

Charity Registration No. 1119576

Company Registration No. 06261868 (England and Wales)

**THE WHIRLWIND CHARITABLE TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2020**

THE WHIRLWIND CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr L Bonham Mr S J Chipperfield Mr B P Cussons Ms N Levin Mr D J Lister MBE Mr C N Riley	(Appointed 25 July 2019) (Appointed 23 July 2019)
Chair of Trustees	Mr C N Riley	
Secretary	Mr B P Cussons	
Charity number	1119576	
Company number	06261868	
Registered office	Coganhayes Buckerell Honiton Devon EX14 3ER	
Auditor	Simpkins Edwards LLP Michael House Castle Street Exeter Devon EX4 3LQ	
Bankers	Triodos Bank Deanery Road Bristol BS1 5AS	
Solicitors	Bates, Wells & Braithwaite 10 Queen Street Place London EC4R 5AS	
Investment advisors	Investec Wealth and Investment Limited 2 Gresham Street London EC2 7QP Veritas Investment Management LLP 90 Long Acre London WC2E 9RA	

THE WHIRLWIND CHARITABLE TRUST

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THE WHIRLWIND CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2020

The trustees present their report and financial statements for the year ended 31 May 2020.

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 charity's governing document, the Companies Act 2006 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) (effective 1 January 2019)".

Objectives and activities

The charity aims to enhance the potential for a positive life experience for the young and, in particular, those who are disadvantaged, disabled or at risk (and others whose opportunities are constrained by hardship) by offering them:

- positive character-building experiences;
- understanding of the value of team work and co-operation;
- the opportunity to build self-belief and to develop aspirations by meeting challenge, particularly in outdoor pursuits such as sailing;
- practical help, guidance through mentoring, and access to positive role models;
- environmental awareness and education.

In addition, the charity seeks to promote the importance of the marine environment - for the wellbeing not only of humankind but of the global ecosystem - through research, education and conservation initiatives.

Strategies to achieve objects and public benefit

The Trustees ensure that its objectives are met and carried out for the public benefit by supporting other charitable organisations that have the capacity to deliver these objects. We want to create a community of those we have helped: people who will become contributors whether financially, practically, or as ambassadors and role models so creating a snowball effect for our future efforts.

We also seek to establish charitable alliances where a project may be beyond the resources of one charity alone.

The Whirlwind Charitable Trust aims to be an example of lean, imaginative and effective giving, using its funds to deliver maximum benefit swiftly and efficiently, with minimal administrative overhead.

We aim to grow the size of the trust fund and the scope of its activities to undertake an increasing amount of carefully focused charitable work over the years ahead.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Achievements and performance

The beginning of the year saw WCT in robust financial condition following the portfolio returns of 2018/19 which both grew the fund and allowed for a healthy donations budget.

In the second quarter, the board considered an application for a significant commitment to UKSA over two years, with possible further support in year 3, to partially fund a major redevelopment programme for accommodation and facilities that would modernise the campus and position the academy at the forefront of the maritime training sector. The trustees felt strongly that its response to this application and any resulting donation should not have any detrimental impact on our usual grant making activities. Having established we had adequate reserves to accommodate the application and our regular donations budget, the proposal was approved in January 2020. In the year, WCT made grants and charitable commitments of £378,164 which is the highest ever.

THE WHIRLWIND CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

The onset of the Covid-19 pandemic and the attendant economic uncertainty led the board to suspend our normal charitable process for the short term to protect our endowment which fell by some 15% in a matter of days. It would also have been impossible for applicants to confidently propose initiatives given the unknown scale of lockdown measures imposed by the government and therefore our application criteria could not be reliably satisfied. However, we recognised that some charities, especially smaller ones, would experience immediate financial hardship that could threaten their very existence, so we quickly set up an emergency fund based on the outstanding budget balance for the year with an abridged application process to get funds in place quickly where needed. In the event, no such applications were made. Some organisations who had received grants from us to support programmes, now cancelled owing to the lockdown, requested and were granted permission to repurpose restricted funds to help their organisations get through the emergency. We resumed normal business with the easing of lockdown, combined with a partial recovery of our investment funds and have since considered and awarded several grants.

Before cessation of applications, the Survey Monkey application system instigated last year has been a great success for both applicants and the reviewing trustees. On behalf of the board, I thank the tireless donations secretariat of Alison Chipperfield and Executive Manager Dave Febry for this valuable work. Our gratitude, as always, to our diligent accountant, Chris Wilde.

It is usual to offer words of praise and support for those many individuals who selflessly operate the charities we help. We are mindful of the difficulty they have faced this year and the fog still ahead that may bring further hardship. We commend their fortitude, commitment and innovation and fervently hope they all get through the months ahead. The main detriment has been to those many deserving beneficiaries who have had life enhancing experiences suspended for the time being and it is to be hoped that the effect on their health and wellbeing is minimal. The Whirlwind Charitable Trust remains committed to helping wherever possible and looks forward to better times ahead.

Grant making policies

The Trust invites applications from all organisations that have the ability and/or capacity to deliver the objects of the Trust. The Trustees meet quarterly to review all applications in detail and those deemed appropriate to the charity's aim and objectives are approved and passed to the secretariat for action.

Financial circumstances are not relevant in considering suitability for a grant, and the Trustees and Donations Secretariat use their best endeavours to ensure that any such grant will be used for the purpose for which it was applied. All Trustees give their time freely and no Trustee remuneration was paid in the year. Trustees are required to disclose all relevant interests and, in accordance with the Trust's policy, withdraw from discussions and decisions when any possibility of a conflict of interest arises.

Investment policy and performance

Investec and Veritas report regularly to the Trustees on the performance of the investments through a combination of verbal and written reports.

The bespoke discretionary management service offered by Investec and the "pooled funds" capability provided through Newton Growth and Income Fund for Charities and now the Protea Fund enable the trustees to compare the merits of the two differing investment styles, one against the other, as well as against agreed benchmarks. The performance, income and strategy of these funds are an agenda item at every meeting of the Trustees.

In keeping with Whirlwind's policy to hold a formal review of its investment management strategy and professional advisers every five years, the Board agreed to conduct a review during Spring 2018. A formal brief has been prepared for the recruitment of a professional consultant to advise Whirlwind's project team during the course of this process.

During the year we commissioned an independent review of WCT investments. The report identified crossover areas between our two investment houses and suggested a restructure. We have followed the recommendations and have redistributed the funds accordingly, giving a greater spread.

THE WHIRLWIND CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

Financial review

Our net results for the year show total assets of £6.7 million, which is down slightly from last year's £6.9 million. Whilst we have made every effort to keep donations and administration costs within investment income, the charity has shown a deficit in the current year of £262,469, which brings the charity's overall reserves to £6,710,346.

Reserves policy

The original £4m donation from the Lister Charitable Trust forms the core of the charity's investments. The donation has been identified as expendable endowment. Therefore, the Trustees may apply the capital (and income) for the benefit of the Trusts charitable objects and purposes.

In order to build a sustainable basis for increasing levels of donations, the Trustees have established an investment policy to ensure not only that the reserves of the charity are maintained, but that they are enhanced by wise management of the investment return. Should there be an inadequate return, or a negative return, on the invested funds of the charity over any given year, the Trustees will make any donations on a purely discretionary basis in order to protect their ability to meet longer term charitable aims.

On 31st May 2020, total funds of The Whirlwind Charitable Trust stood at £6,710,346 - a deficit of £121,000 under the £6.8m required to meet the reserves target set by the Trustees' 'inflation+1.5%' formula (see paragraph below). By comparison, on 31st May 2019, the surplus over the formula stood at £311,000.

Financial management and custodianship of funds

The Trustees' financial management and donations policy recognises that, as a grant-giving trust, The Whirlwind Charitable Trust's sole source of income (and therefore of funds for donations) will for the foreseeable future be derived from its capital base.

To buffer the capital base against inflation and adverse economic cycles, whilst also creating the condition in which the capital base (and therefore long term donations) can grow, the Trustees' policy is to retain from the total return on investments a sum equivalent to RPI + 1.5% (as a rolling average) of the invested funds of the charity, before allocating the balance to donations. To date Whirlwind has been successful in achieving long term growth in funds according to this formula while also maintaining a trend of increasing donations.

Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate the charity's exposure to the major risks. The Charity's Risk Register is reviewed and updated as necessary on a regular basis.

Plans for future periods

In broad terms it is the Trustees' intention to continue with its successful charity business model rather than seek change for change's sake, so developments will tend to be evolutionary rather than revolutionary.

We are currently instigating a formal Strategic Review to examine donations strategy, fundraising, and long-term goals. It has been a year of change for Whirlwind, one that sees our charity in robust financial shape with the flexibility to cope with these uncertain times, an integrated administration and a stronger, more diverse board.

THE WHIRLWIND CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

Structure, governance and management

The charity is a company limited by guarantee.

The company is constituted under a Memorandum of Association dated 29 May 2007 and is a registered charity number 1119576.

The Whirlwind Charitable Trust was registered on 29 May 2007 utilising a generous donation from the Lister Charitable Trust (LCT). It was founded by former Trustees of LCT to maintain the same principal focus on delivering benefit to society through the support and encouragement of youth, maritime and outdoor pursuits while LCT itself pursued a wider agenda.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr L Bonham (Appointed 25 July 2019)

Mr S J Chipperfield

Mr B P Cussons

Ms N Levin (Appointed 23 July 2019)

Mr D J Lister MBE

Mr C N Riley

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles and Memorandum of Association. The Board of Trustees has the power to appoint any other person as they shall think fit as a Trustee of the Board, by way of addition to the Board. There shall be at least three Trustees. When seeking new Trustees, the Board members seek to identify skills gaps and relevant experience that would be of value to the charity, potential applicants may be secured through advertising, referrals or personal contacts.

Policies adopted for the induction and training of Trustees

The charity has an induction policy in place for new Trustees. When new Trustees come on board they are briefed about the charity's aims and objectives, provided with detailed background information, and informed of their responsibilities as Trustees. During a mutual six-month probationary period, prospective Trustees learn a great deal about the work of the charity and the responsibilities involved before having to make a full commitment. The Trustees have access to regular training sessions to keep them updated with the latest developments.

Organisational structure and decision making

The Board of Trustees meets quarterly to review the activities of the charity, including but not limited to:

- the financial performance of the charity's investments;
- relationships with the charity's professional advisers;
- consideration of and decisions concerning donations applications;
- and consideration/evaluation of reports received on the effectiveness of the charitable activities supported. The Trustees advise the Trust's secretariat of the donations applications they consider worthy of support, which are then processed by the Secretariat.

Auditor

The auditor, Simpkins Edwards LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

THE WHIRLWIND CHARITABLE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MAY 2020*

The trustees' report was approved by the Board of Trustees.

Mr S J Chipperfield

Trustee

Dated: 24 October 2020

Mr C N Riley

Trustee

Dated:24 October 2020

THE WHIRLWIND CHARITABLE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MAY 2020

The trustees, who are also the directors of The Whirlwind Charitable Trust for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

THE WHIRLWIND CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE WHIRLWIND CHARITABLE TRUST

Opinion

We have audited the financial statements of The Whirlwind Charitable Trust (the 'charity') for the year ended 31 May 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure account, the Balance Sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE WHIRLWIND CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE WHIRLWIND CHARITABLE TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE WHIRLWIND CHARITABLE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE WHIRLWIND CHARITABLE TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

John Coombs MA FCA (Senior Statutory Auditor)
for and on behalf of Simpkins Edwards LLP

27 October 2020

Chartered Accountants
Statutory Auditor

Michael House
Castle Street
Exeter
Devon
EX4 3LQ

Simpkins Edwards LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE WHIRLWIND CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MAY 2020

	Notes	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
Income from:							
Investments	3	198,693	-	198,693	224,284	-	224,284
Expenditure on:							
Charitable activities	4	400,909	-	400,909	187,664	-	187,664
Other	9	-	32,219	32,219	-	33,901	33,901
Total resources expended		400,909	32,219	433,128	187,664	33,901	221,565
Net gains/(losses) on investments	10	-	(28,034)	(28,034)	-	63,826	63,826
Net movement in funds		(202,216)	(60,253)	(262,469)	36,620	29,925	66,545
Fund balances at 1 June 2019		353,398	6,619,417	6,972,815	316,778	6,589,492	6,906,270
Fund balances at 31 May 2020		151,182	6,559,164	6,710,346	353,398	6,619,417	6,972,815

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

All income and expenditure derive from continuing activities.

THE WHIRLWIND CHARITABLE TRUST

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MAY 2020

	All income funds	
	2020	2019
	£	£
Gross income	198,693	224,284
Total expenditure from income funds	400,909	187,664
Net (expenditure)/income for the year	<u>(202,216)</u>	<u>36,620</u>

THE WHIRLWIND CHARITABLE TRUST

BALANCE SHEET

AS AT 31 MAY 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Investments	11		6,640,453		6,651,868
Current assets					
Debtors	12	7,294		3,290	
Investments	13	211,158		340,949	
Cash at bank and in hand		7,266		45,654	
			225,718		389,893
Creditors: amounts falling due within one year	14	(155,825)		(68,946)	
Net current assets			69,893		320,947
Total assets less current liabilities			6,710,346		6,972,815
Capital funds					
<u>Endowment funds - general</u>					
General endowment funds		6,559,164		6,619,417	
		6,559,164		6,619,417	
Permanent endowment		-		-	
Expendable endowment		6,559,164		6,619,417	
	15		6,559,164		6,619,417
Income funds					
Unrestricted funds			151,182		353,398
			6,710,346		6,972,815

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

THE WHIRLWIND CHARITABLE TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2020

The financial statements were approved by the Trustees on 24 October 2020

Mr S J Chipperfield
Trustee

Mr C N Riley
Trustee

Company Registration No. 06261868

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

Charity information

The Whirlwind Charitable Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Coganhayes, Buckerell, Honiton, Devon, EX14 3ER.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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) (effective 1 January 2019)". 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 are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of 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.

Endowment funds are expendable, the Trustees may apply the capital (and income) for the benefit of the Trusts charitable objects and purposes.

1.4 Income

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.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

1 Accounting policies

(Continued)

Governance costs are those costs incurred in connection with compliance with constitutional and statutory requirements.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank 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 financing 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 financing 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Limited by guarantee

The Whirlwind Charitable Trust is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

2 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.

3 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	197,147	222,045
Other income from investments	1,546	2,239
	<u>198,693</u>	<u>224,284</u>

4 Charitable activities

	Charitable Expenditure	Charitable Expenditure
	2020	2019
	£	£
Grant funding of activities (see note 5)	378,164	163,875
Share of support costs (see note 6)	19,177	21,075
Share of governance costs (see note 6)	3,568	2,714
	<u>400,909</u>	<u>187,664</u>

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

5 Grants payable

	Charitable Expenditure 2020 £	Charitable Expenditure 2019 £
Grants to institutions:		
Back Up Trust	(5,000)	5,000
Campus Holidays	-	3,000
Centre 81	-	4,000
Challengers	-	1,800
Endeavour	-	1,646
Excelsior	-	5,000
Hansa	-	5,000
Horizons	-	5,432
Island Trust	10,000	10,000
Islington Boat Club	6,560	5,100
Key For Life	-	6,972
Nancy Oldfield Trust	-	5,000
Oarsome Chance	-	3,000
Ocean Youth Trust Scotland	(9,000)	9,000
Saltpond Education Project	2,664	1,800
Seachange	6,438	7,500
Seashell Trust	-	3,766
Secchi Disk	-	2,000
Sportability	-	2,000
Tall Ships	-	7,000
The Ahoy Centre	-	7,500
The Cirdan Sailing Trust	-	10,000
Trinity Sailing Foundation	-	10,000
UKSA	300,000	20,000
Venture Trust	-	5,000
Visionofadventure	3,591	3,000
Voyage Youth	-	5,000
Wheelyboat	-	9,359
Chicks	2,000	-
Morning Star	7,663	-
OYT South	5,500	-
Portsmouth Sailing Trust	5,000	-
The Marine Society and Sea Cadets	9,800	-
Helford River	7,500	-
DSSUK	3,874	-
Youth Advent Trust	5,304	-
Agoonoree Scout Camp	2,000	-
Sports Forum for the Disabled	5,000	-
Outfit Morray	2,500	-
Visually Impaired Sailing Association	3,770	-
Boleh	3,000	-
	<u>378,164</u>	<u>163,875</u>

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

6 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Website costs	1,209	-	1,209	3,519	-	3,519
Office costs	-	-	-	504	-	504
Trustees' expenses	1,281	-	1,281	1,675	-	1,675
Cost of trustees' meetings	927	-	927	1,484	-	1,484
Secretarial	13,565	-	13,565	11,704	-	11,704
Bookkeeping	704	-	704	700	-	700
Annual return	13	-	13	13	-	13
Bank charges	39	-	39	37	-	37
Insurance	1,439	-	1,439	1,439	-	1,439
Audit fees	-	3,144	3,144	-	2,580	2,580
Legal and professional	-	424	424	-	134	134
	<u>19,177</u>	<u>3,568</u>	<u>22,745</u>	<u>21,075</u>	<u>2,714</u>	<u>23,789</u>
Analysed between						
Charitable activities	<u>19,177</u>	<u>3,568</u>	<u>22,745</u>	<u>21,075</u>	<u>2,714</u>	<u>23,789</u>

7 Trustees

No trustees received remuneration or benefits in kind during the year (2019: Nil). During the year, 5 trustees (2019: 4) received reimbursement of expenses amounting to £1,281 (2019: £1,675).

8 Employees

There were no employees during the year.

9 Other

	Endowment funds general 2020	Endowment funds general 2019
Portfolio management	32,219	29,023
Investment advice fee	-	4,850
Overseas tax	-	28
	<u>32,219</u>	<u>33,901</u>

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

10 Net gains/(losses) on investments

	Endowment funds general 2020 £	Endowment funds general 2019 £
Revaluation of investments	(52,406)	70,665
Gain/(loss) on sale of investments	24,372	(6,839)
	<u>(28,034)</u>	<u>63,826</u>

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 June 2019	6,651,868
Additions	2,885,650
Valuation changes	(28,034)
Disposal proceeds	(2,869,031)
	<u>6,640,453</u>
At 31 May 2020	6,640,453
Carrying amount	
At 31 May 2020	<u>6,640,453</u>
At 31 May 2019	<u>6,651,868</u>

Fixed asset investments revalued

The historical cost of fixed asset investments at 31 May 2020 was £5,441,288.

12 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Prepayments and accrued income	7,294	3,290
	<u>7,294</u>	<u>3,290</u>

13 Current asset investments

	2020 £	2019 £
Unlisted investments	211,158	340,949
	<u>211,158</u>	<u>340,949</u>

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2020

14 Creditors: amounts falling due within one year	2020 £	2019 £
Other creditors	150,000	65,272
Accruals and deferred income	5,825	3,674
	<u>155,825</u>	<u>68,946</u>

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

15 Endowment funds

The original donation from the Lister Charitable Trust has been identified (following legal advice) as expendable endowment, although it was previously described as permanent. Therefore, the Trustees may apply the capital for the benefit of the Trusts charitable objects and purposes. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds					Movement in funds					
	Balance at 1 June 2018	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 June 2019	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 May 2020
	£	£	£	£	£	£	£	£	£	£	£
Expendable endowments											
	6,589,492	-	(33,901)	-	63,826	6,619,417	-	(32,219)	-	(28,034)	6,559,164
	<u>6,589,492</u>	<u>-</u>	<u>(33,901)</u>	<u>-</u>	<u>63,826</u>	<u>6,619,417</u>	<u>-</u>	<u>(32,219)</u>	<u>-</u>	<u>(28,034)</u>	<u>6,559,164</u>
	<u><u>6,589,492</u></u>	<u><u>-</u></u>	<u><u>(33,901)</u></u>	<u><u>-</u></u>	<u><u>63,826</u></u>	<u><u>6,619,417</u></u>	<u><u>-</u></u>	<u><u>(32,219)</u></u>	<u><u>-</u></u>	<u><u>(28,034)</u></u>	<u><u>6,559,164</u></u>

THE WHIRLWIND CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2020

16 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Unrestricted funds	Endowment funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 May 2020 are represented by:						
Investments	81,289	6,559,164	6,640,453	32,451	6,619,417	6,651,868
Current assets/ (liabilities)	69,893	-	69,893	320,947	-	320,947
	<u>151,182</u>	<u>6,559,164</u>	<u>6,710,346</u>	<u>353,398</u>	<u>6,619,417</u>	<u>6,972,815</u>

17 Related party transactions

The charity uses the secretarial services of Alison Chipperfield, the wife of one of the Trustees, Stephen Chipperfield. She invoiced the charity a total of £3,000 (2019: £3,000) during the year for these services.

David Lister MBE (a Trustee) is also a Trustee of the UK Sailing Academy (UKSA). During the year a grant of £300,000 (2019: £20,000) was approved by the other trustees who have no conflict of interest.

Natalie Levin (a Trustee) is also an employee of The Youth Adventure Trust. During the year a grant of £5,304 was approved by the other trustees who have no conflict of interest.

Saltpond Education Project, a charity, has as its Chair (and Trustee) the daughter in law of Christopher Riley (a Trustee). During the year a grant of £2,664 was approved by the other trustees who have no conflict of interest.