u>	<u>732,609</u>

6. SUPPORT COSTS

	2020 £	2019 £
Bank Charges	60	65
Secretarial services	2,083	829
Website costs	18,632	-
Sundry	2,015	-
Governance costs	<u>5,852</u>	<u>2,177</u>
	<u>28,642</u>	<u>3,071</u>

Governance costs

	2020 Maritime history and heritage £	2019 Maritime history and heritage £
Independent Examiner's Fee (including VAT)	1,230	1,140
Insurance	1,064	982
Other professional fees	3,558	-
Accountancy and legal fees	-	30
Sundry	<u>-</u>	<u>25</u>
	<u>5,852</u>	<u>2,177</u>

THE FALKLANDS MARITIME HERITAGE TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 October 2020 nor for the year ended 31 October 2019.

The key management of the charity comprise of the Trustees only.

Trustees' expenses

In 2020 and 2019, no Trustees had expenses reimbursed to them by the charity.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (2019)

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	<u>750,000</u>
Total	750,000
 EXPENDITURE ON	
Charitable activities	
Maritime history and heritage	<u>735,680</u>
Total	735,680
	<hr/>
NET INCOME	14,320
 RECONCILIATION OF FUNDS	
Total funds brought forward	50,132
	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u><u>64,452</u></u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other creditors	<u>1,260</u>	<u>1,140</u>

THE FALKLANDS MARITIME HERITAGE TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

10. MOVEMENT IN FUNDS

	At 1/11/19 £	Net movement in funds £	At 31/10/20 £
Unrestricted funds			
General fund	64,452	(3,394)	61,058
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>64,452</u>	<u>(3,394)</u>	<u>61,058</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	128,833	(132,227)	(3,394)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>128,833</u>	<u>(132,227)</u>	<u>(3,394)</u>

Comparatives for movement in funds

	At 1/11/18 £	Net movement in funds £	At 31/10/19 £
Unrestricted Funds			
General fund	50,132	14,320	64,452
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>50,132</u>	<u>14,320</u>	<u>64,452</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	750,000	(735,680)	14,320
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>750,000</u>	<u>(735,680)</u>	<u>14,320</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 October 2020 and for the year ended 31 October 2019.

THE FALKLANDS MARITIME HERITAGE TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 OCTOBER 2020

12. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2020	2019
	£	£
Net income for the reporting period (as per the statement of financial activities)	(3,394)	14,320
Adjustments for:		
Increase in creditors	<u>120</u>	<u>60</u>
Net cash provided by (used in) operating activities	<u>(3,274)</u>	<u>14,380</u>