

**THE
PORTISHEAD NAUTICAL TRUST**

Report and Financial Statements

Year Ended 31 March 2021

Charity No: 228876

THE PORTISHEAD NAUTICAL TRUST
(A company limited by guarantee)

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LEGAL AND ADMINISTRATIVE INFORMATION

Foundation Managers

Miss A F McPherson, Chairman
Mr P C Dingley-Brown, Treasurer
Mr C Crossman
Mr M R Cruse
Mrs S O L Haysom
Mrs P A M Margerison
Mr C M Woodhead

Secretary

Mrs E Knight

Registered Office

108 High Street, PORTISHEAD, North Somerset BS20 6AJ

Registered Number

87906 (England and Wales)

Registered Charity Number

228876 (England and Wales)

Independent Examiner

Stuart A Griggs, Chartered Accountant, 99 High Street, YATTON, North Somerset
BS49 4DR

Bankers

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, WEST MALLING, Kent ME19 4JQ

Solicitors

Osborne Clarke, 2 Temple Back East, Temple Quay, BRISTOL BS1 6EG

Investment Managers

Charles Stanley & Co Limited, 2 Gay Street, BATH, BA1 2PH

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REPORT OF THE FOUNDATION MANAGERS FOR THE YEAR ENDED 31 MARCH 2021

The board of Foundation Managers present their report together with the financial statements for the year ended 31 March 2021.

Constitution and objects

The Portishead Nautical Trust is a charitable company, limited by guarantee, and registered in England and Wales. Its affairs are managed by Foundation Managers who are registered as Directors of the Company.

The activities of The Trust are governed by its Memorandum and Articles of Association, dated 7 July 2009.

The primary object of The Trust is to relieve and assist disadvantaged young people under the age of 25.

Organisation

The Foundation Managers who have served during the year are set out on page 1. The number of Foundation Managers is limited to twelve and new Managers are appointed by the existing Managers as vacancies arise.

Grant making policy

The Foundation Managers meet four times per annum to consider applications for funding. The Trust invites applications from disadvantaged young people, from both individuals and groups assisting them, in North Somerset, Bristol and surrounding areas.

Public Benefit Statement

The Trust aims to relieve and assist young people under the age of 25 whose life chances are limited by difficult circumstances, for example, ill health, poverty or parental neglect. Our support is given in the form of a grant either to the individual recipient or to organisations actively working on specific projects to help disadvantaged young people. Our preferred approach is to give grants that will help young people to improve or alleviate their own situation. We have considered all applications which meet our objectives from young people and organisations giving preference to those based in North Somerset, Bristol and surrounding areas.

In drawing up the above statement, the Managers of The Trust have paid due regard to the guidance published by the Charity Commission concerning reporting on the Public Benefit of the Charity.

Financial review and investment policy

The capital of The Trust arose from the sale of The National Nautical School in Portishead. The National Nautical School had previously been used to train boys from disadvantaged backgrounds until it was closed in 1983. Shortly afterward the school and grounds were sold and the proceeds were invested.

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There are no restrictions on The Trust's power to invest and the Foundation Managers, with the advice of professional investment advisers, select investments to provide a balance between longer term capital growth and income for the distribution of grants and bursaries.

The Trust's investment strategy is to maintain the majority of the funds within an investment portfolio. Some cash is kept in short term or instant access deposit accounts.

The Investment Sub-Committee meet on a quarterly basis with an advisor from stockbrokers Charles Stanley to discuss The Trust's investments. Currently the policy is to keep between 70-80% of the portfolio in equity based investments and 20-30% in fixed interest and lower volatility stocks.

Dividend and interest income from the investment portfolio for the year amounted to £75,996 and this represents a return of 3.8% (2020 : 5.2%) on the total market value of the portfolio as at the close of the financial year. The 2020 return figure was distorted by the worldwide drop in equity values in March 2020.

The year end re-statement of The Trust's investment portfolio to market value resulted in a net gain on revaluation, at that date, of £281,158 (2020 : net loss £293,097), reflecting the recovery in equity valuations over the year.

The cash on deposit has been split to ensure that the maximum held at any bank is £85,000 to ensure it is within the amount guaranteed by the Financial Services Compensation Scheme.

The Foundation Managers consider that they have been successful in achieving their investment objective in the year.

Reserves policy

The Trust aims to maintain the capital invested to ensure sufficient income can continue to be generated to distribute to the charities and individuals making applications and meeting the objects of The Trust.

Risk management

The Trustees have assessed the major risks to which The Trust is exposed and are satisfied that systems are in place to manage these risks.

Achievements and plans

Despite the volatility in world markets and the drop in income in the year, The Trust remains in a strong position, financially and structurally, to carry on our work of helping to meet the needs of disadvantaged children and young people. With investment income showing a decrease over the previous year, and charitable expenditure being slightly more than income, 25 organisations have benefitted from grants (2020 : 30), together with numerous small grants to disadvantaged individuals for specific fundamental, needs. The Portishead Youth Centre continues to be our major single beneficiary. The Trust considers that the Centre's wide ranging youth work is a much needed resource.

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Looking ahead, The Trust's strong cash position enables it to continue its work of providing assistance to disadvantaged young people. It does this both by making grants to organisations, focusing for the most part on local causes, and also by providing grants to individual, local, disadvantaged young people, typically for basic household needs. Applications are carefully considered, with a view to making the most effective use of our assets in accordance with The Trust's Memorandum and Articles of Association. The Foundation Managers remain committed to providing their knowledge and skills in order to comply with regulatory requirements and to meet the purpose of The Trust whose beneficiaries are the focus of our work.

Foundation Managers' responsibilities in relation to the financial statements

Company law requires the Foundation Managers to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those accounts, the Foundation Managers are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practices have been followed subject to any departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that The Trust will continue in business.

The Foundation Managers are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of The Trust and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of The Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Foundation Managers consider that the Independent Examiner has been provided with all relevant information.

Independent Examiner

The criteria for requiring a statutory audit have relaxed, and the Foundation Managers resolved to amend the Memorandum and Articles of Association to require an Independent Examination of the accounts. Stuart A Griggs was duly appointed as Independent Examiner of these Financial Statements.

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The above Report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

These accounts were approved by the Foundation Managers and authorised for issue on 26 October 2021 and signed on their behalf by:

.....
Miss A F McPherson
Chair of Trustees

Company Registration No 87906

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INDEPENDENT EXAMINER'S REPORT

To the Foundation Managers of The Portishead Nautical Trust

I report on the accounts of the company for the year ended 31 March 2021, which are set out on pages 7 to 11.

Respective responsibilities of Foundation Managers and examiner

The Foundation Managers (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Foundation Managers consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Foundation Managers concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102)

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable proper understanding of the accounts to be reached.

.....
Stuart A Griggs
Chartered Accountant
99 High Street
YATTON
North Somerset BS49 4DR

26 October 2021

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Statement of Financial Activities for the year ended 31 March 2021

		2021		2020	
	Notes	£	£	£	£
Incoming Resources					
Dividends and interest		75,996		91,449	
Bank interest		<u>1,558</u>		<u>1,254</u>	
Total Incoming Resources			77,554		92,703
Resources Expended					
Direct charitable expenditure:	4	80,307		83,495	
Support costs	5	<u>25,660</u>		<u>24,977</u>	
Total Resources Expended			105,967		108,472
Other recognised Gains and Losses					
Profits/(Losses) on investments	6		<u>281,158</u>		<u>(293,097)</u>
Incoming/(Outgoing) Resources for the year			252,745		(308,866)
Net movement in Accumulated Fund					
Fund balance brought forward 1 April 2020			<u>1,992,656</u>		<u>2,301,522</u>
Fund balance carried forward at 31 March 2021			<u>2,245,401</u>		<u>1,992,656</u>

The notes on pages 9 to 11 form part of these accounts.

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Statement of Financial Position as at 31 March 2021

	Notes	2021		2020	
		£	£	£	£
Fixed Assets					
Investments	8	2,025,771		1,757,403	
Cash on deposit		<u>191,826</u>		<u>210,686</u>	
			2,217,597		1,968,089
Current Assets					
Debtors & prepayments		15,511		13,092	
Cash at bank		<u>20,328</u>		<u>22,990</u>	
		<u>35,839</u>		<u>36,082</u>	
Creditors: amounts falling due within one year		<u>8,035</u>		<u>11,515</u>	
Net Current Assets			<u>27,804</u>		<u>24,567</u>
Total Assets			<u>2,245,401</u>		<u>1,992,656</u>
Financed by:					
Accumulated Fund – unrestricted funds			<u>2,245,401</u>		<u>1,992,656</u>
			<u>2,245,401</u>		<u>1,992,656</u>

The company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Foundation Managers acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with SORP (FRS 102).

Signed on behalf of the board of Foundation Managers:

.....
Miss A F McPherson
Chair of Trustees

.....
Mr P C Dingley-Brown
Treasurer

26 October 2021

The notes on pages 9 to 11 form part of these accounts.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1 GENERAL INFORMATION

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is 108 High Street, Portishead, Bristol BS20 6AJ.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

3 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

These accounts have been prepared in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Taxation

The Trust is a non profit making organisation and a registered charity and is generally exempt from taxation under the Taxes Act. There is no taxation charge for the year (2020 : £nil).

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4 DIRECT CHARITABLE EXPENDITURE

	2021	2020
	£	£
ACTA Community Theatre	2,000	2,000
Bridge Foundation	3,000	3,000
Bristol Old Vic Trust	-	2,000
Campbell Family	-	1,878
Carers Support Centre	-	3,000
Cerebral Palsy Plus	2,000	-
CF Dream Holidays	-	1,580
CHICKS	3,198	-
Children's Hospice South West	3,000	-
Circus Starr Show	1,458	1,458
Clevedon YMCA	3,000	2,800
CLIC Sargent	3,000	3,000
Cruse Bereavement Care	-	2,000
Douglas Bader Foundation	750	-
Dream Holidays	1,580	-
Dyslexia Portishead	936	1,547
EBAIC	-	2,450
Farms for City Children	-	2,040
Grants to Individuals	12,026	8,169
Grief Encounter South West	3,000	-
Handicapped Children's Action Group	-	1,000
Happy Days Children's Charity	2,059	3,805
Hope's Place	3,000	-
Jacari Bristol	3,000	-
Keynsham & District Mencap Society	1,300	-
Life Education Centres Bristol Ltd	1,000	-
NACOA	2,500	-
Portishead 2494 Squadron ATC	-	1,796
Portishead Youth Centre	15,000	15,000
Re:Work Ltd	3,000	-
Self Injury Support Ltd	-	1,500
SGH Trust	-	1,000
Springboard Opportunity Group	1,500	2,000
St Werburghs City Farm	-	3,000
Tall Ships Youth Trust	3,000	2,100
Tobacco Factory Arts Trust	-	2,000
The Green House	-	1,500
The Harbour	3,000	2,000
The Jessie May Trust	-	1,872
WDGB Ltd	-	1,500
Wellspring Counselling	-	2,500
Wheels Project	3,000	3,000
Whizz-Kidz	-	1,000
	80,307	83,495

Grants approved by the Foundation Managers at the balance sheet date but not yet expended amounted to £1,580 (2020 : £5,450).

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5 SUPPORT COSTS

	2021	2020
	£	£
Administration	10,141	8,914
Accountancy	1,680	1,680
Insurance	1,928	1,792
Independent examination	750	750
Investment advisers	10,817	11,410
Bank charges	138	120
Sundries	206	311
	<u>25,660</u>	<u>24,977</u>

6 PROFITS/(LOSSES) ON INVESTMENTS

	2021	2020
	£	£
Profits/(Losses) realised on disposal of investments	27,172	(6,734)
Unrealised gains/(losses) on revaluation of investments	<u>253,986</u>	<u>(286,363)</u>
	<u>281,158</u>	<u>(293,097)</u>

7 INVESTMENT ADVISERS COMMISSION

During the year the investment advisers earned commission of £2,496 (2020 : £1,695) on the purchase and sale of Trust investments.

8 INVESTMENTS

	Fixed Interest	Quoted Shares	Total
	£	£	£
As at 1 April 2020	285,776	1,471,627	1,757,403
Additions	61,330	119,804	181,134
Disposals	(61,961)	(131,963)	(193,924)
Profits realised on disposal	2,837	24,335	27,172
Unrealised profits on revaluation	26,268	227,718	253,986
As at 31 March 2021	<u>314,250</u>	<u>1,711,521</u>	<u>2,025,771</u>
Historical cost	<u>328,577</u>	<u>1,408,515</u>	<u>1,737,092</u>

9 SHARE CAPITAL

The company is limited by guarantee and does not have a share capital. The liability of members in the event of winding up is limited by guarantee to an amount not exceeding £1 per member.

10 TRUST CHATTELS

The Trust owns various small chattels which are items of historical interest, which the Foundation Managers decided should be retained as a reminder of the former function of

The Trust as a Nautical School. The chattels are not shown on the balance sheet. At the balance sheet date the chattels were insured for £51,850.