Charity registration number 1158850

Company registration number 09138930 (England and Wales)

THE ROYAL YACHT SQUADRON ISLE OF WIGHT FOUNDATION

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

THE ROYAL YACHT SQUADRON ISLE OF WIGHT FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D I A C Byatt	
	Mr A M Charlton KC	
	Mrs P A Kyle	
	The Hon. D M Nicholson DL	
	Mr J E Stevens	
	Mrs M Acland	(Appointed 1 January 2025)
	Mr A P Watt	(Appointed 1 January 2025)
	Commander C Sillars	(Appointed 1 January 2025)
	Mr D J L F Anderson	(Appointed 1 January 2025)
	Mr M Acton	(Appointed 1 January 2026)
Charity number	1158850	
Company number	09138930	
Registered office	The Castle The Parade Cowes Isle of Wight PO31 7QT	
Independent examiner	Moore (South) LLP 9 St Johns Place Newport Isle of Wight England PO30 1LH	
Bankers	Lloyds Bank Plc Newport 22 St Thomas Square Newport Isle of Wight PO30 1SQ	
Patron	HRH The Duke of Edinburgh	
President	Mrs S Sheldon, HM Lord Lieutenant of the Isle of Wight	
Solicitors	Hampshire Blake Morgan LLP New Kings Court Tollgate Chandler's Ford Eastleigh Hampshire SO53 3LG	
Investment managers	Sarasin & Partners CCLA Investment Finance	

THE ROYAL YACHT SQUADRON ISLE OF WIGHT FOUNDATION

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THE ROYAL YACHT SQUADRON ISLE OF WIGHT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2025

The Royal Yacht Squadron Isle of Wight Foundation ("the Foundation") was incorporated as a company limited by guarantee on 21 July 2014 and registered as a charity with the charity commission in England and Wales on 13 October 2014. The trustees present their annual report and financial statements for the year ended 31 December 2025.

The Foundation is governed by its memorandum of association. In the event of an insolvent winding up its members are liable to contribute a sum not exceeding £1.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The Foundation's objective is to provide targeted (mainly financial) assistance to young people who live on, or have a strong connection to, the Isle of Wight. This assistance aims to help these young people gain access to higher training standards and qualifications, which lead to better quality employment, predominantly in the maritime sector, and which they would otherwise not be able to access. The Foundation works closely with schools, the Isle of Wight College (IWC), adult education establishments, employers and other youth orientated organisations on the Isle of Wight to deliver this support.

Public benefit

In setting their objectives and planning their annual activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements and performance

Significant activities and achievements against objectives

Since 2015 the Foundation has made over 200 grants to individuals, schools, colleges & other training institutions, a total sum in excess of £540,000.

During the year ending 31st December 2025, £63,122 (2024: £64,310) was committed in grants in support of 26 individual young people (2024: 26). The size of grants ranged from £250 to £6,000. These young people came from a wide range of backgrounds and have been helped in a variety of ways, including payment of training fees, travel costs, equipment costs and course fees.

In addition to individual grants, 4 collective grants totalling £26,650 (2024: 5 collective grants totalling £16,962) were awarded as follows: £15,750 to UKSA (including £5,000 to sponsor 10 young people from the Isle of Wight to attend the 5 day Maritime Futures Course), £7,900 to the Isle of Wight College, and £3,000 to Cowes Enterprise College.

In October 2025 the Foundation hosted a reception for 120 educationalists, employers, youth leaders, trainers and volunteers concerned with youth employment.

Financial review

Fundraising is sustained by the members of the Royal Yacht Squadron (RYS). In 2025 the Foundation received donations from individual RYS members and associated Trusts totalling £26,472 (2024: £118,805).

A net deficit of £24,954 (2024: surplus of £184,264), including investment gains and losses, has been carried forward in general reserves to 2026. No donations constitute restricted funds.

The Foundation's investment policy is closely supervised by the Trustees' Investment Sub-Committee, and investment policy is reviewed regularly at biannual Trustee meetings.

Throughout 2025, funds were placed with two investment managers to generate a reasonable dividend return and capital growth. In 2026, all investments were consolidated with one investment provider (Sarasin & Partners). Investments continue to maintain short term cash accounts which generate variable but significant rates of interest and can be accessed within a few working days. This allows the Foundations' current account balance (which does not accrue interest) to be reduced to a level commensurate with anticipated near-term expenditure.

In 2023 the charity achieved net assets of £2.0m, an initial target that was set in 2014. Taking account of inflation since then, the Trustees' have set a new fundraising target to achieve net assets of at least £2.6m.

Reserves policy

The Foundation is a relatively young charitable organisation seeking to generate a level of assets (£2.6m) which will allow capital growth to keep pace with inflation, and dividends and continuing regular donations from RYS members to fund its objectives.

The Trustees will continue to monitor reserves policy in the light of the demand for grants, investment performance and donations.

Plans for future periods

In 2026, Trustees will continue to make grants in support of the Foundation's charitable objectives. Trustees have set themselves a target to support at least 25 applicants with total grants up to a total value of £80k per annum and up to £20k per annum in collective grants. The targets above are reviewed regularly and can be adjusted quickly.

Planning is under way for a Careers' Fair in Autumn 2026. About 40 exhibitors and employers will have stands at the fair, and we aim for certain employers such the Royal Navy to attend with boats moored in the RYS marina. About 600 school children are expected to attend.

Structure, governance and management

The Foundation is managed by its Trustees, who have met regularly throughout the year. James Stevens was appointed Chairman of Trustees from 1st January 2026 to replace Colonel Carron Snagge OBE DL. Trustees training and induction is made available.

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 D I A C Byatt	
Mr A M Charlton KC	
Mrs P A Kyle	
The Hon. D M Nicholson DL	
The Hon C J Sharples	(Resigned 18 June 2026)
Colonel C Snagge OBE DL	(Resigned 18 June 2026)
Mr J E Stevens	
Mrs M Acland	(Appointed 1 January 2025)
Mr A P Watt	(Appointed 1 January 2025)
Commander C Sillars	(Appointed 1 January 2025)
Mr D J L F Anderson	(Appointed 1 January 2025)
Mr M Acton	(Appointed 1 January 2026)

Recruitment and appointment of trustees

Trustees are generally appointed from the membership of the RYS, except that 2 members must be independent (ie 2 members must not be members of the RYS). The total number of Trustees must be at least 5 and not more than 10, and the number of Trustees that are RYS members must form a majority.

Members serve for a period of 4 years. There can be exceptions to this, especially where a Trustee has specialist knowledge and experience in an area that is especially beneficial to the overall management of the Trust. In such cases, Trustees may be appointed from outside the Royal Yacht Squadron membership, and/or might serve for a term other than strictly 4 years. Decisions on Trustee appointments and rotation are agreed at the biannual Trustee meetings.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Trustees are also the directors of the charitable company for company law purposes.

Risk Management

The trustees have evaluated and considered the impact of identifiable risks that the Foundation faces, and have policies in place to mitigate these.

Trustees' Responsibilities

The trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees' Annual 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;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 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.

The trustees' report was approved by the Board of Trustees and signed on its behalf.

JE Stevens

Mr J E Stevens
Trustee

Date: 11/9/26

THE ROYAL YACHT SQUADRON ISLE OF WIGHT FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE ROYAL YACHT SQUADRON ISLE OF WIGHT FOUNDATION

I report to the trustees on my examination of the financial statements of The Royal Yacht Squadron Isle of Wight Foundation (the trust) for the year ended 31 December 2025.

Responsibilities and basis of report

As the trustees of the trust (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

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

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 that in any material respect:

1 accounting records were not kept in respect of the trust as required by section 386 of the Companies Act 2006.

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or

4 the financial statements 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 financial statements 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 financial statements to be reached.

Moore (South) LLP

Moore (South) LLP

Vicky Drayton BA ACA
9 St Johns Place
Newport
Isle of Wight
PO30 1LH
England

Dated: 11/09/2026

THE ROYAL YACHT SQUADRON ISLE OF WIGHT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income and endowments from:			
Donations and legacies	3	26,472	118,805
Investments	4	56,694	56,923
Other income	5	16,477	4,573
Total income		99,643	180,301
Expenditure on:			
Charitable activities	6	98,558	91,421
Total expenditure		98,558	91,421
Net gains/(losses) on investments	11	(26,039)	95,384
Net income/(expenditure) and movement in funds		(24,954)	184,264
Reconciliation of funds:			
Fund balances at 1 January 2025		2,186,102	2,001,838
Fund balances at 31 December 2025		2,161,148	2,186,102

The results for the year derive from continuing activities, and there are no gains or losses other than those shown above.

THE ROYAL YACHT SQUADRON ISLE OF WIGHT FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Investments	13		2,049,126		2,080,171
Current assets					
Debtors	14	610		520	
Cash at bank and in hand		149,705		146,968	
		150,315		147,488	
Creditors: amounts falling due within one year	15	(38,293)		(41,557)	
Net current assets			112,022		105,931
Total assets less current liabilities			2,161,148		2,186,102
Net assets			2,161,148		2,186,102
The funds of the trust					
Unrestricted funds			2,161,148		2,186,102
			2,161,148		2,186,102

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 11/9/26

J E Stevens

Mr J E Stevens
Trustee

Company registration number 09138930 (England and Wales)

1 Accounting policies

Charity information

The Royal Yacht Squadron Isle of Wight Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Castle, The Parade, Cowes, Isle of Wight, PO31 7QT.

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. 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 trust 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.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

Endowment funds represent those assets which must be held permanently by the charity. Expendable Endowments permit the Charity to spend the capital sum on suitable capital projects with the permission of the donor. Income arising on the endowment funds can be used in accordance with the objects of the charity and is transferred to the general funds.

Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against relevant fund.

1.4 Income

Income is recognised when the trust 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.

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

1 **Accounting policies** **(Continued)**

Donated facilities and donated services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and service. A corresponding amount is recognised in expenditure.

Income earned from fundraising events to raise funds for the charity are recognised when entitlement has occurred.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Investment income is earned through holding assets for investment purposes such as shares, bonds and cash deposits. It includes dividends and interest. The charity uses investment managers to manage such investments and the management costs are charged to the funds under management.

1.5 Expenditure

All expenditure is accounted for on an accruals basis, and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes details of the costs in relation to fundraising events, following up donations and seeking voluntary contributions and donations from supporters, and available sources;
- Expenditure on educational grants includes the committed grants over the duration of the beneficiaries particular course of study, and are provided in full once the decision is made to support that young persons particular course of study; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs are those that assist the work of the charity, but do not directly represent charitable activities and include administrative and governance costs. They are incurred directly in support of expenditure on the objects of the charity.

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.

Current asset investments are short term highly liquid investment and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.8 Financial instruments

The trust 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 trust's balance sheet when the trust 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 trust's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2 Critical accounting estimates and judgements

In the application of the trust'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 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts		
Donations from individuals	26,472	118,805
	26,472	118,805

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Investment income	56,694	56,923

5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	16,477	4,573

Other income includes write off of historical unspent grants.

6 Expenditure on charitable activities

	2025 £	2024 £
Direct costs		
Fund raising expenses	-	2,761
Grant funding of activities (see note 7)	89,772	81,272
Share of support and governance costs (see note 8)		
Support	5,276	2,938
Governance	3,510	4,450
	98,558	91,421
Analysis by fund		
Unrestricted funds	98,558	91,421

7 Grants payable

	2025 £	2024 £
Grants to institutions:		
Local shipyards to support apprenticeship scheme	-	2,962
Grants to local schools and colleges	26,650	14,000
	26,650	16,962
Education grants in respect of individuals	63,122	64,310
	89,772	81,272

8 Support costs allocated to activities

	2025 £	2024 £
Insurance	-	354
Meetings	3,589	530
Bank charges	127	242
Advertising	1,457	1,810
Sundry expenses	103	2
Governance costs	3,510	4,450
	8,786	7,388
Analysed between:		
Charitable activities		
Support & governance	8,786	7,388

8 Support costs allocated to activities **(Continued)**

Governance costs include independent examiner fees of £830 (2024: £790).

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-

The administration and support of the Trust's work, is provided by the staff of The Royal Yacht Squadron. It is not possible to quantify the cost of wages gifted in kind.

There were no employees whose annual remuneration was more than £60,000.

11 Gains and losses on Investments

	Unrestricted funds 2025	Unrestricted funds 2024
Gains/(losses) arising on:	£	£
Revaluation of investments	(26,039)	95,384

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2025	2,080,171
Valuation changes	(26,039)
Movement in cash	(5,006)
At 31 December 2025	2,049,126
Carrying amount	
At 31 December 2025	2,049,126
At 31 December 2024	2,080,171

Investments at fair value comprise:	2025 £	2024 £
Listed investments	108,085	131,107
Equities	697,448	695,146
Other	160,459	116,331
COIF Charity Funds	1,083,134	1,137,587
	2,049,126	2,080,171

14 Debtors

Amounts falling due within one year:	2025 £	2024 £
Prepayments and accrued income	610	520

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Education grants payable	34,599	37,933
Other creditors	304	354
Accruals and deferred income	3,390	3,270
	38,293	41,557

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2025	Incoming resources	Resources expended	Gains and losses	At 31 December 2025
	£	£	£	£	£
General funds	2,186,102	99,643	(98,558)	(26,039)	2,161,148

Previous year:	At 1 January 2024	Incoming resources	Resources expended	Gains and losses	At 31 December 2024
	£	£	£	£	£
General funds	2,001,838	180,301	(91,421)	95,384	2,186,102

17 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).