

**CITY OF BATH UNIT 25 OF THE SEA CADET CORPS**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees present their annual report together with the financial statements of the City of Bath Unit 25 of the Sea Cadet Corps for the year 1 April 2021 to 31 March 2022. The financial statements on pages 6 and 7 have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's regulations, the Charities Act 2011.

**OBJECTIVES AND ACTIVITIES**

The purposes of the Trust are set out in the Standard Sea Cadet Constitution as the promotion of the development of young people in achieving their physical, intellectual and social potential as individuals and as responsible citizens by the provision of education and leisure time activities using a nautical theme. The ethos and traditions of the Royal Navy are at the heart of the Sea Cadets.

**MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT**

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. All these aims are undertaken to further the objectives for the public benefit. The following aims of the charity, all for the public benefit, are:

- Offering young people a structured environment
- Providing access for young people to education and training in a wide range of areas which may include but not exclusively: sailing (inshore and offshore), paddle sports, power boating, seamanship, navigation, marine engineering, cooking, music, first aid, drill, piping, and public services
- Providing opportunities for young people to obtain a range of qualifications some of which are nationally accredited and recognised
- Promoting good citizenship through community involvement.

**ACHIEVEMENTS AND PERFORMANCE**

**MONITORING ACHIEVEMENT**

The Unit's performance is measured annually by the national umbrella charity, the Marine Society and Sea Cadets which sets a range of KPIs, scored out of 5, contributing to an overall score which measure's the unit's progress. These KPIs range from recruitment and retention metrics, through data on the range and number of qualifications achieved by the cadets, as well as totals of days experience gleaned by cadets at District, Area and National Level, days contributed to community engagement, and hours spent on inshore waters or offshore. An overall assessment is also made by a representative of the Royal Navy who endorses the scores, and provides a level of safety and compliance assurance on behalf of the MoD, following a series of visits by their staff.

Although the unit was only able to open from the end of June 21, following COVID, from 2021-2022 recruitment and retention scores have remained high with the number of cadets enrolled increasing by 40%, and regular attendance doubling. The purchase of additional boats and training of staff has added an additional 15 boating hours per cadet in the last 12 months, meaning the unit has exceeded the national target by 5%, a real success in view of the disruptions of COVID. Progress of cadets through the Cadet Training Programme, (required for promotions) has been rapid since reopening, meaning all cadets have been promoted at least once (some twice) to the next stage of their training, exceeding the National target by 168%. Cadets renewed contribution to District and Area drill and boating competitions has also resulted in a high score, again surpassing national targets three times over; no Area competitions have been attended for some years previously. All of these statistics are a testament to the committed staff and trustees, who together have provided the support needed to contribute enormously to the skills and wellbeing of increasing numbers of young people in the area. Nonetheless there remain areas where further focus will be needed in 2022-23; these will be in contributing more to the local community, and in ensuring cadets experience training more widely across the South West Area and Nationally.

#### **REVIEW OF ACTIVITIES**

The early part of the year was severely affected by the impact of Covid and although physical attendance at the unit has been restored, Covid safety continues to restrict how the unit is run.

We are still in the process of re-equipping the unit particularly regarding waterborne activity and building cadet and staff numbers.

#### **FINANCIAL REVIEW**

##### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The charity is well placed financially to continue to operate in line with its objectives. The unit operates from modern premises occupied on a long lease with a peppercorn rent.

With respect to the impact of Covid, our income was affected as cadet subscriptions were cut to the minimum level consistent with maintaining direct debit facilities when Covid severely restricted training provision in 2020. The charity has however been eligible for significant covid support grants which have covered this loss and provided resources to relaunch normal activity. There is no guarantee that support grants would be available to offset the impact of future closures due to Covid, in which case we would need to access our general reserves, which are thought adequate for this risk.

The physical location of the premises is at risk from flooding, and this year the nationwide insurance provided centrally by the Sea Cadets has been withdrawn from some units including ours. The trustees decided that the cost of replacement local insurance was prohibitive judged against projected damage costs and have instead invested in flood mitigation equipment and are in effect able to self-insure given our reserves level.

##### **FINANCIAL REVIEW AND RESERVES POLICY**

We had an income of £26,226 (£14,851 in 2020/21) and expenditure of £12,158 (£9,714) resulting in an excess of income over expenses of £14,068 (£5,137). Both of these years were significantly impacted by Covid restrictions and are not therefore indicative of future years. Details of income and expenditure are shown on page 6. The Trustees normally aim to broadly match year to year income with expenses but recognise that capital spending may be funded from reserves when appropriate.

At the balance sheet date, the charity was holding £334,725 (£320,657) of unrestricted reserves of which £246,761 (£232,693) were in the form of cash and bank balances . Some of these reserves may be invested in improving the waterside facilities of the unit subject to agreement with the freeholder, in purchasing additional boating assets and in addition, as mentioned above, the unit is exposed to potential costs in the event of flooding above the levels anticipated when the unit's premises were constructed in 2016. The trustees do not wish to allocate reserves against specific potential areas of future expenditure beyond stating that it is anticipated that the bulk of reserves will continue to be invested to generate income, with the intention of maintaining subscriptions at a low level not likely to deter potential cadets from membership.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **CONSTITUTION**

The Trust is a registered charity, constituted under the Standard Sea Cadet Constitution issued with the authority and approval of The Marine Society & Sea Cadets Council for governing the organisation, administration and conduct of the Sea Cadet Corps, and for the guidance of all concerned with the management and supervision of Sea Cadet units, training facilities and other activities of the Corps. This Constitution was adopted in September 2017.

### **METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution. The charity is entirely dependent on volunteers for its management. Under the Constitution trustees are expected to bring suitable skills and experience and must be subject to criminal records checks and safeguarding training.

### **ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The charity is controlled by a Unit Management Team, composed of the Trustees plus the Commanding Officer. The Commanding Officer, with uniformed and other staff, provides operational control of the Bath Sea Cadet unit.

All trustees give of their time freely and no trustee remuneration was paid in the year. There were no related party transactions with the trustees beyond reimbursement of operational expenses incurred on behalf of the unit.

### **PLANS FOR FUTURE PERIODS**

The unit is expected to be managed on broadly similar grounds going forward with some further investment anticipated to improve the waterside facilities of the premises and to expand the equipment needed for waterborne training.

### **REFERENCE AND ADMINISTRATION**

Trustees:            Richard Danns, Chairman  
                          Ian Linkins, Treasurer  
                          Jon Moore  
                          James Brown

Commanding Officer: Tim West Lt (SCC), RNR

All trustees served throughout the reporting period.

Bank: Charities Aid Foundation Bank, 25 Kings Hill, West Malling Kent, ME19 4JQ

Charity Number: 283535- registered 10 December 1981

Address: Nautica, 30 St Johns Road, Bath BA2 6PX

Email: [ouc@bathseacadets.org](mailto:ouc@bathseacadets.org)

Website: [www.sea-cadets.org/bath](http://www.sea-cadets.org/bath)

Independent Examiner: John R Eke, FCIE, Soarview, 4 Stable Court, Malborough, Devon TQ7 3FB

#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 16<sup>th</sup> June 2022 and signed on their behalf by:



Richard Danns, Trustee



Ian Linkins, Trustee

## **Independent Examiner's Report**

### **to the Trustees of City of Bath Unit 25 of the Sea Cadet Corp**

Charity No. 283535

I report to the Trustees on my examination of the accounts of the Charity for the year ended 31 March, 2022 which I carried out in accordance with section 145 of the Charities Act 2011 ("the Act").

#### **Responsibilities and basis of report**

As Trustees of the Charity you are responsible for the preparation of the financial statements. You consider that the audit requirement under Section 144(2) of the Act does not apply and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under Section 145 of the Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under Section 145 (5) (b) of the Act; and
- state whether particular matters have come to my attention.

#### **Independent Examiner's Statement**

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

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not comply with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Signed:



Date: 22/06/22.

John Robert Eke

Fellow of the Association of Charity Independent Examiners  
Soarview, 4 Stable Court, Malborough, Devon TQ7 3FB

# City of Bath Unit 25 of the Sea Cadet Corps – Charity Number 283535

## Annual Statement of Accounts

### Receipts and Payments

|                                 | This Year £   | Last Year £   | Notes                                       |
|---------------------------------|---------------|---------------|---|
| <b>Receipts</b>                 |               |               |   |
| Cadet Contributions             | 180           | 236           | Subs suspended                              |
| Gift Aid                        | 47            | 55            |   |
| Covid relief grants             | 21,303        | 10,000        |   |
| Other Donations                 | 1,000         | 700           |   |
| Course Fees                     | 0             | 477           | External staff trainee contributions        |
| Bank Interest                   | 2,041         | 2,249         |   |
| Property rents                  | 1,635         | 1,134         | Rental of car parking space                 |
| <b>Total Revenue Receipts</b>   | <b>26,226</b> | <b>14,851</b> |   |
|                                 |               |               |   |
| <b>Payments</b>                 |               |               |   |
| Travel Costs                    | 222           | 10            |   |
| Training Courses                | 2,197         | 900           | 21/22 includes 4x kayak instructor training |
| Gas                             | 1,243         | 603           | Mainly market price impact                  |
| Water                           | 123           | 389           | 20/21 included backdated meter readings     |
| Electricity                     | 793           | 534           |   |
| Cleaning                        | 486           | 0             |   |
| Internet                        | 577           | 197           | Some 21/22 spend relates to future years    |
| Telephone                       | 192           | 171           |   |
| Printing and Stationery         | 306           | 29            |   |
| Buildings                       | 3,296         | 4,872         | This year largely fire and access security  |
| Insurance                       | 272           | 254           |   |
| Bank fees                       | 96            | 69            |   |
| Other costs                     | 243           | 36            |   |
| <b>Total Operating Payments</b> | <b>10,048</b> | <b>8,064</b>  |   |
| Exceptional payments:           |               |               |   |
| Boats                           | 765           | 1,650         | 20/21 was final balance on new Trinity boat |
| Furniture and Fittings          | 1,345         | 0             | Mainly flood mitigation kit                 |
| <b>Total Payments</b>           | <b>12,158</b> | <b>9,714</b>  |   |

|   |                |                |
|---|----------------|----------------|
| <b>Net change in cash and bank balances</b> |                |                |
| Balance at start of year                    | 232,693        | 227,556        |
| Excess of receipts over payments            | 14,068         | 5,137          |
| <b>Balance at end of year</b>               | <b>246,761</b> | <b>232,693</b> |



## Statement of Assets and Liabilities

|                                   | This Year £    | Last Year £    | Notes                     |
|-----------------------------------|----------------|----------------|---------------------------|
| <b>Assets</b>                     |                |                |                           |
| Freehold land – north of building | 51,964         | 51,964         | At cost – not depreciated |
| Fixtures and fittings             | 20,000         | 20,000         | Insurance value           |
| Boats                             | 16,400         | 16,000         | Insurance value           |
| Cash and bank deposits            | 246,761        | 232,693        |                           |
| <b>Total assets</b>               | <b>335,125</b> | <b>320,657</b> |                           |
|                                   |                |                |                           |
| <b>Unrestricted Reserves</b>      |                |                |                           |
| Opening position                  | 320,657        | 315,520        |                           |
| Excess of Receipts over Payments  | 14,068         | 5,137          |                           |
| Other reserve movement - boats    | 400            |                |                           |
| <b>Closing Position</b>           | <b>335,125</b> | <b>320,657</b> |                           |

### Accounting Policies:

The charity, because of its size is permitted to produce a Statement of Receipts and Payments which reflects income and expenses paid in the year only, and does not accrue for costs or income due, but unpaid at the beginning or end of the year.

The Statement of Assets and Liabilities, except in the case of cash and bank balances, uses approximate values to give the reader an indication of the overall net asset position of the charity. The freehold land consists of the parking area to the north of the building, acquired in 2018, and not thought to be of a materially different value from that shown.

The charity's exemption from tax is on the basis that the premises are used exclusively for the purposes of the charity.