

Company registration number: 07100967

Charity registration number: 1135918

# China Fleet Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 May 2025

Thompson Jenner LLP  
28 Alexandra Terrace  
Exmouth  
Devon  
EX8 1BD

# **China Fleet Trust**

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# China Fleet Trust

## Reference and Administrative Details

<b>Trustees</b>	Rear Admiral John Stuart Weale CB OBE (Retd) Alastair Keith Camp (Chair of Trustees) Ian Robert Douglas Lt Col Stephen Cox RM Cllr Hilary Anne Frank Nicola Sarah Jonas Andrew John Collacott RM Cdre Roma Jane Roe ADC RN Robert James Waghorn – Joined Nov 2024 Rebecca Coonan – Joined Nov 2024 Cdr Susan Mary Ford MBE RN – Joined Feb 2025 Capt Mark Christian Alder RN – Joined Feb 2025 Lt Col Daryl James Powell RM – Joined Feb 2025 Robert Alan Seabrook Baldry – Resigned May 2025 Lt Cdr Rebecca French RN – Resigned Nov 2024 Cdr Claire Marie Frances Lees MBE RN – Resigned Nov 2024
<b>Company Registered Number</b>	07100967
<b>Charity Registered Number</b>	1135918
<b>Chief Executive Officer</b>	Gordon Charles Hannah
<b>Independent Auditors</b>	Thompson Jenner LLP 28 Alexandra Terrace Exmouth, Devon EX8 1BD
<b>Bankers</b>	HSBC PO Box 26 Plymouth, Devon PL1 1DD
<b>Accountants</b>	Wills Accountants 2 Endeavour House Longbridge Court Plymouth, PL6 8LR
<b>Solicitors</b>	Womble Bond Dickinson Ballard House West Hoe Rd Plymouth, Devon PL1 3AE

# China Fleet Trust

## Trustees' Report

### TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MAY 2025

The Trustees present their annual report together with the audited financial statements of the Charity for the period 1 June 2024 to 31 May 2025. The Annual Report serves the purposes of both a Trustees' report and Directors' report under Company Law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2022).

#### CHAIR OF TRUSTEES REPORT

It is with great pride and gratitude that I present this year's report for the China Fleet Trust. The financial year 2024–2025 has been a period of significant achievement, strategic progress, and thoughtful reflection, as we continue to evolve in our mission to support the Royal Navy and Royal Marines community.

#### A Year of Impact

Over the past year, the Trust has supported our beneficiaries with over £2.2 million in services, grants, and facilities. With more than 48,000 visits recorded at the China Fleet Country Club, we have seen sustained and encouraging demand for our services—underlining the vital role we play in the lives of our community.

Our vision remains clear: to provide high-quality leisure, health and wellbeing, conference and events, and hotel accommodation services in a spectacular natural landscape and tranquil surroundings. We aim to be a destination that is accessible, affordable, and relevant to the needs of our guests—especially families—while continuing to serve all relevant markets.

#### Strategic Developments and Capital Investment

This year has seen the successful completion of several major projects aligned with our strategic priorities, strengthening our infrastructure, reducing our environmental impact, and enhancing the experience of our beneficiaries and guests:

- **Solar Ground-Mounted Array:** A landmark investment in sustainability, this installation is now delivering annual utility savings of approximately £75,000, reducing our exposure to volatile energy markets. It also expedites our progress toward halving our net zero target and generates a modest income through export tariffs.
- **Gym Refurbishment:** Our fitness facilities have been fully modernised, ensuring they meet the evolving needs of our users and maintain our reputation for excellence in health and wellbeing provision.
- **Box 12 Facility:** This innovative new space provides a flexible, high-performance training environment for functional fitness, group exercise, and rehabilitation—enhancing our ability to support both physical and mental resilience across our community.
- **New Staff Room:** A dedicated and comfortable space has been created for our hardworking team, recognising their vital contribution and supporting staff wellbeing.
- **Additional Capital Investments:** Numerous smaller-scale improvements have been made throughout the year, all contributing to the quality, safety, and sustainability of our facilities.

In total, over the past two years, the Trust has invested £1.8 million in facilities and infrastructure—an extraordinary commitment to ensuring our estate remains fit for purpose and future-ready.

#### Financial Performance and Trading Subsidiary

Our wholly owned trading subsidiary has delivered an exceptional performance this year, achieving a record consolidated revenue of over £7.4 million. This milestone reflects the strength of our commercial operations and the enduring appeal of our facilities and services.

Despite the financial pressures arising from the increases in National Insurance Contributions and the National Living Wage introduced in April, the subsidiary is set to provide a record Gift Aid payment to the Trust of over £614,000. This contribution plays a vital role in sustaining our charitable work and demonstrates the effectiveness of our integrated business model.

#### Strategic Priorities

Our strategic plan continues to guide us effectively. While our overarching themes remain unchanged, the latest iteration reflects the increased uncertainty in the geopolitical and economic environment, and the need to strengthen financial control and governance. This includes addressing findings from the recent VAT inspection, in collaboration with our auditors.



# China Fleet Trust

## Trustees' Report

We have also undertaken a detailed review of the level of Gift Aid that can realistically be achieved over the next five years, and how future investment needs might best be funded. As such, we are focused on ensuring that past capital expenditure delivers its intended value before considering further large-scale investments.

**Our core strategic themes remain extant:**

1. **Providing excellent beneficiary propositions and sustaining strong levels of usage**
2. **Ensuring the successful growth of our business**
3. **Ensuring that the Group's business is vibrant, commercially successful, sustainable, and focused on customer needs**
4. **Maintaining high standards of governance and financial management**

### Supporting the Fleet

Our connection to the Royal Navy remains at the heart of everything we do. This year, we have been proud to support HMS RICHMOND and the components of the Carrier Strike Group deployment. As the CSG prepares for its homecoming later in the year, we look forward to welcoming her ship's company back into the fold, particularly following their R&R period and the challenges of an extended deployment. The support provided to families whilst their loved ones have been deployed is a key facet of what the Trust seeks to deliver in its charitable endeavour.

Beyond this, the Trust has continued to deepen its engagement with the wider beneficiary community. Highlights from the year include:

- Hosting the Commanding Officers Designate Course for an overnight visit
- Engagements with RFA Chief of Staff, RM Physical Training Branch, and HMS Astute CHODs
- Visits from the Veterans Welfare Group, Help for Heroes, and Royal Marines Association
- A Rest & Recuperation Day for the HM Band of the Royal Marines (Plymouth)
- Attendance at the Confederation of Naval Associations 75th Anniversary
- Continued sponsorship of HMS Oardacious as the Valkyries completed the arduous task of rowing the Atlantic
- Visits from BRNC's CO & BWO, NBC's BWO, and SurFlot Capt AFH
- Hosting the QARNNS 3-day symposium and the RN's 2-day Recovery Conference
- A Veterans Golfing Group camaraderie session and Camp Menalhyl veterans outreach visit
- Engagements with Devonport's PSG, Military Vs Cancer charity, and RN Service Leavers event
- Strategic visits from the CO of HMS Queen Elizabeth, the RN Leadership Team, and the MP for SE Cornwall
- Ongoing collaboration through Cornwall AFC Partnership Board meetings

These engagements reflect our commitment to being a welcoming, relevant, and supportive destination for all those who serve or have served, and to fostering a strong sense of community and connection.

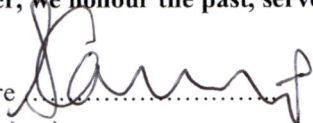
### Looking Ahead

As we move forward, our priorities remain clear: to enhance the support we provide, to grow our community of supporters, and to ensure that the China Fleet Trust remains a beacon of support for all those who serve or have served in the Royal Navy community.

On behalf of the Board of Trustees, I extend my heartfelt thanks to our staff, volunteers, partners, and supporters. Your dedication and generosity make our work possible.

**Together, we honour the past, serve the present, and invest in the future.**

Signature



Date 01/12/25..

Alastair Keith Camp  
Chair of the Trustees  
China Fleet Trust

# China Fleet Trust

## Trustees' Report

### OBJECTIVES AND ACTIVITIES

#### a. Policies and Objectives

The principal objective of the China Fleet Trust is to provide leisure and recreational facilities for all officers and ratings of the Royal Naval Forces, including the Reserves, Royal Fleet Auxiliary personnel, their families, and dependants (collectively referred to as “the beneficiaries”). Additional classes of beneficiaries include former members of the Royal Naval Forces and other military personnel attached to or embedded within Royal Navy units, together with their families. This broad scope ensures the Trust satisfies the public benefit requirement, specifically through the promotion of the efficiency of the Armed Forces of the Crown.

The Trust Deed grants the Trustees wide discretionary powers in relation to investment, enabling them to pursue the Trust's objectives effectively and sustainably.

To further its charitable purpose, the Trust has developed and operates the China Fleet Country Club in Saltash (“the Club”), which serves as the principal vehicle for delivering its services and facilities.

#### b. Public Benefit

In determining the activities of the Charity, the Trustees have given due consideration to the Charity Commission's guidance on public benefit. They are satisfied that the Trust's operations fall within the charitable purposes defined in the Charities Act and deliver demonstrable public benefit.

Specifically, the Trust's activities align with the charitable purpose of:

***“The promotion of the efficiency of the Armed Forces of the Crown, or of the efficiency of the police, fire and rescue services, or ambulance services.”***

The Trust meets the public benefit test through the provision of sporting, leisure, and recreational facilities—including accommodation—for the use of its beneficiaries. These include all serving personnel of the Royal Navy and Royal Marines, Reserves, Royal Fleet Auxiliary personnel, and their immediate families, as well as other eligible individuals as outlined above. Collectively, this beneficiary group numbers in excess of 750,000 individuals.

The Trustees firmly believe that by offering such facilities, beneficiaries are able to return to duty refreshed, rested, and better prepared to meet the demands of service life—thereby enhancing their operational effectiveness and overall wellbeing. This belief continues to be endorsed and encouraged by the Royal Navy's chain of command. The Trustees have also considered the potential for detriment or harm arising from the Trust's activities and are satisfied that none exists.



# China Fleet Trust

## Trustees' Report

### STRATEGIC REPORT

#### ACHIEVEMENTS AND PERFORMANCE

##### a. Trading Subsidiary (China Fleet Country Club Limited – ‘the Company’)

The 2025–2029 Strategic Plan acknowledges that the long-term financial sustainability of the Charity is closely linked to the effective stewardship of its assets and the commercial success of its wholly owned trading subsidiary.

During the reporting period, the subsidiary delivered a strong performance aligned with the Strategic Plan’s priorities and objectives. The Company generated net revenue of £7.10 million, resulting in a surplus of £614,000. This surplus will be transferred to the Charity via Gift Aid, representing a record contribution and underscoring the subsidiary’s commitment to enhancing the Charity’s capacity to support its beneficiaries.

Operationally, the Company successfully delivered several key infrastructure and facility upgrades. Notably, a previously unused space within the Club was repurposed to create two new facilities. A mezzanine level was installed above the squash courts, enabling the development of a new fitness suite which opened in April. The lower level of the mezzanine was transformed into a new staff room, significantly improving amenities for Club employees. Additionally, the gym underwent a full refurbishment, including the installation of new equipment and technology, representing a major investment in this core area. Enhancements to the Aqua Spa included the introduction of a new Herbal Lounge, further enriching the member experience.

On the sustainability front, the Company completed a major ground-mounted solar installation in March, adding 600kWh of annual self-generated electricity to the site’s already substantial renewable energy capacity. This, alongside other environmental initiatives, positions the Club to achieve its net zero target by the end of 2025—five years ahead of schedule.

The subsidiary also navigated significant cost pressures arising from the October budget, which introduced increases to the National Living Wage and Employee National Insurance Contributions effective from April. In response, management implemented a series of efficiency measures, leveraging recent IT system upgrades and streamlining payroll operations. As a result, the workforce was reduced from 244 to 220 employees over the financial year. Importantly, this reduction has not impacted service quality, and the Company continues to be a major employer in South East Cornwall.

#### Awards, Accreditations and Recognitions

The Trust and its trading subsidiary, China Fleet Country Club Limited, continued to demonstrate excellence across a range of operational and service areas during the financial year. The following awards and accreditations were retained or newly achieved:

##### Accreditations Retained:

- Green Tourism Business Scheme – **Gold Award**
- Food Hygiene Rating – **5 Star**
- AA Hotel Accreditation – **4 Star**

##### Awards Achieved:

- **TripAdvisor Travellers’ Choice Winner 2025**
- **Booking.com Traveller Review Award Winner 2025**
- **59 Club Silver Flag Winner (Golf)**
- **Cornwall Tourism Awards 2024 – Runner-Up in Ethical, Responsible and Sustainable Tourism Category**

##### Shortlisted:

- **GuestRevu GREAT Award – Hotel Category**

##### Applications in Progress:

- **King’s Award for Enterprise** – Application in preparation, due for submission within the coming weeks.
- **Cornwall Sustainability Awards** – Application submitted; entries close 31 October.
- **Cornwall Tourism Awards – Regenerative Tourism Category** – Application submitted; site assessment completed; awaiting results.



# China Fleet Trust

## Trustees' Report

These accolades reflect the Trust's ongoing commitment to quality, sustainability, and service excellence, reinforcing its reputation as a leading provider of leisure and wellbeing services for Royal Navy and Royal Marines personnel and their families.

### **b. China Fleet Trust**

2024/25 has been another outstanding year for engagement across the Trust's key communities, including beneficiaries, senior leaders, and charity partners. This vital aspect of the Trust's operations ensures that the Charity, its Club, and its trading subsidiary remain responsive to the evolving pressures, challenges, and stresses associated with service life.

By maintaining strong and meaningful connections, the Trust continues to deliver relevant and impactful support, reinforcing its role as a trusted and proactive presence within the Armed Forces community.

The Trust was once again proud to support the remarkable efforts of the submariners of HMS Oardacious throughout the year. The 2024 team, known as the 'Valkyries', made history as the first all-female Royal Navy team to attempt rowing across the Atlantic Ocean in "The Toughest Row". Their courage, resilience, and pioneering spirit exemplify the values the Trust is committed to championing.

In addition, the Trust continues to honour and actively nurture its formal affiliations with HMS Tamar and 47 Commando (Raiding Group) Royal Marines. These enduring relationships enable the Trust to provide tailored support to the personnel and families of both units, reinforcing its mission to serve those who serve.

Throughout 2024/25, the Trust welcomed a wide range of key beneficiary groups, partner charities, and Royal Navy command teams to the China Fleet Country Club. These routine visits are a vital part of the Trust's engagement strategy, ensuring continued relevance, visibility, and alignment with the needs of the serving community.

#### **Visiting organisations included:**

**Royal Navy and Royal Marines** – BRNC, HMS Raleigh, HMS Victorious, HMS Audacious, HMS Astute, HMS Bulwark, HMS Richmond, HMS Tamar, HMS Queen Elizabeth, RNAS Culdrose, 29 Commando, 30 Commando IX, 47 Commando (Raiding Group) Royal Marines, CTCRM, NBC(D), SURFLOT, QARNNS, RNLA, RN Rugby Union, RN Golf, RN FPS, RN Recovery Conference, RN Service Leavers Events, and the 1SL's Conference

**Training and Development** – EWO Designate Courses, Commanding Officer Designate Courses, Devon URNU, Naval Regional Commander Wales & West England.

**Charity and Welfare Partners** – RNRMC, RNBT, RMA, RNA, SSAFA, Greenwich Hospital, Help for Heroes, Active Plus, Seafarers Children's Society, PABC charity group, WEA, NSRC Hasler, 4 Greens Community Trust Veterans, CONA, Saltash Veterans.

**Leadership and Representation** – COMMARRES, SCWOs, 2SL, Director People & Training (Dir P&T), and the Club's local Member of Parliament.

**Community and Partnerships** – Represented on both the Cornwall and Plymouth AFC Partnership Boards and supported Armed Forces Day (AFD) activities.

The Trust also played a key role in supporting Operation Highmast, working alongside sister Royal Navy charities to assist participating units and personnel through their deployment preparations, in-theatre support, and homecoming planning.

Importantly, all new recruits and officer candidates joining the Royal Navy and Royal Marines now have the opportunity to visit the Club during Phase 1 training as part of an acquaintance visit. This initiative is set to expand to include Royal Fleet Auxiliary (RFA) personnel in the near future, further broadening the Trust's reach and impact.

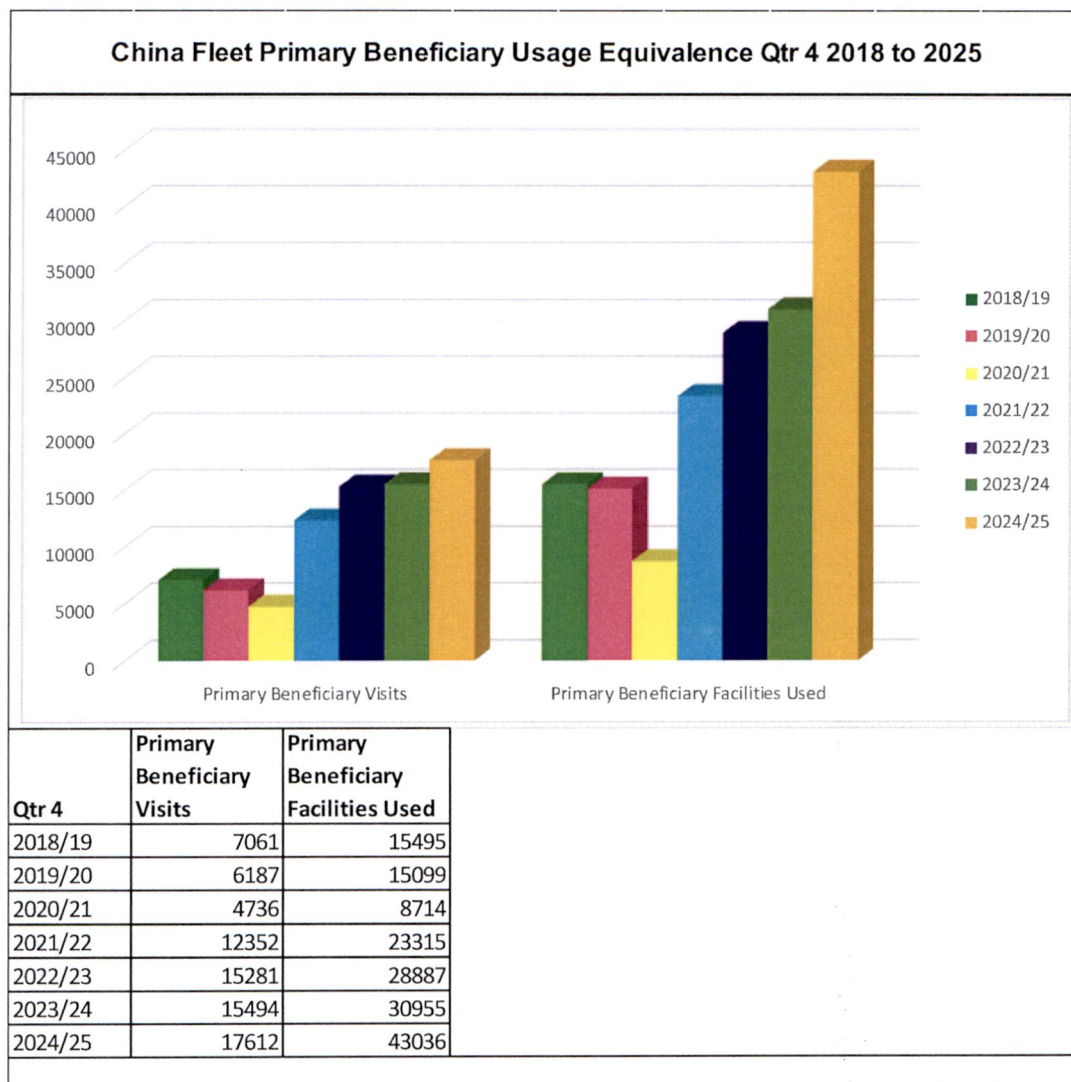
The cumulative efforts of the Trust's visit programme—supported by senior leaders, the Beneficiaries Committee, Company staff, Trustees, and the Chief Executive—have contributed to a record-breaking year for beneficiary engagement. Total visitation reached 48,700 across both serving and ex/former serving beneficiary groups, up from 44,400 in the previous financial year.



# China Fleet Trust

## Trustees' Report

This sustained growth in usage reflects the continued relevance and appeal of the Club's facilities and services. It also serves as a key performance indicator of how effectively the Charity is delivering on its core objective: to support the wellbeing of Royal Navy and Royal Marines personnel and their families throughout their service and beyond.



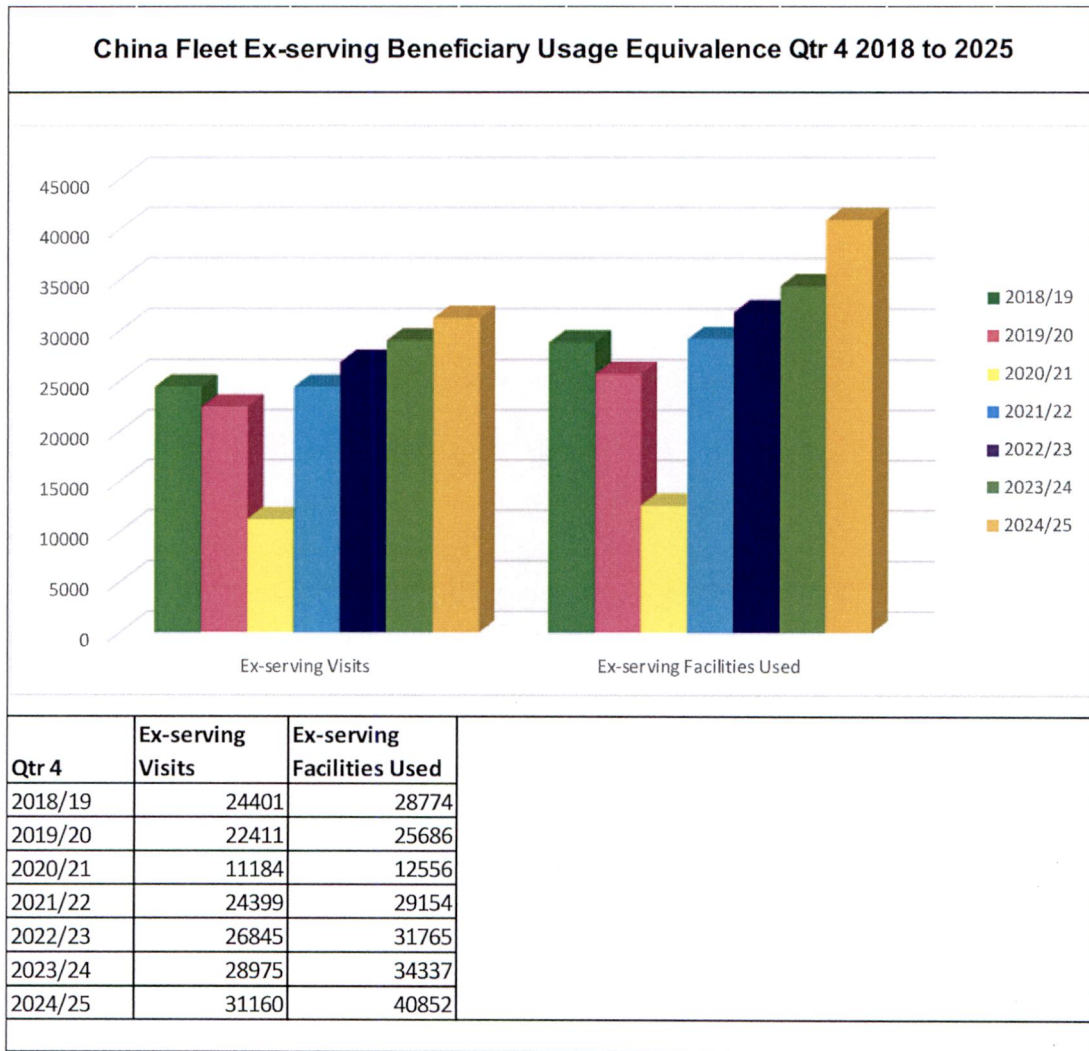
**Table 1.** Serving Beneficiary Usage Trend Analysis – last 7 financial years

**Table 1** presents the annual breakdown of serving beneficiary visits to the Club over the past seven years, highlighting sustained growth following the disruption caused by the COVID-19 pandemic in 2020/21. This upward trend reflects the increasing relevance and appeal of the Club's offerings to the serving community.

A key metric used to assess engagement is the average number of facilities accessed per visit, which now stands at approximately **2.5 facilities per visit**. This figure demonstrates that the newly introduced facilities are not only being utilised but are aligned with the evolving expectations and needs of our beneficiaries. It reinforces the Trust's commitment to continuous improvement and investment in services that directly enhance beneficiary wellbeing.

# China Fleet Trust

## Trustees' Report



**Table 2.** Ex / Former Serving Beneficiary Usage Trend Analysis – last 7 financial years

**Table 2** outlines the usage data for ex- or former serving beneficiaries over the past seven years. It is particularly fulfilling to report that this cadre has also reached record levels of engagement, with 31,160 visits to the Club during the financial year.

This group has shown consistent growth in both visitation and the number of facilities accessed per visit, reflecting the Trust's success in ensuring that the Club remains relevant, welcoming, and responsive to the needs of veterans and former service personnel.

The increasing uptake reinforces the importance of continued investment in facilities and programming that support lifelong wellbeing beyond active service.



# China Fleet Trust

## Trustees' Report

### FINANCIAL REVIEW

#### a. Financial Review

The Trustees present their report and financial statements for the year ended 31 May 2025.

The enterprise has delivered its strongest financial performance to date, with consolidated revenue for the year reaching £7,437k (2024: £6,750k). This reflects continued growth and resilience across both charitable and trading activities.

Within total income, China Fleet Country Club Limited (the Company), which undertakes non-charitable trading on behalf of the Trust, generated net sales of £5,704k (2024: £5,434k), delivering a profit of £614k (2024: £446k). This profit represents a potential Gift Aid payment to the Trust of £614k, a record contribution from the Company. As the enterprise prepares consolidated accounts, this Gift Aid is eliminated in the combined financial statements.

The Trust reports a positive net movement in funds of £533k (2024: £47k). This figure is stated after depreciation of £351k; excluding depreciation, the net positive movement in funds would be £884k. Consolidated cash at bank at year-end stood at £604k (2024: £682k).

Efforts to reduce debt exposure have continued, although the Trust recognised the need to invest in strategic growth, which involved additional borrowing in year. At year-end, the following loan balances were reported:

- Green SME Loan (solar roof PV installation): £190k (2024: £222k)
- Coronavirus Business Interruption Loan Scheme (CBILS): £30k (2024: £54k)
- New loan for ground-mounted solar array: £324k (matched with £260k from Cornwall and Isles of Scilly Shared Prosperity Fund)
- HSBC consolidated business loan: £228k (2024: £313k)

This brings the total enterprise debt to £772k at year-end (2024: £589k).

The Trust continues to commission Sarasin & Partners LLP to manage its principal financial assets via a long-term investment portfolio. The management team provides regular updates and attends Board meetings to report on performance and market outlook.

While Sarasin & Partners maintain professional oversight, portfolio performance has remained at or below benchmark expectations, influenced by global financial conditions. Trustees are actively reviewing alternative asset management options as part of routine reserves and investment strategy reviews to ensure the Charity's assets are optimally deployed.

At the May 2024 Board meeting, Trustees resolved to close the medium-term portfolio due to stagnating returns and to release capital for more strategic use. The long-term portfolio, having transitioned to a globally diversified index strategy, showed resilience and ended the year in a stronger position following earlier market turbulence.

As at 31 May 2025, the value of the long-term investment portfolio stood at £1,004k, compared to £945k in the previous year (which included both long- and medium-term holdings).

Total Reserves now stand at £9,362k (2024: £8,829k) of which £466k (2024: £311k) are restricted funds. Of the £8,896k (2024: £8,518k) in Unrestricted Reserves, designated reserves stand at £8,896k (2024: £8,518k), with £nil (2024: nil) as general unrestricted reserves.

#### b. Going Concern

The Charity continues to rely on its wholly owned subsidiary, The China Fleet Country Club Ltd ("the Company"), to manage the facility and deliver services to its beneficiaries.

The Trustees are reassured by the Company's sustained strong performance and remain confident in the robustness of the metrics used to assess its status as a going concern. Following a period of global financial uncertainty in recent financial years, the enterprise has returned to growth. This recovery has enabled strategic investment in infrastructure and enhanced facilities—clear indicators of a stable and positive outlook.

The Trustees are confident that the going concern status of the enterprise remains sound and that the trajectory of growth will continue, with increasing potential for Gift Aid contributions.



# China Fleet Trust

## Trustees' Report

A formal assessment of going concern is undertaken at each Trust meeting. Forecasts for the forthcoming financial year provide sufficient evidence to support the Trustees' view that the business remains viable and well-positioned to respond to any future challenges.

### c. Reserves Policy

Following the establishment of a formal reserves policy ahead of the previous year's Trustees' Annual Report, the Trust has continued to monitor and apply this framework throughout the 2024/25 financial year.

The policy, developed through a dedicated Sub Working Group, defines the level of unrestricted designated reserves required to ensure the financial stability and operational resilience of the Charity. These reserves exclude the designated land and buildings reserve but include the investment portfolio and cash held in the Trust's business bank account.

The reserves are held to support the following key purposes:

- The ongoing maintenance of the infrastructure, fabric, and plant licensed by the Company.
- The evolution and development of the facility to create new and innovative income streams.
- A financial buffer to mitigate the impact of adverse economic conditions, including significant fluctuations in investment market value.
- A contingency provision to support the Company in the event of unforeseen financial pressures.

The Trustees assess the appropriateness of this reserves policy on a regular basis to ensure that changes to the operating environment and their impact are incorporated into the reserves so that the Trust can continue to provide its charitable objectives for the future. As at the end of the financial year (May 2025), the level of unrestricted designated reserves stood at £522k which is reasonable and consistent with the Trusts objectives and reserves policy.

This position reflects prudent financial management and provides a solid foundation for the Trust's forward planning, including its first-ever fundraising initiative and ongoing investment in beneficiary services.

As of 31 May 2025, the total unrestricted reserve was £8,896k (2024: £8,517k) of which includes designated funds of £522k (2024: £945k) and the tangible fixed asset reserve which stood at £8,374k (2024: £7,573k).

### FORWARD-LOOKING ASSESSMENT

As the Trust looks ahead to 2025/26 and beyond, its strategic priorities remain focused on strengthening financial resilience, enhancing beneficiary impact, and ensuring operational excellence across its charitable and commercial activities.

A key development in the coming year is the launch of the Trust's **first-ever fundraising initiative**, marking a historic milestone. This programme will include a high-profile gala event and a broader campaign designed to engage supporters, raise awareness, and generate additional income to expand the Trust's reach and impact. It will complement existing revenue streams and help ensure the long-term sustainability of the Charity's work, broadening its delivery of direct charitable support to beneficiaries and their families.

The Trust remains committed to ensuring that every decision made across the enterprise is viewed through the lens of its beneficiaries and aligns with its charitable objectives. Maintaining relevance and viability as a leisure and recreational facility for serving and former serving personnel and their families remains central to this mission.

The coming year will also be one of consolidation, as the Trust seeks to reap the benefits of over £1.8 million in capital investments made across the last two years. These investments have significantly enhanced the Club's infrastructure, improved the quality and diversity of facilities, and contributed to record levels of beneficiary engagement—validating the strategic choices made during this period.

Trustees continue to monitor the performance of the long-term investment portfolio and are actively exploring alternative asset management options to ensure optimal returns. The closure of the medium-term portfolio in May 2024 reflects a strategic shift toward more effective capital deployment.



# China Fleet Trust

## Trustees' Report

The Trust also remains attentive to the pending outcome of HMRC's VAT review. At the time of reporting, the conclusions are unknown. Trustees are engaged in scenario planning and professional consultation to ensure that any financial or operational implications can be managed responsibly and with minimal disruption to service delivery.

In addition, the Trust is committed to learning from experience, with lessons identified being integrated into future risk management practices. It will also capitalise on grant opportunities to accelerate progress toward its net zero commitments, building on recent sustainability investments and achievements.

Finally, the Trust will continue to collaborate with beneficiary-facing businesses, including Costain, Slimstock, AEUK, Babcock International, and Jacobs, to strengthen its support ecosystem and ensure that its services remain responsive to the evolving needs of the Armed Forces community.

With record levels of engagement achieved in 2024/25, the Trust enters the new financial year with confidence, purpose, and a renewed commitment to serving those who serve.

### LONG-TERM ASPIRATIONS

The Trust continues to look beyond the immediate horizon, maintaining a clear focus on long-term goals that will enhance the beneficiary experience and ensure the continued relevance of the China Fleet Country Club.

- **Accommodation Expansion:** A long-held aspiration remains to expand the Club's accommodation offering through the development of lodge-style facilities. This concept has undergone several feasibility studies in previous years. While Trustees feel that current conditions are not favourable to advance the project, it remains a strategic ambition within the current Strategic Plan timeframe.
- **Adventure Facilities:** Plans are in place to install a High Ropes, Jump Tower, and Zip Wire facility when financial conditions allow. This development will significantly enhance the family-friendly recreational offering available to beneficiaries.
- **Land Growth Opportunities:** Trustees will continue to assess opportunities for land acquisition or expansion to future-proof the Club and support long-term development.
- **Spa Enhancement:** Consideration is being given to complementing the existing Barn Spa with an external spa extension, further enriching the wellbeing offering for beneficiaries.
- **Net Zero Commitment:** The Trust remains committed to halving the Club's net zero emissions by 2030. Significant progress has already been made, and Trustees are confident that this target will be met ahead of schedule.

Trustees also remain alive to considering new projects that may enhance the beneficiary offering, particularly where external funding opportunities present themselves. This proactive approach ensures the Trust remains agile and responsive to emerging needs and opportunities.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### a. Constitution

China Fleet Trust is a charitable company limited by guarantee, registered in England and Wales under number 1135918. It was established by Trust Deed and is governed by its Memorandum of Association dated 10 December 2009 and its current Articles of Association, adopted on 3 February 2020.

The Trust is governed by a Board of Trustees, which provides strategic leadership and oversight. Day-to-day operational management is delegated to the Chairman and the Chief Executive. The Board convenes at least three times annually, or more frequently as required. The Trust's principal office is located in Saltash, where the Chief Executive is based. The Chairman makes regular visits to the office to address operational matters and is a co-signatory for financial transactions, alongside the Chief Executive and two other Trustees.

In accordance with the Trust Deed, the Board must consist of no fewer than four Trustees. Trustees are appointed either through military nomination or via an open recruitment process. The current Trustees are listed earlier in this report.

To support effective governance, the Trust operates a Governance and Remuneration (G&R) Committee. This Committee comprises a minimum of three unconflicted Trustees and provides advice to the Board on governance and remuneration matters. The Committee's role is advisory and does not diminish the collective responsibility of the full Board for the overall governance of the Charity.



# China Fleet Trust

## Trustees' Report

The China Fleet Country Club is operated by the Trust's wholly owned trading subsidiary, China Fleet Country Club Limited ("the Company"). Under a five-year non-exclusive Operating Agreement (OA), signed on 31 March 2023, the Company acts as the Trust's agent in delivering leisure and recreational services to beneficiaries. The performance of this agreement is reviewed annually, with any amendments jointly approved and filed with the Trust's legal advisors, Womble Bond Dickinson (UK) LLP.

During the year, Mr Robert Baldry stepped down as Non-Executive Chairman of the Company's Board of Directors, having completed the maximum tenure of ten years as a Trustee. Following a successful recruitment and selection process, Rebecca Coonan was appointed to the role, effective from 1 May 2025.

The China Fleet Country Club Beneficiaries Committee (BenCom) plays a vital role in ensuring that the needs and interests of the Charity's beneficiaries are represented in the operation of the Club. The Committee is chaired by a Serving Trustee, who also attends meetings of both the Company Board and the Board of Trustees, ensuring continuity and alignment across governance structures.

During the financial year, Warrant Officer First Class Andrew Collacott RM stepped down from his role as BenCom Chair following his departure from military service. As he transitions into a civilian role, the BenCom Chair is now passed to Warrant Officer First Class Stephen Harvey, currently serving as the Base Warrant Officer at Devonport Naval Base.

Mr Dean Bennett, Managing Director of the Company, attends meetings of the Trustees, the BenCom, and the Company Board. This cross-representation of leadership across committees and boards ensures that strategic vision, operational delivery, and governance practices remain aligned throughout the enterprise.

The Trust prepares its financial statements in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities," following the Financial Reporting Standard applicable in the UK (FRS 102), September 2024 edition.

### **b. Risk Management**

The Trustees meet regularly to assess business risks and to implement appropriate risk management strategies. This process is led by the Trust's Chief Executive Officer, reviewed by the Governance and Remuneration Committee, and approved by the full Board of Trustees. It involves identifying the principal risks facing the Charity, prioritising them according to their potential impact and likelihood, and determining appropriate mitigation measures. These are recorded in the Trust's Risk Register, which is regularly aligned with the Company Risk Register.

The Trustees are pleased to report that the Charity's internal financial controls are fully compliant with the guidance issued by the Charity Commission. They remain committed to embedding a forward-looking, continuous risk management culture across both the Charity and its trading subsidiary.

The Trust's risk management systems have been thoroughly tested in recent years and have proven effective in supporting the continued success of the organisation, despite a volatile operating environment shaped by the COVID-19 pandemic, the war in Ukraine, inflationary pressures, and the ongoing cost-of-living crisis. These systems continue to provide assurance that the organisation is well positioned to respond to emerging challenges.

### **c. Remuneration**

The Trust's sole salaried employee, the Chief Executive, is appraised annually by the Chairman of the Trustees and one other Trustee. Recommendations arising from this appraisal are submitted to the Governance and Remuneration Committee for consideration and approval of any salary adjustment. At the end of the financial year, a modest pay award equivalent to a 1% increase was approved. This remains significantly below both the Consumer Prices Index (3.4%) and the Retail Prices Index (4.3%), reflecting a period of strategic consolidation anticipated in the year ahead.

Senior staff within the trading Company, including the Non-Executive Chairperson, are also subject to annual appraisal. Recommendations regarding their remuneration are presented to the Trustees via the Governance and Remuneration Committee and are incorporated within the annual budget.



# **China Fleet Trust**

## **Trustees' Report**

### **d. Other Relevant Sources of Professional Advice**

Investment Managers – Sarasin and Partners LLP. This company manages the Trust's long-term and medium-term investment portfolios. Address – Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU.

### **e. VAT Inspection Contingency Planning**

The Trustees have implemented a robust contingency plan in response to the ongoing HMRC VAT inspection, ensuring financial stability and operational continuity. Working closely with auditors and advisors, they have assessed potential financial impacts, reviewed cash flow resilience, and identified operational efficiencies to mitigate any liabilities. A group VAT structure has been adopted from June 2025 to streamline compliance, and capital expenditure has been minimised during this period.

### **Governance and Transparency**

Professional consultation with VAT and legal specialists has supported a thorough compliance review and staff training. The Trustees have maintained open communication with stakeholders and the Charity Commission, providing regular updates and disclosures. An internal inspection team has been established to oversee the process and ensure that governance systems are updated as necessary.

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report including the Strategic 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 entity. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

There are no funds held as custodian trustee on behalf of another entity.

## **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and

## China Fleet Trust

### Trustees' Report

- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information, and
- the enterprise, that is the Charity and its wholly owned trading subsidiary, remains a viable Going Concern.

#### AUDITORS

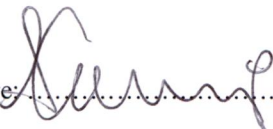
This year marked the second consecutive year in which Thompson Jenner LLP has served as the Trust's appointed auditors. The Trustees continue to be impressed by the firm's meticulous attention to detail, professionalism, and capacity to provide additional services when required.

The benchmarking exercise conducted two years ago indicated that Thompson Jenner LLP would be a strong candidate for the role, and this assessment has thus far proven accurate. To ensure continued good governance, the Trustees have resolved that future benchmarking exercises will be undertaken every five years.

Thompson Jenner LLP has expressed its willingness to continue in office. Accordingly, the designated Trustees will propose a resolution to reappoint the auditors at the Trustees' meeting in December.

#### APPROVAL OF THE TRUSTEES' ANNUAL REPORT:

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signature: 

Date: 01/12/25

Alastair Keith Camp  
Chair of the Trustees  
China Fleet Trust



## **China Fleet Trust**

### **Independent Auditor's Report to the Members of China Fleet Trust**

#### **Opinion**

We have audited the financial statements of China Fleet Trust (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 May 2025, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 May 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## **China Fleet Trust**

### **Independent Auditor's Report to the Members of China Fleet Trust**

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Chair's Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Chair's Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Chair's Report and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 13), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



## **China Fleet Trust**

### **Independent Auditor's Report to the Members of China Fleet Trust**

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

#### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the sector;  
we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental, fire safety and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing licenses, certificates and relevant correspondence including the inspection of legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

## China Fleet Trust

### Independent Auditor's Report to the Members of China Fleet Trust


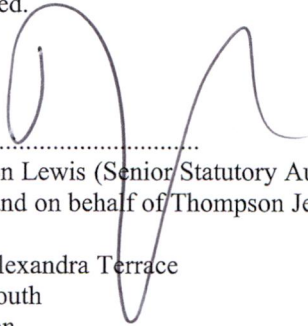
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Simon Lewis (Senior Statutory Auditor)  
For and on behalf of Thompson Jenner LLP, Statutory Auditor

28 Alexandra Terrace  
Exmouth  
Devon  
EX8 1BD

Date: 18/12/25



## China Fleet Trust

### Consolidated Statement of Financial Activities for the Year Ended 31 May 2025 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	1,000	260,000	261,000
Charitable activities	4	1,401,352	-	1,401,352
Other trading activities		5,703,819	-	5,703,819
Investment income	5	34,835	-	34,835
Other income	6	35,561	-	35,561
Total income		<u>7,176,567</u>	<u>260,000</u>	<u>7,436,567</u>
<b>Expenditure on:</b>				
Raising funds		(4,996,750)	-	(4,996,750)
Charitable activities	7	<u>(1,907,380)</u>	<u>(22,297)</u>	<u>(1,929,677)</u>
Total expenditure		<u>(6,904,130)</u>	<u>(22,297)</u>	<u>(6,926,427)</u>
Gains/losses on investment assets		<u>23,118</u>	<u>-</u>	<u>23,118</u>
Net income		295,555	237,703	533,258
Transfers between funds		<u>82,864</u>	<u>(82,864)</u>	<u>-</u>
Net movement in funds		378,419	154,839	533,258
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>8,517,742</u>	<u>311,193</u>	<u>8,828,935</u>
Total funds carried forward	22	<u>8,896,161</u>	<u>466,032</u>	<u>9,362,193</u>

The notes on pages 25 to 46 form an integral part of these financial statements.

## China Fleet Trust

### Consolidated Statement of Financial Activities for the Year Ended 31 May 2025 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Prior Period	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	4,406	-	4,406
Charitable activities	4	1,272,892	-	1,272,892
Other trading activities		5,434,828	-	5,434,828
Investment income	5	38,344	-	38,344
Total income		<u>6,750,470</u>	<u>-</u>	<u>6,750,470</u>
<b>Expenditure on:</b>				
Raising funds		(4,896,938)	-	(4,896,938)
Charitable activities	7	<u>(1,865,004)</u>	<u>(12,319)</u>	<u>(1,877,323)</u>
Total expenditure		<u>(6,761,942)</u>	<u>(12,319)</u>	<u>(6,774,261)</u>
Gains/losses on investment assets		<u>71,238</u>	<u>-</u>	<u>71,238</u>
Net income/(expenditure)		<u>59,766</u>	<u>(12,319)</u>	<u>47,447</u>
Net movement in funds		59,766	(12,319)	47,447
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>8,457,976</u>	<u>323,512</u>	<u>8,781,488</u>
Total funds carried forward	22	<u><u>8,517,742</u></u>	<u><u>311,193</u></u>	<u><u>8,828,935</u></u>

All of the group's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2024 is shown in note 22.

The notes on pages 25 to 46 form an integral part of these financial statements.



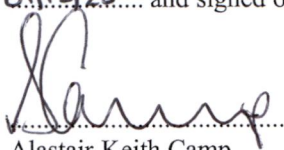
# China Fleet Trust

(Registration number: 07100967)

## Consolidated Balance Sheet as at 31 May 2025

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	12	9,623,966	8,870,016
Investments	13	<u>1,004,273</u>	<u>944,727</u>
		<u>10,628,239</u>	<u>9,814,743</u>
<b>Current assets</b>			
Stocks	14	159,113	172,660
Debtors	15	118,591	140,121
Cash at bank and in hand	16	<u>604,018</u>	<u>681,732</u>
		881,722	994,513
<b>Creditors: Amounts falling due within one year</b>	17	<u>(1,550,843)</u>	<u>(1,510,624)</u>
<b>Net current liabilities</b>		<u>(669,121)</u>	<u>(516,111)</u>
<b>Total assets less current liabilities</b>		9,959,118	9,298,632
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(596,925)</u>	<u>(469,697)</u>
<b>Net assets</b>		<u><u>9,362,193</u></u>	<u><u>8,828,935</u></u>
<b>Funds of the group:</b>			
<b>Restricted income funds</b>			
Restricted funds	22	466,032	311,193
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>8,896,161</u>	<u>8,517,742</u>
<b>Total funds</b>	22	<u><u>9,362,193</u></u>	<u><u>8,828,935</u></u>

The financial statements on pages 19 to 46 were approved by the trustees, and authorised for issue on 01/12/25 and signed on their behalf by:



Alastair Keith Camp  
Chair of the Trustees  
China Fleet Trust

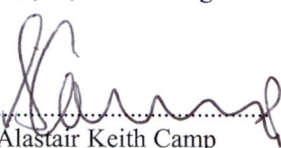
The notes on pages 25 to 46 form an integral part of these financial statements.

# China Fleet Trust

**(Registration number: 07100967)**  
**Balance Sheet as at 31 May 2025**

	Note	2025 £	2024 £
<b>Fixed assets</b>			
Tangible assets	12	9,617,439	8,857,895
Investments	13	<u>1,005,273</u>	<u>945,727</u>
		<u>10,622,712</u>	<u>9,803,622</u>
<b>Current assets</b>			
Debtors	15	622,076	461,930
Cash at bank and in hand	16	<u>182,368</u>	<u>201,042</u>
		804,444	662,972
<b>Creditors: Amounts falling due within one year</b>	17	<u>(1,502,968)</u>	<u>(1,246,064)</u>
<b>Net current liabilities</b>		<u>(698,524)</u>	<u>(583,092)</u>
<b>Total assets less current liabilities</b>		9,924,188	9,220,530
<b>Creditors: Amounts falling due after more than one year</b>	18	<u>(589,128)</u>	<u>(427,958)</u>
<b>Net assets</b>		<u>9,335,060</u>	<u>8,792,572</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	22	466,032	311,193
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>8,869,028</u>	<u>8,481,379</u>
<b>Total funds</b>	22	<u>9,335,060</u>	<u>8,792,572</u>

The financial statements on pages 19 to 46 were approved by the trustees, and authorised for issue on 01/12/25 and signed on their behalf by:

  
 Alastair Keith Camp  
 Chair of the Trustees  
 China Fleet Trust

The notes on pages 25 to 46 form an integral part of these financial statements.



## China Fleet Trust

### Consolidated Statement of Cash Flows for the Year Ended 31 May 2025

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash income		533,258	47,447
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		350,821	397,129
Investment income	5	(34,835)	(38,344)
(Profit)/loss on disposal of tangible fixed assets		(35,561)	82,444
Revaluation of investments		(23,118)	(71,238)
		<u>790,565</u>	<u>417,438</u>
<b>Working capital adjustments</b>			
Decrease/(increase) in stocks	14	13,547	(27,095)
Decrease in debtors	15	21,530	49,257
(Decrease)/increase in creditors	17	(48,839)	50,576
Increase in deferred income	18	43,098	66,075
Net cash flows from operating activities		<u>819,901</u>	<u>556,251</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	34,835	38,344
Purchase of tangible fixed assets	12	(1,121,056)	(670,541)
Sale of tangible fixed assets		51,846	-
Purchase of investments	13	(36,428)	(14,036)
Sale of investments	13	-	83,344
Net cash flows from investing activities		<u>(1,070,803)</u>	<u>(562,889)</u>
<b>Cash flows from financing activities</b>			
Value of new loans obtained during the period		324,000	91,921
Repayment of loans and borrowings	17	(146,557)	(245,580)
Repayment of capital element of finance leases and HP contracts	19	(4,255)	(4,186)
Net cash flows from financing activities		<u>173,188</u>	<u>(157,845)</u>
Net decrease in cash and cash equivalents		(77,714)	(164,483)
Cash and cash equivalents at 1 June		<u>681,732</u>	<u>846,215</u>
Cash and cash equivalents at 31 May		<u><u>604,018</u></u>	<u><u>681,732</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 25 to 46 form an integral part of these financial statements.

## China Fleet Trust

### Statement of Cash Flows for the Year Ended 31 May 2025

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Net cash income		542,488	47,447
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		345,227	391,534
Investment income	5	(27,039)	(29,809)
(Profit)/loss on disposal of tangible fixed assets		(35,561)	82,444
Revaluation of investments	13	<u>(23,118)</u>	<u>(71,238)</u>
		801,997	420,378
<b>Working capital adjustments</b>			
Increase in debtors	15	(160,146)	(166,559)
Increase in creditors	17	<u>210,944</u>	<u>157,627</u>
Net cash flows from operating activities		<u>852,795</u>	<u>411,446</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	27,039	29,809
Purchase of tangible fixed assets	12	(1,121,056)	(670,541)
Sale of tangible fixed assets		51,846	-
Purchase of investments	13	(36,428)	(14,036)
Sale of investments	13	<u>-</u>	<u>83,344</u>
Net cash flows from investing activities		<u>(1,078,599)</u>	<u>(571,424)</u>
<b>Cash flows from financing activities</b>			
Value of new loans obtained during the period		324,000	91,921
Repayment of loans and borrowings	17	<u>(116,870)</u>	<u>(104,968)</u>
Net cash flows from financing activities		<u>207,130</u>	<u>(13,047)</u>
Net decrease in cash and cash equivalents		(18,674)	(173,025)
Cash and cash equivalents at 1 June		<u>201,042</u>	<u>374,067</u>
Cash and cash equivalents at 31 May		<u><u>182,368</u></u>	<u><u>201,042</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 25 to 46 form an integral part of these financial statements.



# **China Fleet Trust**

## **Notes to the Financial Statements for the Year Ended 31 May 2025**

### **1 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 £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

China Fleet Country Club

Saltash

Cornwall

PL12 6LJ

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Basis of preparation**

China Fleet Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 May 2025.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a profit after tax for the financial year of £542,488 (2024 - £47,447).

## **China Fleet Trust**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### **Going concern**

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

#### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

#### ***Grants receivable***

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Deferred income***

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received.

Deferred income relates to memberships and events paid for in advance.



## **China Fleet Trust**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

#### ***Other trading activities***

Income derived from other trading activities represents income from the Trust's trading subsidiary, China Fleet Country Club Limited. It comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the subsidiary's activities. Income from other trading activities is shown net of sales/value added tax, returns, rebates and discounts.

Income in relation to money received in advance for annual membership is initially deferred upon receipt and released to income on a monthly proportional basis throughout the term of membership. Similarly, deposits received in advance for one off events and accommodation are deferred and released to income on the date of the event or over the period of stay.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land	not depreciated
Buildings	2-4% straight line
Fixtures, fittings and equipment	15% - 33% straight line
Fixtures, fittings and equipment (Solar Panels)	4% straight line
Motor vehicles, tractors & mowers	20% straight line
Plant & machinery	16% straight line

#### Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.



## **China Fleet Trust**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the group.

Designated funds are unrestricted funds that have been set aside by the trustees for particular purposes and the use of each designated fund is set out in the notes to the financial statements.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Financial instruments**

##### ***Classification***

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction price and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Grants, including capital grants;			
Government grants	-	260,000	260,000
Grants from companies	1,000	-	1,000
	<u>1,000</u>	<u>260,000</u>	<u>261,000</u>
	Unrestricted funds General £	Restricted funds £	Total 2024 £
Grants, including capital grants;			
Grants from companies	4,406	-	4,406
	<u>4,406</u>	<u>-</u>	<u>4,406</u>

#### 4 Income from charitable activities

	Unrestricted funds General £	Total 2025 £
Direct charitable income from beneficiaries	1,401,352	1,401,352
	Unrestricted funds General £	Total 2024 £
Direct charitable income from beneficiaries	1,272,892	1,272,892



## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 5 Investment income

	Unrestricted funds General £	Total 2025 £
Other investment income	34,835	34,835
	<u>34,835</u>	<u>34,835</u>

	Unrestricted funds General £	Total 2024 £
Other investment income	38,344	38,344
	<u>38,344</u>	<u>38,344</u>

#### 6 Other income

	Unrestricted funds General £	Total funds £
Gains on sale of tangible fixed assets for charity's own use	35,561	35,561
<b>Total for 2025</b>	<u>35,561</u>	<u>35,561</u>

#### 7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2025 £
Depreciation, amortisation and other similar costs	322,930	22,297	345,227
Staff costs	818,576	-	818,576
Other operating charges	757,571	-	757,571
Governance costs	8,303	-	8,303
	<u>1,907,380</u>	<u>22,297</u>	<u>1,929,677</u>

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Depreciation, amortisation and other similar costs	461,659	12,319	473,978
Staff costs	713,978	-	713,978
Other operating charges	685,330	-	685,330
Governance costs	4,037	-	4,037
	<u>1,865,004</u>	<u>12,319</u>	<u>1,877,323</u>

#### 8 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2025 £	2024 £
Operating lease rentals	157,682	147,530
Audit fees	4,500	4,024
Other non-audit services	19,860	12,476
Profit on disposal of tangible fixed assets	(35,561)	-
Loss on disposal of fixed assets held for the group's own use	-	82,444
Depreciation of fixed assets	<u>350,821</u>	<u>397,129</u>

#### 9 Trustees' remuneration and expenses

During the year, 3 trustees (2024: 2) received remuneration totalling £15,227 (2024: £15,787) from China Fleet Country Club for their roles as non executive directors of the Charity's 100% subsidiary, China Fleet Country Club Limited.

During the year, no trustees received any remuneration or other benefits from China Fleet Trust (2024: 0).

During the year expenses totalling £3,618 were reimbursed to trustees (2024: £3,216).

#### 10 Staff costs

The aggregate payroll costs were as follows:

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Staff costs during the year were:				
Wages and salaries	3,175,234	2,949,886	747,558	634,125
Social security costs	219,441	169,509	54,542	48,591
Pension costs	61,751	53,748	16,283	31,262
	<u>3,456,426</u>	<u>3,173,143</u>	<u>818,383</u>	<u>713,978</u>



## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

The Charity staff costs include a recharge from the subsidiary company for managing the facility in accordance with the operating licence. These costs were £751,593 (2024: £655,308) with actual Trust staff costs of £66,790 (2024: £58,670)

The monthly average number of persons (including senior management / leadership team) employed by the group during the year was as follows:

	2025 No	2024 No
Apartments	29	26
Golf	20	19
Leisure	72	77
Food and beverage	59	62
Administration and establishment	45	49
	<u>225</u>	<u>233</u>

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£70,001 - £80,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the group were £429,591 (2024 - £397,564).

#### 11 Taxation

The group is a registered charity and is therefore exempt from taxation.

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 12 Tangible fixed assets

##### Group and charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Plant and machinery £	Total £
<b>Cost</b>					
At 1 June 2024	9,074,679	2,874,357	64,096	27,972	12,041,104
Additions	22,965	1,098,091	-	-	1,121,056
Disposals	-	(170,779)	-	-	(170,779)
At 31 May 2025	<u>9,097,644</u>	<u>3,801,669</u>	<u>64,096</u>	<u>27,972</u>	<u>12,991,381</u>
<b>Depreciation</b>					
At 1 June 2024	1,053,781	2,037,360	64,096	15,851	3,171,088
Charge for the year	144,861	200,366	-	5,594	350,821
Eliminated on disposals	-	(154,494)	-	-	(154,494)
At 31 May 2025	<u>1,198,642</u>	<u>2,083,232</u>	<u>64,096</u>	<u>21,445</u>	<u>3,367,415</u>
<b>Net book value</b>					
At 31 May 2025	<u>7,899,002</u>	<u>1,718,437</u>	<u>-</u>	<u>6,527</u>	<u>9,623,966</u>
At 31 May 2024	<u>8,020,898</u>	<u>836,997</u>	<u>-</u>	<u>12,121</u>	<u>8,870,016</u>

The plant and machinery total above relates solely to China Fleet Country Club Limited. The remainder relates to the trust.



# China Fleet Trust

## Notes to the Financial Statements for the Year Ended 31 May 2025

### 13 Fixed asset investments

#### Group

	2025 £	2024 £
Other investments	<u>1,004,273</u>	<u>944,727</u>

#### Other investments

	Listed investments £	Total £
<b>Cost or Valuation</b>		
At 1 June 2024	944,727	944,727
Additions	36,428	36,428
Revaluation	<u>23,118</u>	<u>23,118</u>
At 31 May 2025	<u>1,004,273</u>	<u>1,004,273</u>
<b>Net book value</b>		
At 31 May 2025	<u>1,004,273</u>	<u>1,004,273</u>
At 31 May 2024	<u>944,727</u>	<u>944,727</u>

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### Charity

	2025 £	2024 £
Shares in group undertakings and participating interests	1,000	1,000
Other investments	<u>1,004,273</u>	<u>944,727</u>
	<u><u>1,005,273</u></u>	<u><u>945,727</u></u>

#### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 June 2024	<u>1,000</u>	<u>1,000</u>
At 31 May 2025	<u>1,000</u>	<u>1,000</u>
<b>Net book value</b>		
At 31 May 2025	<u><u>1,000</u></u>	<u><u>1,000</u></u>
At 31 May 2024	<u><u>1,000</u></u>	<u><u>1,000</u></u>

#### Other investments

	Listed investments £	Total £
<b>Cost or Valuation</b>		
At 1 June 2024	944,727	944,727
Revaluation	23,118	23,118
Additions	<u>36,428</u>	<u>36,428</u>
At 31 May 2025	<u>1,004,273</u>	<u>1,004,273</u>
<b>Net book value</b>		
At 31 May 2025	<u><u>1,004,273</u></u>	<u><u>1,004,273</u></u>
At 31 May 2024	<u><u>944,727</u></u>	<u><u>944,727</u></u>



## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2025	2024
Subsidiary undertakings				
China Fleet Country Club Limited	England & Wales	Ordinary	100%	100%

#### Subsidiaries

The profit for the financial period of China Fleet Country Club Limited was £614,855 (2024 : £446,415) and the aggregate amount of capital and reserves at the end of the period was £28,133 (2024 : £37,363).

The principal activity of China Fleet Country Club Limited is the provision of leisure facilities, golf, spa, accommodation, conferences and weddings.

#### 14 Stock

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Raw materials	13,638	12,413	-	-
Finished goods	145,475	160,247	-	-
	<u>159,113</u>	<u>172,660</u>	<u>-</u>	<u>-</u>

#### 15 Debtors

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	21,544	18,024	-	-
Due from group undertakings	-	-	622,076	446,415
Other debtors	97,047	122,097	-	15,515
	<u>118,591</u>	<u>140,121</u>	<u>622,076</u>	<u>461,930</u>

#### 16 Cash and cash equivalents

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Cash at bank	<u>604,018</u>	<u>681,732</u>	<u>182,368</u>	<u>201,042</u>

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 17 Creditors: amounts falling due within one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Bank loans	182,687	136,727	153,000	107,040
Trade creditors	279,875	298,117	360	400
Hire purchase and finance leases	4,188	4,188	-	-
Due to group undertakings	-	-	1,320,544	1,134,364
Other taxation and social security	134,459	143,044	18,964	-
Other creditors	28,237	42,798	-	-
Accruals	255,000	262,451	10,100	4,260
Deferred income	666,397	623,299	-	-
	<u>1,550,843</u>	<u>1,510,624</u>	<u>1,502,968</u>	<u>1,246,064</u>

#### Deferred income

	2025	2024
	£	£
Deferred income at 1 June 2024	623,299	557,224
Resources deferred in the period	666,397	623,299
Amounts released from previous periods	<u>(623,299)</u>	<u>(557,224)</u>
Deferred income at year end	<u>666,397</u>	<u>623,299</u>

Deferred income relates to memberships and events paid in advance.

#### 18 Creditors: amounts falling due after one year

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Bank loans	589,128	457,645	589,128	427,958
Hire purchase and finance leases	<u>7,797</u>	<u>12,052</u>	<u>-</u>	<u>-</u>
	<u>596,925</u>	<u>469,697</u>	<u>589,128</u>	<u>427,958</u>

#### Charity

Included in the creditors are the following amounts due after more than five years:

	2025	2024
	£	£
After more than five years by instalments	<u>129,571</u>	<u>37,887</u>



## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 19 Operating lease commitments

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Within one year	173,772	147,530	-	-
Between one and five years	365,198	398,532	-	-
	<u>538,970</u>	<u>546,062</u>	<u>-</u>	<u>-</u>

#### 20 Pension and other schemes

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £61,751 (2024: £53,748).

Contributions totalling £13,504 (2024: £12,605) were payable to the fund at the balance sheet date and are included in other creditors.

#### 21 Contingent liabilities

China Fleet Trust is in communication with HMRC regarding a routine VAT inspection following the raising of an assessment of a previous VAT return. HMRC have indicated that the inspection may be extended to consider later VAT returns submitted following the original assessment and that the assessment of these returns, conclusion and outcome of such inspections will not be completed prior to the accounts filing deadline. At this stage it is therefore impractical to determine the outcome of such assessments or any financial implications.

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### 22 Funds

#### Group

	Balance at 1 June 2024 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 May 2025 £
<b>Unrestricted funds</b>						
<i>General</i>						
General Funds	-	7,113,967	(6,575,606)	(538,361)	-	-
<i>Designated</i>						
Designated Funds	944,727	27,039	-	(472,857)	23,118	522,027
Tangible Fixed Asset Reserve	7,573,015	35,561	(328,524)	1,094,082	-	8,374,134
	<u>8,517,742</u>	<u>62,600</u>	<u>(328,524)</u>	<u>621,225</u>	<u>23,118</u>	<u>8,896,161</u>
<b>Total unrestricted funds</b>	<u>8,517,742</u>	<u>7,176,567</u>	<u>(6,904,130)</u>	<u>82,864</u>	<u>23,118</u>	<u>8,896,161</u>
<b>Restricted funds</b>						
LIBOR Grant - Capital	28,448	-	(2,000)	1,432	-	27,880
RNRMC Grant - Capital	282,745	-	(9,897)	(84,296)	-	188,552
Cornwall & Isles of Scilly Good Growth Shared Prosperity Fund Grant - Capital	<u>-</u>	<u>260,000</u>	<u>(10,400)</u>	<u>-</u>	<u>-</u>	<u>249,600</u>
<b>Total restricted funds</b>	<u>311,193</u>	<u>260,000</u>	<u>(22,297)</u>	<u>(82,864)</u>	<u>-</u>	<u>466,032</u>
<b>Total funds</b>	<u>8,828,935</u>	<u>7,436,567</u>	<u>(6,926,427)</u>	<u>-</u>	<u>23,118</u>	<u>9,362,193</u>



## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

	Balance at 1 June 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 May 2024 £
<b>Unrestricted funds</b>						
<i>General</i>						
General Funds	22,404	6,720,661	(6,513,875)	(229,190)	-	-
<i>Designated</i>						
Designated Funds	942,797	29,809	-	(99,117)	71,238	944,727
Tangible Fixed Asset Reserve	7,492,775	-	(248,067)	328,307	-	7,573,015
	<u>8,435,572</u>	<u>29,809</u>	<u>(248,067)</u>	<u>229,190</u>	<u>71,238</u>	<u>8,517,742</u>
<b>Total unrestricted funds</b>	<u>8,457,976</u>	<u>6,750,470</u>	<u>(6,761,942)</u>	<u>-</u>	<u>71,238</u>	<u>8,517,742</u>
<b>Restricted funds</b>						
LIBOR Grant - Capital	31,496	-	(3,048)	-	-	28,448
RNRMC Grant - Capital	292,016	-	(9,271)	-	-	282,745
<b>Total restricted funds</b>	<u>323,512</u>	<u>-</u>	<u>(12,319)</u>	<u>-</u>	<u>-</u>	<u>311,193</u>
<b>Total funds</b>	<u><u>8,781,488</u></u>	<u><u>6,750,470</u></u>	<u><u>(6,774,261)</u></u>	<u><u>-</u></u>	<u><u>71,238</u></u>	<u><u>8,828,935</u></u>

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### Charity

	Balance at 1 June 2024 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 May 2025 £
<b>Unrestricted funds</b>						
<i>General</i>						
General Funds	-	2,126,447	(1,584,449)	(541,998)	-	-
<i>Designated</i>						
Designated Funds	945,727	27,039	-	(494,463)	23,118	501,421
Tangible Fixed Asset Reserve	7,535,652	35,561	(322,931)	1,119,325	-	8,367,607
	<u>8,481,379</u>	<u>62,600</u>	<u>(322,931)</u>	<u>624,862</u>	<u>23,118</u>	<u>8,869,028</u>
<b>Total unrestricted funds</b>	<u>8,481,379</u>	<u>2,189,047</u>	<u>(1,907,380)</u>	<u>82,864</u>	<u>23,118</u>	<u>8,869,028</u>
<b>Restricted funds</b>						
LIBOR Grant - Capital	28,448	-	(2,000)	1,432	-	27,880
RNRMC Grant - Capital	282,745	-	(9,897)	(84,296)	-	188,552
Cornwall & Isles of Scilly Good Growth Development Fund Grant - Capital	-	260,000	(10,400)	-	-	249,600
	<u>311,193</u>	<u>260,000</u>	<u>(22,297)</u>	<u>(82,864)</u>	<u>-</u>	<u>466,032</u>
<b>Total restricted funds</b>	<u>311,193</u>	<u>260,000</u>	<u>(22,297)</u>	<u>(82,864)</u>	<u>-</u>	<u>466,032</u>
<b>Total funds</b>	<u>8,792,572</u>	<u>2,449,047</u>	<u>(1,929,677)</u>	<u>-</u>	<u>23,118</u>	<u>9,335,060</u>

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

	Balance at 1 June 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 May 2024 £
<b>Unrestricted funds</b>						
<i>General</i>						
General Funds	-	1,823,723	(1,616,937)	(206,786)	-	-
<i>Designated</i>						
Designated Funds	942,797	29,809	-	(98,117)	71,238	945,727
Tangible Fixed Asset Reserve	7,478,816	-	(248,067)	304,903	-	7,535,652
	<u>8,421,613</u>	<u>29,809</u>	<u>(248,067)</u>	<u>206,786</u>	<u>71,238</u>	<u>8,481,379</u>
<b>Total unrestricted funds</b>	<u>8,421,613</u>	<u>1,853,532</u>	<u>(1,865,004)</u>	<u>-</u>	<u>71,238</u>	<u>8,481,379</u>
<b>Restricted funds</b>						
LIBOR Grant - Capital	31,496	-	(3,048)	-	-	28,448
RNRMC Grant - Capital	292,016	-	(9,271)	-	-	282,745
	<u>323,512</u>	<u>-</u>	<u>(12,319)</u>	<u>-</u>	<u>-</u>	<u>311,193</u>
<b>Total restricted funds</b>	<u>323,512</u>	<u>-</u>	<u>(12,319)</u>	<u>-</u>	<u>-</u>	<u>311,193</u>
<b>Total funds</b>	<u>8,745,125</u>	<u>1,853,532</u>	<u>(1,877,323)</u>	<u>-</u>	<u>71,238</u>	<u>8,792,572</u>



## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

The specific purposes for which the funds are to be applied are as follows:

Designated Funds - represents funds allocated for the replacement, long term maintenance and improvements of buildings and equipment in line with the reserves policy.

Tangible Fixed Asset Reserve - represents the net book value of the Tangible Fixed Assets (excluding amounts held in restricted funds) less loans secured against the asset.

Restricted Funds - represents income received with specific donor imposed conditions on its use. This includes LIBOR and RNRMC grant income used for the refurbishment of apartment blocks and changing rooms, and grant funding from the Cornwall and Isles of Scilly Good Growth Shared Prosperity Fund for the purchase and installation of solar panels. The balance of restricted funds reflects the net book value of the assets acquired or improved using this restricted income.

#### 23 Analysis of net assets between funds

##### Group

	Unrestricted funds General £	Restricted funds £	Total funds at 31 May 2025 £
Tangible fixed assets	9,157,934	466,032	9,623,966
Fixed asset investments	1,004,273	-	1,004,273
Current assets	881,722	-	881,722
Current liabilities	(1,550,843)	-	(1,550,843)
Creditors over 1 year	(596,925)	-	(596,925)
Total net assets	<u>8,896,161</u>	<u>466,032</u>	<u>9,362,193</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 May 2024 £
Tangible fixed assets	8,558,823	311,193	8,870,016
Fixed asset investments	944,727	-	944,727
Current assets	994,513	-	994,513
Current liabilities	(1,510,624)	-	(1,510,624)
Creditors over 1 year	(469,697)	-	(469,697)
Total net assets	<u>8,517,742</u>	<u>311,193</u>	<u>8,828,935</u>

## China Fleet Trust

### Notes to the Financial Statements for the Year Ended 31 May 2025

#### Charity

	Unrestricted funds General £	Restricted funds £	Total funds at 31 May 2025 £
Tangible fixed assets	9,151,407	466,032	9,617,439
Fixed asset investments	1,005,273	-	1,005,273
Current assets	804,444	-	804,444
Current liabilities	(1,502,968)	-	(1,502,968)
Creditors over 1 year	(589,128)	-	(589,128)
Total net assets	<u>8,869,028</u>	<u>466,032</u>	<u>9,335,060</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 May 2024 £
Tangible fixed assets	8,546,702	311,193	8,857,895
Fixed asset investments	945,727	-	945,727
Current assets	662,972	-	662,972
Current liabilities	(1,246,064)	-	(1,246,064)
Creditors over 1 year	(427,958)	-	(427,958)
Total net assets	<u>8,481,379</u>	<u>311,193</u>	<u>8,792,572</u>

#### 24 Analysis of net funds

#### Group

	At 1 June 2024 £	Financing cash flows £	At 31 May 2025 £
Cash at bank and in hand	681,732	(77,714)	604,018
Debt due within one year	(140,915)	(45,960)	(186,875)
Debt due after more than one year	(469,697)	(127,228)	(596,925)
Net debt	<u>71,120</u>	<u>(250,902)</u>	<u>(179,782)</u>
	At 1 June 2023 £	Financing cash flows £	At 31 May 2024 £
Cash at bank and in hand	846,215	(164,483)	681,732
Debt due within one year	(160,159)	19,244	(140,915)
Debt due after more than one year	(608,298)	138,601	(469,697)
Net debt	<u>77,758</u>	<u>(6,638)</u>	<u>71,120</u>

## **China Fleet Trust**

### **Notes to the Financial Statements for the Year Ended 31 May 2025**

#### **25 Related party transactions**

The Charity has one 100% owned subsidiary as detailed in note 13.

As this subsidiary is wholly owned by China Fleet Trust, the Charity has taken advantage of the exemption contained in FRS 102 Section 33.1A not to disclose transactions or balances with entities which form part of a group.