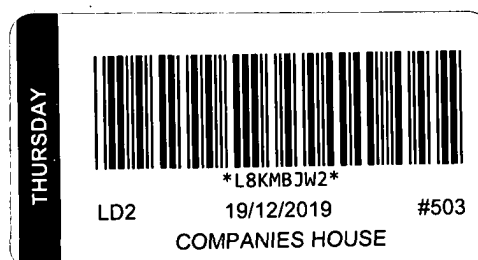


**Registered Charity No. 1173336**  
**Registered Company No. 10654855 (England & Wales)**

**Fairy Water Trust**  
**Trustees' report and unaudited financial statements**  
**Year Ended 31 March 2019**



# **Fairy Water Trust**

## **Contents**

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	<b>Page</b>
Trustees' and charity information	<b>1</b>
Trustees' report	<b>2</b>
Independent examiner's report	<b>5</b>
Statement of financial activities	<b>6</b>
Balance sheet	<b>7</b>
Notes to the financial statements	<b>8</b>

## **Fairy Water Trust**

### **Trustees' and charity information**

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#### **Trustees**

Mark Tellwright  
Anna Cockell  
Tiger Tellwright Cockell  
Finbar Tellwright (appointed 1 September 2018)

#### **Registered address**

71 Queen Victoria Street  
London  
EC4V 4BE

#### **Charity number**

1173336

#### **Company number**

10654855

#### **Independent examiner**

Cara Turtington FCA DChA  
Saffery Champness LLP  
71 Queen Victoria Street  
London  
EC4V 4BE

#### **Bankers**

Santander UK plc  
Bridle Road  
Bootle  
Merseyside  
L30 4GB

## **Fairy Water Trust**

### **Trustees' report Year ended 31 March 2019**

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The trustees (known as directors under company law) present their annual report and financial statements for the charity for the year ended 31 March 2019.

#### **Legal status and constitution**

Fairy Water Trust is a company limited by guarantee. It was incorporated on 6 March 2017 and is governed by its Memorandum and Articles of Association, dated 6 March 2017.

#### **Structure, governance and management**

The trustees that served during the year are shown on page 1.

Trustees are recruited and appointed in accordance with the charity's governing document and with relevant legislation.

#### **Objectives and activities**

The charity's objects are:

1. For the public benefit to advance such other exclusively charitable objects and purposes as the Directors may in their discretion think fit.

In planning the activities of the charity the trustees have given due regard to the Charity Commission's guidance on public benefit.

#### **Achievements and performance**

The Trustees continued to focus on the administration of the Trust. In addition, the Trustees met on a regular basis to review both possible investment opportunities and the many applications from charities. An additional Trustee was appointed during the period.

#### **Financial review**

The statement of financial activities on page 6 sets out the results of the charity for the year.

The charity received total income and endowments of £2,506,118 (2018: £6,258) during the year, of which £2,500,000 established the expendable endowment fund. Total expenditure was £14,027 (2018: £1,278), including £3,120 on grants to institutions (2018: no grants).

At the year end the charity had total funds of £2,497,071 (2018: £4,980), including unrestricted funds of £nil (2018: £4,980) and expendable endowment of £2,497,071 (2018: £nil).

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### **Reserves policy**

At 31 March 2019, the reserves of the charity comprised the unrestricted fund and the expendable endowment fund. The expendable endowment fund was established with a significant donation from the Founder during the year.

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## **Fairy Water Trust**

### **Trustees' report (continued)** **Year ended 31 March 2019**

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At the year end the charity had free reserves, being the unrestricted fund, of £nil (2018: £4,980). The trustees are satisfied with the level of free reserves held.

This is the second period of activity for the charity and the trustees are currently in the process of approving a reserves policy for the charity. At present the trustees do not consider it necessary to maintain substantial reserves in the unrestricted fund.

#### **Risk management**

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been, or will be, established to enable the necessary steps to be taken to lessen these risks.

The Trustees continued to take advice on major strategic, business and operational risks in order to lessen these risks.

Due to the continued uncertainty in the investment and financial markets, investment activity was minimal and no investments were concluded.

The Trustees continue to monitor this with the objective of increasing the grant making programme.

#### **Related parties**

The charity has a 100% owned subsidiary, Fairy Water Trading Limited, which was incorporated on 21 November 2017. Since incorporation the subsidiary has been dormant.

#### **Future plans**

Notwithstanding the uncertainty in the investment markets, it is the intention of the Trustees to seek out investments that offer income and the potential for capital growth.

The Trustees will continue to review the many grant applications being received, with a view to increasing support of the chosen causes and areas.

#### **Statement of trustees' responsibilities**

The trustees (who are also directors of Fairy Water Trust for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;

## Fairy Water Trust

### Trustees' report (continued) Year ended 31 March 2019

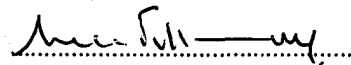
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- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board of trustees on *12<sup>th</sup> December* 2019 and signed on its behalf by:



Mark Tellwright  
Trustee

## Fairy Water Trust

### Independent examiner's report to the trustees of Fairy Water Trust ('the Company')

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I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2019.

#### Respective responsibilities of trustees and examiner

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### Basis of independent examiner's report

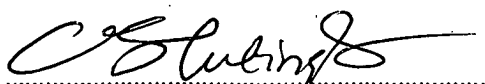
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees 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 out in the statement below.

#### Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.



Cara Turtington FCA DChA

Saffery Champness LLP, Chartered Accountants

71 Queen Victoria Street, London, EC4V 4BE

Date: 17 December 2019

# Fairy Water Trust

## Statement of financial activities (incorporating the income and expenditure account) Year ended 31 March 2019

	Note	Unrestricted funds £	Expendable endowment funds £	Total funds 2019 £	Total and unrestricted funds 2018 £
<b>Income and endowments from</b>					
Donation income	2	-	2,500,000	2,500,000	6,250
Investment income		6,118	-	6,118	8
<b>Total income and endowments</b>		<b>6,118</b>	<b>2,500,000</b>	<b>2,506,118</b>	<b>6,258</b>
<b>Expenditure:</b>					
Expenditure on charitable activities	3	14,027	-	14,027	1,278
<b>Total expenditure</b>		<b>14,027</b>	<b>-</b>	<b>14,027</b>	<b>1,278</b>
<b>Net (expenditure)/income</b>		<b>(7,909)</b>	<b>2,500,000</b>	<b>2,492,091</b>	<b>4,980</b>
Transfer between funds		2,929	(2,929)	-	-
<b>Net movement on funds</b>		<b>(4,980)</b>	<b>2,497,071</b>	<b>2,492,091</b>	<b>4,980</b>
Total funds brought forward		4,980	-	4,980	-
<b>Total funds carried forward</b>		<b>-</b>	<b>2,497,071</b>	<b>2,497,071</b>	<b>4,980</b>

The notes on pages 8 to 11 form part of these financial statements.

The statement of financial activities contains all recognised gains and losses for the financial period.

The results for the period all relate to continuing activities.



# Fairy Water Trust

## Balance sheet As at 31 March 2019

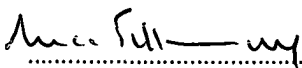
	Note	2019 £	2018 £
<b>Current assets</b>			
Debtors	4	1,000,000	1,250
Cash at bank		1,499,071	4,730
		<u>2,499,071</u>	<u>5,980</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	5	(2,000)	(1,000)
<b>Net assets</b>		<u>2,497,071</u>	<u>4,980</u>
<b>Charity funds</b>			
Expendable endowment fund		2,497,071	-
Unrestricted funds		-	4,980
<b>Total funds</b>	6	<u>2,497,071</u>	<u>4,980</u>

For the year ended 31 March 2019 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 of its accounts for the period in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements were approved by the trustees on 12<sup>th</sup> December 2019 and signed on their behalf by:

  
.....

Mark Tellwright  
Trustee

Company registration number 10654855

The notes on pages 8 to 11 form part of these financial statements.

**1. Accounting policies**

**1.1 Accounting convention**

The financial statements 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 Standards applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Advantage has been taken of exemptions for charities with income less than £500,000 from certain disclosures. These include the exemption from preparing a cash flow statement.

The charity constitutes a public benefit entity as defined under FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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 £.

**1.2 Members**

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is £1 per member of the charity. At 31 March 2019, the total of such guarantees was £4 (2018: £3).

**1.3 Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donation income is recognised in the year in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All costs can be directly attributed to an expense category.

**1.5 Taxation**

Fairy Water Trust is a registered charity and as such is not liable to corporation tax on its income derived wholly from charitable activities.

## Fairy Water Trust

### Notes to the financial statements (continued) Year ended 31 March 2019

#### 1.6 Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity without specified purpose.

The expendable endowment represents donations from the Founder. The trustees have the power to convert endowment funds in to income and it is therefore classified as an expendable endowment.

#### 1.7 Financial instruments

The charity only has financial instruments and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. The charity does not currently have any bank loans.

#### 1.8 Judgements and estimates

In the application of the 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.

#### 2. Donation income

	Unrestricted funds	Expendable endowment funds	Total	Total and unrestricted funds
	2019	2019	2019	2018
	£	£	£	£
Donations from individuals	-	2,000,000	2,000,000	5,000
Gift aid income	-	500,000	500,000	1,250
	-	2,500,000	2,500,000	6,250

The charity received unrestricted donations totalling £2,500,000 (2018: £5,000) from trustees, along with associated gift aid income.

# Fairy Water Trust

## Notes to the financial statements (continued) Year ended 31 March 2019

### 3. Expenditure on charitable activities

	2019	2018
	£	£
<b>Grants</b>		
Marine and sailing	3,120	-
<b>Support costs</b>		
Bank charges	60	25
Accountancy and taxation services	5,876	1,000
Legal and professional fees	4,203	-
Sundry expense	768	253
	<u>10,907</u>	<u>1,278</u>
	<u>14,027</u>	<u>1,278</u>

The charity had no direct employees in the year (2018: none).

No trustee received any remuneration during the period, nor were any trustee expenses reimbursed. The trustees are considered to be the key management personnel of the charity.

Office space is provided by one of the trustees. The value of this gift in kind is considered to be de minimis and therefore is not brought in to these accounts.

Accountancy and taxation services includes an independent examiner's fee of £2,000.

All grants made during the year were paid to institutions. Significant grants in the year were £1,500 to RoRo Sailing Project and £1,620 to Ellen MacArthur Trust.

### 4. Debtors

	2019	2018
	£	£
Other debtors	1,000,000	-
Accrued income	-	1,250
	<u>1,000,000</u>	<u>1,250</u>

Other debtors relates to an amount which was held on deposit for potential investment. This deposit has subsequently been returned to the charity.

**Fairy Water Trust**

**Notes to the financial statements (continued)**  
**Year ended 31 March 2019**

**5. Creditors: amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Accruals	2,000	1,000
	<u>2,000</u>	<u>1,000</u>

**6. Movement on funds**

<b>Current year</b>	<b>At 31 March 2018</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfer</b>	<b>At 31 March 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expendable endowment fund	-	2,500,000	-	(2,929)	2,497,071
Unrestricted funds	4,980	6,118	(14,027)	2,929	-
	<u>4,980</u>	<u>2,506,118</u>	<u>(14,027)</u>	<u>-</u>	<u>2,497,071</u>

<b>Comparative year</b>	<b>At 6 March 2017</b>	<b>Income</b>	<b>Expenditure</b>	<b>At 31 March 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted funds	-	6,258	(1,278)	4,980
	<u>-</u>	<u>6,258</u>	<u>(1,278)</u>	<u>4,980</u>

The trustees have chosen to make a transfer from the expendable endowment fund to the unrestricted fund to cover the deficit on this fund.

**7. Related party transactions**

Other than the donations from the trustees described in note 2, there were no related party transactions during the year.