

**THE
PORTISHEAD NAUTICAL TRUST**

Report and Financial Statements

Year Ended 31 March 2023

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
Mrs S O L Haysom (resigned 08/11/2022)
Mrs P A M Margerison
Mrs A Stone
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

Nick Williams ATT CTA Cert PFS, 3a Yeo Bank Business Park, Kenn Road, CLEVEDON,
North Somerset BS21 6UW

Bankers

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

Investment Managers

Charles Stanley & Co Limited, 16-18 Queen Square, BATH, BA1 2HN

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REPORT OF THE FOUNDATION MANAGERS FOR THE YEAR ENDED 31 MARCH 2023

The board of Foundation Managers present their report together with the financial statements for the year ended 31 March 2023.

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 £112,373 and this represents a return of 5.4% (2022 : 4.1%) on the total market value of the portfolio as at the close of the financial year. As noted in Note 11 to the accounts, there was an exceptional dividend valued at £14,992 for which shares were received rather than cash. This arose as a result of the capital re-organisation of one of the Trust's investments. This dividend had the effect of inflating the apparent income for the year.

The year end re-statement of The Trust's investment portfolio to market value resulted in a net loss on revaluation, at that date, of £180,919 (2022 : net gain £259,645).

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 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 an increase over the previous year, and charitable expenditure being slightly less than income, 21 organisations have benefitted from grants (2022 : 24), together with 41 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 financial 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.

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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 **17 October 2023** and signed on their behalf by:

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

Company Registration No 87906

THE PORTISHEAD NAUTICAL TRUST

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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 2023, 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.

.....
Nick Williams ATT CTA Cert PFS
3a Yeo Bank Business Park
CLEVEDON
North Somerset BS21 6UW

17 October 2023

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Statement of Financial Activities for the year ended 31 March 2023

		2023		2022	
	Notes	£	£	£	£
Incoming Resources					
Dividends and interest	11	112,373		94,072	
Bank interest		1,439		795	
Donations	4	-		2,000	
Total Incoming Resources			113,812		96,867
Resources Expended					
Direct charitable expenditure:	5	75,183		83,430	
Support costs	6	28,039		30,594	
Total Resources Expended			103,222		114,024
Other recognised Gains and Losses					
(Losses)/Profits on investments	7		(180,919)		259,645
(Outgoing)/Incoming Resources for the year			(170,329)		242,488
Net movement in Accumulated Fund					
Fund balance brought forward 1 April 2022			2,487,889		2,245,401
Fund balance carried forward at 31 March 2023			<u>2,317,560</u>		<u>2,487,889</u>

The notes on pages 9 to 12 form part of these accounts.

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Statement of Financial Position as at 31 March 2023

	Notes	2023		2022	
		£	£	£	£
Fixed Assets					
Investments	9	2,100,748		2,276,949	
Cash on deposit		<u>174,640</u>		<u>173,508</u>	
			2,275,388		2,450,457
Current Assets					
Debtors & prepayments		15,532		16,066	
Cash at bank		<u>39,062</u>		<u>29,645</u>	
		<u>54,594</u>		<u>45,711</u>	
Creditors: amounts falling due within one year		<u>12,422</u>		<u>8,279</u>	
Net Current Assets			42,172		37,432
Total Assets			<u>2,317,560</u>		<u>2,487,889</u>
Financed by:					
Accumulated Fund – unrestricted funds			<u>2,317,560</u>		<u>2,487,889</u>
			<u>2,317,560</u>		<u>2,487,889</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

17 October 2023

The notes on pages 9 to 12 form part of these accounts.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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 (2022 : £nil).

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4 DIRECT CHARITABLE EXPENDITURE

	2023	2022
	£	£
Access Sport CIO	-	3,000
ACTA Community Theatre	2,000	-
ARA	-	3,000
Birch Collective	1,500	-
Bridge Foundation	2,000	3,000
Bristol & Weston Hospitals Charity	-	1,200
Bristol Music Trust	-	2,000
Caring in Bristol Ltd	-	5,000
Catherine Grace Trust	-	1,250
Circus Starr Show	2,160	1,464
Douglas Bader Foundation	1,000	-
DigiLocal CIO	1,500	-
Dream Holidays	1,000	-
Dyslexia Portishead	1,848	1,607
Elm Tree Farm Wellbeing Centre	-	840
Evergreen Equestrian Centre	-	1,500
Evergreen Equestrian Centre	-	1,500
Go Beyond	3,300	-
Grants to Individuals	12,865	13,100
Grief Encounter South West	3,000	-
Gympanzees	3,000	-
Key4Life CIO	-	3,000
Keynsham & District Mencap Society	-	1,500
Lifeskills – Learning for Living	3,000	-
Living Paintings Trust	2,500	2,500
NSC Family Wellbeing Team	-	469
Portishead Youth Centre	20,000	20,000
Re:Work Ltd	-	3,000
Royal West of England Academy	1,500	-
Shallowford Farm	2,500	-
Springboard Opportunity Group	2,010	-
St Werburgh@s City Farm	1,500	-
Tall Ships Youth Trust	3,000	-
The Green House	-	2,000
The Harbour	2,000	3,000
Wellspring Counselling	-	3,000
Wheels Project	2,000	3,000
Young Lives Vs Cancer	-	3,500
	<u>75,183</u>	<u>83,430</u>

Grants approved by the Foundation Managers at the balance sheet date but not yet expended amounted to £0 (2022 : £750).

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5 SUPPORT COSTS

	2023	2022
	£	£
Administration	10,709	13,874
Accountancy	2,400	2,160
Insurance	2,119	2,050
Independent examination	900	750
Investment advisers	11,433	11,258
Bank charges	144	193
Sundries	334	309
	<u>28,039</u>	<u>30,594</u>

6 PROFITS/(LOSSES) ON INVESTMENTS

	2023	2022
	£	£
Profits/(Losses) realised on disposal of investments	(3,887)	8,809
Unrealised gains/(losses) on revaluation of investments	(177,032)	250,836
	<u>(180,919)</u>	<u>259,645</u>

7 INVESTMENT ADVISERS COMMISSION

During the year the investment advisers earned commission of £339 (2022 : £1,093) on the purchase and sale of Trust investments.

8 INVESTMENTS

	Fixed Interest	Quoted Shares	Total
	£	£	£
As at 1 April 2022	215,767	2,061,182	2,276,949
Additions	-	41,596	41,596
Disposals	-	(36,878)	(36,878)
Losses realised on disposal	-	(3,887)	(3,887)
Unrealised losses on revaluation	(20,275)	(156,757)	(177,032)
As at 31 March 2023	<u>195,492</u>	<u>1,905,256</u>	<u>2,100,748</u>
Historical cost	<u>238,560</u>	<u>1,512,535</u>	<u>1,751,095</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.

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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.

11 DIVIDEND IN SPECIE

Included within dividend income for the year is a "dividend in specie" of £14,992. This was a non-cash foreign dividend and payment was received in the form of shares in Woodside Energy. Those shares took on a base cost equal to the "dividend in specie" and were subsequently sold by the investment managers shortly after.