

# Sea-Change Sailing Trust



## Accounts 2022



# **SEA-CHANGE PROJECTS LIMITED**

## **TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

### **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, who resigned on 28<sup>th</sup> January 2022. There is a vacancy for a trustee with a financial background. 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 Judy Harrison was employed as Assistant Executive Officer. Other staff are hired on a contract basis as required, although there were none this year. 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 in March and 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). 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.

Efforts to obtain a load line from the Maritime and Coastguard Agency were eventually successful on 20<sup>th</sup> September 2022, some 38 months from initiation and too late to put it to use that season. Efforts are now in train to find suitable large and small cargoes fitting around the established work of the charity. The cargo is in pursuit of our charitable objectives and will provide purpose to our Sail Training voyages.

Early in 2021, Trinity House made a substantial award to support crew and skipper training and this was completed successfully in 2022 with the anticipated four candidates prepared for examination.

## **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. Judy Harrison continued to devote around half her 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.

With covid emergency funding carried forward, the charity entered the year with a healthy balance enabling a restart to previous activities. The season was more normal than the last and included the addition of new clients as well as previous ones returning.

**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.

**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. The trustees intend to establish an endowment fund for the future of the charity when resources allow, but this has not been the case to date. Indeed, it seems this might require a dedicated fund-raising campaign at some point. There are no plans to enter loan agreements.

## **FUTURE PLANS**

Plans for 2023 are well-advanced at the time of writing, with a sound base of bookings and funding against them for the majority of the season. Work continues to fund suitable cargoes to discharge a grant from the Essex County Council Climate Challenge Fund, and plans are taking shape for deliveries early and late in the season especially once the harvest is gathered.

Succession planning continues with Oliver Evans working towards a Barge Master qualification.

## **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

A handwritten signature in black ink, appearing to read 'Hilary Halajko', written in a cursive style.

Hilary Halajko, Chair of Trustees

Dated

23/2/2023

## The View from the Wheel

by Richard Titchener

As we gear up for what looks like a busy 2023 season, last season already feels a long time ago. In fact, it started with painting in the snow at the end of March on Pin Miíl blocks and ended with another successful attendance at the Festival of Chatham Reach mid-September. Between we worked with 198 people over 22 charters. The highpoints included our first family group with Inclusion Ventures, something both charities have wanted to do for a long time and hope to do again; the team from the *Cutty Sark* rowed the barge in a calm from Bradwell to the Colne as they would a clipper becalmed among the islands of the South China Sea; despite the weather affecting the overall event, we flew up the Medway with a fair wind for the Jubilee Pageant at Chatham with its grand cacophony and gun salute from Fort Amherst; a loadline exemption was granted by the MCA in September, 38 months after the process started; young people from the Youth Sailing Scheme helped unrig the barge at the end of the season for the first time.

Last winter trustee Captain Jim Thom delivered an excellent talk about his life afloat in support of the charity, and Rear Admiral Roy Clare stood in for Rear Admiral David Snelson when illness prevented him delivering his lecture on the Five Ark Royals. I am delighted David gave this to a packed audience this winter instead. Thanks to all concerned. Another appeal patron, Michael Mainelli, will be Lord Mayor of London from November 2023, the first time a bargeman has held that position. We welcomed educational psychologist Anna Roberts and her expertise to support groups and individuals both sailing with us and ashore.

Trustee Yvette Wetton left us in January, meaning we are seeking a Treasurer. Although falling just outside the year, it was with great sadness we learnt of the passing of Peter Clay on 16<sup>th</sup> January 2023. Pete had attended his final trustees' meeting in November and was able to tell of his pride at progress with the Sutton Hoo ship, his other project. He had been with Sea-Change from the start.

The season felt almost back to normal after the pandemic and the residue of the emergency funding gave some essential bursary support to getting up and running again. However, not all winds were fair. One early charter was shortened due to covid among the crew and those who had it were quite unwell.

In the winter refit, the barge was given a third forward leeboard position to address an issue with balance. Otherwise, she is holding up very well and next winter sees the end of her first five year survey cycle. Time flies.

The year saw the culmination of the two year training project supported by Trinity House giving structured experience to sailing barge mates and preparing a number for examination as master. I am delighted to report this work continues into 2023 following a new and this time joint application with the Thames Sailing Barge Trust. It will also see filming of the *Wind, Tide and Oar* project on engineless sailing for showing using *Blue Mermaid* as a mobile cinema around our coast the next year.

Meanwhile, work continues apace to find cargoes large and small to give destinations this year for our training voyages. This is supported by a grant from the Essex County Council Climate Challenge Fund.

2023 promises to be another exciting year.

# SEA-CHANGE PROJECTS LIMITED

## INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

I report on the accounts of Sea-Change Projects Limited for the year ended 31st December 2022.

### **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

23rd March 2023

**SEA-CHANGE PROJECTS LIMITED**

**LEGAL AND ADMINISTRATIVE INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>Trustees</b>	<b>Paul Bowen Peter Clay Francis Douglas Hilary Halajko James Thom Stephen Williams Richard Robinson Yvette Wetton (resigned 28th January 2022)</b>
<b>Charity number</b>	<b>1125958</b>
<b>Company number</b>	<b>6163852</b>
<b>Registered office</b>	<b>Downs Road Boatyard Maldon, Essex, CM9 5HG</b>
<b>Independent examiner</b>	<b>Community360 Winsleys House High Street Colchester CO1 1UG</b>



**SEA-CHANGE PROJECTS LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022	2022	2022	2022	2021	2021	2021	2021
	Note	Unrestricted £	Restricted £	Designated £	Total £	Unrestricted £	Restricted £	Designated £	Total £
<b>Income and endowments from :</b>									
Donations & legacies		13,592	-	-	13,592	30,416	-	-	30,416
Charitable activities	2	46,455	-	-	46,455	128,341	-	-	128,341
<b>Total incoming resources</b>		<b>60,047</b>	<b>-</b>	<b>-</b>	<b>60,047</b>	<b>158,757</b>	<b>-</b>	<b>-</b>	<b>158,757</b>
<b>Resources expended</b>									
Charitable activities	4	103,795	7,578	2,101	113,474	96,807	7,578	-	104,385
Fund raising	3	11,958	-	-	11,958	6,910	-	-	6,910
<b>Total resources expended</b>		<b>115,753</b>	<b>7,578</b>	<b>2,101</b>	<b>125,432</b>	<b>103,717</b>	<b>7,578</b>	<b>-</b>	<b>111,295</b>
<b>Net incoming resources before transfers</b>		<b>(55,706)</b>	<b>(7,578)</b>	<b>(2,101)</b>	<b>(65,385)</b>	<b>55,040</b>	<b>(7,578)</b>	<b>-</b>	<b>47,462</b>
<b>Transfer between funds</b>		<b>(21,935)</b>	<b>21,935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income for the year</b>		<b>(77,641)</b>	<b>14,357</b>	<b>(2,101)</b>	<b>(65,385)</b>	<b>55,040</b>	<b>(7,578)</b>	<b>-</b>	<b>47,462</b>
<b>Funds at 1 January 2022</b>		<b>142,111</b>	<b>659,084</b>	<b>21,303</b>	<b>822,498</b>	<b>87,071</b>	<b>666,662</b>	<b>21,303</b>	<b>775,036</b>
<b>Funds at 31 December 2022</b>		<b>64,470</b>	<b>673,441</b>	<b>19,202</b>	<b>757,113</b>	<b>142,111</b>	<b>659,084</b>	<b>21,303</b>	<b>822,498</b>

**SEA-CHANGE PROJECTS LIMITED****BALANCE SHEET  
AS AT 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	<u>730,541</u> <b>730,541</b>	<u>738,119</u> <b>738,119</b>
<b>Current assets</b>			
Debtors	7	6,737	118
Cash at bank & in hand		<u>58,262</u> <b>64,999</b>	<u>87,149</u> <b>87,267</b>
<b>Creditors: amounts falling due within one year</b>	8	(38,427)	(2,888)
<b>Net current assets/(liabilities)</b>		<u>26,572</u>	<u>84,379</u>
<b>Net assets</b>		<u><b>757,113</b></u>	<u><b>822,498</b></u>
<b>Funds</b>			
Unrestricted funds	10	64,470	147,620
Restricted funds	10	673,441	659,084
Designated funds	10	19,202	15,794
<b>Total funds</b>		<u><b>757,113</b></u>	<u><b>822,498</b></u>

For the period ended 31st December 2022 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

23/2/2023

## SEA-CHANGE PROJECTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 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

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the asset of the charity in the event of liquidation.

# SEA-CHANGE PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 2. Charitable activities income

	<b>Total 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>
Grants	1,000	92,091
Events	1,320	-
Fee income	44,135	36,250
	<b>46,455</b>	<b>128,341</b>

### 3. Fund raising

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Management salaries	11,898	6,683
Fundraising	60	227
	<b>11,958</b>	<b>6,910</b>

### 4. Charitable activities

	<b>Total 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>
Personnel		
Directors salaries	10,684	-
Management salaries	63,106	62,411
Training	1,981	-
Establishment		
Insurance	3,770	786
Rent & rates	2,873	1,748
Barge expenses		
Charter fees	7,655	-
Contractor fees	-	300
Fuel, food & maintenance	10,069	24,420
Support costs		
Motor & travel	277	529
Telephone & computer charges	1,092	453
Printing & stationery	326	299
Sundry	1,757	3,042
Depreciation	7,578	8,044
Governance costs		
Independent examination fee	340	420
Other professional fees	424	-
Other accounting services	1,542	1,933
	<b>113,474</b>	<b>104,385</b>

Personnel costs total of £87,669 (2021: £39,645) is split Unrestricted £87,669 (2021: £39,645) Restricted £0 (2021: £0).

Barge expenses total of £17,724 (2021: £12,701) is split Unrestricted £15,623 (2021: £12,701) Restricted £0 (2021: £0) Designated £2,101 (2021: £0)

Support costs total of £11,030 (2021: £12,367) is split Unrestricted £3,452 (2021: £0) Restricted £7,578 (2021: £7,578).

# SEA-CHANGE PROJECTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

<b>5 Tangible Fixed Aassets</b>	<b>Office Equipment £</b>	<b>Sailing Equipment £</b>	<b>Blue Mermaid £</b>	<b>Total £</b>
<b>Cost</b>				
As at 1 January 2022	4,387	2,980	757,771	765,138
Additions(Disposals)	-	-	-	-
As at 31 December 2022	<b>4,387</b>	<b>2,980</b>	<b>757,771</b>	<b>765,138</b>
<b>Depreciation</b>				
As at 1 January 2022	4,387	2,980	19,652	27,019
Additions	-	-	7,578	7,578
As at 31 December 2022	<b>4,387</b>	<b>2,980</b>	<b>27,230</b>	<b>34,597</b>
<b>Net Book Value</b>				
As at 31 December 2021	-	-	738,119	738,119
As at 31 December 2022	<b>-</b>	<b>-</b>	<b>730,541</b>	<b>730,541</b>

The cost of building Blue Mermaid is being written off over 100 years from 27/05/2019.

The depreciation for 2022 is £7,577.71.

<b>6 Staff Costs</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Wages & Salaries	70,568	65,151
Social Security Costs	3,222	3,942
	<b>73,790</b>	<b>69,094</b>

<b>7 Debtors</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Trade Debtors	3,340	118
Prepaid Insurance	3,397	-
	<b>6,737</b>	<b>118</b>

A prepayment of £3,397 has been included in the 2022 accounts in relation to the insurance payment. This equates to 6 months payments for insurance.

<b>8 Creditors: falling due within a year</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Trade creditors	5	1,617
Accruals	546	420
Deferred income	36,086	-
Taxation & Social Security	1,790	851
	<b>38,427</b>	<b>2,888</b>

## SEA-CHANGE PROJECTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 9 Related Parties

One trustee was remunerated a total of £10,684 (2021: £9,053) 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 £32,983 (2021: £28,479).

#### 10. Summary of Funds

	<b>Brought Forward</b>	<b>Incoming Resources</b>	<b>Gift Aid</b>	<b>Outgoing Resources</b>	<b>Transfer</b>	<b>Carried Forward</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>		<b>£</b>
Unrestricted	142,111	60,047	-	115,753	(21,935)	64,470
Restricted	659,084	-	-	7,578	21,935	673,441
Designated	21,303	-	-	2,101	-	19,202
	<b>822,498</b>	<b>60,047</b>	<b>-</b>	<b>125,432</b>	<b>-</b>	<b>757,113</b>

#### 10. Summary of Funds Continued

Analysis of Net Assets (between restricted & unrestricted funds)

	<b>Tangible Fixed</b>	<b>Net Current</b>	<b>Total 2022</b>	<b>Tangible Fixed</b>	<b>Net Current</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted	673,441	-	673,441	681,019	-	681,019
Designated		19,202	19,202			
Unrestricted	57,100	7,370	64,470	57,100	84,379	141,479
	<b>730,541</b>	<b>26,572</b>	<b>757,113</b>	<b>738,119</b>	<b>84,379</b>	<b>822,498</b>

#### 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.