

Sea-Change Sailing Trust



Accounts 2021

The View from the Wheel from Richard Titchener

Now that the nation has largely started to live with Covid, it is easy to forget how it continued to affect almost every aspect of our lives in early 2021. As we enter the 2022 sailing season it is clear the tail of Covid is still having some impact, even as we look forward to a much more “normal” season. When our trustees met in March 2021, it looked like restrictions on residential sailing would not end quickly. They wisely decided to do a range of heritage activities while waiting for our clients to be able to return.

We signed up for the six barge matches in the Championship as well as the friendly Passage Race; arranged to attend Newham Heritage Month at the Excel Centre in the Royal Docks; supported Raybel CIC in carrying a small amount of Caribbean produce from Ramsgate to London and attended the first Festival of Chatham Reach. Added to the grant towards training barge crews from Trinity House, the above made for an interesting and busy time. Interspersed between these activities were the small number of youth charters we were able to do, these being three residentials for small numbers of clients from Inclusion Ventures, a front-line charity that had worked through the pandemic supporting young peoples’ mental health, and one day trip for a special school who would normally come residentially.

We were able to restart in large measure due to the helpful emergency funding from Government, the Association of Sail Training Organisations and other funders. Also, several funders and clients kindly allowed us to carry forward funding. As a result, the charity enters 2022 with healthy finances for which we are immensely grateful. This is reflected in the figures in the accounts, showing a surplus as a result.

It was a year of changes in staffing as well. Don Ramsay retired in April after spearheading the appeal to build *Blue Mermaid* and many other things besides. Towards the end of the year, book-keeper Val Wright retired after sterling service and Community 360 took over. Prior to Covid, Yvette Wetton joined as trustee responsible for finance, but work commitments led to her departing again in early 2022. This leaves a vacancy for a Treasurer.

Otherwise, succession planning proceeds well. We were delighted to recruit Judy Harrison to replace Don. She comes from a sail training background and was able to start running suitably fast. Mate Oliver Evans successfully completed a Cruising Instructor Course and has started the examination process for a Barge Master qualification. Jake Robshaw has started training to succeed him as mate when the time comes.

There were some notable achievements during the year. The barge came first in her class in the races, was the first to sail into and out of the Royal Docks in 50 years, won the award for Environmental Excellence from ASTO last winter, and Sea-Change became the first Gold operator under the Thames Green Scheme. One of the Barge Master trainees supported by the Trinity House training scheme passed the qualification successfully. The Institute of Seamanship has awarded a grant to support seamanship training. Sea-Change was nominated by Maldon Mayor David Ogg as one of his charities during the year.

At the time of writing, plans for 2022 look like a more normal season but with some clients yet to fully return. Sea-Change is partnering Huw Wahl in his *Wind, Tide and Oar* film supported so far by the Arts Council. It is two years since the application for a cargo load line was submitted to the regulator, the Maritime and Coastguard Agency, and at the time of writing (March 2022) progress has been made but work continues.

SEA-CHANGE PROJECTS LIMITED

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS AND TRUSTEES

The trustees of the charity were: Paul Bowen, Peter Clay, Professor Francis Douglas, Hilary Halajko (Chair), Captain James Thom, Richard Robinson, Steve Williams and Yvette Wetton. All trustees are directors of the not-for-profit company which is limited by a guarantee not exceeding £10 each. In accordance with its governing document the charity remunerates a minority of trustees for professional services. This only applied to Hilary Halajko when working as Mate or Mentor. The Executive Officer and Skipper was Richard Titchener and Don Ramsay was employed as Trust Administrator until his retirement on 1st April. Judy Harrison joined on 5th July in a similar role. Other staff are hired on a contract basis as required. The trustees are grateful for the contribution by volunteers to both sailing and administrative activities.

STRUCTURE, GOVERNANCE & MANAGEMENT

The charity is governed by its Memorandum and Articles of Association incorporated 15th March 2007 as amended on 14th September 2008, and it obtained charitable status on 18th September 2008.

Appointment of Trustees: The trustees were selected for their specialist knowledge and experience of working with young people, of sail training and traditional sailing.

Trustee Induction and Training: The trustees have received copies of the governing document and the policies of the charity, and extensive briefing and discussion.

Organisation: The trustees met online under covid restrictions in March and in person in November to decide the strategy and policy of the charity, which is discharged on a day-to-day basis by the Executive Officer.

Risk Management: The Chair of Trustees and Executive Officer regularly review risks associated with the operation of the charity and have established methods to avoid or mitigate them. A regular assessment of risk associated with the sailing activity is carried out. Also, monthly assessment of the financial situation is carried out.

OBJECTIVES & ACTIVITIES

The objective of the charity is to provide activity-based learning for young people, and adults with special needs, and thus to enhance their confidence and improve their lives. This is done by living and working residentially aboard a traditional sailing vessel, with or without accompanying staff, where the emphasis is on participation taking the needs of the individual into account. The trustees confirm that when deciding upon the specific activities to be carried out by the charity during the year they have paid due regard to the Charity Commission's guidance on Public Benefit.

CHAIR'S REPORT

Achievements and Performance: The trustees recognise the importance of objective measures of success in the work of the charity and have taken steps to provide accreditation of the learning achieved by clients. The charity is a Royal Yachting Association Training Centre, RYA Sailability Foundation Organisation in recognition of its work with people with disabilities, and a member of the Association of Sail Training Organisations (ASTO). During the year the charity ceased being an Approved Activity provider with the Duke of Edinburgh Award Scheme due to poor uptake of the

opportunity for a number of years. There is research evidence that working together in a structured environment providing individual and group challenge is beneficial, and this is borne out by the reports of the staff who, in many cases accompany clients. They find a positive change in people when they return to school, college, youth club or work, and transfer the evidence of achievement with the charity back to normal life. ASTO carried out a research project in 2018/19 based on a significant sample of participants and it supported these results.

There continued to be impact from the Covid Pandemic on the operations of the charity as restrictions were still in place for our activity at the start of the season. Hence, it was decided to participate in a number of heritage activities and barge races, bringing a busy year but with a small number of charters for young people.

Efforts continued to obtain a load line from the Maritime and Coastguard Agency but nothing was heard until the end of the year. The trustees decided to escalate the issue which resulted in questions on the stability data of the vessel, which were answered by the end of the year. In early 2022 efforts have continued to resolve the matter but at the time of this report there is no timescale as to when this will be achieved. In the meantime, sail-training work under the general Exemption for Thames barges continues and there is every expectation of a return to a more normal year in 2022.

FINANCIAL REVIEW

The charity depends on donations to discharge its ongoing work, both to cover a proportion of fixed costs and to provide funds for individuals and groups who are not able to afford full charter fees. The Trust Administrator, Don Ramsay followed by Judy Harrison, continued to devote a time to fund-raising. The team of appeal patrons led by Rear-Admiral David Snelson has reduced in number with the success of the appeal for the Blue Mermaid, but a number continue to support the charity in its general fund-raising.

Costs of operation during the year were kept to a minimum with heritage activities being largely self-financing, and thanks to the previous emergency funding and the ability to carry forward some bursary funding the charity enters 2022 in a healthy position.

Reserves Policy: The objective is to carry unrestricted reserves sufficient to finance six months of forward operation. The cyclical nature of the operational year makes this very difficult to achieve. Fundraising is prioritised over the winter period, though carried on throughout the year, and operations take precedence in the sailing season. The position at this year-end enables trustees to conclude they are entering the next operational cycle with sufficient reserves to embark on the new season. Trustees have commenced investigating how to establish an interest-bearing account to benefit the operation and maintenance of the vessel in future. It seems possible this could require a specific appeal for the purpose.

Pay Policy for Senior Staff: It is the policy of the charity to remunerate all staff reasonably for work done in accordance with ability to pay in the financial situation existing at the time, in comparison with similar-sized charities in the area. For sailing staff, comparison is made with staff working on the same or similar vessels doing such work.

Investment Policy: The Articles of Association of the charity enable it to invest as it considers necessary. This has not been actioned to date as there have been no excess funds, except in as much as the building of the new vessel represents investment. Should funds allow, the charity would like to set up an endowment to support the *Blue Mermaid* and the operation of the charity in future years

through investment income. Given the threat to survival from Covid there has been no progress with this desire during 2020. There are no plans to enter loan agreements.

FUTURE PLANS

Plans for 2022 assume a return to more normal residential work with charitable clients, and it is pleasing to note at the time of writing in March 2022 that this seems to be borne out by experience of bookings. Most clients have returned. Some new ones have been identified. With the second year of the barge crew training funded mainly by Trinity House, this results in an active season taking shape.

Succession planning continues. This has been successful for the shoreside activities with Judy Harrison having replaced Don Ramsay. Afloat efforts continue with Oliver Evans working towards a Barge Master qualification, his role as Mate being shadowed by Jake Robshaw. Oliver successfully completed a cruising Instructor Course in September with a view to becoming a full instructor replacing John Rhodes in due course. In the meantime, the Trust is very grateful for John's continued support.

Plans to load cargo remain contingent on success with the load line. It is only possible to say the plan remains active, but timescales are unclear. This delay has a bearing on a number of activities, including developing the scholarship training scheme, a carbon trading model, a cargo network and relationships with users. It is also affecting (and likely reducing) fundraising income.

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees, as directors of the company, warrant that there is no relevant information of which the examining accountant is not aware, so far as we are aware, and that we have taken all reasonable steps to inform the accountant of any relevant information.

SMALL COMPANY PROVISIONS

The report has been prepared in accordance with the provisions applicable to companies entitled to the exemption for small companies.

Signed by order of the Trustees



Hilary Halajko, Chair of Trustees

Dated 8/4/2022

SEA-CHANGE PROJECTS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Paul Bowen Peter Clay Francis Douglas Hilary Halajko James Thom Stephen Williams
Charity number	1125958
Company number	6163852
Registered office	Downs Road Boatyard Maldon, Essex, CM9 5HG
Independent examiner	Community360 Winsleys House High Street Colchester CO1 1UG

SEA-CHANGE PROJECTS LIMITED

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

I report on the accounts of Sea-Change Projects Limited for the year ended 31st December 2021.

Respective responsibilities of trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year (under section 144 (2) of the Charities Act 2011 (The Act) but that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the Charities Act,
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the Charities Act, and
- To state whether particular matters have come to my attention.

Basis of independent examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 considerations 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 I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

I 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.

Shelley-Marie Rudling FMAATAATQB for and on behalf of:
Community360

Winsley's House, High Street, Colchester, Essex



Date

21st April
2022.

SEA-CHANGE PROJECTS LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021	2021	2021	2021	2021	2020	2020	2020	2020
		Unrestricted	Restricted	Designated	Total	Unrestricted	Restricted	Designated	Total	
		£	£	£	£	£	£	£	£	£
Income and endowments from :										
		30,416	-	-	30,416	57,421	-	-	57,421	
		128,341	-	-	128,341	30,422	-	-	30,422	
2		-	-	-	-	-	-	-	-	
Total incoming resources		158,757	-	-	158,757	87,843	-	-	87,843	
Resources expended										
4		96,807	7,578	-	104,385	80,044	7,578	-	87,622	
3		6,910	-	-	6,910	7,200	-	-	7,200	
Total resources expended		103,717	7,578	-	111,295	87,244	7,578	-	94,822	
Net incoming resources before transfers										
		55,040	(7,578)	-	47,462	599	(7,578)	-	(6,979)	
Transfer between funds										
		-	-	-	-	(5,509)	-	5,509	-	
Sale of portacabin										
		-	-	-	-	300	-	-	300	
Net income for the year										
		55,040	(7,578)	-	47,462	(4,610)	(7,578)	5,509	(6,679)	
Funds at 1 January 2020										
		87,071	666,662	21,303	775,036	97,190	674,240	10,285	781,715	
Funds at 31 December 2020										
		142,111	659,084	21,303	822,498	87,071	666,662	21,303	775,036	

SEA-CHANGE PROJECTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	5	738,119	746,163
		<u>738,119</u>	<u>746,163</u>
Current assets			
Debtors	7	118	118
Cash at bank & in hand		87,149	53,567
		<u>87,267</u>	<u>53,685</u>
Creditors: amounts falling due within one year	8	(2,888)	(24,812)
Net current assets/(liabilities)		<u>84,379</u>	<u>28,873</u>
Net assets		<u><u>822,498</u></u>	<u><u>775,036</u></u>
Funds			
Unrestricted funds	10	147,620	92,580
Restricted funds	10	659,084	666,662
Designated funds	10	15,794	15,794
Total funds		<u><u>822,498</u></u>	<u><u>775,036</u></u>

For the period ended 31st December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

The director's acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

The directors declare that they have approved the accounts above.


Hilary Halajko, Chair of Trustees

Date 8/4/22

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with Accounting and preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

Accounting period

The accounts are prepared on the basis for 12 months. Previous accounts were for 16 months.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Investment income consists of bank interest received within the year.

Resources expended

Expenditure is included on an accruals basis including irrecoverable VAT.

Fixed assets

Assets over £1,000 are capitalised and depreciated at the following rates in order to write them off over their estimated effective lives.

Computer and Office equipment	25% Straight line
Barge equipment	1% Straight Line
Sailing equipment	25% Straight line

Funds

Funds held by the charity are either:

Unrestricted - these are funds that can be used in accordance with the charitable objects at the discretion of the trustees; or

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity.

Designated funds - are funds the trustees have put aside for the maintenance of the Blue mermaid

SEA-CHANGE PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Investment income	Total 2021 £	Total 2020 £
Interest receivable	-	-
3. Fund raising	Total 2021 £	Total 2020 £
Management salaries	6,683	7,200
Advertising	-	-
Fundraising	227	-
	6,910	7,200
4. Charitable activities	Total 2021 £	Total 2020 £
Personnel		
Directors salaries		5,004
Management salaries	62,411	55,168
Establishment		
Insurance	786	1,299
Rent & rates	1,748	780
Barge expenses		
Charter fees	-	-
Contractor fees	300	-
Fuel, food & maintenance	24,420	12,701
Support costs		
Motor & travel	529	493
Telephone & computer charges	453	900
Printing & stationery	299	269
Sundry	3,042	1,482
Depreciation	8,044	7,733
Governance costs		
Independent examination fee	420	420
Other accounting services	1,933	1,375
	104,385	87,622

Personnel costs total of £39,645 (2020: £39,645) is split Unrestricted £39,645 (2020: £0) Restricted £0 (2020: £0).

Barge expenses total of £12,701 (2020: £12,701) is split Unrestricted £12,701 (2020: £0) Restricted £0 (2020: £0).

Support costs total of £12,367 (2020: £10,876) is split Unrestricted £0 (2020: £0) Restricted £7,578 (2020: £7,578).

SEA-CHANGE PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5 Tangible Fixed Assets	Office Equipment £	Sailing Equipment £	Blue Mermaid £	Total £
Cost				
As at 1 January 2021	4,387	2,980	757,771	765,138
Additions(Disposals)	0	-	-	-
As at 31 December 2021	4,387	2,980	757,771	765,138
Depreciation				
As at 1 January 2021	4,387	2,514	12,074	18,975
Additions	0	466	7,578	8,044
As at 31 December 2021	4,387	2,980	19,652	27,019
Net Book Value				
As at 1 January 2021	-	466	744,952	745,572
As at 31 December 2021	-	-	738,119	738,119

The cost of building Blue Mermaid is being written off over 100 years from 27/05/2019.
The depreciation for 2020 is £7,577.71.

6 Staff Costs	Total 2021 £	Total 2020 £
Wages & Salaries	58,469	66,315
Social Security Costs	3,942	1,056
	62,411	67,372

7 Debtors	Total 2021 £	Total 2020 £
Trade Debtors	118	- 1,100
Gift Aid	-	1,218
	118	118

SEA-CHANGE PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8 Creditors: falling due within a year	Total 2021 £	Total 2020 £
Deferred Income	-	24,207
Trade creditors	1,617	
Accruals	420	420
Taxation & Social Security	851	184
	<u>2,888</u>	<u>24,812</u>

9 Related Parties

One trustee was remunerated a total of £9,053 (2020: £5,003.81) for the time spent providing sailing and mentoring services.

Mr R D Titchener is a party related to a trustee and earned wages in his capacity as Executive Officer and Barge Skipper of £28,479 (2020: £27,942).

10. Summary of Funds

	Brought Forward £	Incoming Resources £	Gift Aid £	Outgoing Resources £	Transfer	Carried Forward £
Unrestricted	92,580	158,757	-	103,717	-	147,620
Restricted	666,662	-	-	7,578	-	659,084
Designated	15,794	-	-	-	-	15,794
	<u>775,036</u>	<u>158,757</u>	<u>-</u>	<u>111,295</u>	<u>-</u>	<u>822,498</u>

10. Summary of Funds Continued

Analysis of Net Assets (between restricted & unrestricted funds)

	Tangible Fixed £	Net Current £	Total 2021 £	Tangible Fixed £	Net Current £	Total 2020 £
Restricted	681,019	-	681,019	688,567	-	688,567
Unrestricted	57,100	84,379	141,479	57,596	28,873	86,469
	<u>738,119</u>	<u>84,379</u>	<u>822,498</u>	<u>746,163</u>	<u>28,873</u>	<u>775,036</u>

11. Designated Fund

The trustees have agreed to create a designated fund for the maintenance of Blue Mermaid as 20% of charter fees according to full cost recovery principles.