

Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 December 2021  
for  
The Cutty Sark 2Sail Foundation

Arran James Consulting Limited  
4 East Hill  
Wembley Park  
HA9 9PT

The trustees present their report with the financial statements of the charity for the year ended 31 December 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 purpose of the charity as set out in its governing document are to recreate the clipper ship "Cutty Sark" as a seagoing vessel which will be sailed in a traditional way, as a living memorial to the great era of sailing Ships. The main activities undertaken in relation to those purposes are to encourage self-development and provide innovative training in seamanship and life skills for young people of all nations, to promote sail-powered shipping as an environmentally friendly alternative.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

### **Charity constitution**

The charity is controlled by its governing document, a 'Foundation' Constitution and constitutes an unincorporated charity.

The constitution was signed on the 1 September 2015 by the founder members, who are also trustees. This was approved by the Charity Commission on the 7 September 2015 as a registered charity.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

### **Registered Charity number**

1163446

### **Principal address**

12 Cheyne Gardens  
London  
SW3 5QT

### **Trustees**

C Blake, OBE  
T Hoppe  
V Martus  
D T Morgan, MBE

### **Independent Examiner**

Arran James Consulting Limited  
4 East Hill  
Wembley Park  
HA9 9PT

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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).

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

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 30 April 2022 and signed on its behalf by:

D T Morgan, MBE - Trustee

Independent Examiner's Report to the Trustees of  
The Cutty Sark 2Sail Foundation

**Independent examiner's report to the trustees of The Cutty Sark 2Sail Foundation**

I report to the charity trustees on my examination of the accounts of The Cutty Sark 2Sail Foundation (the Trust) for the year ended 31 December 2021.

**Responsibilities and basis of report**

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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.

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.

Rajendra Mugunthan  
ACMA  
Arran James Consulting Limited  
4 East Hill  
Wembley Park  
HA9 9PT

30 April 2022

Statement of Financial Activities  
for the Year Ended 31 December 2021

|                                    | Notes | 31.12.21<br>Unrestricted<br>fund<br>£ | 31.12.20<br>Total<br>funds<br>£ |
|------------------------------------|-------|---------------------------------------|---------------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |       |                                       |                                 |
| Donations and legacies             |       | 51                                    | 50                              |
| <b>EXPENDITURE ON</b>              |       |                                       |                                 |
| Other                              |       | 292                                   | 617                             |
| <b>NET INCOME/(EXPENDITURE)</b>    |       | (241)                                 | (567)                           |
| <b>RECONCILIATION OF FUNDS</b>     |       |                                       |                                 |
| <b>Total funds brought forward</b> |       | 3,782                                 | 4,349                           |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <u>3,541</u>                          | <u>3,782</u>                    |

The Cutty Sark 2Sail Foundation

Balance Sheet  
31 December 2021

|  |       | 31.12.21<br>Unrestricted<br>fund<br>£ | 31.12.20<br>Total<br>funds<br>£ |
|--|-------|---------------------------------------|---------------------------------|
| <b>CURRENT ASSETS</b>                        | Notes |                                       |                                 |
| Cash at bank                                 |       | 4,090                                 | 4,082                           |
| <b>CREDITORS</b>                             |       |                                       |                                 |
| Amounts falling due within one year          | 4     | (549)                                 | (300)                           |
| <b>NET CURRENT ASSETS</b>                    |       | <u>3,541</u>                          | <u>3,782</u>                    |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 3,541                                 | 3,782                           |
| <b>NET ASSETS</b>                            |       | <u>3,541</u>                          | <u>3,782</u>                    |
| <b>FUNDS</b>                                 | 5     |                                       |                                 |
| Unrestricted funds                           |       | <u>3,541</u>                          | <u>3,782</u>                    |
| <b>TOTAL FUNDS</b>                           |       | <u>3,541</u>                          | <u>3,782</u>                    |

The financial statements were approved by the Board of Trustees and authorised for issue on 30 April 2022 and were signed on its behalf by:

D T Morgan, MBE - 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.

### **Income**

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

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### **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.

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.

**2. TRUSTEES' REMUNERATION AND BENEFITS**

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

**Trustees' expenses**

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

**3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

|                                    | Unrestricted<br>fund<br>£ |
|------------------------------------|---------------------------|
| <b>INCOME AND ENDOWMENTS FROM</b>  |                           |
| Donations and legacies             | 50                        |
| <b>EXPENDITURE ON</b>              |                           |
| Other                              | 617                       |
| <b>NET INCOME/(EXPENDITURE)</b>    | (567)                     |
| <b>RECONCILIATION OF FUNDS</b>     |                           |
| Total funds brought forward        | 4,349                     |
| <b>TOTAL FUNDS CARRIED FORWARD</b> | 3,782                     |

**4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                 | 31.12.21<br>£ | 31.12.20<br>£ |
|-----------------|---------------|---------------|
| Trade creditors | (1)           | -             |
| Other creditors | 550           | 300           |
|                 | 549           | 300           |



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

**5. MOVEMENT IN FUNDS**

|                           | At 1.1.21<br>£ | Net<br>movement<br>in funds<br>£ | At<br>31.12.21<br>£ |
|---------------------------|----------------|----------------------------------|---------------------|
| <b>Unrestricted funds</b> |                |                                  |                     |
| General fund              | 3,782          | (241)                            | 3,541               |
|                           | <hr/>          | <hr/>                            | <hr/>               |
| <b>TOTAL FUNDS</b>        | <u>3,782</u>   | <u>(241)</u>                     | <u>3,541</u>        |

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

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 51                         | (292)                      | (241)                     |
|                           | <hr/>                      | <hr/>                      | <hr/>                     |
| <b>TOTAL FUNDS</b>        | <u>51</u>                  | <u>(292)</u>               | <u>(241)</u>              |

**Comparatives for movement in funds**

|                           | At 1.1.20<br>£ | Net<br>movement<br>in funds<br>£ | At<br>31.12.20<br>£ |
|---------------------------|----------------|----------------------------------|---------------------|
| <b>Unrestricted funds</b> |                |                                  |                     |
| General fund              | 4,349          | (567)                            | 3,782               |
|                           | <hr/>          | <hr/>                            | <hr/>               |
| <b>TOTAL FUNDS</b>        | <u>4,349</u>   | <u>(567)</u>                     | <u>3,782</u>        |

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

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 50                         | (617)                      | (567)                     |
|                           | <hr/>                      | <hr/>                      | <hr/>                     |
| <b>TOTAL FUNDS</b>        | <u>50</u>                  | <u>(617)</u>               | <u>(567)</u>              |

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

**5. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

|                           | At 1.1.20<br>£ | Net<br>movement<br>in funds<br>£ | At<br>31.12.21<br>£ |
|---------------------------|----------------|----------------------------------|---------------------|
| <b>Unrestricted funds</b> |                |                                  |                     |
| General fund              | 4,349          | (808)                            | 3,541               |
|                           | <hr/>          | <hr/>                            | <hr/>               |
| <b>TOTAL FUNDS</b>        | <u>4,349</u>   | <u>(808)</u>                     | <u>3,541</u>        |

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 101                        | (909)                      | (808)                     |
|                           | <hr/>                      | <hr/>                      | <hr/>                     |
| <b>TOTAL FUNDS</b>        | <u>101</u>                 | <u>(909)</u>               | <u>(808)</u>              |

**6. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2021.

Detailed Statement of Financial Activities  
for the Year Ended 31 December 2021

|                                 | 31.12.21<br>£ | 31.12.20<br>£ |
|---------------------------------|---------------|---------------|
| <b>INCOME AND ENDOWMENTS</b>    |               |               |
| <b>Donations and legacies</b>   |               |               |
| Gifts                           | 1             | -             |
| Donations                       | 50            | 50            |
|                                 | <hr/> 51      | <hr/> 50      |
| <b>Total incoming resources</b> | 51            | 50            |
| <b>EXPENDITURE</b>              |               |               |
| <b>Support costs</b>            |               |               |
| <b>Finance</b>                  |               |               |
| Bank charges                    | 42            | 247           |
| <b>Governance costs</b>         |               |               |
| Accountancy and legal fees      | 250           | 370           |
|                                 | <hr/> 292     | <hr/> 617     |
| <b>Net expenditure</b>          | <hr/> (241)   | <hr/> (567)   |

Contents of the Financial Statements  
for the Year Ended 31 December 2021

|  | Page   |
|--|--------|
| Report of the Trustees                     | 1 to 2 |
| Independent Examiner's Report              | 3      |
| Statement of Financial Activities          | 4      |
| Balance Sheet                              | 5      |
| Notes to the Financial Statements          | 6 to 9 |
| Detailed Statement of Financial Activities | 10     |