

Company registration number: 01629881
Charity registration number: 284687

Nautical Museums Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2013

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Nautical Museums Trust Limited

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Nautical Museums Trust Limited
Reference and Administrative Details

Charity name	Nautical Museums Trust Limited
Charity registration number	284687
Company registration number	01629881
Principal office	Shipwreck Museum Rock A Nore Road Hastings East Sussex TN34 3DW
Registered office	Shipwreck Museum Rock A Nore Road Hastings East Sussex TN34 3DW
Accountant	Manningtons 7 Wellington Square Hastings East Sussex TN34 1PD
Trustees	Mrs J Stanford (Resigned 1 October 2013) H Luke Y O'Connor (Resigned 21 January 2013) G Chapman (Resigned 31 January 2013) R Pulfer P Marsden P Weaver (Appointed 31 October 2013)
Secretary	A Thomson

Nautical Museums Trust Limited

Trustees' Report

The trustees present their report and the financial statements for the year ended 31 December 2013. The trustees, who are also directors of Nautical Museums Trust Limited for the purposes of the company law and who served during the year and up to date of this report are set out on page 1.

Chairman's Report

As a result of a successful 2012 we are off to a good start to the new year with £10,500 in the bank, giving us a good springboard for the 2013 season.

We drew down the final tranche of £10,000 of Esme Fairbairn Foundation funding which this year has helped enormously with our audience development boosting our visitors by at least 4,500 and we have fundraising projects in the pipeline.

2013 was another good year for the shop, allowing us to continue our policy of free entry to the Museum. However, the Museum donations were down although visitor figures rose. Also another downside of success was the VAT we had to pay to HMRC of almost £5,000 and Nat West bank charges of almost £700.

On a happier note the level of school and group visits also rose last year with two new language schools, one based in France bringing many students to our Museum. Our usual events took place throughout the year - our tours to the *Amsterdam* wreck and Ken Brooks our Honorary Geologist's talks remaining very popular.

Early in the year we had special training from Autism Sussex enabling us to work closely with our special needs volunteers and visitors.

Our 2013 Visitors Books continued to delight and amuse us with comments from children and adults alike confirming that the direction the Museum is taking was hitting all the right notes.

Volunteers continued to play a big part and this year we are providing volunteering opportunities for Hastings Job Centre clients which has been brilliant to say the least. Amongst others we have had two qualified painters and decorators and the Museum has never looked so good. Others have been working effectively updating display cabinets, painting the shop and office area and on many other vital tasks. Their enthusiasm and energy has been amazing and to thank them I organised a trip to Dover Museum for a special view of the bronze age boat, and then lunch before returning to Hastings tired and happy.

We are working closely with English Heritage on the warship Anne project with a meeting early in the year with Alison James, and two surveys carried out with marking and measurement of the wreck.

I represented the Museum at events and conferences throughout the year raising the profile of the Museum, and networking to great effect.

In October I resigned as Chairman and Trustee to take over the role of Business Director for the Museum and Peter Marsden was appointed Chairman. We also welcomed Pat Weaver of Hastings Voluntary Action to our Board - it was Pat who did such sterling work back in 2008 when I became involved and discovered our accounts needed an overhaul.

We have come a long way since then, and have a stronger team to guide the Museum's future including the building of our Education Wing.

During the year, visitors totalled 78,659 (2012 - 74,019)

Company Status

The Trust is a Company limited by guarantee and is a registered Charity (Number 284687).

The Warship Anne Trust is a charitable subsidiary of the Nautical Museum Trust Limited.

The Warship Resolution Trust is a charitable subsidiary of the Nautical Museum Trust Limited.

The above charitable subsidiaries are both dormant.

Nautical Museums Trust Limited

Trustees' Report

Charitable Objects and Principle Activities

The object for which the Trust is established is to promote the advancement of the education of the public in nautical history and archaeology, by the provision of a museum or museums. The objective is to be achieved by the acquisition, restoration and preservation of nautical exhibits of historical importance for display in the museum, for the benefit of the public. The museum has a voluntary minimum fee to encourage use by the public.

Additional objectives are:

- to promote and encourage the involvement of local community organisations, by the arrangement of lectures, school visits, training courses, audio video film shows, exhibitions and conferences to ensure that the public is informed of matters connected with nautical history and archaeology;
- to encourage the protection of archaeological sites of importance in nautical history;
- to arrange for the publication, where appropriate, of the results of research work undertaken.

Results for the Year

The accounts for the year show a net incoming resources deficit for the year of £5,863 (2012: £4,242 deficit).

Risk Assessment and Management

The Trustees have examined the major strategic, business and operational risks which the Charity faces and are satisfied that the systems are in place to monitor and control these risks in order to mitigate any impact that they may have in the future.

Employment

The Charity has an employment policy for recruitment, development and employment of staff on the basis of the suitability of their qualifications and experience to the work to be performed, regardless of sex, marital status, creed, race, nationality and disability. The Charity operates a policy of equal pay and aims to ensure that the wages/salaries would reflect the knowledge, skills, responsibilities and personal competency required for the satisfactory performance of each job. An awareness of market conditions and scarcity value is maintained. For insurance purposes all volunteers are considered employees and their statutory rights are observed.

Reserves Policy

The Charity gives due consideration to the level of reserves appropriate to its activities. It aims to monitor its fund balances in relation to its financial plans with the aim of ensuring that sufficient funds are available to meet its objectives on a year by year basis.

Investment Powers

The Trustees are empowered to make and hold investments using the General Funds of the Charity.

Registered Office and Company Number

Shipwreck & Coastal Heritage Centre, Rock-a-Nore Road, Hastings, East Sussex, TN34 3DW. The Trust is registered at Companies House in England and Wales under the registration number 01629881.

Bankers

The Charity's bankers are National Westminster Bank, Hastings Branch, Havelock Road, Hastings, East Sussex, TN34 1GW.

Nautical Museums Trust Limited

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also directors of Nautical Museums Trust Limited for the purpose of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and 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 estimate 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 statement; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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.

Small Company Provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.



.....
Pat Weaver
Trustee/Director

Date 12/09/14

Independent Examiner's Report to the Trustees of Nautical Museums Trust Limited

I report on the accounts of the company for the year ended 31 December 2013, which are set out on pages 6 to 15.

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.

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

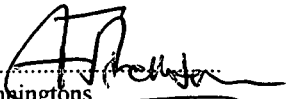
Basis of independent examiner's report

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 Charitieshave 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.


Manningtons
A J THOMSON F.C.A.

Date: 23rd September 2014.

7 Wellington Square
Hastings
East Sussex
TN34 1PD

Nautical Museums Trust Limited

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 December 2013

		Unrestricted Funds	Restricted Funds	Total Funds 2013	Total Funds 2012
	Note	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	8,217	10,000	18,217	20,731
Activities for generating funds	4	74,162	-	74,162	82,856
Incoming resources from charitable activities					
	5	2,677	-	2,677	2,121
Total incoming resources		<u>85,056</u>	<u>10,000</u>	<u>95,056</u>	<u>105,708</u>
Resources expended					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	6	66,561	-	66,561	58,122
Charitable activities	6	33,830	-	33,830	51,300
Governance costs	6	528	-	528	528
Total resources expended		<u>100,919</u>	<u>-</u>	<u>100,919</u>	<u>109,950</u>
Net expenditure before other recognised gains and losses					
		(15,863)	10,000	(5,863)	(4,242)
Other recognised gains/losses					
Net movements in funds					
		(15,863)	10,000	(5,863)	(4,242)
Reconciliation of funds					
Total funds brought forward		82,862	453	83,315	87,558
Total funds carried forward		<u>66,999</u>	<u>10,453</u>	<u>77,452</u>	<u>83,316</u>

The notes on pages 8 to 15 form an integral part of these financial statements.

Nautical Museums Trust Limited (Registration number: 01629881)

Balance Sheet as at 31 December 2013

		2013		2012	
	Note	£	£	£	£
Fixed assets					
Tangible assets	11		56,086		60,193
Current assets					
Stocks and work in progress		14,441		16,429	
Debtors	12	301		473	
Cash at bank and in hand		9,686		8,904	
		<u>24,428</u>		<u>25,806</u>	
Creditors: Amounts falling due within one year	13	<u>(3,058)</u>		<u>(2,680)</u>	
Net current assets			<u>21,370</u>		<u>23,126</u>
Net assets			<u>77,456</u>		<u>83,319</u>
The funds of the charity:					
Restricted funds in surplus			10,453		-
Restricted funds in deficit					
Esmee fairbairn foundation			-		(1,991)
Total restricted funds			<u>10,453</u>		<u>(1,991)</u>
Unrestricted funds					
Unrestricted income funds			<u>67,003</u>		<u>85,310</u>
Total charity funds			<u>77,456</u>		<u>83,319</u>

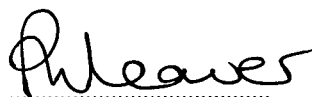
For the financial year ended 31 December 2013, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

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 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 12/09/14 and signed on its behalf by:



P Weaver
Trustee

The notes on pages 8 to 15 form an integral part of these financial statements.

Nautical Museums Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

Fund accounting policy

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

Restricted 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.

Further details of each fund are disclosed in note 16.

Incoming resources

Voluntary income including donations and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Shop income is recognised as earned (that is, as the related goods or services are provided).

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

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

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

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.

Irrecoverable VAT

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

Nautical Museums Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

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Fixed assets

Individual fixed assets costing £0 or more are initially recorded at cost.

Depreciation

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:

Building Conversion	2% on cost
Exhibition Cases and Fittings	12.5% on cost
Office Equipment	20% straight line

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Donations				
Museum Donations	7,885	-	7,885	10,376
Donations	332	-	332	355
	<u>8,217</u>	<u>-</u>	<u>8,217</u>	<u>10,731</u>
Grants				
Grants Receivable	-	10,000	10,000	10,000
	<u>8,217</u>	<u>10,000</u>	<u>18,217</u>	<u>20,731</u>

3 Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Grants Receivable	-	10,000	10,000	10,000
	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

Nautical Museums Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

4 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Operating activity 1				
Sales of purchased goods	<u>74,162</u>	<u>-</u>	<u>74,162</u>	<u>82,856</u>

5 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Charitable activity				
Charitable Activities/Events	<u>2,677</u>	<u>-</u>	<u>2,677</u>	<u>2,121</u>

Nautical Museums Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

6 Total resources expended

	Operating activity 1	Charitable activity	Governance	Total
	£	£	£	£
Direct costs				
Cost of goods sold	36,754	-	-	36,754
Employment costs	13,868	-	-	13,868
Other direct costs	1,445	-	-	1,445
Repairs and maintenance	1,128	-	-	1,128
Office expenses	-	3,354	-	3,354
Subscriptions and donations	366	-	-	366
Sundry and other costs	-	3,235	-	3,235
Legal and professional costs	12	-	528	540
Bank charges	685	-	-	685
	<u>54,258</u>	<u>6,589</u>	<u>528</u>	<u>61,375</u>
Support costs				
Employment costs	-	7,841	-	7,841
Establishment costs	5,700	296	-	5,996
Repairs and maintenance	-	5,115	-	5,115
Office expenses	1,345	1,451	-	2,796
Printing, posting and stationery	501	-	-	501
Advertising and promotion	-	2,028	-	2,028
Legal and professional costs	-	10,510	-	10,510
Depreciation of tangible fixed assets	4,757	-	-	4,757
	<u>12,303</u>	<u>27,241</u>	<u>-</u>	<u>39,544</u>
	<u>66,561</u>	<u>33,830</u>	<u>528</u>	<u>100,919</u>

7 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

8 Net expenditure

Net expenditure is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets	<u>4,757</u>	<u>4,695</u>

Nautical Museums Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

9 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year was as follows:

	2013 No.	2012 No.
Charitable activities	<u>2</u>	<u>3</u>

The aggregate payroll costs of these persons were as follows:

	2013 £	2012 £
Wages and salaries	19,202	26,141
Social security	<u>1,444</u>	<u>1,404</u>
	<u>20,646</u>	<u>27,545</u>

No employee received emoluments of more than £60,000 during the year (2012 - No. 0).

10 Taxation

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

Nautical Museums Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

11 Tangible fixed assets

	Freehold interest in land and buildings (including heritage assets) £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 January 2013	95,798	80,923	176,721
Additions	-	650	650
As at 31 December 2013	<u>95,798</u>	<u>81,573</u>	<u>177,371</u>
Depreciation			
As at 1 January 2013	50,258	66,270	116,528
Charge for the year	1,916	2,841	4,757
As at 31 December 2013	<u>52,174</u>	<u>69,111</u>	<u>121,285</u>
Net book value			
As at 31 December 2013	<u>43,624</u>	<u>12,462</u>	<u>56,086</u>
As at 31 December 2012	<u>45,540</u>	<u>14,653</u>	<u>60,193</u>

12 Debtors

	2013 £	2012 £
Trade debtors	-	72
Other debtors	214	314
Prepayments and accrued income	87	87
	<u>301</u>	<u>473</u>

13 Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	25	-
Taxation and social security	2,008	1,901
Accruals and deferred income	1,025	779
	<u>3,058</u>	<u>2,680</u>

Nautical Museums Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... *continued*

14 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £nil towards the assets of the charity in the event of liquidation.

Nautical Museums Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2013

..... continued

15 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year under review, £10,000 (31 December 2012 - £12,000) was paid to Falam Management Solutions Ltd. Mrs J Stanford, a trustee, is director of Falam Management Solutions Ltd.

16 Analysis of funds

	At 1 January 2013	Incoming resources	Resources expended	Other recognised gains/losses	At 31 December 2013
	£	£	£	£	£
General Funds					
General Fund	82,862	85,056	(100,919)	-	66,999
Restricted Funds					
Esmee Fairbairn Foundation	453	10,000	-	-	10,453
	<u>83,315</u>	<u>95,056</u>	<u>(100,919)</u>	<u>-</u>	<u>77,452</u>

Esmee Fairbairn Foundation

This fund represents a grant received towards the Salary costs of a Community Development Officer.

17 Net assets by fund

	Unrestricted Funds	Total Funds 2013	Total Funds 2012
	£	£	£
Tangible assets	56,086	56,086	60,193
Current assets	24,428	24,428	25,806
Creditors: Amounts falling due within one year	(3,058)	(3,058)	(2,680)
Net assets	<u>77,456</u>	<u>77,456</u>	<u>83,319</u>

Nautical Museums Trust Limited
Statement of financial activities by fund Year Ended 31 December 2013

	General Fund 2013	General Fund 2012
	£	£
Incoming resources		
Incoming resources from generated funds		
Voluntary income	8,217	10,731
Activities for generating funds	74,162	82,856
Incoming resources from charitable activities	2,677	2,121
Total incoming resources	<u>85,056</u>	<u>95,708</u>
Resources expended		
Costs of generating funds		
Fundraising trading: cost of goods sold and other costs	66,561	58,122
Charitable activities	33,830	38,856
Governance costs	528	528
Total resources expended	<u>100,919</u>	<u>97,506</u>
Net expenditure before other recognised gains and losses	(15,863)	(1,798)
Other recognised gains/losses		
Net movements in funds	(15,863)	(1,798)
Reconciliation of funds		
Total funds brought forward	<u>82,862</u>	<u>84,661</u>
Total funds carried forward	<u><u>66,999</u></u>	<u><u>82,863</u></u>

This page does not form part of the statutory financial statements.

Nautical Museums Trust Limited

Statement of financial activities by fund Year Ended 31 December 2013

..... continued

	Esmee Fairbairn Foundation 2013	Esmee Fairbairn Foundation 2012
	£	£
Incoming resources		
Incoming resources from generated funds		
Voluntary income	10,000	10,000
Total incoming resources	<u>10,000</u>	<u>10,000</u>
Resources expended		
Charitable activities	-	12,444
Total resources expended	<u>-</u>	<u>12,444</u>
Net movements in funds	10,000	(2,444)
Reconciliation of funds		
Total funds brought forward	453	2,897
Total funds carried forward	<u><u>10,453</u></u>	<u><u>453</u></u>

This page does not form part of the statutory financial statements.