

Sea-Change Sailing Trust



Accounts 2023



The View from the Wheel by Richard Titchener

The 2023 season was noticeably busier than the last with 28 charters sailing with 216 people. *Blue Mermaid* was second in class in the Championship and took part in most of the races, a rare opportunity to show her performance, though she was built for work. With help from the Essex Climate Impact Challenge Fund she delivered ten cargoes, the last craned out on a commercial quay on the Medway, above. For the 2024 season we will have a Safe Working Load certificate to enable us to load cargo using the gear. Volunteer Peter Green has joined to seek cargoes. To discuss ideas, contact Peter at cargoes@seachangesailingtrust.org.uk. Crew training continued with the help of funding from Trinity House and is now a regular feature of our work.

Fundraising felt tighter during 2023 so we are very grateful to established and new funders. As progress continued with the *Wind, Tide and Oar* film, funded by the Arts Council, a successful application to the Heritage Lottery Fund supports the screening of the film in 2024 at ten locations in a “skippers of the future” project to spread the word about opportunities within the sector. The premiere is at Greenwich Maritime Museum and the *Cutty Sark*. Crew will sail with us between the locations and gain the Introductory Certificate of Traditional Seafaring which we helped develop with National Historic Ships.

Bargeman Michael Mainelli is currently Lord Mayor of London and named Sea-Change as one of his chosen charities. Sadly, the year saw the passing of long-time trustee Peter Clay and of Canon Bill Broad who had been both supporter and inspiration from the beginning of the charity. Just into 2024 Jim Lawrence also passed away. The encouragement, advice and friendship of all three are greatly missed.

At the end of the season feedback forms were reviewed and the results were a powerful endorsement of our work. Young people are asked how much out of a possible 10 they would like to sail again with Sea-Change and the result was 8.2. Honesty is the best approach, and one client wrote “I do not want to be rude, but sailing is just not for me”. We ask for an estimate of where someone scores themselves, sometimes with help from staff, on twelve questions around confidence, working with others, self-control, timeliness and listening. We do this at the end of the trip and ask people to estimate where they started as well. The difference gives a total perceived improvement score of 29.6% with a median of 37%. Anna Roberts, a retired educational psychologist volunteering for the Trust, recorded interviews with Youth Sailing Scheme trainees and this has proved invaluable in demonstrating benefits to funders.

SEA-CHANGE PROJECTS LIMITED

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

DIRECTORS AND TRUSTEES

The trustees of the charity were: Paul Bowen, Professor Francis Douglas, Hilary Halajko (Chair), Captain James Thom, Richard Robinson and Steve Williams. Sadly, trustee Peter Clay passed away in January and the Trust was represented at his funeral by Richard Titchener. The trustees had been seeking a Treasurer for some time and it was fortunate to obtain the services of Stuart James as Trustee and Treasurer joining at their meeting on 18th March 2023, together with Iain Stubbs. 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 part-time. The mate of Blue Mermaid, Oliver Evans, is permanently employed full-time, and Judy part-time. 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 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.

The previous report mentioned efforts to find cargoes following the award of a load line in late 2022. A grant from the Essex County Council's Climate Impact Challenge fund supported the purchase of equipment, publicity materials, marketing and the delivery of ten consignments of cargo for the Mighty Oak Brewery by voyage crews of young people. Efforts continue to find cargoes in pursuit of our charitable objectives to provide purpose to our Sail Training voyages.

Training of sailing barge crews continued with the support of Trinity House and in partnership with the Thames Sailing Barge Trust. The target of preparing four candidates for examination as skipper was met.

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 season was the first fully "normal" one after Covid and was busier than the last, with a total of 28 charters and sailed with 216 people, a marked increase on the previous year and amounting to a full season without a second crew. The financial situation at the end of the year was sound as a starting point to enter 2024 with an amount equivalent to the reserves policy in hand. There was not enough to commence an endowment fund providing interest and this desire continues to be held over pending either a significant legacy or a specific organised appeal aimed at a target, with resource implications.

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.

FUTURE PLANS

Plans for 2024 are well-advanced at the time of writing, with a sound base of bookings and funding against them for the majority of the season. Success with an application to the Lottery Heritage Fund

makes it possible to arrange sail training voyages between screenings of the film Wind, Tide and Oar (itself funded by the Arts Council) around the east coast with the theme “Skippers of the Future” to spread knowledge about the barge fleet and opportunities within it. This will take place over a three month period between April and July, after which a YSS summer cruise and established clients will be aboard.

Succession planning continues with Oliver Evans working towards a Barge Master qualification. At the time of writing, he has completed stage one successfully. Some additional costs are expected in 2024 training crew for succession. Cherry Dale has joined as a sea staff volunteer and is attending regularly to learn maintenance and will sail as a trainee. In return she is being funded in relevant courses.

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

18/03/24

SEA-CHANGE PROJECTS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023

| | | |
|-----------------------------|---|--------------------------------|
| Trustees | Paul Bowen | |
| | Francis Douglas | |
| | Hilary Halajko | |
| | James Thom | |
| | Stephen Williams | |
| | Richard Robinson | |
| | Stuart Allan James | Appointed 18 March 2023 |
| | Iain Murray Stubbs | Appointed 18 March 2023 |
| 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

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023

| | | 2023 | 2023 | 2023 | 2023 | 2022 | 2022 | 2022 | 2022 |
|--|------|-------------------|-----------------|-----------------|----------------|-------------------|-----------------|-----------------|----------------|
| | Note | Unrestricted £ | Restricted £ | Designated £ | Total £ | Unrestricted £ | Restricted £ | Designated £ | Total £ |
| Income and endowments from : | | | | | | | | | |
| Donations & legacies | | 27,692 | - | - | 27,692 | 13,592 | - | - | 13,592 |
| Charitable activities | 2 | 122,573 | - | - | 122,573 | 46,455 | - | - | 46,455 |
| Total incoming resources | | 150,265 | - | - | 150,265 | 60,047 | - | - | 60,047 |
| Resources expended | | | | | | | | | |
| Charitable activities | 4 | 128,169 | 7,578 | - | 135,747 | 103,795 | 7,578 | 2,101 | 113,474 |
| Fund raising | 3 | 10,633 | - | - | 10,633 | 11,958 | - | - | 11,958 |
| Total resources expended | | 138,802 | 7,578 | - | 146,380 | 115,753 | 7,578 | 2,101 | 125,432 |
| Net incoming resources before transfers | | 11,463 | (7,578) | - | 3,885 | (55,706) | (7,578) | (2,101) | (65,385) |
| Transfer between funds | | - | - | - | - | (21,935) | 21,935 | - | - 21,935 |
| Net income for the year | | 11,463 | (7,578) | - | 3,885 | (77,641) | 14,357 | (2,101) | (65,385) |
| Funds at 1 January 2023 | | 64,470 | 673,441 | 19,202 | 757,113 | 142,111 | 659,084 | 21,303 | 822,498 |
| Funds at 31 December 2023 | | 75,933 | 665,863 | 19,202 | 760,998 | 64,470 | 673,441 | 19,202 | 757,113 |

SEA-CHANGE PROJECTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

| | Notes | 2023 £ | 2022 £ |
|---|-------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets - (Sail-Training Vessel) | 5 | <u>722,963</u> | <u>730,541</u> |
| | | 722,963 | 730,541 |
| Current assets | | | |
| Debtors | 7 | 3,581 | 6,737 |
| Cash at bank & in hand | | <u>67,003</u> | <u>58,262</u> |
| | | 70,584 | 64,999 |
| Creditors: amounts falling due within one year | 8 | (32,549) | (38,427) |
| Net current assets/(liabilities) | | <u>38,035</u> | <u>26,572</u> |
| Net assets | | <u>760,998</u> | <u>757,113</u> |
| Funds | | | |
| Unrestricted funds | 10 | 75,933 | 64,470 |
| Restricted funds | 10 | 665,863 | 673,441 |
| Designated funds | 10 | 19,202 | 19,202 |
| Total funds | | <u>760,998</u> | <u>757,113</u> |

For the period ended 31st December 2023 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

18/03/24

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 2023

| Charitable activities income | Total 2023 £ | Total 2022 £ |
|---------------------------------|-----------------------|-----------------------|
| Grants | 78,365 | 1,000 |
| Events | 822 | 1,320 |
| Fee income | 43,386 | 44,135 |
| | 122,573 | 46,455 |
| 3. Fund raising | 2023 | 2022 |
| | £ | £ |
| Management salaries | 10,608 | 11,898 |
| Fundraising | 25 | 60 |
| | 10,633 | 11,958 |
| 4. Charitable activities | Total 2023 | Total 2022 |
| | £ | £ |
| Personnel | | |
| Directors salaries | 12,557 | 10,684 |
| Management salaries | 59,873 | 63,106 |
| Training | 4,930 | 1,981 |
| Establishment | | |
| Insurance | 7,371 | 3,770 |
| Rent & rates | 2,468 | 2,873 |
| Barge expenses | | |
| Charter fees | 10,430 | 7,655 |
| Fuel, food & maintenance | 25,001 | 10,069 |
| Support costs | | |
| Motor & travel | 448 | 277 |
| Telephone & computer charges | 796 | 1,092 |
| Printing & stationery | 16 | 326 |
| Advertising | 1,173 | - |
| Sundry | 1,508 | 1,757 |
| Depreciation | 7,578 | 7,578 |
| Governance costs | | |
| Independent examination fee | 540 | 340 |
| Other professional fees | 688 | 424 |
| Other accounting services | 370 | 1,542 |
| | 135,747 | 113,474 |

Personnel costs total of £85,068 (2022: £87,669) is split Unrestricted £85,068 (2022: £87,669) Restricted £0 (2022: £0).

Barge expenses total of £35,431 (2022: £17,724) is split Unrestricted £35,431 (2022 £15,623) Restricted £0 (2022: £0) Designated £0 (2022: £2,101)

Support costs total of £14,419 (2022: £11,030) is split Unrestricted £14,419 (2022: £3,452) Restricted £0 (2022: £7,578).

SEA-CHANGE PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

| Tangible Fixed Assets | Office Equipment £ | Sailing Equipment £ | Blue Mermaid £ | Total £ |
|------------------------------|-----------------------------------|------------------------------------|-------------------------------|--------------------|
| Cost | | | | |
| As at 1 January 2023 | 4,387 | 2,980 | 757,771 | 765,138 |
| Additions(Disposals) | - | - | - | - |
| As at 31 December 2023 | 4,387 | 2,980 | 757,771 | 765,138 |
| Depreciation | | | | |
| As at 1 January 2023 | 4,387 | 2,980 | 27,230 | 34,597 |
| Additions | - | - | 7,578 | 7,578 |
| As at 31 December 2023 | 4,387 | 2,980 | 34,808 | 42,175 |
| Net Book Value | | | | |
| As at 31 December 2022 | - | - | 730,541 | 730,541 |
| As at 31 December 2023 | - | - | 722,963 | 722,963 |

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

The depreciation for 2023 is £7,577.71.

| 6 Staff Costs | Total 2023 £ | Total 2022 £ |
|-----------------------|-----------------------------|-----------------------------|
| Wages & Salaries | 80,835 | 82,466 |
| Social Security Costs | 2,203 | 3,222 |
| | 83,038 | 85,688 |

| 7 Debtors | Total 2023 £ | Total 2022 £ |
|-------------------|-----------------------------|-----------------------------|
| Trade Debtors | - | 3,340 |
| Prepaid Insurance | 3,581 | 3,397 |
| | 3,581 | 6,737 |

A prepayment of £3,581 has been included in the 2023 accounts in relation to the insurance payment. This equates to 6 months payments for insurance.

SEA-CHANGE PROJECTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

| Creditors: falling due within a year | Total 2023 £ | Total 2022 £ |
|--------------------------------------|--------------------|--------------------|
| Trade creditors | 1,297 | 5 |
| Accruals | 540 | 546 |
| Deferred income | 29,228 | 36,086 |
| Taxation & Social Security | 1,484 | 1,790 |
| | 32,549 | 38,427 |

9 Related Parties

One trustee was remunerated a total of £12,557 (2022: £10,684) 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 £32,871 (2022: £32,983).

10. Summary of Funds

| | Brought Forward £ | Incoming Resources £ | Gift Aid £ | Outgoing Resources £ | Transfer | Carried Forward £ |
|--------------|-------------------------|----------------------------|---------------|----------------------------|----------|-------------------------|
| Unrestricted | 64,470 | 150,265 | - | 138,802 | - | 75,933 |
| Restricted | 673,441 | - | - | 7,578 | - | 665,863 |
| Designated | 19,202 | - | - | - | - | 19,202 |
| | 757,113 | 150,265 | - | 146,380 | - | 760,998 |

10. Summary of Funds Continued

Analysis of Net Assets (between restricted & unrestricted funds)

| | Tangible Fixed £ | Net Current £ | Total 2023 £ | Tangible Fixed £ | Net Current £ | Total 2022 £ |
|--------------|------------------------|---------------------|-----------------|------------------------|---------------------|--------------------|
| Restricted | 665,863 | - | 665,863 | 673,441 | - | 673,441 |
| Designated | | 19,202 | 19,202 | | 19,202 | 19,202 |
| Unrestricted | 57,100 | 18,833 | 75,933 | 57,100 | 7,370 | 64,470 |
| | 722,963 | 38,035 | 760,998 | 730,541 | 26,572 | 757,113 |

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.

SEA-CHANGE PROJECTS LIMITED

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

I report on the accounts of Sea-Change Projects Limited for the year ended 31st December 2023.

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.

David Courtier FMAAT AATQB for and on behalf of:

Community360



Winsley's House, High Street, Colchester, Essex

Date 21/3/2024