

Financial Statements at 31 December 2021

Charity Registration No. 1175954

THE BOLEH TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

Financial Statements as at 31 December 2021

THE BOLEH TRUST

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The Trustees present their report and final statements for the period ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust Deed, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and Activities

The Charity's objectives are:

1. To advance in life and relieve the needs of young people through:
 - The advancement of education in traditional shipwright skills
 - Providing support and activities which develop their skills, capacities, and capabilities to enable participation in society as responsible individuals
 - The provision of recreational and leisure time activities provided in the interests of social welfare, designed to improve their condition in life
2. For the public benefit the promotion, preservation, and maintenance of British maritime heritage and, in particular, the preservation and maintenance in full working order of examples of sailing vessels of historic significance.
3. To provide or assist in the provision of facilities in the interests of social welfare for the recreation of other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, financial hardship, or social circumstances with the object of improving their conditions of life; with particular emphasis on people with disabilities or who are socially disadvantaged.
4. The provision of sail training and leisure time activities for the members of the Armed Forces and their families for the purpose of promoting the welfare and efficiency of the Forces of the Crown.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Achievements & Performance

This year has been one of achievement in the face of restricted opportunities and very real challenges in complying with ever-changing Covid guidance. Thanks to Nuffield Trust and RN&RM Charity funding, we increased our support of the Armed Forces and their families, sailing 45 days on their behalf, and finally reconnected BOLEH with the Royal Engineers after almost 60 years.

BOLEH's military work included the important return to our core programme of day sailing Service children from Portsmouth and Gosport schools.

BOLEH was able to return to Portland in June after a gap of 3 years to deliver a much-appreciated sailing programme for local schools, supported by the Chesil Trust. Under strict Covid protocols, school children made the most of the BOLEH experience and we received much positive feedback on the conduct and commitment of our Skippers and Mates. The highlight of the year, however, was a 14-day residential deployment to Salcombe with a Devon Army Cadet Force crew; this was the first time we had cruised overnight with young people onboard and culminated in a celebration of BOLEH's return to Salcombe (her Port of Registry) after a long absence.

Delivery of the programme has not been without challenges but rapid action by the local Boleh team kept BOLEH to her advertised programme. The forthcoming Winter Work Package will be more extensive than originally planned but happily the new Fischer Panda generator has performed well and justified our investment in this more advanced technology.

During the Season we have continued to develop and evaluate our operational management processes with Halcyon, and 2022 will see further steps taken to relieve the Trustees of the day to day running of the sailing programme. The success of that programme has also kept us in the public eye at a time when several sailing charities decided not to put to sea. This has attracted potential new 'clients' and we have showcased BOLEH to a Service rehabilitation unit, a local mental health charity and a local youth training organisation.

The Trustees have again been wonderfully supported in their work by a small army of volunteers - Skippers, Mates, and the Boleh support team - and together we can all be very proud that in a very challenging Covid year BOLEH achieved 73 days 'at sea' and, against the odds, sailed almost 100 children. The Trust also pays tribute to the support we have received from our many funders.

Finally, the end of the year saw the retirement of George Middleton who has chaired the Trust since its inception in 2009. The Trustees paid tribute to his leadership of the Trust in masterminding the Heritage Lottery Fund bid that had led to BOLEH's restoration, and in achieving the Trust's transition from an embryonic sailing operation into the well-respected, go ahead, and much in demand sailing charity the Trust has now become.

Financial Review

The Boleh Trust secured Income from grants, donations and charitable activities of £50,870 and reported Expenditure of £52,101 (excluding depreciation of £4,800). Consequently the Trust experienced a small operational loss of £1,231.

It is the policy of the Charity that unrestricted funds which have not been designated for specific use would be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the period.

The Trustees have carefully assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure Governance and Management

The trustees who served during the period and up to the date of signature of the financial statements were:

Mr C Austin

Mr G R G Middleton (Retired 31 December 2021)

Mr HKW Middleton

Mr P G J Middleton

Ms C Middleton

Mr M Minshull

Mr T Marris

Mrs C A Mylet (joined 19th November 2021)

Mr J Surtees

Rev S Springett RN

Mr B White (joined 19th November 2021)

The Trustee's report was approved by the Board of Trustees.

Mr H K W Middleton

Chairman

Dated:

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE BOLEH TRUST

Independent examiner's report to the trustees of The Boleh Trust

I report to the trustees on my examination of the accounts of the Boleh Trust (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 2011 Act and in carrying out my examination I have followed all the 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.

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.

Signed:

Name:

Address:

Date:

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STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2021

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	Notes	2021 £	2020 £
<u>Income from:</u>			
Donation, grants and legacies	3	50,870	70,296
Charitable activities	4	-	2,600
Total income		<u>50,870</u>	<u>72,896</u>
<u>Expenditure on:</u>			
Charitable activities	5	56,901	50,221
Net income (Expenditure) for the year/ Net movement in funds		<u>(6,031)</u>	<u>22,675</u>
Balance brought forward		95,165	72,490
Fund balances at 31 December 2020		<u>89,134</u>	<u>95,165</u>

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

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THE BOLEH TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

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	Notes	2021		2020	
		£	£	£	£
Fixed Assets					
Heritage assets	8		91,200		96,000
Current assets					
Cash in bank and in hand		32,396		54,089	
Creditors					
Amounts falling due within one year	9			(20,462)	
Deferred income		-		-	
Net current assets			32,396		33,627
Total Assets less current liabilities			<u>123,596</u>		<u>129,627</u>
Creditors					
Amounts falling due after one year	10 & 11		(34,462)		(34,462)
Net Assets			<u><u>89,134</u></u>		<u><u>95,165</u></u>
Funds of the charity					
Unrestricted funds			<u><u>89,134</u></u>		<u><u>95,165</u></u>

The financial statements were approved by the trustees on <Insert date>

Mr H K W Middleton
Chairman

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2021

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1.0 Accounting policies

Charity information

The Boleh Trust is a charitable incorporated organisation. It was accorded Charity Registration number 1175954 on 28th November 2017.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to give a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in Stirling, which is the functional currency of the charity. Monetary amounts in these financial statements are to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going Concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming Resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

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1.4 Incoming resources (continued)

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

There were no costs incurred for legal advice to trustees on governance or constitutional matters.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

Basic financial assets

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

Basic Financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

1.7 Fixed Assets

Boleh was valued by Marine Tec Marine Consultancy in August 2015. The Market value was assessed at £120,000. The Trust is depreciating the vessel on a straight line basis over 25 years. No significant impairment has been noted since the valuation was undertaken.

2.0 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2.1 Policy regards capitalisation of expenditure

It is the policy of the trust not to capitalise expenditure for which funding has been specifically donated. Additionally, there is difficulty in assessing the projected lifespan of items of significant expenditure for use on an historic vessel. The trust has therefore set a high threshold of £100,000 for the capitalisation of expenditure.

NOTES TO THE FINANCIAL STATEMENTS (CONTINNUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

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	Unrestricted funds	
	2021	2020
	£	£
3 Donations and legacies		
Donations and gifts	50,870	70,296
4 Charitable Activities - Income		
Boleh charter income	-	2,600
5 Charitable Activities - Expenditure		
Yacht depreciation and impairment	4,800	4,800
Operational costs	18,872	6,325
Berthing	3,700	4,469
Servicing & Maintenance	24,770	28,616
Maritime Coastal Agency survey & associated costs	155	2,088
Insurance	2,299	2,115
Website, Marketing, PR, Leaflets	2,306	1,658
Other	0	150
	56,901	50,221
6 Trustees		
None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.		
7 Employees		
There were no employees during the period		
8 Heritage Assets		
Boleh, at 31 December 2020 (see note 1.7)	96,000	100,800
Depreciation	(4,800)	(4,800)
At 31 December 2020	91,200	96,000

NOTES TO THE FINANCIAL STATEMENTS CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2021

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	2021	2020
	£	£
9 Creditors: amounts falling due within one year		
Supply and fit of generator (10% deposit paid, on inv 39664)	-	20,462
	-	20,462
10 Creditors: amounts falling due after one year (2020 year end)		
	2021	2020
	£	£
Trustee Loans from GRG and HKW Middleton (see note 11)	34,462	34,462
Heritage Lottery Funding Terms & Conditions (see note 12)	0	0
	34,462	34,462

11 Related party transactions

At 31 December 2021 the trustees, Messrs GRG and HKW Middleton, in equal shares, were owed £34,462 by the Boleh Trust CIO. Legally binding agreements have been signed by both trustees to the effect that in the event of their deaths the loans will not be reclaimed by their estates.

It has been further minuted and agreed with the trustees that:

- a) the loans would not be recalled by the lenders whilst the charity was operating
- b) the Trustees reserved the right to repay the loans, if sufficient funds were available in the Trust's Reserve Account
- c) if the charity was wound up, and subject to consultation with the Charity Commission, the loans could be repaid from the proceeds of the sale of BOLEH

12 Heritage Lottery Funding

A major grant was received from the Heritage Lottery Fund (HLF) in 2012 towards the restoration of BOLEH and in accepting this funding the Boleh Trust are legally obliged, for a period of 25 years (that is to 2037), to maintain and insure BOLEH, to make her available for public viewing and to seek the prior approval of HLF to any disposal of BOLEH since HLF might require a share of the sale proceeds. No monetary value has been assigned to this obligation in these accounts.