

# ARC Healthcare Southwest

England & Wales · Charity number 1172246

## Details

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Other names	SEA SANCTUARY
Status	Registered
Legal form	Charitable company
Company number	<a href="#">10671707</a>
Registered	2017-03-24
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	G045 Tremough Innovation Centre Penryn Cornwall TR10 9TA
Phone	01326653240
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Website	<a href="http://www.arhealth.org.uk">www.arhealth.org.uk</a>

## Activities

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**Objects:** TO ASSIST IN THE TREATMENT AND CARE OF PERSONS SUFFERING FROM MENTAL OR PHYSICAL ILLNESS OF ANY DESCRIPTION OR IN NEED OF REHABILITATION AS A RESULT OF SUCH ILLNESS, BY THE PROVISION OF FACILITIES FOR WORK AND RECREATION; AND TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE SUBJECT OF MENTAL WELL-BEING.

**Activities:** The objectives of the charity are to assist in the treatment and care of persons suffering from mental illness of any description or are in need of rehabilitation; and to advance the education of the public in the subject of mental wellbeing.

## Classification

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- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** The General Public/mankind

## Geography

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- Cornwall

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-05-31	£9,172	£134,410	-	-
2024-05-31	£211,919	£79,575	-	-
2023-05-31	£926,003	£1,639,171	£123,088	17
2021-11-30	£1,023,235	£1,179,903	£840,395	35
2020-11-30	£835,262	£917,085	£1,050,346	29

## Trustees

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Name	Role	Appointed
DOCTOR ANGELA MARY ROUNCFIELD		2017-01-01
James Martin Storer		2021-03-29
Sacha Visram		2020-09-10

**ARC Healthcare Southwest**

England & Wales - Charity number 1172246

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# Accounts

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Company registration number: 10671707

Charity registration number: 1172246

# ARC Healthcare Southwest

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 May 2024

# ARC Healthcare Southwest

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## **ARC Healthcare Southwest**

### **Reference and Administrative Details**

<b>Trustees</b>	A M Rouncefield J M Storer S Visram
<b>Senior Management / Leadership Team</b>	J Sabien, Outsourced Consultant
<b>Charity Registration Number</b>	1172246
<b>Company Registration Number</b>	10671707
<b>Registered Office</b>	The charity is incorporated in England. Waterside Court Falmouth Road Penryn Cornwall TR10 8AW
<b>Accountants</b>	GW & Co. Limited Chartered Certified Accountants and Business Advisers Waterside Court Falmouth Road Penryn TR10 8AW

# ARC Healthcare Southwest

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 May 2024.

### INTRODUCTION

As explained in the 31 May 2023 accounts, Sea Sanctuary closed its existing operations in January 2023, but on 5th October 2023 the name was changed from Sea Sanctuary to ARC Healthcare Southwest and a decision taken to investigate restarting some activities on a small scale. Funding for two years from the National Lottery was confirmed in December 2023, and the decision to re-commence activities was confirmed, fronted again by the original founder, Joseph Sabien.

### Objectives and activities

#### Purpose of the charity

This charity is governed by memorandum and articles of association dated 15 March 2017, and which set out the following charitable objects *"to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation; and to advance the education of the public in the subject of mental well-being."*

These objects were relevant to the Charity operating as Sea Sanctuary and continue to be relevant to the new services being provided (see later).

#### Main activities

Between July 2019 and January 2023, ARC HSW worked in partnership with the Devon & Cornwall police to provide a unique county-wide service. The service had a specific police call-sign (G999) and operated out-of-hours, typically between 1800-0600, responding to emergency calls where mental ill health (people presenting in acute mental health distress) had been identified. G999 provided crisis negotiation (e.g. people in the process of attempting suicide) and thereafter, once removed to safety, assessment and treatment was provided.

During the 3.5 years of operation, data capture highlighted the need for an additional service in the county – a service that would specialise in the treatment of trauma-related illness and mental health disorders. Four main features for people in crisis became apparent:

- They felt disconnected to other people and the community in which they lived.
- They lacked social interaction and were not engaged in meaningful activities.
- They wanted to better understand their mental health, to better understand and improve their emotional threshold and be taught useful techniques for the purpose of self-soothing/emotional regulation.
- They wanted specific treatment for their trauma (e.g. EMDR) once stable and out of crisis.

As a direct consequence of this service analysis, ARC HSW has decided to concentrate its efforts on supporting this particularly vulnerable and often marginalised cohort. This will be achieved by way of the development of a trauma service which will concentrate on providing the following services:

- assessment of need – a root cause assessment
- meaningful activities (e.g. creative writing, exercises classes, art facilitation and outdoor 'process' groups)

# ARC Healthcare Southwest

## Trustees' Report

- EMDR and trauma related modalities (where appropriate)

It should be noted that people in receipt of support from ARC HSW *will not* present in crisis as this remains the remit of NHS primary care services. As such, ARC HSW will not provide a crisis service and will carefully triage and monitor all referrals, whether self-referrals or referrals from other agencies and organisations.

Indeed, ARC HSW will provide so-called 'light touch' services which will encourage people to socially interact, develop meaningful relationships, engage, or re-engage with nature, learn coping strategies in relation to their mental health and experience improved emotional wellbeing and threshold. These services commenced in June 2024.

We are in advance discussions with British Transport Police to provide an equivalent service to the above mentioned G999 service.

ARC Healthcare Southwest is further interested in supporting organisations and agencies (e.g. development of strategies) in the management of people presenting in acute mental health crisis. This support can extend to either the design of, or implementation of, crisis intervention services. This offer extends to the management of day-to-day operations (managing staff/clinicians) alongside responding to people in crisis and/or providing health education to anyone directly, or indirectly involved within the scope of the work.

### Development and Innovation

ARC Healthcare Southwest will continue to innovate in healthcare to improve health outcomes for some of the most vulnerable and marginalised people in the community. Whether through the development of outdoor programmes or through health technology, the charity will continue to create interesting and meaningful interventions to ensure healthcare is available to anyone, wherever they are on their health journey.

### Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### Achievements and performance

These are early days for this slimmed down charity, and during the year to 31 May 2024 all efforts have been spent trying to get back up and running, recruiting and inducting facilitators, finding accommodation, securing funding and adapting procedures.

We will be able to report on our efforts in next years report.

### Financial review

#### Year end financial position

In December 2023, the National Lottery Community Fund confirmed that it would continue to fund certain running costs of the new activities for 2 years, with a total of £207,979. The first payment of £51,995 was received in January 2024, and subsequent payments of a similar amount are due to be made every 6 months. The second payment of £51,995 was received after the year end in July 2024.

At 31st May 2024, the charity had a bank balance of £70,646 (2023: £149,797) which was then supplemented by the receipt referred to above in July 2024.

### Reserves policy

With the new activities, a formal reserves policy is not currently appropriate, but the charity will regularly monitor and assess forecasted budget and expenditure to ensure that cash inflows and expenditure over the coming 12 months are sufficient to cover known expenditure together with a contingency for unforeseen expenditure.

# ARC Healthcare Southwest

## Trustees' Report

### **Future financial status and principal risks**

The risks and uncertainties faced by the charity in 2024 all relate to the setting up of the new activities as outlined above. These are being co-ordinated by the original experienced founder Joseph Sabien. For the next two years, the main funding source is the National Lottery Community Fund, although additional funding is being sought, as is more long term funding for when the Lottery funding ceases.

### **Sea Sanctuary Services Limited**

Following on from the decision to close the charity taken in December 2022, discussions were held with Lloyds Bank, the only creditor of the charity's subsidiary Sea Sanctuary Services Limited. Following unsuccessful negotiations with Lloyds, the directors of SSSL decided to place the company into liquidation on 15th February 2024.

### **Structure, governance and management**

#### ***Nature of governing document***

Arc Healthcare Southwest is a unique mental health service based in Falmouth, South West England and is a private company limited by guarantee without share capital, with "Limited" exemption.

The Charity is governed by memorandum and articles of association dated 15 March 2017.

#### ***Recruitment and appointment of trustees***

New trustees are appointed by the existing trustees based on the needs of the charity, and the experience and skills they have to offer. Where gaps are identified in the board, skill set trustees will be sought to meet those specific needs. New trustees are formally inducted by the current board.

#### **Organisation structure**

The charity was previously run on a day-to-day basis by the CEO and founder Joseph Sabien, assisted by his senior management team. Following its closure, the run-down of the Charity was undertaken by the Trustees, assisted by Joseph Sabien. The structure of the Charity in its new guise is still evolving but continues to be over-seen by the Trustees and Joe Sabien on a consultancy basis.

Trustees meet formally on at least a quarterly basis, but further regular meetings take place between some of the trustees and Joseph Sabien to discuss issues as they arise.

#### **Statement of trustees' responsibilities**

The trustees (who are also the directors of ARC Healthcare Southwest for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

## ARC Healthcare Southwest

### Trustees' Report

- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The annual report was approved by the trustees of the charity on 17th September 2024 and signed on its behalf by:



J M Storer  
Trustee

## ARC Healthcare Southwest

### Independent Examiner's Report to the trustees of ARC Healthcare Southwest (‘the Company’)

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2024.

#### Responsibilities and basis of report

As the charity’s trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (‘the 2006 Act’).

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

#### Independent examiner’s statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of ARC Healthcare Southwest as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a ‘true and fair view’ which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....  
Deborah Warburton  
ACCA

Date: 17 September 2024  
.....

## ARC Healthcare Southwest

### Statement of Financial Activities for the Year Ended 31 May 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	3,512	207,979	211,491
Investment income	5	428	-	428
Total income		<u>3,940</u>	<u>207,979</u>	<u>211,919</u>
<b>Expenditure on:</b>				
Raising funds	6	(99)	-	(99)
Charitable activities	7	(26,476)	(51,995)	(78,471)
Other expenditure	8	(1,005)	-	(1,005)
Total expenditure		<u>(27,580)</u>	<u>(51,995)</u>	<u>(79,575)</u>
Net (expenditure)/income		<u>(23,640)</u>	<u>155,984</u>	<u>132,344</u>
Net movement in funds		(23,640)	155,984	132,344
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>79,959</u>	<u>43,128</u>	<u>123,087</u>
Total funds carried forward	17	<u>56,319</u>	<u>199,112</u>	<u>255,431</u>
	<b>Note</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>
<b>Income and Endowments from:</b>				
Donations and legacies	3	37,546	539,881	577,427
Charitable activities	4	332,402	-	332,402
Investment income	5	16,174	-	16,174
Total income		<u>386,122</u>	<u>539,881</u>	<u>926,003</u>
<b>Expenditure on:</b>				
Raising funds	6	(21,971)	-	(21,971)
Charitable activities	7	(1,098,613)	(518,587)	(1,617,200)
Total expenditure		<u>(1,120,584)</u>	<u>(518,587)</u>	<u>(1,639,171)</u>
Net (expenditure)/income		<u>(734,462)</u>	<u>21,294</u>	<u>(713,168)</u>
Net movement in funds		(734,462)	21,294	(713,168)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>814,422</u>	<u>21,834</u>	<u>836,256</u>
Total funds carried forward	17	<u>79,960</u>	<u>43,128</u>	<u>123,088</u>

The funds breakdown for 2023 is shown in note 17.

The notes on pages 10 to 21 form an integral part of these financial statements.

**ARC Healthcare Southwest**  
**(Registration number: 10671707)**  
**Balance Sheet as at 31 May 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	13	33,015	30,000
<b>Current assets</b>			
Debtors	14	156,034	17,237
Cash at bank and in hand	15	<u>70,646</u>	<u>149,797</u>
		226,680	167,034
<b>Creditors: Amounts falling due within one year</b>	16	<u>(4,264)</u>	<u>(73,946)</u>
<b>Net current assets</b>		<u>222,416</u>	<u>93,088</u>
<b>Net assets</b>		<u>255,431</u>	<u>123,088</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	17	199,112	43,128
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>56,319</u>	<u>79,960</u>
<b>Total funds</b>	17	<u>255,431</u>	<u>123,088</u>

For the financial year ending 31 May 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 7 to 21 were approved by the trustees, and authorised for issue on 17th September 2024 and signed on their behalf by:

*J M Storer*

.....  
 J M Storer  
 Trustee

The notes on pages 10 to 21 form an integral part of these financial statements.

## ARC Healthcare Southwest

### Statement of Cash Flows for the Year Ended 31 May 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		132,344	(713,168)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		1,004	38,299
Investment income		(428)	(16,174)
		132,920	(691,043)
<b>Working capital adjustments</b>			
(Increase)/decrease in debtors	14	(138,797)	857,877
Decrease in creditors	16	(69,682)	(263,708)
		(75,559)	(96,874)
<b>Cash flows from investing activities</b>			
Interest received		428	16,174
Acquisition of intangible assets		(4,020)	-
Acquisitions of tangible assets		-	(381,436)
Proceeds from sale of tangible assets		-	539,983
		(3,592)	174,721
<b>Cash flows from financing activities</b>			
Payments to finance lease creditors		-	(12,920)
		(79,151)	64,927
Net (decrease)/increase in cash and cash equivalents		(79,151)	64,927
Cash and cash equivalents at 1 June		149,797	84,870
Cash and cash equivalents at 31 May		70,646	149,797

The notes on pages 10 to 21 form an integral part of these financial statements.

# ARC Healthcare Southwest

## Notes to the Financial Statements for the Year Ended 31 May 2024

### 1 Charity status

The charity is limited by guarantee, incorporated in England, 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:

Waterside Court Falmouth Road

Penryn

Cornwall

TR10 8AW

### 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

ARC Healthcare Southwest 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.

#### Going concern

The Trustees have assessed the Statement of Financial Position and likely future cash flows at the date of approving these financial statements. The Trustees have a reasonable expectation that the Charity have adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of these financial statements. Accordingly, the Trustees are of the opinion that the going concern basis is appropriate.

#### 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.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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

Grants are recognised when the charity 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 when entitlement occurs.

#### ***Other income***

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

#### ***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. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent.

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

#### ***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.

All expenditure is inclusive of irrecoverable VAT.

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### **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 of a revenue nature are credited to the Statement of Financial Activities as the related expenditure is incurred.

#### **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.

#### **Tangible fixed assets**

Individual fixed assets costing £500.00 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed assets less their residual value over their estimated useful lives, on both the straight line basis and reducing balance basis.

#### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Boats and vessels	Over 15 years straight line
Office equipment	20% reducing balance

#### **Impairment of fixed assets**

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

#### **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.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### **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.

#### **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 charity.

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***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### ***Derivative financial instruments***

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Donations and legacies;			
Donations from individuals	3,512	-	3,512
Grant income			
Grants from other organisations	-	207,979	207,979
<b>Total for period ended 31 May 2024</b>	3,512	207,979	211,491
<b>Total for period ended 31 May 2023</b>	37,546	539,881	577,427

#### 4 Income from charitable activities

	<b>Total 2024 £</b>		<b>Total 2023 £</b>
Care services and other activities	-		332,402

#### 5 Investment income

	<b>Unrestricted funds General £</b>		<b>Total funds £</b>
Other investment income	428		428
<b>Total for period ended 31 May 2024</b>	428		428
<b>Total for period ended 31 May 2023</b>	16,174		16,174

#### 6 Expenditure on raising funds

	<b>Unrestricted funds General £</b>		<b>Total funds £</b>
Fundraising costs	99		99
<b>Total for period ended 31 May 2024</b>	99		99
<b>Total for period ended 31 May 2023</b>	21,971		21,971

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### 7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Other direct costs		9,365	-	9,365
Allocated support costs	9	12,157	51,995	64,152
Governance costs	9	4,954	-	4,954
<b>Total for period ended 31 May 2024</b>		<b>26,476</b>	<b>51,995</b>	<b>78,471</b>
<b>Total for period ended 31 May 2023</b>		<b>1,098,613</b>	<b>518,587</b>	<b>1,617,200</b>

#### 8 Other expenditure

	Note	Unrestricted funds General £	Total funds £
Depreciation, amortisation and other similar costs		1,004	1,004
<b>Total for period ended 31 May 2024</b>		<b>1,004</b>	<b>1,004</b>

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### 9 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Other support costs £	Total 2024 £
Rent	1,900	1,900
Insurance	1,637	1,637
IT software and consumables	35	35
Legal and professional fees	4,919	4,919
Other office expenses	613	613
Telephone and internet	265	265
Repairs and maintenance	501	501
Advertising and marketing	828	828
Printing, postage and stationery	602	602
Interest payable	1,084	1,084
Sundry expenses	824	824
Consultancy fees	50,944	50,944
	<u>64,152</u>	<u>64,152</u>

##### Governance costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Independent examiner fees			
Examination of the financial statements	4,954	4,954	8,700
	<u>4,954</u>	<u>4,954</u>	<u>8,700</u>

#### 10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### 11 Staff costs

The aggregate payroll costs were as follows:

	<b>2023</b>
	<b>£</b>
<b>Staff costs during the year were:</b>	
Wages and salaries	695,403
Social security costs	58,669
Pension costs	<u>10,972</u>
	<u><u>765,044</u></u>

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

	<b>2023</b>
	<b>No</b>
£140,001 - £150,000	<u><u>1</u></u>

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

#### 12 Taxation

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

#### 13 Tangible fixed assets

	Furniture and equipment £	Other tangible fixed asset £	Total £
<b>Cost</b>			
At 1 June 2023	-	30,000	30,000
Additions	4,020	-	4,020
At 31 May 2024	4,020	30,000	34,020
<b>Depreciation</b>			
Charge for the year	1,005	-	1,005
At 31 May 2024	1,005	-	1,005
<b>Net book value</b>			
At 31 May 2024	3,015	30,000	33,015
At 31 May 2023	-	30,000	30,000

#### 14 Debtors

	2024 £	2023 £
Trade debtors	50	13,590
Other debtors	155,984	3,647
	156,034	17,237

#### 15 Cash and cash equivalents

	2024 £	2023 £
Cash at bank	70,646	149,797

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

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

	2024 £	2023 £
Trade creditors	-	9,510
Due to group undertakings	-	30,124
Other taxation and social security	-	19,202
Accruals	4,263	15,111
	4,264	73,946

#### 17 Funds

	Balance at 1 June 2023 £	Incoming resources £	Resources expended £	Balance at 31 May 2024 £
<b>Unrestricted funds</b>				
<i>General</i>				
Unrestricted Funds	79,959	3,940	(27,580)	56,319
<b>Restricted funds</b>				
National Lottery	-	207,979	(51,995)	155,984
Greenhook Fishing	43,128	-	-	43,128
<b>Total restricted funds</b>	43,128	207,979	(51,995)	199,112
<b>Total funds</b>	123,087	211,919	(79,575)	255,431
	<b>Balance at 1 December 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 May 2023 £</b>
<b>Unrestricted funds</b>				
<i>General</i>				
Unrestricted Funds	814,422	386,122	(1,120,584)	79,960
<b>Restricted</b>				
Invictus G999	21,834	-	(21,834)	-
Just Giving 999	-	294	(294)	-
Arnold Clark G999	-	1,500	(1,500)	-
Norman Family Trust	-	7,500	(7,500)	-
NHS Winter Pressures	-	35,000	(35,000)	-
National Lottery	-	280,000	(280,000)	-
Duke of Cornwall Benevolent Fund	-	5,000	(5,000)	-
Greenhook Fishing	-	45,288	(2,160)	43,128

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Year Ended 31 May 2024

	Balance at 1 December 2021 £	Incoming resources £	Resources expended £	Balance at 31 May 2023 £
Tudor Trust	-	40,000	(40,000)	-
Albert Hunt	-	4,000	(4,000)	-
Edward Gosling	-	40,000	(40,000)	-
Clothworkers	-	25,000	(25,000)	-
Wolfson	-	50,000	(50,000)	-
Cornwall Council	-	5,999	(5,999)	-
Penryn Town Council	-	300	(300)	-
<b>Total restricted funds</b>	<u>21,834</u>	<u>539,881</u>	<u>(518,587)</u>	<u>43,128</u>
<b>Total funds</b>	<u>836,256</u>	<u>926,003</u>	<u>(1,639,171)</u>	<u>123,088</u>

#### 18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 May 2024 £
Tangible fixed assets	33,015	-	33,015
Current assets	70,696	155,984	226,680
Current liabilities	(4,264)	-	(4,264)
Total net assets	<u>99,447</u>	<u>155,984</u>	<u>255,431</u>

	Unrestricted funds General £	Total funds at 31 May 2023 £
Tangible fixed assets	30,000	30,000
Current assets	167,034	167,034
Current liabilities	(73,946)	(73,946)
Total net assets	<u>123,088</u>	<u>123,088</u>

## ARC Healthcare Southwest

### Statement of Financial Activities by fund for the Year Ended 31 May 2024

#### Unrestricted Funds

	<b>Total Unrestricted Funds 2024 £</b>	<b>Total Unrestricted Funds 2023 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	3,512	37,546
Charitable activities	-	332,402
Investment income	428	16,174
Total income	<u>3,940</u>	<u>386,122</u>
<b>Expenditure on:</b>		
Raising funds	(99)	(21,971)
Charitable activities	(26,476)	(1,098,613)
Other expenditure	(1,005)	-
Total expenditure	<u>(27,580)</u>	<u>(1,120,584)</u>
Net expenditure	<u>(23,640)</u>	<u>(734,462)</u>
Net movement in funds	(23,640)	(734,462)
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>79,959</u>	<u>814,422</u>
Total funds carried forward	<u>56,319</u>	<u>79,960</u>

## ARC Healthcare Southwest

### Statement of Financial Activities by fund for the Year Ended 31 May 2024

#### Restricted Funds

	<b>Total Restricted Funds 2024 £</b>	<b>Total Restricted Funds 2023 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	<u>207,979</u>	<u>539,881</u>
Total income	<u>207,979</u>	<u>539,881</u>
<b>Expenditure on:</b>		
Charitable activities	<u>(51,995)</u>	<u>(518,587)</u>
Total expenditure	<u>(51,995)</u>	<u>(518,587)</u>
Net income	<u>155,984</u>	<u>21,294</u>
Net movement in funds	155,984	21,294
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>43,128</u>	<u>21,834</u>
Total funds carried forward	<u>199,112</u>	<u>43,128</u>

**ARC Healthcare Southwest**

England & Wales - Charity number 1172246

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# Accounts

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Company registration number: 10671707

Charity registration number: 1172246

# ARC Healthcare Southwest

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 1 December 2021 to 31 May 2023

# ARC Healthcare Southwest

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# ARC Healthcare Southwest

## Reference and Administrative Details

### Trustees

A M Rouncefield

J M Storer

S Visram

M Gorman resigned 7 January 2023

J Herrod resigned 2 September 2023

### Senior Management /

#### Leadership Team

J Sabien, Outsourced Consultant

### Charity Registration Number

1172246

### Company Registration Number

10671707

The charity is incorporated in England

### Registered Office

Waterside Court Falmouth Road

Penryn

Cornwall

TR10 8AW

### Accountants

GW & Co. Limited

Chartered Certified Accountants and Business Advisers

Waterside Court

Falmouth Road

Penryn

TR10 8AW

# ARC Healthcare Southwest

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 May 2023.

### INTRODUCTION - A PERIOD OF SADNESS

The period to May 2023 was a sad time for the Charity. With increasing losses and a lack of commitment from the NHS to use our services, the Trustees had to take the difficult decision in December 2022 to close the charity before it ran out of money. In January 2023, all staff, including the founder and Chief Executive, Joseph Sabien were made redundant. Assets were sold, including the Dutch Barge known as the ARC (Andere Boerge), debts were collected, and liabilities paid.

The original intention was to liquidate the charity and use any surplus funds for other charitable purposes. However, it became evident later in 2023 that there was a significant demand in Cornwall for the mental health services offered by the Charity, and a decision was taken to investigate re-starting it, using the same charitable entity. To avoid confusion, having announced the closure of Sea Sanctuary, it was decided to change the name of the charity to ARC Healthcare Southwest ("ARC HSW") and this occurred on 5th October 2023.

Funding for two years from the National Lottery was confirmed in December 2023, and a decision was made to re-commence activities on a smaller scale in early 2024, fronted again by Joseph Sabien.

### THE CHARITY MOVING FORWARD

Between July 2019 and January 2023, ARC HSW worked in partnership with the Devon & Cornwall police to provide a unique county-wide service. The service had a specific police call-sign (G999) and operated out-of-hours, typically between 1800-0600, responding to emergency calls where mental ill health (people presenting in acute mental health distress) had been identified. G999 provided crisis negotiation (e.g. people in the process of attempting suicide) and thereafter, once removed to safety, assessment and treatment was provided.

During the 3.5 years of operation, data capture highlighted the need for an additional service in the county – a service that would specialise in the treatment of trauma-related illness and mental health disorders. Four main features for people in crisis became apparent:

- They felt disconnected to other people and the community in which they lived.
- They lacked social interaction and were not engaged in meaningful activities.
- They wanted to better understand their mental health, to better understand and improve their emotional threshold and be taught useful techniques for the purpose of self-soothing/emotional regulation.
- They wanted specific treatment for their trauma (e.g. EMDR) once stable and out of crisis.

As a direct consequence of this service analysis, ARC HSW has decided to concentrate its efforts on supporting this particularly vulnerable and often marginalised cohort. This will be achieved by way of the development of a trauma service which will concentrate on providing the following services:

- assessment of need – a root cause assessment
- meaningful activities (e.g. creative writing, exercises classes, art facilitation and outdoor 'process' groups)
- EMDR and trauma related modalities (where appropriate)

# ARC Healthcare Southwest

## Trustees' Report

It should be noted that people in receipt of support from ARC HSW *will not* present in crisis as this remains the remit of NHS primary care services. As such, ARC HSW will not provide a crisis service and will carefully triage and monitor all referrals, whether self-referrals or referrals from other agencies and organisations.

Indeed, ARC HSW will provide so-called 'light touch' services which will encourage people to socially interact, develop meaningful relationships, engage, or re-engage with nature, learn coping strategies in relation to their mental health and experience improved emotional wellbeing and threshold. These services will commence in April 2024.

### **OBJECTIVES AND ACTIVITIES (AN OVERVIEW)**

The Charitable Objects set out in the governing documents, i.e. the memorandum and articles, are *"to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation; and to advance the education of the public in the subject of mental well-being."*

These objects were relevant to the Charity operating as Sea Sanctuary and continue to be relevant to the new services being provided.

We have referred to the guidance from the Charity Commission on public benefit when reviewing and planning our activities and our trustees consider how our planned activities and our direction contribute to the aims and objectives they have set.

### **POLICY ON RESERVES**

With the new activities, a formal reserves policy is not currently appropriate, but the charity will regularly monitor and assess forecasted budget and expenditure to ensure that cash inflows and expenditure over the coming 12 months are sufficient to cover known expenditure together with a contingency for unforeseen expenditure.

### **REMUNERATION**

Prior to closure, financial and non-financial benefits of all employment packages were set by the CEO and the Directors based on mid-point market values. Salaries were subject to an annual review. The structure moving forward is still being considered.

### **PUBLIC BENEFIT**

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

# ARC Healthcare Southwest

## Trustees' Report

### OUR ACTIVITIES PRIOR TO CLOSURE

The main activities during the 18-month period to 31st May 2023 were:

- Dutch Barge (Known as the ARC) – OFSTED Registered Children's Home (to February 2022)
- Dutch Barge (Known as the ARC) – Trauma and Therapy Centre (July 2022 to January 2023)
- Sailing Activities (April 2022 to October 2022)
- One to One Therapy
- G999
- EAP

These are considered in a bit more detail below.

#### **Dutch Barge (The ARC) – OFSTED Registered Children's Home**

During the year to November 2021, the charity continued to run an OFSTED registered children's home on our Dutch Barge, known as the ARC. Because of the well-publicised difficulties recruiting suitably qualified care staff in Cornwall, the Trustees took the difficult decision in October 2021 to cease this activity, and the home was closed in February 2022. The home provided a major source of income for the charity and its closure was a contributing factor for the charity's financial difficulties.

#### **Dutch Barge (The ARC) – Trauma and Therapy Centre**

Following the decision to stop using the ARC as a children's home, the decision was made to repurposed the boat as a Trauma and Therapy Centre, and it was formally launched as such in July 2022 with the assistance of a number of grants to fund the repairs and enhancements required to the boat and the quayside it is moored on.

Although well received for its services, the financial model for its usage relied on the NHS utilising it. Despite numerous visits from them and promises to commit to a significant usage, the delays and lack of commitment from them was the final trigger for the decision to close the Charity. The ARC was then sold late in 2023 at a loss of £308,358.

#### **Sailing Activities.**

During the year to November 2021, our sailing activities mainly revolved round Sail Into Life ("SiL"), our award-winning residential sailing and person-centred therapeutic programme, using our yacht, Winter. Achieving outstanding results, our SiL programme has featured on local, national, and global TV, featured in several magazines/publications and is the recipient of several awards.

In early 2022, we were kindly offered the use of a traditional tall ship (Irene), for an initial 5-year period, free of charge. Our yacht Winter was therefore sold, and in April 2022 we took delivery of Irene and launched a much more comprehensive sailing programme. Irene of Bridgewater was over 100 years old and was a 120-foot-long twin masted gaffer. From this we continued to deliver Sail into Life, but also added various half day, day, and week sails, some with therapists on board, and some just using the boat for a sailing experience, executive retreats, or holiday. At all times, we were emphasising the benefits of Blue Health and all those who have sailed with us agreed that the Sail Into Life programme improved confidence and self-esteem and instilled the hope and self-belief that they could tackle and change the psychological or emotional issues that have been holding them back.

With the closure of the charity, this activity ceased at the end of the season in October 2022, and Irene was handed back to the owners.

# ARC Healthcare Southwest

## Trustees' Report

### One to One Therapy

Previously carried out primarily in our office, our One-to-One therapy sessions began to take place on the ARC or our newly developed wooden cabins (pods) on the quayside. Our team of experienced and qualified therapists use evidence-based, fully accredited talking therapies and counselling techniques to build resilience, gain empowerment and overcome mental obstacles.

**G999.** Our Golf-999 project was the first of its kind in the country and ran in partnership with Devon & Cornwall Police. Police officers and Sea Sanctuary's mental health clinicians responded to people in acute crisis (i.e. attempted suicide/deliberate and significant-self injury). On average, the G999 team responded to two incidents each night and case managed until such time as a successful outcome had been achieved. With a shift in the Directive from the Home Office relating to "right care, right person" (RCRP), the role of the Police across the UK has changed. As a result, the Police are no longer the 'go-to' emergency service for people presenting with mental ill health and those in acute mental health crisis. As such, working alongside the Devon & Cornwall Police is now unlikely for the foreseeable future until such time as a joint service (Police/NHS) is undertaken. This will allow scrutiny of the new RCRP approach.

We are still considering whether a similar project will re-commence under the new activities working alongside the British Transport Police. This private Police force does not follow the new HO Directive due to the unique environmental challenges and risk profile.

### EAP

We saw a growth in our Employee Assistance Programme (EAP) business, supporting the mental health/wellbeing of several hundred employees and we supported both statutory and non-statutory organisations, including the Devon & Cornwall police.

### GRANTS AND OTHER INCOME

Income from the Sailing and Therapy activities of the charity were always insufficient to cover costs, and therefore grant income was important to meet our costs. During the 18-month period to 31st May 2023 the following grants were received and included in the income for the year.

FUNDER	RESTRICTIONS	AMOUNT
		£
National Lottery	Trauma and Therapy	280,000
NHS Winter Pressures	Running costs	35,000
Tudor Trust	ARC and quayside refurbishment	40,000
Edward Gosling	Purchase of rib	40,000
Clothworkers	Purchase of rib	25,000
Wolfson	ARC and quayside refurbishment	50,000
Other grants	Various	39,881
<b>TOTAL</b>		<b>509,881</b>

Since the end of the financial period, the National Lottery community Fund confirmed that it would continue to fund certain running costs of the new activities for 2 years, with a total of £207,979. The first payment of £51,995 was received in January 2024.

# **ARC Healthcare Southwest**

## **Trustees' Report**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### ***Nature of governing document***

Arc Healthcare Southwest is a mental health service based in Falmouth, South West England and it was registered as a charity (1117038) in October 2005. Due to a substantial investment from HM Treasury in 2017 it was necessary to fully incorporate the Charity, a new charity number (1172246) was issued at the time.

The Charity is governed by memorandum and articles of association dated 15 March 2017.

The Charity was run on a day-to-day basis by the CEO and founder Joseph Sabien, assisted by his senior management team. Trustees met formally on at least a quarterly basis, but further regular meetings took place between some of the Trustees and the CEO and senior management team to discuss issues as they arose.

Following its closure, the run-down of the Charity was undertaken by the Trustees, assisted by Joseph Sabien. The structure of the Charity in its new guise is still evolving but continues to be over-seen by the Trustees and Joseph Sabien on a consultancy basis.

#### ***Recruitment and appointment of trustees***

New Trustees are appointed by the existing Trustees based on the needs of the Charity.

Trustees are appointed based on their experience and the skills they have to offer. Where gaps are identified in the board, skill set trustees will be sought to meet those specific needs. Trustees were formally inducted by the CEO and current board.

### **DESCRIPTION OF RISKS AND UNCERTAINTIES FACED BY THE CHARITY**

The risks and uncertainties faced by the charity in 2024 all relate to the setting up of the new activities as outlined above. These are being co-ordinated by the original experienced founder Joseph Sabien.

### **PRINCIPAL FUNDING SOURCES**

For the next two years, the main funding source is the National Lottery Community Fund, as outlined on the Trustees Report.

### **SEA SANCTUARY SERVICES LIMITED**

Following on from the decision to close the charity taken in December 2022, discussions were held with Lloyds Bank, the only creditor of the charity's subsidiary Sea Sanctuary Services Limited. Following unsuccessful negotiations with Lloyds, the directors of SSSL decided to place the company into liquidation on 15th February 2024.

### **FINANCIAL REVIEW**

Total income for the 18 month period to 31st May 2023 was £925,861, of which grant income was over 50%. With the loss of the income from the children's care home activities, the income from other activities was insufficient to cover the high fixed costs of running the charity. Payroll costs in themselves were £764,121 in the period, including redundancy pay of £88,964.

## ARC Healthcare Southwest

### Trustees' Report

The following table shows how the loss for the period of £713,169 arose.

	£'000
Income from activities and donations	420
Grant funding	<u>506</u>
Total income	<b>926</b>
Total staff costs	(764)
Loss on sale of ARC	(308)
Loss on sale of other fixed assets	(91)
Other cost of sales	(164)
Other overheads	(312)
	<b>(713)</b>

The cash drain from the operating losses, together with the uncertainty over future income levels was the reason the Trustees took the decision to cease all activities and make staff redundant before the charity became insolvent.

#### Statement of trustees' responsibilities

The trustees (who are also the directors of ARC Healthcare Southwest for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial period. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

# ARC Healthcare Southwest

## Trustees' Report

The annual report was approved by the trustees of the charity on <sup>24/04/2024</sup> ..... and signed on its behalf by:

*J Martin Storer*

.....

J M Storer  
Trustee

## ARC Healthcare Southwest

### Independent Examiner's Report to the trustees of ARC Healthcare Southwest ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 May 2023.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

#### Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of ARC Healthcare Southwest as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

*Deborah Warburton*

.....  
Deborah Warburton  
FCCA

24/04/2024

Date:.....

## ARC Healthcare Southwest

### Statement of Financial Activities for the Period from 1 December 2021 to 31 May 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Continuing operations 2023 £	Discontinued operations 2023 £	Total 2023 £
<b>Income and Endowments from:</b>						
Donations and legacies	3	-	21,294	21,294	556,133	577,427
Charitable activities	4	-	-	-	332,402	332,402
Investment income	5	-	-	-	16,174	16,174
Total income		-	21,294	21,294	904,709	926,003
<b>Expenditure on:</b>						
Raising funds	6	-	-	-	(21,971)	(21,971)
Charitable activities	7	-	-	-	(1,617,200)	(1,617,200)
Total expenditure		-	-	-	(1,639,171)	(1,639,171)
Net income/(expenditure)		-	21,294	21,294	(734,462)	(713,168)
Net movement in funds		-	21,294	21,294	(734,462)	(713,168)
Transfer of funds		-	-	(734,462)	734,462	-
		-	21,294	(713,168)	-	(713,168)
<b>Reconciliation of funds</b>						
Total funds brought forward		814,422	21,834	836,256	-	836,256
Total funds carried forward	19	814,422	43,128	123,088	-	123,088

The notes on pages 15 to 29 form an integral part of these financial statements.

## ARC Healthcare Southwest

### Statement of Financial Activities for the Period from 1 December 2021 to 31 May 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Continuing operations 2021 £	Discontinued operations 2021 £	Total 2021 £
<b>Income and Endowments from:</b>						
Donations and legacies	3	106,309	64,939	171,248	-	171,248
Charitable activities	4	851,987	-	851,987	-	851,987
Investment income	5	24,048	-	24,048	-	24,048
Total income		982,344	64,939	1,047,283	-	1,047,283
<b>Expenditure on:</b>						
Raising funds	6	(16,775)	-	(16,775)	-	(16,775)
Charitable activities	7	(1,145,176)	(65,025)	(1,210,201)	-	(1,210,201)
Total expenditure		(1,161,951)	(65,025)	(1,226,976)	-	(1,226,976)
Net expenditure		(179,607)	(86)	(179,693)	-	(179,693)
Net movement in funds		(179,607)	(86)	(179,693)	-	(179,693)
<b>Reconciliation of funds</b>						
Total funds brought forward		994,029	21,920	1,015,949	-	1,015,949
Total funds carried forward	19	814,422	21,834	836,256	-	836,256

The funds breakdown for 2021 is shown in note 19.

## ARC Healthcare Southwest

**(Registration number: 10671707)**  
**Balance Sheet as at 31 May 2023**

	Note	2023 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	30,000	226,845
Investments	13	-	1
		30,000	226,846
<b>Current assets</b>			
Debtors	14	17,237	875,114
Cash at bank and in hand	15	149,797	84,870
		167,034	959,984
<b>Creditors: Amounts falling due within one year</b>	16	(73,946)	(341,894)
<b>Net current assets</b>		93,088	618,090
<b>Total assets less current liabilities</b>		123,088	844,936
<b>Creditors: Amounts falling due after more than one year</b>	17	-	(8,680)
<b>Net assets</b>		123,088	836,256
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	19	43,128	21,834
<b>Unrestricted income funds</b>			
Unrestricted funds		79,960	814,422
<b>Total funds</b>	19	123,088	836,256

For the financial period ending 31 May 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 15 to 29 form an integral part of these financial statements.

**ARC Healthcare Southwest**

**(Registration number: 10671707)  
Balance Sheet as at 31 May 2023**

The financial statements on pages 10 to 29 were approved by the trustees, and authorised for issue on ~~24/04/2024~~ and signed on their behalf by:

*J Martin Storer*

.....  
J M Storer  
Trustee

## ARC Healthcare Southwest

### Statement of Cash Flows for the Period from 1 December 2021 to 31 May 2023

	Note	2023 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash expenditure		(713,168)	(179,693)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		38,299	23,234
Loss on disposal of assets		389,935	-
Investment income		(16,174)	(24,048)
		(301,108)	(180,507)
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	14	857,877	(19,227)
(Decrease)/increase in creditors	16	(263,708)	94,526
		293,061	(105,208)
<b>Net cash flows from operating activities</b>			
<b>Cash flows from investing activities</b>			
Interest received		16,174	24,048
Acquisitions of tangible assets		(771,371)	(14,985)
Proceeds from sale of tangible assets		539,983	14,453
		(215,214)	23,516
<b>Net cash flows from investing activities</b>			
<b>Cash flows from financing activities</b>			
Repayment of other borrowings		-	(39,112)
Payments to finance lease creditors		(12,920)	(12,920)
		(12,920)	(52,032)
<b>Net cash flows from financing activities</b>			
Net increase/(decrease) in cash and cash equivalents		64,927	(133,724)
Cash and cash equivalents at 1 December		84,870	218,594
		149,797	84,870
Cash and cash equivalents at 31 May		149,797	84,870

The notes on pages 15 to 29 form an integral part of these financial statements.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 1 Charity status

The charity is limited by guarantee, incorporated in England, 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:

Waterside Court Falmouth Road

Penryn

Cornwall

TR10 8AW

#### 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

ARC Healthcare Southwest 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.

##### Going concern

The Trustees have assessed the Statement of Financial Position and likely future cash flows at the date of approving these financial statements. The Trustees have a reasonable expectation that the Charity have adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of these financial statements. Accordingly, the Trustees are of the opinion that the going concern basis is appropriate.

##### 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.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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

Grants are recognised when the charity 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 when entitlement occurs.

#### ***Other income***

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

#### ***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. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent.

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

#### ***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.

All expenditure is inclusive of irrecoverable VAT.

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 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 of a revenue nature are credited to the Statement of Financial Activities as the related expenditure is incurred.

#### 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.

#### Tangible fixed assets

Individual fixed assets costing £500.00 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed assets less their residual value over their estimated useful lives, on both the straight line basis and reducing balance basis.

#### 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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
ARC development	Over 15 years straight line
Boats and vessels	Over 15 years straight line
Motor vehicles	25% reducing balance
Office equipment	20% reducing balance
Boat equipment	15% reducing balance

#### Impairment of fixed assets

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### **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 charity. 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 period, 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 period and are credited or charged to the Statement of Financial Activities based on the market value at the period 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.

#### **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.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### **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 charity.

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***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### **Investments**

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### **Derivative financial instruments**

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### **Fair value measurement**

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### **3 Income from donations and legacies**

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Donations and legacies;			
Donations from individuals	37,546	30,000	67,546
Grant income			
Grants from other organisations	-	509,881	509,881
<b>Total for period ended 31 May 2023</b>	<b>37,546</b>	<b>539,881</b>	<b>577,427</b>
<b>Total for period ended 30 November 2021</b>	<b>106,309</b>	<b>64,939</b>	<b>171,248</b>

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 4 Income from charitable activities

	<b>Unrestricted funds Other £</b>	<b>Total 2023 £</b>	<b>Total 2021 £</b>
Care services and other activities	332,402	332,402	851,987

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Other investment income	16,174	16,174
<b>Total for period ended 31 May 2023</b>	<b>16,174</b>	<b>16,174</b>
<b>Total for period ended 30 November 2021</b>	<b>24,048</b>	<b>24,048</b>

#### 6 Expenditure on raising funds

##### Other costs of generating donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Fundraising costs	21,971	21,971
<b>Total for period ended 31 May 2023</b>	<b>21,971</b>	<b>21,971</b>
<b>Total for period ended 30 November 2021</b>	<b>16,775</b>	<b>16,775</b>

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 7 Expenditure on charitable activities

		<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
	<b>Note</b>			
Other direct costs		193,830	2,160	195,990
Staff costs	10	413,916	351,128	765,044
Allocated support costs	8	482,167	165,299	647,466
Governance costs	8	8,700	-	8,700
<b>Total for period ended 31 May 2023</b>		<b>1,098,613</b>	<b>518,587</b>	<b>1,617,200</b>
<b>Total for period ended 30 November 2021</b>		<b>1,145,176</b>	<b>65,025</b>	<b>1,210,201</b>

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 8 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Other support costs £	Total 2023 £
Staff training	2,646	2,646
Other staff costs	7,541	7,541
Rent	20,760	20,760
Light, heat and power	5,071	5,071
Insurance	26,447	26,447
IT software and consumables	18,765	18,765
Legal and professional fees	9,280	9,280
Other office expenses	3,152	3,152
Telephone and internet	9,794	9,794
Equipment hire	3,857	3,857
Repairs and maintenance	1,720	1,720
Subscriptions and donations	27,040	27,040
Advertising and marketing	50,162	50,162
Accountancy and bookkeeping	14,393	14,393
Printing, postage and stationery	7,917	7,917
Motor and travel expenses	25,675	25,675
Interest payable	6,378	6,378
Loss on disposal of tangible assets	397,788	397,788
Sundry expenses	5,628	5,628
Bad debts	2,173	2,173
Entertaining	1,279	1,279
	647,466	647,466

##### Governance costs

	Unrestricted funds General £	Total 2023 £	Total 2021 £
Audit fees	-	-	8,400
Audit of the financial statements			
Independent examiner fees			
Examination of the financial statements	3,540	3,540	-
	3,540	3,540	8,400

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 10 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2021 £
<b>Staff costs during the period were:</b>		
Wages and salaries	695,403	627,207
Social security costs	58,669	52,642
Pension costs	10,972	12,575
	<u>765,044</u>	<u>692,424</u>

During January 2023 the Charity ceased to trade and as a result the following redundancy and notice period payments were made to employees;

Redundancy pay	£40,074
Notice Pay	£92,084

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

	2023 No	2021 No
£60,001 - £70,000	-	1
£140,001 - £150,000	<u>1</u>	<u>-</u>

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 11 Taxation

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

#### 12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Other tangible fixed asset £	Total £
<b>Cost</b>					
At 1 December 2021	100,024	159,632	26,149	-	285,805
Additions	4,099	5,790	-	761,482	771,371
Disposals	(104,123)	(165,422)	(26,149)	(731,482)	(1,027,176)
At 31 May 2023	-	-	-	30,000	30,000
<b>Depreciation</b>					
At 1 December 2021	20,003	26,983	11,974	-	58,960
Charge for the year	6,982	6,045	2,600	22,672	38,299
Eliminated on disposals	(26,985)	(33,028)	(14,574)	(22,672)	(97,259)
At 31 May 2023	-	-	-	-	-
<b>Net book value</b>					
At 31 May 2023	-	-	-	30,000	30,000
At 30 November 2021	80,021	132,649	14,175	-	226,845

#### 13 Fixed asset investments

	2023 £	2021 £
Shares in group undertakings and participating interests	-	1

The subsidiary Sea Sanctuary Services Limited was entered in to liquidation on 8 March 2024 and is in the process of being wound up.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 14 Debtors

	<b>2023</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	13,590	14,104
Due from group undertakings	-	801,755
Prepayments	-	56,154
Other debtors	3,647	3,101
	17,237	875,114

#### 15 Cash and cash equivalents

	<b>2023</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash on hand	-	1,468
Cash at bank	149,797	83,402
	149,797	84,870

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

	<b>2023</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	9,510	17,379
Hire purchase and finance leases	-	4,240
Due to group undertakings	30,123	189,594
Other taxation and social security	19,202	20,594
Other creditors	-	101,294
Accruals	15,111	8,793
	73,946	341,894

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

	<b>2023</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Hire purchase and finance leases	-	8,680
		8,680

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

#### 18 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2023 £	2021 £
Within one year	-	189,594

#### 19 Funds

	Balance at 1 December 2021 £	Incoming resources £	Resources expended £	Balance at 31 May 2023 £
<b>Unrestricted funds</b>				
<i>General</i>				
Unrestricted Funds	814,422	386,122	(1,120,585)	79,959
<b>Restricted funds</b>				
Invictus G999	21,834	-	(21,834)	-
Just Giving 999	-	294	(294)	-
Arnold Clark G999	-	1,500	(1,500)	-
Norman Family Trust	-	7,500	(7,500)	-
NHS Winter Pressures	-	35,000	(35,000)	-
National Lottery	-	280,000	(280,000)	-
Duke of Cornwall Benevolent Fund	-	5,000	(5,000)	-
Greenhook Fishing	-	45,288	(2,160)	43,128
Tudor Trust	-	40,000	(40,000)	-
Albert Hunt	-	4,000	(4,000)	-
Edward Gosling	-	40,000	(40,000)	-
Clothworkers	-	25,000	(25,000)	-
Wolfson	-	50,000	(50,000)	-
Cornwall Council	-	5,999	(5,999)	-
Penryn Town Council	-	300	(300)	-
<b>Total restricted funds</b>	21,834	539,881	(518,587)	43,128
<b>Total funds</b>	836,256	926,003	(1,639,172)	123,087

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

	Balance at 1 December 2020 £	Incoming resources £	Resources expended £	Balance at 30 November 2021 £
<b>Unrestricted funds</b>				
<i>General</i>				
Unrestricted Funds	994,029	982,344	(1,161,951)	814,422
<b>Restricted</b>				
Invictus G999	21,920	64,939	(65,025)	21,834
<b>Total funds</b>	1,015,949	1,047,283	(1,226,976)	836,256

#### 20 Analysis of net assets between funds

	<b>Total funds at 31 May 2023 £</b>
Tangible fixed assets	30,000
Current assets	167,034
Current liabilities	(73,946)
Total net assets	123,088
	<b>Total funds at 30 November 2021 £</b>
Tangible fixed assets	226,845
Fixed asset investments	1
Current assets	959,984
Current liabilities	(341,894)
Creditors over 1 year	(8,680)
Total net assets	836,256

#### 21 Related party transactions

When Sea Sanctuary closed its doors in January 2023, the Trustees were under the impression that the Charity would cease a donation of £23,656 was made to ARC Healthcare CIC on 5 May 2023. ARC Healthcare CIC was set up by Joseph Sabien after Sea Sanctuary closed to keep supporting people who were in desperate need of mental health support.

## ARC Healthcare Southwest

### Notes to the Financial Statements for the Period from 1 December 2021 to 31 May 2023

The payment was split as follows.

	£
Website development costs	8,460
Legal fees	1,359
IT equipment costs and one year's support	5,337
Marketing expenditure	1,600
Containers refurbishment	2,700
Salary costs	4,200
<b>TOTAL DONATION</b>	<b>23,656</b>

All of the donation money has been spent by ARC Healthcare CIC and the computer assets currently held will be transferred across to the charity.

## ARC Healthcare Southwest

### Statement of Financial Activities by fund for the Period from 1 December 2021 to 31 May 2023

#### Unrestricted Funds

	<b>Total Unrestricted Funds 2023 £</b>	<b>Total Unrestricted Funds 2021 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	37,546	106,309
Charitable activities	332,402	851,987
Investment income	16,174	24,048
Total income	<u>386,122</u>	<u>982,344</u>
<b>Expenditure on:</b>		
Raising funds	(21,971)	(16,775)
Charitable activities	(1,098,613)	(1,145,176)
Total expenditure	<u>(1,120,584)</u>	<u>(1,161,951)</u>
Net expenditure	<u>(734,462)</u>	<u>(179,607)</u>
Net movement in funds	(734,462)	(179,607)
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>814,422</u>	<u>994,029</u>
Total funds carried forward	<u>79,960</u>	<u>814,422</u>

## ARC Healthcare Southwest

### Statement of Financial Activities by fund for the Period from 1 December 2021 to 31 May 2023

#### Restricted Funds

	Total Restricted Funds 2023 £	Total Restricted Funds 2021 £
<b>Income and Endowments from:</b>		
Donations and legacies	539,881	64,939
Total income	539,881	64,939
<b>Expenditure on:</b>		
Charitable activities	(518,587)	(65,025)
Total expenditure	(518,587)	(65,025)
Net income/(expenditure)	21,294	(86)
Net movement in funds	21,294	(86)
<b>Reconciliation of funds</b>		
Total funds brought forward	21,834	21,920
Total funds carried forward	43,128	21,834

**ARC Healthcare Southwest**

England & Wales - Charity number 1172246

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# Accounts

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**SEA SANCTUARY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**AUDITED FINANCIAL STATEMENTS**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

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**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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<b>Trustees</b>	A M Rouncefield J M Storer (appointed 29 March 2021) Dr J J Herrod (appointed 1 December 2020) M A B Gorman S Visram
<b>Company registered number</b>	10671707
<b>Charity registered number</b>	1172246
<b>Registered office</b>	Waterside Court Falmouth Road Penryn Cornwall TR10 8AW
<b>Chief executive officer</b>	J Sabien
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Chy Nyverow Newham Road Truro Cornwall TR1 2DP

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**TRUSTEES REPORT**

The Trustees, who are Directors for the purposes of company law, present the annual report together with the financial statements of the charitable Company for the year to 30 November 2021.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

Sea Sanctuary is a unique mental health service based in Falmouth, South West England and was registered as a Charity (1117038) in October 2005. Due to a substantial investment from HM Treasury, it was necessary to fully incorporate the Charity on 24 March 2017. Subsequently, a new Charity number was provided by the Charity Commission (1172246).

This Charity is governed by memorandum and articles of association dated 15 March 2017.

The Charity is run on a day-to-day basis by the CEO and founder Joseph Sabien, assisted by his senior management team. Trustees meet formally on at least a quarterly basis, but further regular meetings take place between some of the Trustees and the CEO and senior management team to discuss issues as they arise.

New Trustees are appointed by the existing Trustees based on the needs of the Charity.

**OBJECTIVES AND ACTIVITIES (AN OVERVIEW)**

The Charitable Objects set out in the governing documents, i.e. the memorandum and articles, are “to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation; and to advance the education of the public in the subject of mental well-being.”

Sea Sanctuary specialises in supporting children, young people and adults who present with complex emotional needs, by striving to provide the best mental health treatment in the county; and pioneering the ‘Blue Health’ movement. It does this through operating the following main activities, details of which are contained later in this report:

- Dutch Barge (The ARC) – OFSTED registered children’s home (discontinued in February 2022);
- Dutch Barge (The ARC) – Trauma and Therapy centre (formally launched July 2022);
- Sailing activities - on the yacht Winter, and since April 2022 on the tall ship Irene;
- One to one therapy;
- Golf-999 project – suicide prevention in conjunction with Devon and Cornwall Police;
- Employee Assistance Programmes (“EAP”).

We have referred to the guidance from the Charity Commission on public benefit when reviewing and planning our activities and our Trustees consider how our planned activities and our direction contribute to the aims and objectives they have set.

**OUR ACTIVITIES**

World-leaders in “blue health”, i.e., using the sea, Sea Sanctuary pioneers and leads the way in mental health care using innovative approaches through “blue therapy”.

The Charity helps some of the most marginalised and underrepresented people in society, who are difficult to engage/treatment resistant and affected by mental health issues, by excelling in Cornwall and informing best practice nationally.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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The organisation is multi-award winning and internationally recognised, improving mental health through effective, impactful and life-changing interventions – achieving positive health outcomes and preventing premature death as a result of suicide.

Sea Sanctuary's quality of provision within the county, methodology and commitment to helping people has been formally recognised over the years through numerous formal awards – both locally and nationally. This includes Google/Sainsburys' Award for Innovation; Regional and National Award (Innovation) College of Policing; Glaxo Smith Kline/King's Fund runners up. The Charity has secured 4 awards in the last 2 years, the most recent being from the Chief Constable of D&C Police and relates to innovation for G999 and the many lives saved from suicide.

The impact has been captured on film, BBC programmes (BBC Inside Out) and in the national press, highlighting Sea Sanctuary's innovative approach and passion for improving mental health services.

Sea Sanctuary is considered experts in the field of mental health recovery and crisis intervention, working in partnership with Devon & Cornwall Police and the Royal Cornwall Hospital for 7 years, as well as approved providers for Cornwall & Devon County Council.

Sea Sanctuary's work is:

- Preventative - preventing people dying as the result of suicide.
- Ongoing - improving lives through impactful & life-changing interventions.

The Charity supports people experiencing mental health issues affecting their day-to-day lives and/or ability to reach their full potential, through to those in acute mental health crisis i.e., attempted suicide/deliberate-self injury/addiction issues. Often disenfranchised, they are disordered in their thinking and present with a raft of often difficult to manage symptoms.

'Hard to reach' and often 'off the radar', the beneficiaries are some of the most underrepresented people in society, affected and often debilitated by poor mental health. Many have no other support and, without Sea Sanctuary's help, are likely to utilise maladjusted coping strategies – alcohol, drug addiction, self-injury - which can ultimately lead to suicidal ideation and sadly, suicide.

Cornwall has one of the highest levels of self-harm and suicide rates in the country. Demand for mental health services far outstrips capacity, and it is the Charity's belief that the current statutory system is failing.

Sea Sanctuary was set-up to provide a different approach to that of the usual NHS offering and to help the overstretched mental health services within Cornwall, particularly during unsociable hours. During the year, the Charity employed some 35 people, including a highly skilled clinical team – led by a consultant in psychiatry. Based on the number of staff and range of projects, Sea Sanctuary is now one of the largest non-statutory mental health agencies in Cornwall.

With a reputation of succeeding where others have failed, the team provides early intervention and meaningful support, improving lives through impactful and co-produced (Sea Sanctuary & the person requiring help) support plans.

Sea Sanctuary's psycho-educational approach to support and treatment is innovative. Evidence-based interventions (talking therapies/groups) are combined with the use of the natural environment (generally the local waters/sea) - helping thousands of acutely unwell and vulnerable adults and children to improved and sustained positive mental health.

Sea Sanctuary takes therapy out of sterile environments and onto the water – a recipe that has helped improve mental and emotional wellbeing and has resulted in several prestigious national awards and significant media interest.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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Sea Sanctuary prides itself on delivering truly innovative and life-changing interventions. All of services, in their way, represent a change, or break, from traditional and conventional approaches to how mental ill health and low emotional threshold are supported and managed.

Sea Sanctuary's research shows that most of the people the Charity has supported in crisis have a history of trauma and multiple traumas (92%), and of those only 16% have received any support for the trauma itself, with limited success. Based on the Charity's experience, Sea Sanctuary is the only provision willing and able to respond to people in acute mental health crisis and that can provide crisis assessment, support, and aftercare.

It is the Charity's considered view that time-limited interventions frequently fail, as they do not address the core issues; people are often disconnected as a result of trauma, people have low-grade protective factors (or none at all), people are without purpose or meaning, people are shoe-horned into unsuitable treatments and are not allowed to 'tell their story'.

It is the Police who routinely respond to incidents of mental ill health in Cornwall, particularly out-of-hours, and Sea Sanctuary's team are alongside them, wherever possible. Sea Sanctuary's G999 project has been described as the "mental health emergency service" by Police personnel and by the people helped.

This is the current formula, and this must change. Sea Sanctuary's innovative approach to and provision for mental health care in the county is absent and desperately needed.

**OUR ACTIVITIES IN DETAIL**

**Dutch Barge (The ARC) – OFSTED Registered Children's Home**

During the year to November 2021, the Charity continued to run an OFSTED registered children's home on our Dutch Barge, known as the ARC. Because of the well-publicised difficulties recruiting suitably qualified care staff in Cornwall, the Trustees took the difficult decision in October 2021 to cease this activity, and the home was closed in February 2022. However, the home continued to be the major source of income for the Charity in 2021, and for the period prior to its closure.

**Dutch Barge (The ARC) – Trauma and Therapy Centre**

Following the decision to stop using the ARC as a children's home, the decision was made to re-purposed the boat as a Trauma and Therapy Centre, and it was formally launched as such in July 2022 with the assistance of a number of grants to fund the repairs and enhancements required to the boat and the quayside it is moored on.

Expanding upon our current services, we are developing this new and innovate floating wellbeing service, to ensure people are accurately assessed and treated for underlying trauma, where many of the issues ultimately exist. Cohesive and holistic, we will address the root cause of an individual's mental ill health, delivering impactful and life-changing interventions, enabling people to 'Actualise, Reintegrate and Change' (the 'ARC').

Helping individuals manage and better understand their emotional needs, the service will allow people time to recover, and offer emotional support tailored to their specific mental health needs. It will help prevent needless deaths through suicide and address ongoing poor mental health.

Aligned with our USP of utilising the sea and "blue health", the floating facility will be the only service of its kind in the South West/ UK/ World Successfully creating and delivering life-changing mental health interventions on board a boat and quayside, the development of this well-being service is our Charity's next inevitable step.

Many clients, upon commencing their wellbeing journey with Sea Sanctuary, are not ready to embark on intense programmes straight away. They may find it difficult to express themselves with words or do not feel ready to explore their pasts with individual therapy. Our art group is a wonderful way for our clients to

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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reconnect with people and build their confidence. Led by local Falmouth artist and illustrator Eve Bourrat, our art classes are small, friendly, relaxed and suitable for all abilities. Creating art lowers stress levels, and a recent review shows that all our clients feeling calmer after an art session. Art requires focus and is an ideal way of encouraging creativity - allowing self-expression without having to use words. The sessions enable our clients to focus on something positive and is an activity that can be continued in their own time. The accomplishment achieved from creating art installs a sense of pride and boosts self-esteem. These groups now take place on the relaunched ARC.

**Sailing Activities**

During the year to November 2021, our sailing activities mainly revolved round Sail Into Life ("SiL"), our award-winning residential sailing and person-centred therapeutic programme, using our yacht Winter. Sea Sanctuary is the only sailing Charity in the UK that specialises in a mental/ emotional health programme combined with a residential sailing experience. Achieving outstanding results, our SiL programme has featured on local, national and global TV, featured in several magazines/publications and is the recipient of several awards.

In early 2022, we were kindly offered the use of a traditional tall ship (Irene), for an initial 5 year period, free of charge. Our yacht Winter was therefore sold, and in April 2022 we took delivery of Irene and launched a much more comprehensive sailing programme. Irene of Bridgwater is over 100 years old, and is a 120 foot long twin masted gaffer. From this we continue to deliver Sail into Life, but have also added various half day, day and week sails, some with therapists on board, and some purely using the boat for a sailing experience, executive retreats or holiday. At all times, we are emphasising the benefits of Blue Health.

The 4-day residential SiL programmes operating from May-October focus on anxiety and depression and how to improve mental wellbeing. This programme is open to individuals who have the belief in themselves to make positive changes in their mental health and wellbeing. Feedback has shown that some client sailors appreciated the time on board to reflect their moods, challenge unwanted behaviours and establish healthy ways to cope. Meanwhile, others found that being in a safe environment - but out of their comfort zone - enabled them to not have to focus on their emotions, and instead gave them the time and space to clear their mind of racing thoughts and be completely in the moment. All those who have sailed with us, agreed that the Sail Into Life programme improved confidence and self-esteem and instilled the hope and self-belief that they could tackle and change the psychological or emotional issues that have been holding them back.

**One-to-One Therapy**

Previously carried out in our office, our one-to-one therapy sessions can now take place on the ARC or our newly developed wooden cabins (pods) on the quayside. Our team of experienced and qualified therapists use evidence-based, fully accredited talking therapies and counselling techniques to build resilience, gain empowerment and overcome mental obstacles.

**G999**

Our Golf-999 project is the first of its kind in the country and run in partnership with Devon & Cornwall Police. Police officers and Sea Sanctuary's mental health clinicians respond to people in acute crisis (i.e. attempted suicide, deliberate-self injury addiction issues). On average, the G999 team will respond to two incidents each night and will case manage until such time as a successful outcome has been achieved.

G999 has been responsible for preventing many deaths and has won both a regional and national award in recognition of its effectiveness and professionalism in the community. Our G999 project was featured on the BBC 'Inside Out' documentary and has been met with widespread praise from members of the public, the broader police service and medical personnel who have referred to it as "the emergency mental health service".

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**EAP**

We are seeing a growth in our Employee Assistance Programmes (EAP) activity, supporting the mental health/wellbeing of several hundred employees. This is a particular area of growth for us. We are supporting both statutory and non-statutory organisations, including the Devon & Cornwall police.

**GRANTS AND OTHER INCOME**

A key focus of the Charity is to secure grants to help meet our costs. During the financial year ending November 2021, a number of funding applications were developed and submitted – with some achieving results/responses after the close of our financial year. The following grants totalling £62,000 were awarded during the year 1st December 2020 to 30th November 2021 and is included in the income for the year.

<b>FUNDER</b>	<b>RESTRICTIONS</b>	<b>AMOUNT (£)</b>
Cornwall Community Foundation - Viscountess Boyd Fund	SiL Running Costs	5,000
Cornwall Community Foundation – Emergency Fund	G999 Running Costs	5,000
Toyota Parasport Fund / Sports England - Return to Play	SiL equipment	10,000
RYA Foundation / Sports England	SiL Running Costs	10,000
Cornwall Council Additional Local Restrictions Support Grant	Core costs	10,000
Tudor Trust	Running costs	2,000
Invictus Trust	G999 Running Costs	20,000

In addition to these grants awarded and received, Sea Sanctuary also received a pledge of £25,000 from the Clothworkers Foundation in November 2021 towards the purchase of a new RIB (payable when the balance is raised/secured).

Since the end of the financial year 30th November 2021, the National Lottery Community Fund awarded the Charity £487,979, from their Reaching Communities pot to be paid over 3 years to assist with the setting up of the Trauma and Therapy Centre on the ARC. The first payment of £100,000 was received in April 2022.

In addition to these grants, bursary income in the year to 30<sup>th</sup> November 2021 amounted to £87,000, of which £65,000 was provided by the Sophie Clark Foundation. The majority of this bursary was utilised in the year to 30th November 2022.

**ACHIEVEMENTS AND PERFORMANCE**

Sea Sanctuary changes and saves the lives of some of the most underrepresented people in society, affected and often debilitated by poor mental health. Through individual therapy and various outreach/community projects, the Charity improves health outcomes and prevents the death of young people and adults.

Based on feedback and testimonies from beneficiaries, Sea Sanctuary provides effective, impactful and life-changing interventions. People “stuck” with maladjusted coping strategies have discovered new and positive methods for moving forwards in their lives.

Without Sea Sanctuary, some individuals already treated, based on their psychiatric history, would in all likelihood have died through suicide or misadventure. Personal testimonies from clients describes the Charity’s work as “life-saving”, attributing their continued existence to Sea Sanctuary’s unique method of support.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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Sea Sanctuary's work has provided the opportunity for beneficiaries to:

- make positive choices in their lives and experience well-being;
- learn coping strategies;
- learn both Cognitive Behavioural Therapy and Mindfulness;
- be involved in group intervention/support;
- develop an interest in sailing and/or physical exercise;
- be less socially isolated;
- develop peer support groups;
- increase their awareness of their own mental health;
- develop confidence and self-esteem.

People "stuck" with certain maladjusted coping strategies have discovered new and positive methods for moving forwards.

Sea Sanctuary is able to assess its achievements through extensive evaluation. The Charity captures data throughout the life of projects, including feedback from beneficiaries. Information is fed to Board level, where a former beneficiary sits on our Board as Chair. Routine assessment includes:

- seeking beneficiaries comments ahead of project development and launch;
- carrying out data capture throughout the life of the projects and services;
- involving beneficiaries within project delivery;
- using beneficiary 'steering groups' to help influence new approaches and innovation;
- appointing former beneficiaries to oversee our quality assurance process;
- seeking feedback pre-project and post intervention (i.e. one month, six months and one year);
- making appropriate modifications to our programme content and delivery based on feedback.

The Charity uses NICE recommended psychological modalities such as EMDR and TF-CBT, as they are useful for part of the support process. Internal evaluation and validated evaluation tools are also incorporated to measure against key performance indicators including:

- GAD-7 scales which measures general anxiety levels;
- PHQ-9 - which measures severity of depression/risk;
- Warwick-Edinburgh Wellbeing Scale, a measure of mental wellbeing that takes account of both how people feel and how they function in daily life and;
- Providing the opportunity for narrative feedback/evaluation.

Relevant lived experience is at the heart of the organisation, enabling learning and the evolution of services. It also ensures Sea Sanctuary has the expertise, experience and passion to challenge the current statutory system and inform/ redefine Best Practice.

Each year, on average, the Charity historically supported between 350-450 acutely unwell people. Over the past year (the time period would have been affected by COVID-19) numbers and waiting lists have increased. The Charity anticipates seeing in the region of 400-500 in the coming year.

Sea Sanctuary stresses that its care is focused on the impact on and quality of care for each and every beneficiary, rather than high numbers of individual beneficiaries. Each person will have complex needs which will require significant investment in terms of time and therapeutic activity. These are the people, who left unattended, will be repeatedly present in crisis and be at risk of suicide.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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Over its years of operation, the Charity has noticed an alarming theme of undiagnosed and therefore untreated trauma. 75% of the people we have supported report a history of trauma and of those, 83% have not received any form of specific treatment for the incidents or multiple incidents of trauma. Our 'G999' police project provides more worrying statistics - over 90% of people supported whilst in crisis report a history of trauma, with only a small percentage (18%) having received trauma related therapy.

Sea Sanctuary provides a different approach to the usual NHS offering and strives to help the overstretched mental health services within Cornwall, particularly during unsociable hours. 90% of the people helped have no other support mechanism in place.

**DESCRIPTION OF RISKS AND UNCERTAINTIES FACED BY THE CHARITY**

Sea Sanctuary routinely carries out both SWOT/ PEST analysis (alongside a register of risk) to provide a broad scope of both threats and opportunities to the organisation.

As a mental health service, we have experienced both service growth and demand on our services and this is evidently set to continue given the current climate.

The main risk and uncertainty faced by the Charity relates to the setting up of the two new activities - sailing activities on Irene and the Trauma and Therapy Centre on the ARC. Income from these two operations is unlikely to be sufficient to cover all costs, and therefore securing of further grant income is essential. A great start has been made with the award of the National Lottery grant (see earlier in the report), but further approaches to trust and grant making organisations will continue to be a major focus of our fundraising work.

Employee Assistance Programmes (EAP) continue to be a source of further growth.

**PRINCIPAL FUNDING SOURCES**

Like many organisations, our income streams fluctuate from time-to-time. However, several streams provide a sustained and increasing level of income to the Charity.

Our principal sources are as follows:

- Income from the ARC;
- Income from sailing activities, especially moving into 2022 and beyond;
- Local Authorities;
- Fundraising initiatives;
- Grants;
- Benefactors.

**PLANS FOR FUTURE PERIODS**

As a Charity, we believe in investing in our services, always seeking to improve them each year.

The Charity is both innovative and extremely driven to provide the best possible care and outcomes and as a result, we have achieved excellent results for both our beneficiaries and for the people and organisations who have invested in our services.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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Our plans going forward have been set out earlier in this report and include:

- Sailing activities on Irene;
- Trauma and Therapy Centre on the ARC;
- The further development of our EAP (now operational).

**HOW DECISIONS ARE MADE – BY TRUSTEES AND STAFF**

Decisions within the Charity (day-to-day) are managed by the senior management team with regular input from the Board of Trustees.

The strategic decision making is driven by the CEO and Board of Trustees who are allocated a specific area of work and/or expertise.

A regular skills-audit is carried out across the organisation which highlights a 'best fit' approach to the allocation of duties alongside taking into consideration the wishes and aspirations of specific Board members.

**GOING CONCERN STATEMENT**

The closure of the ARC as a children's home has had an adverse impact on the Charity, and it is now undergoing a significant change to its service delivery, concentrating on:

1. The new Trauma and Therapy centre on the refurbished ARC
2. Sailing activities on Irene
3. Building up income from Employee Assistance Programmes (EAP)

In order to cover the income shortfall during this period of change, the Trustees are regularly reviewing short, medium and long term cash forecasts, and are specifically looking at two potential sources of funds:

1. Additional grants – we await the results of a number of grant applications, and are about to submit a large application in relation to the costs of running Irene
2. Medium or long term bank finance

The absolute fall-back position for the Charity would be a sale of its main asset, the ARC, but this would only be considered if no other options were available.

The ever-changing circumstances make it difficult to predict the long-term impact, but at the current time we are confident in our ability to continue delivery in a safe and secure way. Because of this we believe the financial impact will be limited and does not pose any significant additional threat to the organisation's viability. The Trustees' are therefore of the view that the Charity is a going concern.

**FINANCIAL REVIEW**

As noted earlier in this report, we had difficulty recruiting suitably qualified staff for the ARC children's home. The consequence of this was that our occupancy level fell short of what was required to make an overall surplus. We are therefore reporting a loss for the year of £156,668 (2020: loss of £94,918).

Turnover in 2021 exceeded the £1million threshold and therefore the 2021 financial statements have been audited for the first time. The Trustees took this opportunity to put the audit work out to tender, and as a result of the tender process, Bishop Fleming LLP, were appointed, to replace the previous Independent Examiners Francis Clarke LLP.

On 30 November 2021 reserves totalled £840,395 consisting of £21,834 in restricted grant funds and £818,561 in unrestricted funds. Of this, £874,864 is invested in fixed assets with the remaining unrestricted funds being unrestricted operating funds.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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On 24 January 2018 the wholly owned trading subsidiary Company, Sea Sanctuary Services Limited, was incorporated. Following a loan to the subsidiary Company by the Charity, the subsidiary purchased the vessel on which the ARC is based. During the year to 30th November 2021, the subsidiary Company maintained the vessel and leased it to the Charity. Since the year end, the Trustees have decided to transfer the vessel from the subsidiary to the Charity at book value, and it has taken place in late July 2022. Accordingly, the financial statements of the subsidiary Company, Sea Sanctuary Services Limited, have been prepared on a basis other than that of a going concern.

**POLICY ON RESERVES**

The Operating Reserve Fund is defined as a designated amount set aside by action of the Board of Trustees and Chief Executive Officer. The minimum amount to be designated as Operating Reserve will be established as an amount sufficient to maintain ongoing operations and programmes for a set period of time, measured in months. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

Whilst the Charity has significant unrestricted reserves, the main constituent of these on a consolidated basis is the Dutch Barge known as the ARC. This is treated in the financial statements as a fixed asset, and as such would normally be excluded from the Operating Reserve Fund. As a result of this, the Trustees have decided to adopt a policy of one month's unrestricted and free reserves held in the accounts at all times (£80,000), to enable the time needed to liquidate this asset if deemed necessary. Alongside this, the Charity will regularly monitor and assess forecasted budget and expenditure to ensure that cash inflows over the coming 12 months are sufficient to cover known expenditure together with a contingency for unforeseen expenditure. Over the next 18-24 months the Charity will also build upon the one month's unrestricted and free reserves, to build them to the equivalent of six months running costs, and at that point revisit and revise its policy to a "six months reserves" policy.

**REMUNERATION**

Financial and non-financial benefits of all employment packages are set by the CEO and the Trustees based on mid-point market values. Salaries are subject to an annual review.

**TRUSTEES AND TRAINING**

Trustees are appointed based on their experience and the skills they have to offer. Where gaps are identified in the Board, Trustees will be sought to meet those specific skill set needs. Trustees are formally inducted by the CEO and current Board.

**OUR THANKS**

Finally, we would like to offer our sincere thanks to the following people:

- Each person who has used our service over the course of the year;
- The Trustees of Sea Sanctuary (both past and current);
- The utterly committed staff team at Sea Sanctuary for their dedication and professionalism;
- Our supporters and fundraisers;
- Our sponsors and funders;
- Our benefactors.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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Lastly, should anyone be considering working with Sea Sanctuary or providing financial assistance (in any form), they should feel confident that they will be contributing to or working towards helping both children and adults; and, in most cases, they will be supporting people who without our help, will undoubtedly find the road to wellbeing difficult and in some cases, impossible.

If we can help in any way, or provide any further information, please contact us at;

Sea Sanctuary, Waterside Court, Penryn, Cornwall, TR10 8AW

admin@seasanctuary.org.uk

01326 378919

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



.....  
Mrs M A B Gorman  
Trustee  
Date: 16 August 2022

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**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' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. 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 (FRS 102);
- 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.

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



.....

Mrs M A B Gorman  
Trustee  
Date: 16 August 2022

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEA SANCTUARY**

---

**OPINION**

We have audited the financial statements of Sea Sanctuary (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 November 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 of the parent charitable company's affairs as at 30 November 2021 and of the Group's 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 Charities Act 2011.

**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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are 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 other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

We have nothing to report in this regard.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEA SANCTUARY (CONTINUED)**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Group's and the parent charitable company'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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

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:

- In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:
- the nature of the charity sector, control environment and charity performance;
- results of our enquiries of management and the Trustee board about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Charity's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEA SANCTUARY (CONTINUED)**

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financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, purchase ledger and payroll, and identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, The Charities Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These included data protection regulations, occupational health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the laws and regulations that the Charity are subject to;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located 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 Auditors' Report.

**OTHER MATTERS**

The financial statements of the Charity for the year ended 30 November 2020 were not audited.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEA SANCTUARY (CONTINUED)**

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**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Alison Oliver FCA (Senior statutory auditor)**

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
Chy Nyverow  
Newham Road  
Truro  
Cornwall  
TR1 2DP

Date: 19th August 2022

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**SEA SANCTUARY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds As restated 2020 £
<b>INCOME FROM:</b>					
Donations and legacies	3	106,309	64,939	171,248	150,353
Charitable activities	4	851,987	-	851,987	691,461
<b>TOTAL INCOME</b>		<b>958,296</b>	<b>64,939</b>	<b>1,023,235</b>	841,814
<b>EXPENDITURE ON:</b>					
Raising funds		71,702	-	71,702	61,121
Charitable activities	5	1,043,176	65,025	1,108,201	875,610
<b>TOTAL EXPENDITURE</b>		<b>1,114,878</b>	<b>65,025</b>	<b>1,179,903</b>	936,731
Net gains on investments		-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(156,582)</b>	<b>(86)</b>	<b>(156,668)</b>	(94,917)
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward	15	975,143	21,920	997,063	1,091,980
Net movement in funds	15	(156,582)	(86)	(156,668)	(94,917)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>818,561</b>	<b>21,834</b>	<b>840,395</b>	997,063

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:10671707**

**CONSOLIDATED BALANCE SHEET  
AS AT 30 NOVEMBER 2021**

	Note	2021 £	As restated 2020 £
<b>FIXED ASSETS</b>			
Tangible assets	9	<b>874,864</b>	949,756
		<u>874,864</u>	<u>949,756</u>
<b>CURRENT ASSETS</b>			
Debtors	11	<b>73,626</b>	54,399
Cash at bank and in hand	19	<b>178,035</b>	218,594
		<u>251,661</u>	<u>272,993</u>
Creditors: amounts falling due within one year	12	<b>(180,700)</b>	(87,802)
		<u>70,961</u>	<u>185,191</u>
<b>NET CURRENT ASSETS</b>		<b>70,961</b>	185,191
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>945,825</b></u>	<u>1,134,947</u>
Creditors: amounts falling due after more than one year	13	<b>(105,430)</b>	(137,884)
<b>TOTAL NET ASSETS</b>		<u><b>840,395</b></u>	<u>997,063</u>
<b>CHARITY FUNDS</b>			
Restricted funds	15	<b>21,834</b>	21,920
Unrestricted funds	15	<b>818,561</b>	975,143
<b>TOTAL FUNDS</b>		<u><b>840,395</b></u>	<u>997,063</u>

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Mrs M A B Gorman**  
Trustee  
Date: 16 August 2022

The notes on pages 21 to 37 form part of these financial statements.

**SEA SANCTUARY**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:10671707**

**CHARITY STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

	Note	2021 £	As restated 2020 £
<b>FIXED ASSETS</b>			
Tangible assets	9	226,845	249,547
Investments	10	1	1
		<u>226,846</u>	<u>249,548</u>
<b>CURRENT ASSETS</b>			
Debtors	11	875,114	837,093
Cash at bank and in hand	19	84,870	83,594
		<u>959,984</u>	<u>920,687</u>
Creditors: amounts falling due within one year	12	(341,894)	(140,152)
		<u>618,090</u>	<u>780,535</u>
<b>NET CURRENT ASSETS</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>844,936</u>	<u>1,030,083</u>
Creditors: amounts falling due after more than one year	13	(8,680)	(14,134)
<b>TOTAL NET ASSETS</b>		<u><u>836,256</u></u>	<u><u>1,015,949</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	15	21,834	21,920
Unrestricted funds	15	814,422	994,029
<b>TOTAL FUNDS</b>		<u><u>836,256</u></u>	<u><u>1,015,949</u></u>

The Charity's net movement in funds for the year was £(179,693) (2020 - £(116,221)).

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



**Mrs M A B Gorman**  
Trustee  
Date: 16 August 2022

The notes on pages 21 to 37 form part of these financial statements.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

	2021 £	2020 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash (provided by)/ used in operating activities	<b>(43,769)</b>	138,339
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of tangible fixed assets	<b>(14,985)</b>	(144,223)
Disposal proceeds	<b>18,195</b>	134,747
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>3,210</b>	<b>(9,476)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	<b>(40,559)</b>	<b>128,863</b>
Cash and cash equivalents at the beginning of the year	<b>218,594</b>	89,731
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>178,035</b>	218,594

The notes on pages 21 to 37 form part of these financial statements

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**1. GENERAL INFORMATION**

Sea Sanctuary is a Charity incorporated as a private Company limited by guarantee and does not have share capital. In the event of the Company being wound up each member is liable to contribute a sum not exceeding £10 towards the debts and liabilities of the Company and the costs, charges and expenses of winding up. The Company is incorporated in England and Wales. The registered number and office is as stated on page 1.

**2. ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

Sea Sanctuary 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements are presented in pounds sterling which is the functional currency of both entities and is rounded to the nearest £.

**2.2 GOING CONCERN**

The Trustees have assessed the Statement of Financial Position and likely future cash flows at the date of approving these financial statements. The Trustees have a reasonable expectation that the Charity have adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing of these financial statements. Accordingly, the Trustees are of the opinion that the going concern basis is appropriate.

**2.3 INCOME**

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 income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on an entitlement basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2. ACCOUNTING POLICIES (continued)**

**2.4 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 GOVERNMENT GRANTS**

Government grants of a revenue nature are credited to the Statement of financial activities as the related expenditure is incurred.

**2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on both the straight line basis and reducing balance basis.

Depreciation is provided on the following bases:

ARC development	- Over 15 years straight line
Boats and vessels	- Over 15 years straight line
Motor vehicles	- 25% reducing balance basis
Office equipment	- 20% reducing balance basis
Boat equipment	- 15% reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

**2. ACCOUNTING POLICIES (continued)**

**2.7 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**2.8 DEBTORS**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.10 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

**2.11 FINANCE LEASES AND HIRE PURCHASE**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**2.12 PENSIONS**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**2. ACCOUNTING POLICIES (continued)**

**2.13 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**3. INCOME FROM DONATIONS AND LEGACIES**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Donations	16,800	-	<b>16,800</b>
Grants	86,665	62,000	<b>148,665</b>
Government grants	2,844	2,939	<b>5,783</b>
	<u>106,309</u>	<u>64,939</u>	<u><b>171,248</b></u>

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Donations	29,154	-	29,154
Grants	5,090	100,122	105,212
Government grants	15,987	-	15,987
	<u>50,231</u>	<u>100,122</u>	<u>150,353</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>As restated Total funds 2020 £</b>
Care service	851,987	<b>851,987</b>	691,461
	<u>851,987</u>	<u><b>851,987</b></u>	<u>691,461</u>

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

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**5. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Provision of care service	<u>717,530</u>	<u>390,671</u>	<u>1,108,201</u>
	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>
Provision of care service	<u>577,314</u>	<u>298,296</u>	<u>875,610</u>

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	<b>217,787</b>	179,327
Staff Training	<b>15,224</b>	12,312
Other staff costs	<b>3,713</b>	3,855
Rent	<b>12,124</b>	11,072
Light, power and heating	<b>2,102</b>	1,843
Insurance	<b>22,382</b>	14,809
IT software and consumables	<b>20,120</b>	11,190
Legal and professional fees	<b>6,324</b>	3,447
Other office expenses	<b>4,547</b>	3,791
Telephone and internet	<b>5,466</b>	4,325
Equipment hire	<b>9,343</b>	1,114
Repairs and maintenance	<b>2,964</b>	6,839
Subscriptions and donations	<b>4,401</b>	1,918
Advertising and marketing	<b>9,284</b>	7,266
Accountancy and bookkeeping	<b>18,518</b>	17,597
Printage, postage and stationery	<b>2,228</b>	2,266
Motor and travel expenses	<b>13,465</b>	11,067
Interest payable	<b>244</b>	1,072
Profit on disposal of tangible fixed assets	<b>4,621</b>	-
Sundry expenses	<b>7,414</b>	3,186
Governance costs	<b>8,400</b>	-
	<b>390,671</b>	298,296

**6. AUDITORS' REMUNERATION**

	<b>2021 £</b>	<b>2020 £</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>10,080</b>	-
Fees payable to the Charity's auditor in respect of:		
All taxation services not included above	<b>500</b>	-
Fees payable to the Charity's Independent Examiner	-	4,950
All non-audit services not included above	<b>1,120</b>	-

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**7. STAFF COSTS**

	<b>Group 2021 £</b>	Group 2020 £	<b>Charity 2021 £</b>	Charity 2020 £
Wages and salaries	<b>677,923</b>	566,992	<b>677,923</b>	566,992
Social security costs	<b>52,642</b>	44,334	<b>52,642</b>	44,334
Other pension costs	<b>12,575</b>	12,129	<b>12,575</b>	12,129
	<b><u>743,140</u></b>	<u>623,455</u>	<b><u>743,140</u></b>	<u>623,455</u>

The average number of persons employed by the Charity during the year was as follows:

	<b>Group 2021 No.</b>	Group 2020 No.	<b>Charity 2021 No.</b>	Charity 2020 No.
Employees	<b><u>35</u></b>	<u>29</u>	<b><u>35</u></b>	<u>29</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2021 No.</b>	Group 2020 No.
In the band £60,001 - £70,000	<b>1</b>	1

The Charity considered it's key management personnel in the year to comprise the Trustees and the chief executive officer as disclosed on page 1.

The total employment benefits including employer pension contributions of the key management personnel were £84,453 (2020: £60,520).

**8. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 30 November 2021, no Trustee expenses have been incurred (2020 - £NIL).

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**9. TANGIBLE FIXED ASSETS**

**GROUP**

	ARC development £	Motor vehicles £	Boats and vessels £	Office equipment £	Boat equipment £	Total £
<b>COST</b>						
At 1 December 2020	100,024	41,644	120,513	26,834	782,843	1,071,858
Additions	-	1,000	7,058	6,927	-	14,985
Disposals	-	(16,495)	(1,700)	-	-	(18,195)
At 30 November 2021	<u>100,024</u>	<u>26,149</u>	<u>125,871</u>	<u>33,761</u>	<u>782,843</u>	<u>1,068,648</u>
<b>DEPRECIATION</b>						
At 1 December 2020 (as previously stated)	13,336	11,706	5,742	8,684	30,444	69,912
Prior Year Adjustment	-	-	-	-	52,190	52,190
At 1 December 2020 (as restated)	<u>13,336</u>	<u>11,706</u>	<u>5,742</u>	<u>8,684</u>	<u>82,634</u>	<u>122,102</u>
Charge for the year	6,667	3,861	8,635	4,071	52,190	75,424
On disposals	-	(3,593)	(149)	-	-	(3,742)
At 30 November 2021	<u>20,003</u>	<u>11,974</u>	<u>14,228</u>	<u>12,755</u>	<u>134,824</u>	<u>193,784</u>
<b>NET BOOK VALUE</b>						
At 30 November 2021	<u>80,021</u>	<u>14,175</u>	<u>111,643</u>	<u>21,006</u>	<u>648,019</u>	<u>874,864</u>
At 30 November 2020 (as restated)	<u>86,688</u>	<u>29,938</u>	<u>114,771</u>	<u>18,150</u>	<u>700,209</u>	<u>949,756</u>

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**9. TANGIBLE FIXED ASSETS (CONTINUED)**

**CHARITY**

	Freehold property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
<b>COST</b>					
At 1 December 2020	100,024	41,644	120,513	26,834	289,015
Additions	-	1,000	7,058	6,927	14,985
Disposals	-	(16,495)	(1,700)	-	(18,195)
At 30 November 2021	<u>100,024</u>	<u>26,149</u>	<u>125,871</u>	<u>33,761</u>	<u>285,805</u>
<b>DEPRECIATION</b>					
At 1 December 2020	13,336	11,706	5,742	8,684	39,468
Charge for the year	6,667	3,861	8,635	4,071	23,234
On disposals	-	(3,593)	(149)	-	(3,742)
At 30 November 2021	<u>20,003</u>	<u>11,974</u>	<u>14,228</u>	<u>12,755</u>	<u>58,960</u>
<b>NET BOOK VALUE</b>					
At 30 November 2021	<u><u>80,021</u></u>	<u><u>14,175</u></u>	<u><u>111,643</u></u>	<u><u>21,006</u></u>	<u><u>226,845</u></u>
At 30 November 2020	<u><u>86,688</u></u>	<u><u>29,938</u></u>	<u><u>114,771</u></u>	<u><u>18,150</u></u>	<u><u>249,547</u></u>

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**10. FIXED ASSET INVESTMENTS**

	<b>Investments in subsidiary companies £</b>
<b>CHARITY</b>	
<b>COST OR VALUATION</b>	
At 1 December 2020	1
AT 30 NOVEMBER 2021	<u>1</u>
<b>NET BOOK VALUE</b>	
AT 30 NOVEMBER 2021	<u>1</u>
AT 30 NOVEMBER 2020	<u>1</u>

**PRINCIPAL SUBSIDIARIES**

The following was a subsidiary undertaking of the Charity and included in the consolidation:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Principal activity</b>	<b>Holding</b>
Sea Sanctuary Services Limited	11167114	Waterside Court, Falmouth Road, Penryn, Cornwall, England, TR10 8AW	Other transportation support activities	100%

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £</b>	<b>Net assets £</b>
Sea Sanctuary Services Limited	<b>102,000</b>	<b>(78,975)</b>	<b>23,025</b>	<b>4,141</b>

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**11. DEBTORS**

	<b>Group 2021 £</b>	Group As restated 2020 £	<b>Charity 2021 £</b>	Charity As restated 2020 £
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	<b>14,104</b>	800	<b>14,104</b>	800
Amounts owed by group undertakings	-	-	<b>801,755</b>	783,505
Other debtors	<b>3,368</b>	1,046	<b>3,101</b>	235
Prepayments and accrued income	<b>56,154</b>	52,553	<b>56,154</b>	52,553
	<b>73,626</b>	54,399	<b>875,114</b>	837,093

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2021 £</b>	Group 2020 £	<b>Charity 2021 £</b>	Charity 2020 £
Bank loans	<b>27,000</b>	11,250	-	-
Trade creditors	<b>17,379</b>	13,606	<b>17,379</b>	13,606
Amounts owed to group undertakings	-	-	<b>189,594</b>	65,000
Other taxation and social security	<b>20,594</b>	40,915	<b>20,594</b>	40,915
Obligations under finance lease and hire purchase contracts	<b>4,240</b>	4,240	<b>4,240</b>	4,240
Other creditors	<b>101,294</b>	2,503	<b>101,294</b>	2,503
Accruals and deferred income	<b>10,193</b>	15,288	<b>8,793</b>	13,888
	<b>180,700</b>	87,802	<b>341,894</b>	140,152

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2021 £</b>	Group 2020 £	<b>Charity 2021 £</b>	Charity 2020 £
Bank loans	<b>96,750</b>	123,750	-	-
Net obligations under finance lease and hire purchase contracts	<b>8,680</b>	14,134	<b>8,680</b>	14,134
	<b>105,430</b>	137,884	<b>8,680</b>	14,134

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**14. PRIOR YEAR ADJUSTMENTS**

The prior year has been adjusted to recognise depreciation on fixed assets of £52,190 for the trading subsidiary, Sea Sanctuary Services Limited, in line with the Company's accounting policy. This has resulted in an adjustment to 2019/20 for the Group to decrease fixed assets and closing funds by £52,190.

The prior year has also been adjusted to recognise an additional £30,601 of care income for the Charity which had been received and recognised post year end. This has resulted in an adjustment to 2019/20 to increase charitable activity income, accrued income and closing funds by £30,601.

**15. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	<b>As restated Balance at 1 December 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 November 2021 £</b>
<b>UNRESTRICTED FUNDS</b>				
General Funds	<b>975,143</b>	<b>958,296</b>	<b>(1,114,878)</b>	<b>818,561</b>
<b>RESTRICTED FUNDS</b>				
G999	-	5,000	(5,000)	-
Lottery Community Grant Fund	18,586	10,000	(28,586)	-
Invictus G999	3,334	20,000	(1,500)	21,834
Sail Into Life	-	15,000	(15,000)	-
Sport England	-	10,000	(10,000)	-
Other Restricted Revenue Grants	-	2,000	(2,000)	-
COVID-19 Grant	-	2,939	(2,939)	-
	<b>21,920</b>	<b>64,939</b>	<b>(65,025)</b>	<b>21,834</b>
<b>TOTAL OF FUNDS</b>	<b>997,063</b>	<b>1,023,235</b>	<b>(1,179,903)</b>	<b>840,395</b>

**15. STATEMENT OF FUNDS (CONTINUED)**

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

G999 (Devon and Cornwall Police) - grant funding contributing towards the cost of staff members (mental health clinicians), write ups/reports, evaluations and refreshments during shifts. The shifts cover weekend periods and unsociable hours.

Lottery Community Grant Fund - grant funding awarded specifically in response to COVID-19. Funding contribution towards the provision of mental health services in the community and to be used for G999 after-care where possible. The award was time limited (had to be spent within 6 months) and covered the broader core costs (administration, office costs etc.)

Invictus G999 - grant funding contribution towards G999 staffing costs, research and evaluations.

Sail Into Life - this includes income from the RYA Foundation & the Viscountess Boyd Fund. The purpose of these grants is a contribution to the costs of boat rigging.

Sport England - grant funding contributing towards the cost of staffing and equipment.

Other Restricted Revenue Grants - this includes funding from the Tudor Trust for the purpose of wellbeing.

COVID-19 Grant - this is the funding received from the government in respect of the Coronavirus Job Retention Scheme.

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**15. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 December 2019 £	As restated Income £	Expenditure £	Transfers in/out £	As restated Balance at 30 November 2020 £
<b>UNRESTRICTED FUNDS</b>					
General Funds	152,791	736,602	(804,949)	890,699	975,143
<b>RESTRICTED FUNDS</b>					
LIBOR	845,857	-	(44,102)	(801,755)	-
G999	-	15,000	(15,000)	-	-
Clothworks	37,334	2,280	(2,666)	(36,948)	-
Garfield Weston	55,998	-	(4,002)	(51,996)	-
Lottery Community Grant Fund	-	65,000	(46,414)	-	18,586
Invictus G999	-	10,000	(6,666)	-	3,334
ESC Fund	-	7,932	(7,932)	-	-
RYA Foundation	-	5,000	(5,000)	-	-
	939,189	105,212	(131,782)	(890,699)	21,920
<b>TOTAL OF FUNDS</b>	<b>1,091,980</b>	<b>841,814</b>	<b>(936,731)</b>	<b>-</b>	<b>997,063</b>

**16. SUMMARY OF FUNDS**

**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 December 2020 £	Income £	Expenditure £	Balance at 30 November 2021 £
General funds	975,143	958,296	(1,114,878)	818,561
Restricted funds	21,920	64,939	(65,025)	21,834
	997,063	1,023,235	(1,179,903)	840,395

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**16. SUMMARY OF FUNDS (CONTINUED)**

**SUMMARY OF FUNDS - PRIOR YEAR**

	Balance at 1 December 2019 £	As restated Income £	Expenditure £	Transfers in/out £	Balance at 30 November 2020 £
General funds	152,791	736,602	(804,949)	890,699	975,143
Restricted funds	939,189	105,212	(131,782)	(890,699)	21,920
	<u>1,091,980</u>	<u>841,814</u>	<u>(936,731)</u>	<u>-</u>	<u>997,063</u>

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	874,864	-	<b>874,864</b>
Current assets	229,827	21,834	<b>251,661</b>
Creditors due within one year	(180,700)	-	<b>(180,700)</b>
Creditors due in more than one year	(105,430)	-	<b>(105,430)</b>
<b>TOTAL</b>	<u>818,561</u>	<u>21,834</u>	<u><b>840,395</b></u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	949,756	-	949,756
Current assets	251,073	21,920	272,993
Creditors due within one year	(87,802)	-	(87,802)
Creditors due in more than one year	(137,884)	-	(137,884)
<b>TOTAL</b>	<u>975,143</u>	<u>21,920</u>	<u>997,063</u>

**SEA SANCTUARY  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2021**

**18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Net expenditure for the year (as per Statement of Financial Activities)	<b>(156,668)</b>	(94,917)
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>75,424</b>	74,319
Depreciation on disposal	<b>(3,742)</b>	(21,254)
Increase in debtors	<b>(19,227)</b>	(1,831)
Increase in creditors	<b>60,444</b>	182,022
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<b>(43,769)</b>	138,339

**19. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>Group 2021 £</b>	<b>Group 2020 £</b>
Cash in hand	<b>178,035</b>	218,594

**20. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 December 2020 £</b>	<b>Cash flows £</b>	<b>At 30 November 2021 £</b>
Cash at bank and in hand	<b>218,594</b>	<b>(40,559)</b>	<b>178,035</b>
Debt due within 1 year	<b>(11,250)</b>	<b>(15,750)</b>	<b>(27,000)</b>
Debt due after 1 year	<b>(123,750)</b>	<b>27,000</b>	<b>(96,750)</b>
Finance leases	<b>(18,374)</b>	<b>5,454</b>	<b>(12,920)</b>
	<b>65,220</b>	<b>(23,855)</b>	<b>41,365</b>

**21. PENSION COMMITMENTS**

The Group operates a defined contribution pension scheme. The assets of the schemes are held separately from those of the Group in an independently administered fund. The pension costs charge represents contributions payable by the Group to the funds and amounted to £12,575 (2020: £12,129). Contributions totaling £2,547 (2020: £2,503) were payable to the funds at the Balance Sheet date.

**22. RELATED PARTY TRANSACTIONS**

The Charity has taken advantage of the exemption in section 33.1A of FRS 102 in not disclosing intragroup transactions where 100% of the voting rights are controlled within the group.

During the year, a Trustee, paid a total of £Nil (2020: £570) for services provided by the Charity. At the end of the year, a total of £Nil (2020: £Nil) was owed to the Charity.

At the year end, a balance of £161 (2020: £222) was due from the Charity to a member of key management personnel in relation to funds introduced.

**23. POST BALANCE SHEET EVENTS**

The ARC, which was operated by the Charity as a children's home during the year, is included in fixed assets for the Group with a net book value of £648,019. Post year end, the ARC ceased to operate as a children's home, and the asset has been transferred from Sea Sanctuary Services Limited to Sea Sanctuary.

**24. CONTROLLING PARTY**

The Charity and Group is controlled by its Trustees.

**ARC Healthcare Southwest**

England & Wales - Charity number 1172246

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# Accounts

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## **Sea Sanctuary**

(A company limited by guarantee)

### **Annual Report and Financial Statements Year Ended 30 November 2020**

Company registration number: 10671707

Charity registration number: 1172246

# Sea Sanctuary

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# Sea Sanctuary

## Trustees Report

### Reference and Administrative Details

**Chief Executive Officer** Mr Joseph Sabien

**Trustees**

- Hazel Claire Evans (resigned 8 October 2020)
- John Hugh Murrell (resigned 21 September 2020)
- Dr Angela Mary Rouncefield
- Mr Sacha Visram (appointed 10 September 2020)
- Mrs Molly Ann Breese Gorman (appointed 17 July 2020)
- Dr Johanna Herrod (appointed 1 December 2020)
- Mr James Martin Storer (appointed 29 March 2021)

**Principal Office**

Waterside Court  
Falmouth Road  
Penryn  
Cornwall  
TR10 8AW

**Company Registration Number** 10671707

**Charity Registration Number** 1172246

**Independent Examiner**

Francis Clark LLP  
Lowin House  
Tregolls Road  
Truro  
Cornwall  
TR1 2NA

# Sea Sanctuary

## Trustees Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year to 30 November 2020.

### Structure, governance and management

Sea Sanctuary was registered as a charity in October 2005. Due to a substantial investment from HM Treasury, it was necessary to fully incorporate the charity on 24 March 2017. Subsequently, a new charity number was provided by the Charity Commission (1172246).

This charity is governed by memorandum and articles of association dated 15 March 2017.

New trustees are appointed by the existing trustees based on the needs of the charity.

### Objectives and activities

The objectives of the charity are to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation; and to advance the education of the public in the subject of mental well-being.

In addition, the charity will aim to promote and deliver comprehensive relevant training and education to service users, volunteers and staff. This will be achieved using a range of methods, i.e. issue based programmes, informal workshops, practical training and educational courses.

We have referred to the guidance from the Charity Commission on public benefit when reviewing and planning our activities and our trustees consider how our planned activities and our direction contribute to the aims and objectives they have set.

This report details our exciting and confirmed journey ahead supporting the people of the South West and the wider UK following the new incorporation of the Sea Sanctuary charity.

Indeed, on 1 December 2017 all the activities of the unincorporated charity Sea Sanctuary charity (registration number 1117038) were transferred to the incorporated charity Sea Sanctuary (registration number 1172246).

On 24 January 2018 a wholly owned trading subsidiary company, Sea Sanctuary Services Limited was incorporated. Following a loan to the subsidiary company by the charity, the subsidiary has purchased the vessel on which the ARC will be based. The subsidiary company will be maintaining the vessel and leasing it to the charity.

### Overview:

Sea Sanctuary is a unique mental health service based in Falmouth, South West England. The charity was set-up in 2005 and has been providing services for the community ever since. On average, the charity helps between 350-450 people each year. Most of the people using the charity will present with a range of mental health disorders and many are so-called treatment resistant. The charity therefore specialises in supporting the difficult to engage with members of society and those where conventional treatment has failed. Sea Sanctuary supports children, adults and older adults.

It is worthy of note that the charity does not focus on the numbers of beneficiaries supported each year. Most of the people supported each year will present with a raft of complex mental health issues and will require treatment that lasts months or, in some cases, several years.

# Sea Sanctuary

## Trustees Report

We believe in conducting a 'root cause assessment' approach for each person we support. This requires a detailed examination of their history and only after this has been carried out, do we put into place a care-plan for the successful management of their conditions by either access to single or multiple Sea Sanctuary projects.

The work of the charity is like no other- a combination of educational programmes, evidence-based interventions and marine-based activities. Using the setting of the sea, the charity has developed a highly successful USP which has gained worldwide recognition and interest. Sea Sanctuary is at the head of the Blue Health movement in the UK.

Over the course of the charity's operational years, it has won and been nominated for several awards (e.g. 'Google/Sainsburys Award for Innovation', 'GSK/kings Fund Award for Innovation', 'Big Lottery Health Award') and several others. Our approach is recognised as being both innovative and extremely effective and we are 'approved providers' with the local authority and the Devon & Cornwall Police.

More recently, Sea Sanctuary has received several awards relating to its G999 project working alongside the Devon & Cornwall Police in support of people presenting in acute mental health crisis.

In 2016, Sea Sanctuary secured £1.72m from HM Treasury (from the LIBOR fines) to build the world's first floating wellbeing facility (referred to as the ARC). The new facility is poles apart from conventional treatment and combines psychological intervention, psychoeducation, access to sports activities and social interaction.

The charity employs some 45 people (29 full time equivalents), including a highly skilled clinical team, an OFSTED Registered Manager and an OFSTED Responsible Individual.

### **THE ARC:**

Our flag-ship service, the ARC, is now used as an OFSTED registered children's home with a rating of 'Good' and is already achieving remarkable results.

The ARC has already been making waves in terms of its USP to referring agencies and Social Workers alike and we are now receiving a steady flow of referrals from across the UK.

This particularly unique provision is the only floating children's home (registered by OFSTED) in existence and represents a remarkable achievement for the entire Sea Sanctuary team. Never before has a ship been formally registered by OFSTED as a children's home and this marks the beginning of using other unique approaches to how children can be better supported in care.

The process itself saw the redesign of a unique service including the writing of new policies, risk assessments, H&S policies and mapping out the therapeutic approach and evaluation itself. Moreover, it was also necessary to write and produce the 'Statement of Purpose' in order for OFSTED and referring agencies alike to understand the new service.

The ARC service is based on a 'Therapeutic Community' which affords the children considerable influence in terms of the activities, meals and programmes held onboard and is the first step in validating them as individuals. This approach, popular in the 1950/60's lost traction due to the investment of time that was required alongside, to the lay-observer, the often-slow progress seemingly made. However, upon closer scrutiny, progress was indeed being made alongside providing a stable, nurturing and loving home. Onboard the ARC, it is evident brilliant progress is already being made by the looked after children onboard and this is supported by the children themselves, social workers and referring agencies.

# Sea Sanctuary

## Trustees Report

Unlike many residential children's home across the globe, the ARC is certainly different in its approach. At all times, the service 'driver' is care and this is translated through the wide range of activities on offer, a full-time onboard Therapist, excellent food and a high-quality environment in which the children live.

Most, if not all, of the children we support have experienced significant trauma in their short lives and many will be accompanied by Protection Orders, making the advertising of the ARC service a high-risk strategy. As a result, being an organisation dedicated to helping to improve the lives of the people we support, a decision was made to exclude the ARC from promotion of any kind, other than the usual local authority service placement portals.

This approach, whilst ostensibly risky in terms of securing referrals, has already been noted by OFSTED and local authorities as a further demonstration of our commitment to the children we support and as a result, our OFSTED visits and Reg 44 reports (an independent report) have been glowing.

The ARC service is a trauma-informed children's home with much emphasis on understanding the impact of trauma and of adverse childhood experiences (ACE's) in the developmental stage and subsequent years. All ARC staff undergo rigorous and extensive training in understanding the impact of trauma, attachment disorders/difficulties, the positive management of challenging behaviour and the use of therapeutic communities.

Quite aside from psychological support, the ARC provides a range of water-based activities (e.g. sailing, kayaking and paddle-boarding) which complement the so-called 'talking therapies'.

Without the ARC service, many young people are unlikely to prosper due to mental ill health. This service is already making a significant difference to their lives and will see them integrate more fully into society. The ARC represents a sound evidence-based approach, a stimulating environment, a departure from sterile environments and provides a realistic and measurable method for tackling a global epidemic, poor mental health.

Onboard the ARC, our educational programmes include:

- Helping children differentiate between thoughts and facts (by use of Cognitive Behavioural Therapy)
- Relaxation and breathing techniques
- Developing a 'safe-place', managing self-injurious thoughts
- Developing an inquiring mind (a basic component of Mindfulness)
- How to regulate and understand emotions
- How to understand stress and accumulative stress
- Encouraging people to live a healthier lifestyle to incorporate healthier eating

# Sea Sanctuary

## Trustees Report

### Sail into Life:

We are delighted to report the acquisition of a larger yacht, 'Winter'. This yacht was purchased following the consideration of feedback provided by our beneficiaries who had requested a yacht with more space below deck, individual areas specific to gender and more heads (toilets) onboard. As a direct result of the feedback, Sea Sanctuary made the decision to change yachts to provide an enhanced experience for our client-sailors.

The SiL programme remains much the same in most ways. However, we have modified the programme to some extent with a greater focus on the management of stress and anxiety, as per feedback requests.

Having run this programme since Sea Sanctuary's launch, we know, with certainty, that the sea provides a unique platform. From this programme, a 'Blue Ethos' has been developed which embodies the qualities of the sea. It is this ethos which ensures our interventions are so powerful and effective. More information about our unique ethos is available upon request.

Our sailing season has traditionally run between March-October, but we always endeavour to stretch out the season as we recognise the winter months can provide some truly invigorating sailing opportunities. This comes, as always, with the caveat that it must be safe to do so.

Some of our favourite testimonials from the year have to include:

- "I loved every single moment"
- "There is nothing better than Sea Sanctuary and their sailing programme"
- "I wish I'd done this twenty years ago!"
- "Sea Sanctuary has done more for me in four-days than statutory services did in 20 years - they gave me hope again!"

### Devon & Cornwall Police:

A formal partnership between Sea Sanctuary and the Devon & Cornwall Police has existed for seven years. The partnership was originally developed to allow Sea Sanctuary's clinical team to support officers who were experiencing poor mental health and required treatment for anxiety, depression and the effects of trauma-related illness.

Sea Sanctuary's support of the D&C police continues to increase, and we are currently exploring ways in which we can meaningfully support more officers each year. This partnership working is particularly important in view of the ever-increasing number of 999 responders who present with poor mental health, those who present with suicidal ideation and to prevent those officers who die by suicide each year - a number sadly increasing.

Whilst the support of the officers remains ongoing, the latest (and current) project (G999) has a broader community benefit and supports some of the most vulnerable and acutely unwell people in the community.

Sea Sanctuary is involved with D&C's Occupational Health Department and is engaged in supporting officers and civilian staff where conventional approaches have often failed. Additionally, our clinical team can often be found discussing the more complex cases with D&C as joint working and shared ideas yield better results.

# Sea Sanctuary

## Trustees Report

### **Golf 999:**

The Golf-999 project is a partnership of police officers and mental health clinicians from Sea Sanctuary who respond to people in acute crisis (i.e. attempted suicide, deliberate-self injury addiction issues). Thus far, over the life of the project, G999 has been responsible for helping to prevent the death of at least fourteen people and has won both a regional and national award in recognition of its effectiveness and professionalism in the community.

Sadly, despite its beauty and allure, Cornwall has a particularly high rate of suicide when compared to other similar geographical areas.

On some shifts, Sea Sanctuary's clinicians have witnessed, simultaneously, multiple suicide attempts and a desperate need for crisis intervention and after-care.

We believe, many of these deaths could have been avoided had a crisis provision been made available to the police. This is exactly the role of the Sea Sanctuary team as it attempts to combat statutory services being over-stretched and under resourced.

G999 is available to children and adults alike as the police desperately attempt to manage complex behaviours within the community without the expertise to do so. Whilst mental health care is certainly the remit of statutory services, well over half of all police work now relates to mental ill health.

Even more worryingly, the plight of children's mental health support requires a spotlight. Our clinicians have been involved in several suicide attempts where children were under 16 years of age. It is evident that without the G999 call-sign, some of these children would have been successful in taking their own lives. G999 is an invaluable service within the county and providing more funding can be secured, it is planned to expand the call-sign across the broader SW area.

### **Art Workshops:**

Sea Sanctuary has run art workshops for the last seven years and they have always been both highly regarded and over-subscribed.

The use of art as a communication medium has multiple benefits for our clients and allows them to fully express their feeling (and in some cases trauma) without the need to use a talking therapy. Working in small groups, our beneficiaries learn to develop soft skills, improve their interpersonal relationships, develop trust and can be involved in meaningful projects.

As with all of Sea Sanctuary's projects, our art workshops provide the opportunity for our beneficiaries to move between projects (when they are ready) and to experience a full range of approaches geared to suit them and as and when their mental health presentation allows.

### **RYA Sailability Centre:**

Sea Sanctuary is a Royal Yachting Association (RYA) Sailability Centre. The charity specialises in helping people who wish to gain recognised sailing awards and who are either disabled or at a disadvantage in terms of their ability to complete a more challenging syllabus. The charity is the only RYA centre which specialises in mental ill health.

The provision of the RYA centre for our beneficiaries allows them time to complete education within a setting that is suitable for their individual needs and without anxiety provoking time restraints and peer pressure.

# Sea Sanctuary

## Trustees Report

### **Description of risks and uncertainties faced by the charity:**

Sea Sanctuary routinely carries out both SWOT/PEST analysis (alongside a register of risk) to provide a broad scope of both threats and opportunities to the organisation.

As a mental health service, we have experienced both service growth and demand on our services and this is evidently set to continue given the current climate.

The provision of residential care is a growth sector, and this can be evidenced by the high volume of referrals received by the charity. As regulations continue to tighten across the care sector, the ARC service will continue to experience an increase in the number of referrals received.

We are currently looking at the provision of Employee Assistance Programmes (EAP) with two large employers. If successful, Sea Sanctuary would see a substantial increase in the number of people we support each year, and it will be necessary to increase our workforce.

### **Principal funding sources:**

Like many organisations, our income streams fluctuate from time-to-time. However, several streams provide a sustained and increasing level of income to the charity.

Our principal sources are as follows:

- Income from the ARC
- Local Authorities
- Fundraising initiatives
- Grants
- Benefactors

### **Plans for future periods:**

Sea Sanctuary sits within a lucrative industry. As a charity, we believe in investing in our services, always seeking to improve them each year.

The charity is both innovative and extremely driven to provide the best possible care and outcomes and as a result, we have achieved excellent results for both our beneficiaries and for the people and organisations who have invested in our services.

Our plans going forwards include:

- A transitional home for children (a work in progress)
- A trauma service (in development and seeking funding)
- The development of our EAP programme (now operational)
- A new offshore sailing programme (planned to launch in early 2022)

### **How decisions are made - what types by trustees, what types delegated to staff:**

Decisions within the charity (day-to-day) are managed by the senior management team with regular input from the Board of Directors.

The strategic decision making is driven by the CEO and Board of Directors who are allocated a specific area of work and/or expertise.

# Sea Sanctuary

## Trustees Report

A regular skills-audit is carried out across the organisation which highlights a 'best fit' approach to the allocation of duties alongside taking into consideration the wishes and aspirations of specific Board members.

### COVID-19 Statement:

Covid-19 has had a significant impact on our day-to-day operations and how we do things. We have seen, and expect to continue to see, a rise in demand for our services because of it. As a key service, delivery aboard the ARC has continued throughout, regardless of governmental restrictions. One to one delivery services and other funded delivery has been carefully managed when viable to run.

The ever-changing circumstances make it difficult to predict the long-term impact, but at the current time we are confident in our ability to continue delivery in a safe and secure way. Because of this we believe the financial impact will be limited and does not pose any significant additional threat to the organisation's viability.

### Our Thanks

We would like to offer our sincere thanks to the following people;

- Each person who has used our service over the course of the year
- The Trustees of Sea Sanctuary (both past and current)
- The utterly committed staff team at Sea Sanctuary for your dedication and professionalism
- Our supporters and fundraisers
- Our sponsors and funders
- Our benefactors

Lastly, should you be considering working with Sea Sanctuary or providing financial assistance (in any form), please be confident that you will be contributing or working towards helping both children and adults and, in most cases, you will be supporting people who without our help, will undoubtedly find the road to wellbeing difficult and in some cases, impossible.

If we can help in any way, please contact us at;

Sea Sanctuary, Waterside Court, Penryn, Cornwall, TR10 8AW

admin@seasanctuary.org.uk

01326 378919

### Financial review

The reported loss for the year of £81,823 (2019: profit of £5,881) is the result of expenditure being made against grants received in 2018 and 2019. Turnover in 2021 is expected to exceed the £1million threshold and therefore the 2021 accounts will be subject to audit. On 30 November 2020 reserves totalled £1,050,346 consisting of £21,920 in restricted grant funds and £1,028,426 in unrestricted funds. Of this, £778,879 is held as unrestricted operating funds with the remaining £249,547 invested in fixed assets.

# Sea Sanctuary

## Trustees Report

### Policy on reserves

The Operating Reserve Fund is defined as a designated amount set aside by action of the Board of Directors and Chief Executive Officer. The minimum amount to be designated as Operating Reserve will be established as an amount sufficient to maintain ongoing operations and programs for a set period of time, measured in months. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes. The target minimum Operating Reserve Fund is equal to six months of average operating costs which we estimate at around £350,000. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, occupancy, office, travel, program, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation. The calculation of average monthly expenses also includes some additional expenses (e.g. unusual, one-off). The amount of the Operating Reserve target minimum will be calculated each year after approval of the annual budget, reported to the Board of Directors, and included in the regular financial reports.

The Operating Reserve of £778,879 at 30 November 2020 is now above our target, as a result of the transfer of various restricted funds to unrestricted funds during the year. This will be monitored going forward and the target may be revised.

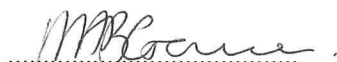
### Remuneration

Financial and non-financial benefits of all employment packages are set by the CEO and the Directors based on mid-point market values. Salaries are subject to an annual review.

### Trustees and Training

Trustees are appointed based on their experience and the skills they have to offer. Where gaps are identified in the boards skill set trustees will be sought to meet those specific needs. Trustees are formally inducted by the CEO and current board.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:



Mrs Molly Ann Breese Gorman  
Trustee

9th September 2021

## Sea Sanctuary

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Sea Sanctuary for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on .....<sup>9TH SEPTEMBER 2021</sup> and signed on its behalf by:

.....

Mrs Molly Ann Breese Gorman  
Trustee

# Sea Sanctuary

## Independent Examiner's Report to the trustees of Sea Sanctuary

I report on the accounts of the charity for the year ended 30 November 2020 which are set out on pages 12 to 28.

### Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

  
.....  
Thomas Roach BSc FCA  
Francis Clark LLP  
Lowin House  
Tregolls Road  
Truro  
Cornwall  
TR1 2NA

Date:.....16/9/21

## Sea Sanctuary

### Statement of Financial Activities

Year Ended 30 November 2020

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	45,141	105,212	150,353
Other trading activities	3	660,860	-	660,860
Investment income		24,049	-	24,049
Total Income		<u>730,050</u>	<u>105,212</u>	<u>835,262</u>
<b>Expenditure on:</b>				
Raising funds	4	(4,475)	-	(4,475)
Charitable activities	5	<u>(780,828)</u>	<u>(131,782)</u>	<u>(912,610)</u>
Total Expenditure		<u>(785,303)</u>	<u>(131,782)</u>	<u>(917,085)</u>
Net expenditure		(55,253)	(26,570)	(81,823)
Transfers between funds		<u>890,699</u>	<u>(890,699)</u>	-
Net movement in funds		835,446	(917,269)	(81,823)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>192,980</u>	<u>939,189</u>	<u>1,132,169</u>
Total funds carried forward	16	<u>1,028,426</u>	<u>21,920</u>	<u>1,050,346</u>

## Sea Sanctuary

### Statement of Financial Activities

Year Ended 30 November 2020

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds		
	Note	General £	Restricted funds £	Total 2019 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	272,837	319,280	592,117
Other trading activities	3	159,370	-	159,370
Other income		10,500	-	10,500
Total Income		<u>442,707</u>	<u>319,280</u>	<u>761,987</u>
<b>Expenditure on:</b>				
Raising funds	4	-	(2,106)	(2,106)
Charitable activities	5	(129,921)	(624,079)	(754,000)
Total Expenditure		<u>(129,921)</u>	<u>(626,185)</u>	<u>(756,106)</u>
Net income/(expenditure)		312,786	(306,905)	5,881
Transfers between funds		7,288	(7,288)	-
Net movement in funds		320,074	(314,193)	5,881
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>(127,094)</u>	<u>1,253,382</u>	<u>1,126,288</u>
Total funds carried forward	16	<u>192,980</u>	<u>939,189</u>	<u>1,132,169</u>

## Sea Sanctuary

### Balance Sheet

30 November 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	10	249,547	241,396
<b>Current assets</b>			
Debtors	11	806,491	843,706
Cash at bank and in hand		<u>83,594</u>	<u>89,731</u>
		890,085	933,437
<b>Creditors: Amounts falling due within one year</b>	12	<u>(75,152)</u>	<u>(42,664)</u>
<b>Net current assets</b>		<u>814,933</u>	<u>890,773</u>
<b>Total assets less current liabilities</b>		1,064,480	1,132,169
<b>Creditors: Amounts falling due after more than one year</b>	13	<u>(14,134)</u>	<u>-</u>
<b>Net assets</b>		<u>1,050,346</u>	<u>1,132,169</u>
<b>Funds of the charity:</b>			
<b>Restricted funds</b>		21,920	939,189
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,028,426</u>	<u>192,980</u>
<b>Total funds</b>	16	<u>1,050,346</u>	<u>1,132,169</u>

## Sea Sanctuary

### Balance Sheet

30 November 2020

For the financial year ending 30 November 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 12 to 28 were approved by the trustees, and authorised for issue on 9th September 2021 and signed on their behalf by:



Mrs Molly Ann Breese Gorman  
Trustee

Company Registration Number: 10671707

## Sea Sanctuary

### Statement of Cash Flows

Year Ended 30 November 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(81,823)	5,881
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		22,129	22,086
Investment income		(24,049)	(10,500)
Profit on disposal of tangible fixed assets		<u>(5,856)</u>	<u>(7,917)</u>
		(89,599)	9,550
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	11	37,215	(85,227)
Increase/(decrease) in creditors	12	33,366	(41,551)
(Decrease)/increase in deferred income	13	<u>(5,118)</u>	<u>5,118</u>
Net cash flows from operating activities		<u>(24,136)</u>	<u>(112,110)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income		24,049	10,500
Purchase of tangible fixed assets	10	(144,223)	(10,869)
Sale of tangible fixed assets		<u>119,799</u>	<u>41,673</u>
Net cash flows from investing activities		(375)	41,304
<b>Cash flows from financing activities</b>			
Repayment of capital element of finance leases and HP contracts	14	<u>18,374</u>	<u>-</u>
Net decrease in cash and cash equivalents		(6,137)	(70,806)
Cash and cash equivalents at 1 December 2019		<u>89,731</u>	<u>160,537</u>
Cash and cash equivalents at 30 November 2020		<u><u>83,594</u></u>	<u><u>89,731</u></u>

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

# Sea Sanctuary

## Notes to the Financial Statements

Year Ended 30 November 2020

### 1 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) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Basis of preparation**

Sea Sanctuary 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.

#### **Going concern**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Covid-19 has had a significant impact on our day-to-day operations and how we do things. We have seen, and expect to continue to see, a rise in demand for our services because of it. As a key service delivery aboard the ARC has continued throughout, regardless of governmental restrictions. One to one delivery services and other funded delivery has been carefully managed when viable to run.

The ever-changing circumstances make it difficult to predict the long-term impact, but at the current time we are confident in our ability to continue delivery in a safe and secure way. Because of this we believe the financial impact will be limited and does not pose any significant additional threat to the organisation's viability. Therefore the directors have prepared the accounts on a going concern basis.

#### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income. It is probable that the income will be received and the amount can be measured with sufficient reliability.

#### ***Donations and legacies***

Donations and legacies are recognised on a receivable basis when receipts is probable and the amount can be reliably measured.

# Sea Sanctuary

## Notes to the Financial Statements

### Year Ended 30 November 2020

#### **Grants receivable**

Grants are recognised when the charity 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. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### **Investment income**

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **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.

#### **Grant provisions**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

# Sea Sanctuary

## Notes to the Financial Statements

Year Ended 30 November 2020

### 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.

### Tangible fixed assets

Individual fixed assets costing £500 or more 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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Boats/Vessels	Over 15 years straight line
Motor Vehicles	25% reducing balance basis
The ARC development costs	Over 15 years straight line
Office equipment	20% reducing balance basis
Boat equipment	15% reducing balance basis

### 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.

# Sea Sanctuary

## Notes to the Financial Statements

### Year Ended 30 November 2020

#### **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.

#### **Fund structure**

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

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***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## Sea Sanctuary

### Notes to the Financial Statements

Year Ended 30 November 2020

#### 2 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies;				
Appeals and donations	29,154	-	29,154	261,902
Grants, including capital grants;				
Government grants	15,987	-	15,987	319,280
Grants - other agencies	-	105,212	105,212	10,935
	<u>45,141</u>	<u>105,212</u>	<u>150,353</u>	<u>592,117</u>

#### 3 Income from other trading activities

	Unrestricted funds £	Total 2020 £	Total 2019 £
Trading income;			
Other trading income	660,860	660,860	159,370
	<u>660,860</u>	<u>660,860</u>	<u>159,370</u>

#### 4 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Unrestricted funds £	Total 2020 £	Total 2019 £
Fund raising activities	<u>4,475</u>	<u>4,475</u>	<u>2,106</u>

## Sea Sanctuary

### Notes to the Financial Statements

Year Ended 30 November 2020

#### 5 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Boat and counsellor costs	65,459	24,089	89,548	93,527
Employment and other staff costs	538,389	85,066	623,455	471,670
Training	12,312	-	12,312	17,505
Staff welfare	541	-	541	292
Recruitment and HR costs	1,814	1,500	3,314	3,314
Rent	72,438	3,000	75,438	44,224
Rates	-	-	-	204
Light, power and heating	1,843	-	1,843	10
Insurance	12,309	2,500	14,809	16,940
Other office expenses	3,791	-	3,791	2,642
IT software and consumables	8,690	2,500	11,190	9,661
Telephone and internet	4,325	-	4,325	2,984
Equipment hire	1,114	-	1,114	13,162
Repairs and maintenance	6,349	490	6,839	4,790
Subscriptions and donations	1,918	-	1,918	1,983
Advertising and marketing	7,266	-	7,266	13,886
Accountancy and bookkeeping	17,597	-	17,597	18,798
Printing, postage and stationery	1,817	449	2,266	3,481
Sundry expenses	2,465	-	2,465	4,003
Motor and travel expenses	8,234	2,833	11,067	9,159
Legal and professional fees	2,327	1,120	3,447	6,621
Interest payable	1,072	-	1,072	209
Depreciation of tangible fixed assets	15,460	6,668	22,128	22,086
Bank charges	346	-	346	376
Profit on disposal of tangible fixed assets	(7,423)	1,567	(5,856)	(7,917)
Entertainment	375	-	375	390
	<u>780,828</u>	<u>131,782</u>	<u>912,610</u>	<u>754,000</u>

## Sea Sanctuary

### Notes to the Financial Statements

Year Ended 30 November 2020

#### 6 Net incoming/outgoing resources

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

	2020	2019
	£	£
Profit on disposal of tangible fixed assets	<u>(5,856)</u>	<u>(7,917)</u>

#### 7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

#### 8 Staff costs

The aggregate payroll costs were as follows:

	2020	2019
	£	£
<b>Staff costs during the year were:</b>		
Wages and salaries	566,992	432,043
Social security costs	44,334	32,459
Pension costs	<u>12,129</u>	<u>7,168</u>
	<u>623,455</u>	<u>471,670</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020	2019
	No	No
Employees	<u>29</u>	<u>26</u>

24 (2019 - 26) of the above employees participated in the Defined Contribution Pension Schemes.

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

The total employee benefits of the key management personnel of the charity were £60,520 (2019 - £63,137).

The chief executive officer, as the highest paid member of staff, received benefits totalling £60,520 (2019 - £63,137).

## Sea Sanctuary

### Notes to the Financial Statements

Year Ended 30 November 2020

#### 9 Taxation

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

#### 10 Tangible fixed assets

	Furniture and equipment £	Motor vehicles £	Boats / Vessels £	The ARC development costs £	Total £
<b>Cost</b>					
At 1 December 2019	21,594	9,698	148,223	100,024	279,539
Additions	5,240	37,696	101,287	-	144,223
Disposals	-	(5,750)	(128,997)	-	(134,747)
At 30 November 2020	<u>26,834</u>	<u>41,644</u>	<u>120,513</u>	<u>100,024</u>	<u>289,015</u>
<b>Depreciation</b>					
At 1 December 2019	5,047	3,166	23,262	6,668	38,143
Charge for the year	3,637	9,979	1,845	6,668	22,129
Eliminated on disposals	-	(1,439)	(19,365)	-	(20,804)
At 30 November 2020	<u>8,684</u>	<u>11,706</u>	<u>5,742</u>	<u>13,336</u>	<u>39,468</u>
<b>Net book value</b>					
At 30 November 2020	<u>18,150</u>	<u>29,938</u>	<u>114,771</u>	<u>86,688</u>	<u>249,547</u>
At 30 November 2019	<u>16,547</u>	<u>6,532</u>	<u>124,961</u>	<u>93,356</u>	<u>241,396</u>

#### 11 Debtors

	2020 £	2019 £
Trade debtors	800	27,496
Due from related undertakings	783,505	801,755
Prepayments	1,725	2,721
Accrued income	20,227	11,522
Other debtors	234	212
	<u>806,491</u>	<u>843,706</u>



## Sea Sanctuary

### Notes to the Financial Statements

Year Ended 30 November 2020

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

	2020 £	2019 £
Trade creditors	13,606	23,794
Hire purchase and finance leases	4,240	-
Other taxation and social security	40,915	9,752
Pension scheme creditor	2,503	-
Accruals	13,888	4,000
Deferred income	-	5,118
	<u>75,152</u>	<u>42,664</u>

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

	2020 £
Hire purchase and finance leases	<u>14,134</u>

#### 14 Obligations under leases and hire purchase contracts

##### Operating lease commitments

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

	2020 £	2019 £
<b>Other</b>		
Within one year	4,658	3,121
Between one and five years	<u>11,875</u>	-
	<u>16,533</u>	<u>3,121</u>

The operating lease commitment disclosed relates to a joint lease, between Sea Sanctuary and Sea Sanctuary Services Limited, and the lessor. The lease charge has been incurred by the charity, Sea Sanctuary during the year.

#### 15 Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

## Sea Sanctuary

### Notes to the Financial Statements

Year Ended 30 November 2020

#### 16 Funds

	Balance at 1 December 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 November 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted income fund	192,980	730,050	(785,303)	890,699	1,028,426
<b>Restricted funds</b>					
LIBOR	845,857	-	(44,102)	(801,755)	-
G999	-	15,000	(15,000)	-	-
Clothworks	37,334	2,280	(2,666)	(36,948)	-
Garfield Weston	55,998	-	(4,002)	(51,996)	-
Lottery Community Grant Fund	-	65,000	(46,414)	-	18,586
Invictus G999	-	10,000	(6,666)	-	3,334
ESC Fund	-	7,932	(7,932)	-	-
RYA Foundation	-	5,000	(5,000)	-	-
<b>Total restricted funds</b>	<u>939,189</u>	<u>105,212</u>	<u>(131,782)</u>	<u>(890,699)</u>	<u>21,920</u>
<b>Total funds</b>	<u>1,132,169</u>	<u>835,262</u>	<u>(917,085)</u>	<u>-</u>	<u>1,050,346</u>
	Balance at 1 December 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 November 2019 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted income fund	(127,094)	442,707	(129,921)	7,288	192,980
<b>Restricted funds</b>					
LIBOR	1,136,114	319,280	(609,537)	-	845,857
Clothworks	40,000	-	(2,666)	-	37,334
Garfield Weston	60,000	-	(4,002)	-	55,998
Lottery Community Grant Fund	7,288	-	-	(7,288)	-
Crimebeat	9,980	-	(9,980)	-	-
<b>Total restricted funds</b>	<u>1,253,382</u>	<u>319,280</u>	<u>(626,185)</u>	<u>(7,288)</u>	<u>939,189</u>

## Sea Sanctuary

### Notes to the Financial Statements

#### Year Ended 30 November 2020

	Balance at 1 December 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 30 November 2019 £
<b>Total funds</b>	<u>1,126,288</u>	<u>761,987</u>	<u>(756,106)</u>	<u>-</u>	<u>1,132,169</u>

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

LIBOR - grant funding to help acquire, develop and run a barge vessel for use in the charity ongoing operations.

Garfield Weston Foundation - grant funding to help acquire, develop and run a barge vessel for use in the charity ongoing operations.

The Clothworks - grant funding to help acquire, develop and run a barge vessel for use in the charity ongoing operations.

Lottery Community grant fund - grant funding awarded specifically in response to COVID-19. Funding contribution towards the provision of mental health services in the community and to be used for G999 after-care where possible. The award was time limited (had to be spent within 6 months) and covered the broader core costs (administration, office costs etc).

Crimebeat - a funding contribution to the employment costs of a community psychiatric nurse.

G999 Invictus Trust - grant funding contribution towards G999 staffing costs, research and evaluations.

G999 (Devon and Cornwall Police) - grant funding contributing towards the cost of staff members (mental health clinicians), write ups/reports, evaluations and refreshments during shifts. The shifts cover weekend periods and unsociable hours.

ESC Fund - funding towards the costs of repairs, insurance, maintenance and running costs of the Winter.

RYA Foundation - grant funding contribution towards the costs of boat rigging.

£801,755 was transferred from the LIBOR Fund to unrestricted funds because the restrictions were satisfied when the funds were used to purchase fixed assets in a previous period.

£51,996 was transferred from the Garfield Weston Foundation Fund to unrestricted funds because the restrictions were satisfied when the funds were used to purchase fixed assets in a previous period.

£36,948 was transferred from the Clothworks Fund to unrestricted funds because the restrictions were satisfied when the funds were used to purchase fixed assets in a previous period.

# Sea Sanctuary

## Notes to the Financial Statements

Year Ended 30 November 2020

### 17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
<b>30 November 2020</b>			
Tangible fixed assets	249,547	-	249,547
Current assets	868,165	21,920	890,085
Current liabilities	(75,152)	-	(75,152)
Non-current liabilities	(14,134)	-	(14,134)
Total net assets	<u>1,028,426</u>	<u>21,920</u>	<u>1,050,346</u>
	Unrestricted funds £	Restricted funds £	Total funds £
<b>30 November 2019</b>			
Tangible fixed assets	107,997	133,399	241,396
Current assets	127,647	805,790	933,437
Current liabilities	(42,664)	-	(42,664)
Total net assets	<u>192,980</u>	<u>939,189</u>	<u>1,132,169</u>

### 18 Related party transactions

Sea Sanctuary Services Limited are a 100% owned trading subsidiary of the charity. During the year the charity loaned the subsidiary £nil (£52,274) for the purchase and refurbishment of the passenger-vessel named Andere Boeg. The charity charged the subsidiary £5,299 (2019: £nil) relating to rent payable, accountancy fees and VAT received. The charity also paid the subsidiary fees totalling £37,000 (2019: £10,500) for rental of the vessel and a total of £24,048 (2019: £10,500) has been charged by the charity to the subsidiary as interest on the inter-company loan balance. At the end of the reporting period a total of £783,505 (2019: £801,755) was owed to the charity by Sea Sanctuary Services Limited.

Mr H Murrell is a trustee of the charity. During the year Mr H Murrell paid a total of £570 (2019: £4,733) for services provided by the charity. At the end of the reporting period a total of £nil (2019: £nil) was owed to the charity by Mr H Murrell.