



Search and Rescue Relief Limited

Unaudited Report and Financial Statements

31 October 2023

Company number: 12284792

Charity number: 1190641

Search and Rescue Relief Limited

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Search and Rescue Relief Limited

Reference and administrative details

For the year ended 31 October 2023

Company number 12284792 – incorporated in the United Kingdom

Charity number 1190641 – registered in England and Wales

Registered office Search and Rescue Relief Limited
29 Kemsing Road
London SE10 0LL

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:
Dickon Mitchell (Chair)
Lynda Mitchell
Antony Parsons
Dr Vanessa Sarah Yarwood

Bankers Barclays Bank UK PLC
93 Lewisham High Street
London
SE13 6BB

Independent examiners Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol, BS1 4QD

Trustees' Annual Report

The trustees present their report and the unaudited financial statements for the year ended 31 October 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102 (effective from January 2019).

Objectives and activities

Purposes and aims

Search and Rescue Relief Limited (SARR) was set up to promote the saving of lives and the prevention of drowning, in particular but not limited to the provision of financial assistance, equipment and training to organisations in the global search and rescue community.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievement and performance

Training School

The SARR Training School, based at the port of Newhaven, East Sussex, has run one training course in 2022/23, with four planned for the 2023/24 financial year.

The first course piloted in September 2022 and we ran a second successful course in the spring of 2023. We have scheduled four courses to run from December 2023 to April 2024. SARR will aim to deliver year-round, subject to demand and funding, specialist training to current and future civil fleet SAR crewmembers.

£16,750 of funding to support the costs of running these courses has been provided by a grant from the Randal Charitable Foundation. £4,000 of support for the Training School also came from The Souter Charitable Trust.

The SARR Training School will deliver a choice of 3 training courses and ultimately be recognised as a royal yacht association (RYA) training centre. Each training course will include tailored small boat training, covering experience on/in water, equipment training, and the

practical skills required to be part of a mission crew, involving maritime, medical elements and SAR scenario exercises, during both day and night.

Training courses will be delivered by a number of highly experienced helms and trainers, all of whom have many years of direct operational experience in SAR (many of which RNLI), including members of the SARR team and board.

International Equipment Support

In 2022/23 SARR provided equipment and the coordination of the sharing of that equipment to a number of smaller NGOs operating in the mediterranean. This has allowed these NGOs to go out on more frequent and better equipped missions.

Trent/The Aurora

The management of the Aurora was transferred to Eos Shipping gUG in June 2022, and full ownership of the vessel was transferred in October 2022. SAR Relief will continue to support with advice and expertise, but from the 2022/23 financial year the Aurora was operated in the Mediterranean by Eos Shipping gUG, a Sea-Watch e.V. affiliated organisation.

RHIB

The RHIB project was impacted by the import-export complications of Brexit and the intended end-use of the three Zodiac RHIBs by changes to the strategy of Sea-Watch e.V.. In the meantime, SARR is using one of the Zodiac RHIBs at the Training School. The future of the raft currently in storage at the SARR premises will be agreed with Sea-Watch e.V..

ARRC

The future of the four MCR.60 Rescue Rafts purchased in 2020/21, of which the ARRC is one, is yet to be finalised but for now it has been transferred to the MareGO and is currently a key component in their operations. Sea-Watch e.V. will determine the future of this loan relationship.

M.V. Louise Michel

The Louise Michel has a strong team and has developed a successful operating model. In the 2022/2023 financial year they completed 59 rescues, saving the lives of 1,207 people.

In November 2023 Handbreit - Nautical Safety Solutions gGmbH took full control of the M.V. Louise Michel Project. We will continue to support on an ad hoc basis, but full ownership of all assets now sits with Handbreit - Nautical Safety Solutions gGmbH and all funding is provided directly to Handbreit - Nautical Safety Solutions gGmbH.

The 'Workshop Truck'

The 'Workshop Truck', is our mobile workshop facility involving high level welding and fabrication capabilities for use in shipyards where NGOs and the civil fleet are undergoing maintenance and repairs. It has been based in Spain for several years, and we are now in talks with the Grup de Suport L'Aurora to transfer the contents of the truck to a container so

that it will be based permanently in Spain. The truck itself would be returned to the UK and likely sold in 2024.

Other Funding

We are very grateful that Choose Love continue to support SAR Relief, funding our overheads and contributing support to a number of our projects. In 2022/23 they provided a £25k grant.

This overhead and project support allows us to continue to operate to support humanitarian assistance on migratory routes in the Central Mediterranean to continue to drive civil fleet search and rescue frontline service improvements.

Strategy and plans for the future

Great numbers of people risk their lives attempting the treacherous crossing of the Mediterranean Sea, escaping from war and violence. Many make the sea crossing in unseaworthy, over-crowded and unfit boats, without crew or safety, navigation and communication equipment. These circumstances lead to an ever-rising death toll at sea.

The response to this humanitarian crisis is currently driven by non-governmental organisations (NGOs) and civil fleet search and rescue (SAR) operations. There is currently a significant gap in suitably trained crew (majority serving voluntarily) available for operations and individual members vary significantly in SAR and 'at sea' experience. This often delays mission readiness and pressurises crewmembers to fill alternative roles. Once on operation, the skills and experience of the crewmembers has very significant consequences for the success and safety of an operation. In order to attempt to address this shortage of skilled crew, the main focus for 2023/34 will be the Training School as well as the ongoing support with lifesaving equipment for search and rescue NGOs.

Financial Review

Review 2022/23

Restricted income was £667,004 across three projects in the 2022/23 financial year, leaving year end restricted reserves of £173,741.

Unrestricted income was £1,181 and expenditure £5,627, but we also received restricted funding to cover our overheads including £17,500 from Choose Love (as well as releasing £2,360 of prior year reserves). In addition we were given permission to use the Louise Michel reserves to fund the £6,100 year end costs for 2022/23 as well as releasing a further £10,323 towards our overheads. This means that we ended the year with £10,549 of unrestricted reserves.

Our overhead costs for 2022/23 of £24,880 were made up of:

Premises: Our rent for our premises was £1,155 per month up until August 2023 when we swapped our internal unit for external storage reducing monthly costs to £350.

Other: Storage of equipment used for a number of projects in particular, the Training School, Trent and RHIB as well as unassigned equipment.

Professional fees and insurance, IT and office and training: there is some accountancy work not directly related to specific projects, the year end Independent Examination and accounts preparation, insurance for equipment and volunteers, as well as software/the website of the charity. There was also a training session for one of the trustees.

Depreciation: depreciation of capitalised work to the premises and the Land Rover are charged to support costs.

Reserves policy and going concern

Our reserves policy is to hold six months of budgeted overhead expenditure funded by unrestricted funds. As at the year end this was estimated to be £7,468 (2021/22: £9,645).

We ended 2022/23 with a free reserve of £8,760, an increase of £9,730 on the 2021/22 financial year.

The trustees have reviewed the financial position of the charity and are comfortable we are a going concern because:

- 1) Unrestricted fixed assets and uncapped equipment with an estimated value of £35,000 are easily saleable on the open market.
- 2) We have completed a detailed budget up until the end of 2024/25 which shows the charity maintaining adequate levels of unrestricted free reserves.
- 3) Choose Love have confirmed a £17k grant to Search and Rescue Relief for the 2023/24 financial year. We are very grateful for their continued support.

For these reasons the trustees are comfortable that there are no material uncertainties about Search and Rescue Relief Limited's ability to continue as a going concern.

Risk management

The trustees have a risk management strategy which comprises:

- An annual review of principal risks and uncertainties faced by the charity;
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The key risks that this work has identified and that are still current are:

- **Business continuity** – as a now established charity we need to ensure volunteers, partners and trustees continue to maintain their enthusiasm and commitment to the activities of the charity.

- **Financial sustainability** – we need to ensure that costs are well managed and that adequate overheads are built into our project bids while we build our core funding through fundraising and developing partnerships with other organisations in the sector.

Fundraising

Search and Rescue Relief Limited works with funders to manage projects that are needed by the search and rescue relief sector. It puts proposals together and then seeks funding, while on other occasions it is contacted by prospective funders who have a project they want managed.

We received funding from Choose Love to develop our fundraising strategy and started working with a professional fundraiser in 2021/22. This has started to create a pipeline of grants and to develop relationships with like-minded grant giving organisations. There is also a Just Giving page.

Search and Rescue Relief Limited does not use professional fundraisers to raise money on its behalf nor does it enter into commercial partnerships. Search and Rescue Relief Limited nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no noncompliance of these regulations and codes and Search and Rescue Relief Limited received no complaints relating to its fundraising practice.

Structure, Governance and Management

Legal status

Search and Rescue Relief Limited is a charitable company limited by guarantee, incorporated on 28 October 2019 and entered on the Central Register of Charities on 30 July 2020.

Board of Trustees

Search and Rescue Relief Limited's Articles of Association state that the Board of Trustees must be comprised of at least three trustees, with no maximum number.

There are no employees and all decisions are taken by the trustees, who hold regular calls and meetings.

Trustee Recruitment

- We have trustees with medical and search and rescue expertise and experience as trustees for other charities. This experience will continue to be recruited.
- We will work towards recruiting trustees with boat building and mechanical knowledge in relation to the repair and maintenance of assets.
- We will work towards recruiting trustees with a legal, or financial background in relation to maintaining the smooth running of the organisation and future growth.
- We will work towards recruiting trustees with fund raising experience within the charitable sector.

Training of trustees

- New trustees are giving a briefing on the current situation in the Mediterranean/Aegean and the various operators in the field of search and rescue so they can understand how our current projects support and complement the work of the other actors in the field. Also all other areas of operations are summarised.
- Our accountant gives a briefing on the basics of charity accounting, in particular treatment of restricted income.
- All of the charities safeguarding and health and safety policies are introduced.
- Any requested specific training (within the specialist field of other trustees) is given on request.

General Trustee responsibilities are considered to be:

1. Strategic - approving the strategic plan that will fulfil the Search and Rescue Relief Limited's charitable objectives;
2. Stewardship - to have responsibility for the Search and Rescue Relief Limited's assets, their preservation and exploitation, and assessing risks;
3. Monitoring - to oversee the effective management and delivery of Search and Rescue Relief's projects;
4. Promotion of, and advocacy, for Search and Rescue Relief to external clients/partners/stakeholders; and
5. Governance - ensuring that Trustee business is conducted effectively, and that the Trustees' Code of Governance is followed.

The full Board meets at least once a year to fulfil these responsibilities.

None of the trustees receive remuneration or other benefit from their work with the Search and Rescue Relief Limited.

The trustees review the aims, objectives and activities of the charity regularly.

Statement of responsibilities of the trustees

Trustees (who are also directors of Search and Rescue Relief Limited for the purposes of company law) are responsible for preparing the trustees' annual 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 which 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 the 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 then 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 and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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 in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 October 2023 was 4. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

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

Independent examiners

Godfrey Wilson Limited were appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

Search and Rescue Relief Limited

Trustees' annual report

For the year ended 31 October 2023

The trustees' annual report has been approved by the trustees on 19 March 2024 and signed on their behalf by



Dickon Mitchell

Chair of Trustees

I report to the trustees on my examination of the accounts of Search and Rescue Relief Limited (the charitable company) for the year ended 31 October 2023, which are set out on pages 12 to 25.

Responsibilities and basis of report

As the trustees of the charitable 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 charitable 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 the charitable company'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 charitable 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 the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

- (1) accounting records were not kept in respect of the charitable company 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).

Search and Rescue Relief Limited

Independent examiner's report

For the year ended 31 October 2023

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.

William Guy Blake

Date: 19 March 2024

William Guy Blake ACA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Search and Rescue Relief Limited

Statement of financial activities

For the year ended 31 October 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations	2	104	50,000	50,104	208	32,283	32,491
Charitable activities							
Boats and Missions	3	–	592,894	592,894	–	1,094,865	1,094,865
Training School	3	–	24,110	24,110	–	37,870	37,870
Other income		952	–	952	1,831	4,003	5,834
Investments		125	–	125	9	–	9
Total income		1,181	667,004	668,185	2,048	1,169,021	1,171,069
Expenditure on:							
Charitable activities							
Boats and Missions		3,247	912,114	915,361	17,413	1,383,547	1,400,960
Training School		–	26,369	26,369	766	26,279	27,045
Cost of raising funds		2,380	2,357	4,737	47	1,640	1,687
Total expenditure	4	5,627	940,840	946,467	18,226	1,411,466	1,429,692
Net income / (expenditure)		(4,446)	(273,836)	(278,282)	(16,178)	(242,445)	(258,623)
Transfers between funds		9,072	(9,072)	–	(12,145)	12,145	–
Net income / (expenditure) before other recognised gains / (losses)		4,626	(282,908)	(278,282)	(28,323)	(230,300)	(258,623)
Net losses from fx movements		(8)	(9,966)	(9,974)	(8)	(16,344)	(16,352)
Net movement in funds	6	4,618	(292,874)	(288,256)	(28,331)	(246,644)	(274,975)
Reconciliation of funds:							
Total funds brought forward		5,931	466,615	472,546	34,262	713,259	747,521
Total funds carried forward		10,549	173,741	184,290	5,931	466,615	472,546

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Search and Rescue Relief Limited

Balance sheet

As at 31 October 2023

	Note	£	2023 £	2022 £
Fixed assets:				
Tangible fixed assets	10		145,029	295,103
			<u>145,029</u>	<u>295,103</u>
Current assets:				
Debtors	11	5,960	112,748	
Cash at bank and in hand		41,780	81,261	
		<u>47,740</u>	<u>194,009</u>	
Liabilities:				
Creditors: amounts falling due within one year	12	(8,479)	(16,566)	
			<u></u>	<u></u>
Net current assets			<u>39,261</u>	<u>177,443</u>
Total net assets	13		<u>184,290</u>	<u>472,546</u>
The funds of the charity:				
Restricted funds			173,741	466,615
Unrestricted funds:				
General funds			10,549	5,931
Total charity funds	14		<u>184,290</u>	<u>472,546</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

Approved by the trustees on 19 March 2024 and signed on their behalf by



Dickon Mitchell
Chair of Trustees



Dr Vanessa Sarah Yarwood
Trustee

Statement of cash flows

For the year ended 31 October 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(288,256)	(274,975)
Adjustments for:		
Depreciation charges	151,466	212,636
Profit on the sale of fixed assets	(592)	(2,199)
Fixed assets donated to other entities	–	130,724
Dividends, interest and rent from investments	(125)	(9)
Decrease / (increase) in debtors	106,788	(46,259)
Decrease in creditors	(8,087)	(151,295)
Net cash used in operating activities	(38,806)	(131,376)
Cash flows from investing activities:		
Dividends, interest and rents from investments	125	9
Proceeds from the sale of fixed assets	2,600	5,833
Purchase of tangible fixed assets	(3,400)	(39,457)
Net cash used in investing activities	(675)	(33,615)
Change in cash and cash equivalents in the year	(39,481)	(164,991)
Cash and cash equivalents at the beginning of the year	81,261	246,252
Cash and cash equivalents at the end of the year	41,780	81,261

Analysis of cash and cash equivalents and of net debt

	At 31 October 2022 £	Cash flows £	Other non- cash changes £	At 31 October 2023 £
Cash at bank and in hand	81,261	(39,481)		41,780
Total cash and cash equivalents	81,261	(39,481)	–	41,780

1 Accounting policies

a) Statutory information

Search and Rescue Relief is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address and principle place of business is Search and Rescue Relief Limited, 29 Kensing Road, London, SE10 0LL.

b) Basis of preparation

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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. This is because:

- The free reserves on the General Fund have increased by £9.7k to £8.8k.
- Unrestricted fixed assets and uncapped equipment with an estimated value of £35k are easily saleable on the open market.
- We have given up the premises to reduce running costs of the charity. We will continue to use the outside space at a cost of approximately £350/month (this will reduce to £200 once we have sold the Land Rover/other equipment).
- We have completed a detailed budget up until the end of 2023/24 which shows the charity slowly rebuilding its unrestricted free reserves.
- Choose Love have confirmed a £17k grant to Search and Rescue Relief for the 2023/24 financial year.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. No government grants were received during the year.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose; and
- Expenditure on charitable expenditure is split between our boats and missions projects and the training school. Further details of all our projects are outlined in note 14c.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

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.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the overhead costs of the central function, is apportioned on the following basis which are an estimate, based on the proportion of total costs, of the amount attributable to each activity.

	2023	2022
• Boats and Missions	96.7%	98.0%
• The Training School	2.8%	1.9%
• Raising Funds	0.5%	0.1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000 and has a useful economic life of more than 1 year. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|------------------------|-----------|
| ● Specialist | 10 years |
| ● IT Hardware | 2–5 years |
| ● Fixture and Fittings | 2–5 years |

l) Debtors

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

m) Cash at bank and in hand

Cash at bank and cash 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.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Income from donations

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Large donors	–	25,000	25,000	–	10,200	10,200
Just Giving donations	104	–	104	208	–	208
Choose Love	–	25,000	25,000	–	22,083	22,083
Total income from donations	104	50,000	50,104	208	32,283	32,491

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Boats and Missions						
Sea Watch	–	–	–	–	109,905	109,905
EOS	–	10,820	10,820	–	121,786	121,786
Louise Michel grant funding	–	582,074	582,074	–	863,174	863,174
Total Boats and Missions	–	592,894	592,894	–	1,094,865	1,094,865
Training School						
Sea Watch	–	3,360	3,360	–	32,870	32,870
Other	–	20,750	20,750	–	5,000	5,000
Total Training School	–	24,110	24,110	–	37,870	37,870
Total income from charitable activities	–	617,004	617,004	–	1,132,735	1,132,735

Search and Rescue Relief Limited

Notes to the financial statements

For the year ended 31 October 2023

4a Analysis of expenditure (current year)

	Raising Funds	Charitable activities		Governance costs	Support costs	2023 Total	2022 Total
		Boats and Missions	The Training School				
	£	£	£	£	£	£	£
Equipment, work and rescue provisions	–	35,997	2,109	–	–	38,106	161,014
Bunkering	–	133	373	–	–	506	17,567
Marine services	–	2,136	–	–	–	2,136	22,136
Freelance staff	4,568	2,738	1,225	–	–	8,531	47,099
Medical	–	3,141	–	–	–	3,141	10,790
Travel, accommodation and subsistence	–	48,454	1,845	–	–	50,299	102,722
Training	45	2,562	15	–	45	2,667	2,582
Grants to partner organisations	–	643,134	–	–	–	643,134	750,869
IT and office	–	5,023	150	–	642	5,815	25,065
Premises and storage	–	–	8,321	–	12,090	20,411	12,300
Professional fees and insurance	–	7,549	2,406	6,423	–	16,378	26,881
Bank fees	–	475	–	–	6	481	561
Vehicle costs	–	–	–	–	–	–	650
Shipping and other	–	2,460	419	–	315	3,194	31,969
Write off of fixed assets	–	173	–	–	–	173	1,740
Irrecoverable VAT	–	29	–	–	–	29	3,111
Depreciation	–	137,294	8,813	–	5,359	151,466	212,636
	4,613	891,298	25,676	6,423	18,457	946,467	1,429,692
Support costs	92	17,851	514	–	(18,457)	–	
Governance costs	32	6,212	179	(6,423)	–	–	
Total expenditure 2023	4,737	915,361	26,369	–	–	946,467	
Total expenditure 2022	1,687	1,400,960	27,045	–	–	1,429,692	

4b Analysis of expenditure (prior year)

	Raising funds	Charitable activities		Governance costs	Support costs	2022 Total
		Boats and Missions	The Training School			
	£	£	£	£	£	£
Equipment, work and rescue provisions	–	144,616	11,600	–	4,798	161,014
Bunkering	–	17,525	42	–	–	17,567
Marine services	–	22,136	–	–	–	22,136
Freelance staff	1,640	44,711	748	–	–	47,099
Medical	–	10,673	117	–	–	10,790
Travel, accommodation and subsistence	–	99,384	3,096	–	242	102,722
Training	–	2,582	–	–	–	2,582
Grants to partner organisations	–	750,309	–	–	560	750,869
IT and office	–	24,087	296	–	682	25,065
Premises	–	–	–	–	12,300	12,300
Professional fees and insurance	–	13,048	79	7,200	6,554	26,881
Bank fees	–	561	–	–	–	561
Vehicle costs	–	87	–	–	563	650
Shipping and other	–	24,134	3,645	–	4,190	31,969
Write off of fixed assets	–	1,740	–	–	–	1,740
Irrecoverable VAT	–	3,111	–	–	–	3,111
Depreciation	–	202,561	6,656	–	3,419	212,636
	1,640	1,361,265	26,279	7,200	33,308	1,429,692
Support costs	39	32,639	630	–	(33,308)	–
Governance costs	8	7,056	136	(7,200)	–	–
Total expenditure 2022	1,687	1,400,960	27,045	–	–	1,429,692

5 Grant making (current year)

	2023 £	2022 £
Cost		
Handbreit	618,134	617,575
Sea Watch	25,000	–
Eos Shipping gUG	–	130,724
Zusammenland gUG	–	2,570
	<u>643,134</u>	<u>750,869</u>
At the end of the year		

All grants were given to institutions in the current and prior year.

We acted as a partner to Handbreit – Nautical Safety Solutions gGmbH in the running of the Louise Michel, granting income to them to support their costs.

We had committed grants of £3,935 to Handbreit – Nautical Safety Solutions as at the year end, as well as a commitment to transfer all LM assets to a value of £26,577.

We granted £25,000 to Sea Watch.

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	151,466	212,636
Independent examiner's remuneration (excluding VAT):		
Independent examination	3,000	–
Statutory audit	–	6,000
Prior year additional audit costs charged in 22/23	268	–
Foreign exchange gains or losses	<u>9,974</u>	<u>16,352</u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

We had no staff in either the 2022/23 or 2021/22 financial years.

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

In 2022/23 one trustee incurred £565 of expenses on behalf of the charity (2021/22 two trustee incurred £46,095 of expenses). Of this £17 was for travel, accommodation and subsistence while conducting charity business including direct voluntary work on projects, and £548 was for spend on behalf of the charity (2022: £15,093 was for travel, accommodation and subsistence while conducting charity business including direct voluntary work on project, and £31,002 was for spend on behalf of the charity).

8 Related party transactions

There were no related party transactions in the current or prior year.

There were no Trustee payments for services. Trustee expenses while conducting charitable activities were reimbursed as well as for spend on behalf of the charity.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2022: £nil).

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Rescue equipment and premises fixtures & fittings £	IT Hardware £	Specialist Vehicles £	Total £
Cost				
At the start of the year	469,656	9,274	23,785	502,715
Additions in year	3,400	–	–	3,400
Disposals in year	(6,645)	(478)	–	(7,123)
At the end of the year	466,411	8,796	23,785	498,992
Depreciation				
At the start of the year	193,626	6,860	7,126	207,612
Charge for the year	145,592	1,442	4,432	151,466
Eliminated on disposal	(4,810)	(305)	–	(5,115)
At the end of the year	334,408	7,997	11,558	353,963
Net book value				
At the end of the year	132,003	799	12,227	145,029
At the start of the prior year	276,030	2,414	16,659	295,103

All of the above assets are used for charitable purposes.

11 Debtors

	2023 £	2022 £
Trade debtors	5,960	10,345
Other debtors	–	2,342
Accrued income	–	100,061
	5,960	112,748

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,060	4,266
Accruals	6,419	12,300
	8,479	16,566

13a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,789	143,240	145,029
Net current assets	8,760	30,501	39,261
Net assets at 31 October 2023	10,549	173,741	184,290

13b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	6,901	288,202	295,103
Net current assets	(970)	178,413	177,443
Net assets at 31 October 2022	5,931	466,615	472,546

14a Movements in funds (current year)

	At 1 November 2022 £	Income & gains £	Expenditure & FX losses £	Transfers £	At 31 October 2023 £
Restricted funds:					
Louise Michel	199,424	582,074	(734,563)	(16,423)	30,512
Workshop Truck	14,633	–	(2,406)	–	12,227
The Training School	21,465	31,610	(25,703)	–	27,372
The Trent Project	2,124	10,820	(23,195)	10,251	–
The RHIB Project	202,080	–	(94,461)	(7,500)	100,119
The ARRC Project	24,529	–	(19,518)	(1,500)	3,511
Other Restricted Funds	–	25,000	(31,100)	6,100	–
Choose Love	2,360	17,500	(19,860)	–	–
Total restricted funds	466,615	667,004	(950,806)	(9,072)	173,741
General funds	5,931	1,181	(5,635)	9,072	10,549
Total unrestricted funds	5,931	1,181	(5,635)	9,072	10,549
Total funds	472,546	668,185	(956,441)	–	184,290

Transfers

A transfer was made from general funds to the Trent Project to cover project overspend. The project has now been fully transferred and the fund is at zero.

A transfer was approved by our funders from the LM to the general fund to cover the costs of the 2022/23 year end, independent examination and a £10,000 contribution to overheads.

A transfer was made from the ARRC Project to General Funds to cover premises, running overhead and insurance costs relating to storage.

A transfer was made from The RHIB Project to General Funds to cover premises, running overhead and insurance costs relating to storage.

A transfer was made from The RHIB Project to General Funds to cover £2k proceeds for asset incorrectly accounted for in 21/22.

14b Movements in funds (prior year)

	At 1 November 2021 £	Income & gains £	Expenditure & FX losses £	Transfers £	At 31 October 2022 £
Restricted funds:					
Louise Michel	118,856	863,174	(781,278)	(1,328)	199,424
Workshop Truck	14,003	–	(2,479)	3,109	14,633
The Training School	–	41,874	(26,283)	5,874	21,465
The Trent Project	258,379	192,593	(468,209)	19,361	2,124
The RHIB Project	268,123	45,097	(104,349)	(6,791)	202,080
The ARRC Project	45,818	–	(21,289)	–	24,529
Other Restricted Funds	–	10,200	(10,200)	–	–
Choose Love	8,080	16,083	(13,723)	(8,080)	2,360
Total restricted funds	713,259	1,169,021	(1,427,810)	12,145	466,615
General funds	34,262	2,048	(18,234)	(12,145)	5,931
Total unrestricted funds	34,262	2,048	(18,234)	(12,145)	5,931
Total funds	747,521	1,171,069	(1,446,044)	–	472,546

14c Purposes of restricted funds

The Louise Michel – for the purchase, build, kit out and operation of the search and rescue boat the Louise Michel.

The Workshop Truck – for the purchase, kit out and running of the maintenance Workshop Truck.

Training School – for the set up and operation of a training school based in Newhaven to provide tailored small boat training, covering experience on/in water, equipment training, and the practical skills required to be part of a mission crew, involving maritime, medical elements and SAR scenario exercises, during both day and night.

The Trent Project – for the purchase, build and kit out of a second-hand RNLI Trent Lifeboat to provide high speed support to search and rescue teams operating in the Mediterranean. This project has now been fully transferred to EOS/Sea Watch.

The RHIB Project – for the technical preparation and build of 3 new specialist search and rescue RHIBs for mobilisation on the Sea-Watch 3. The year end reserve includes Sea-Watch funding which may be repaid to Sea-Watch once the project is finalised. In the meantime overheads for storage, insurance etc are being charged.

The ARRC Project – this project was an experimental project that only finished its first phase. The year end reserve includes Sea-Watch funding which may be repaid to Sea-Watch once the project is finalised. In the meantime overheads for storage, insurance etc are being charged.

Other – this is funding for the year end audit and accounts preparation as well as a donation we received on behalf of Sea Watch.

Choose Love – Choose Love, the trading name for Prism, provided core funding to cover rent and fundraising costs, equipment deployment, equipment repair and upkeep as well as equipment acquisitions. Choose Love funding for the Training School has been credited to the Training School project.