



# REPORT & ACCOUNTS

For the year ending 31 March 2025

**MSSC Patron and Admiral of the Sea Cadet Corps:** Her Royal Highness The Princess Royal  
**MSSC President:** Admiral Sir Philip Jones GCB DL



## REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025

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### Overview

Marine Society and Sea Cadets (MSSC) is a charity that helps launch young people for life and supports aspiring and serving seafarers in achieving successful careers.

With a clear aim to be the leading maritime charity for youth development and lifelong learning, MSSC is committed to investing in and supporting all of our beneficiaries so they can achieve their potential whatever path they choose.

Our vision for **Sea Cadets**: *“Every young person launched for life”*. We seek to achieve this by: Inspiring young people to achieve their potential through challenge and nautical adventure guided by the customs and traditions of today’s Royal Navy.

Our vision for **Marine Society**: *“Every current and future seafarer and maritime professional skilled for life”*. We seek to achieve this by: Enabling current and future seafarers to realise their potential through learning and career development.

We know that our work has a transformational impact on both individuals and the communities they live and work in, positively affecting their life chances and benefiting their communities and society as a whole.

### 2024/25 IN REVIEW

#### Overcoming challenges

With ongoing inflation and general funding challenges leading to a shortfall in our budget for 2024/25, an organisation-wide consultation helped us cut costs, find efficiencies and identify opportunities to increase our fundraising.

Throughout the year, our amazing volunteers and employees worked tirelessly through trying times to rise to the challenge we faced. They showed incredible flexibility in adapting to a revised training programme, ensuring we were able to deliver the widest possible range of cadet activities. This included the return of a full programme of offshore voyages which, thanks to the outstanding support of the Royal Navy, allowed us to deliver 9,546 cadet days at sea – a 15% increase on 23/24.

Given the disruption and administrative burden created by implementing the necessary changes, we took the decision to prioritise the quality, consistency and safety of cadets’ experience. With resources stretched in the best interests of existing cadets, we were unable to maintain our recent progress in recruiting new cadets – particularly in the first half of the year. Despite recruiting 5,695 cadets during the year, our overall numbers fell by 212.

However, a fantastic response from units to our Growth Challenge initiative (launched in December 2024) saw a surge in recruitment towards the end of the financial year – keeping cadet numbers over the 14,000 watermark (14,031) and providing excellent momentum for 2025/26. Adult recruitment was also remarkably robust as we welcomed 1,750 new volunteers, with our year-end total of 8,776 only down by 127.

Our growth was also hampered by the introduction of more stringent Disclosure & Barring Service (DBS) processes. To minimise the impact of this in future years, we automated and extended the DBS revalidation process while continuing to streamline internal processes and increase online training – all of which will free up volunteers to deliver even more for cadets.

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### **Creating the conditions for growth**

While the challenges we faced resulted in a short-term decline in numbers, our growth targets remain a multi-year ambition. Indeed, the cost- and time-saving measures we have introduced mean our charity now has a very strong and sustainable platform for future expansion. And with our dedicated volunteers and employees fully committed to helping more people to access our support, we expect to return to the positive growth trend that they have worked so hard to establish since the pandemic low point of 2021.

Guided by our Future Ready Strategy's ambitions to meet the huge demand for what we offer, we have continued to lay the groundwork for long-term growth. This work has centred around the need to increase our ability to train more cadets, both within units and at training centres and hubs around the UK. We were therefore delighted to open 35 new Sea Cadets and Royal Marines Cadets sections during the year (with 33 supported by our Department for Culture, Media and Sport-funded project to reduce our waiting lists), along with 17 new Junior Sea Cadets sections. This means we have opened 87 new sections over the past two years – an almost 10% increase in our overall capacity which will allow us to accommodate many more cadets each year.

Our 'beyond unit' training capacity was enhanced by the official opening of our long-awaited residential Midlands Boat Station in October 2024, completing our nationwide boating coverage after a decade of investment. We also secured £1.3m to help transform units, with a further £1.9m raised to support the national charity – including a tremendous response to our appeal to fund the ten-year refit of our flagship TS Royalist.

### **Supporting seafarers**

Sea Cadets' ambitions can be inspired by Marine Society's success during 2024/25, with a three-fold growth in the number of apprentices we support representing a major breakthrough. Three of our apprentices were even nominated for British Apprentice of the Year 2024 by their employers, while several more benefitted from the practical experience of training voyages aboard the Sea Cadets powerboat TS John Jerwood.

Building on the team's work to promote its services across the sector – and boosted by its 'Good' Ofsted assessment in 2024 – Marine Society also increased its provision of scholarships and bursaries, saw another rise in income from books and learning apps, and provided more hours of mentoring to seafarers seeking shoreside roles. To round-off an excellent year, it also sailed through its three-yearly reaccreditation assessment for the Matrix Standard – the quality mark for organisations delivering information and advice and guidance – which praised our "remarkable services" and "commendable impact".

### **Working with the Royal Navy**

A key theme of our Future Ready Strategy is to further reflect today's Royal Navy within the Sea Cadet Experience offered to our young people. During the year we delivered to our cadets:

- 11 naval experience weeks at HMS Raleigh
- 5 Royal Navy careers webinars covering everything from the RN Medical Branch to HM Royal Marines Band.
- 35% had the opportunity to meet serving members of the RN

We continued to drive Royal Navy's footprint across the UK, raising its profile and awareness, including through thousands of cadet days spent representing the RN at community events and parades. The value and

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relevance of the Royal Navy to cadets was clearly demonstrated in our 2023/24 Impact Survey. Cadets scored their trust of the RN at 8 (out of 10), just below Sea Cadets volunteers (9) and well above teachers (7), while 75% said that Sea Cadets makes them feel connected to the Royal Navy and/or Royal Marines.

We also delivered against our performance indicators with the RN set out in our Memorandum of Understanding, exceeding both of the measured KPIs:

| MSSC to Deliver                                     | Outcome                                    |
|---|--|
| <i>RN Career Awareness Briefings to Volunteers:</i> | 305 delivered (against 240 stretch target) |
| <i>School engagement visits:</i>                    | 72 delivered (against 36 stretch target)   |

### Looking forward

While the ongoing re-ordering of global trade and defence alliances continues to create uncertainty around the world, they both present huge opportunities for MSSC.

The recent Strategic Defence Review highlighted the government's belief that the maritime sectors supported by Marine Society (including shipping, offshore energy and undersea infrastructure) are "critical for sustaining daily national life", and that 440,000 jobs and over 24,000 apprenticeships in defence provide "significant economic and social benefit." It also acknowledged the importance of Cadet Forces for providing skills and qualifications that "inspire future Defence personnel (from diverse backgrounds across the country) and support economic growth".

To further these national aims, the Review recommended a 30% expansion in Cadet Forces by 2030. We welcome this sense of ambition – which matches our own – and believe MSSC is well placed to achieve this level of growth. With the Review specifying that "defence, wider government, and private sector partnerships must provide appropriate leadership, support, and funding to deliver this expansion", we now look forward to working with the Royal Navy, ministers, and employers to help MSSC fulfil this vital mission.

Our unique role will be in supporting the 'whole-of-society approach' which is emphasised throughout the Strategic Defence Review. This will allow us to build on our existing strengths of connecting people with the Royal Navy; instilling young people with strong values and a sense of community; and boosting social mobility through inclusion and outreach.

With the government and Royal Navy now charting a strategic course that mirrors our own, MSSC is ready to seize an unprecedented opportunity. By helping even more seafarers and cadets to reach their full potential, we can play a leading role in transforming the UK's society, security and prosperity.

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### OUR VALUES AND CULTURE

We are driven by what we do and the impact we have. We are proud of our work, approaching it with positivity, enthusiasm and urgency as we seek to deliver more inspiring futures. Guided by the views of volunteers, cadets and employees, we have updated the way we define our six core values – to emphasise the importance of inclusion, inspire loyalty to the organisation, and redouble our commitment to doing our best.

| MSSC values   | Sea Cadet values  |
|---|---|
| <b>Respect:</b><br>We are inclusive, considerate and professional.  | <b>Respect:</b><br>To be inclusive, appreciate others and considerate of all. |
| <b>Loyalty:</b><br>We put our beneficiaries first and pull together to achieve our shared goals.            | <b>Loyalty:</b><br>To be faithful to those who value and support me.          |
| <b>Self-discipline:</b><br>We are focused and structured in our work to achieve the best possible outcomes. | <b>Self-discipline:</b><br>To do my best and do what I must.                  |
| <b>Commitment:</b><br>We are committed to the charity's goals and to work creatively to find solutions.     | <b>Commitment:</b><br>To do what I say I will.                                |
| <b>Honesty &amp; Integrity:</b><br>We are open, honest and treat everyone fairly.                           | <b>Honesty &amp; Integrity:</b><br>To tell the truth and be a good person.    |
| <b>Courage:</b><br>We do what we know is right and support others to do the same.                           | <b>Courage:</b><br>To do what I know is right.                                |

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### ENGAGING MARGINALISED YOUNG PEOPLE AND EMBRACING DIVERSITY

With 55% of Sea Cadets units are located within areas of relative economic disadvantage compared to 33% for other youth groups (according to the latest available National Youth Census, 2023), we continue to aspire to make Sea Cadets even more accessible to the young people who could benefit most from our activities.

Our cadet survey 2024/25 showed:

- **6%** of cadets are **looked after children** (1% national average)
- **7%** of cadets are **young carers** (6% national average)
- **8%** of cadets identify as **autistic** (2% national average)
- **7%** of cadets identify as **ADHD** (5% national average)
- **14%** of cadets from **non-white ethnic minority** (16.2% national average)
- **6%** of cadets identify as **mixed-race** (2.9% of the general population)
- **13%** of aged 12+ cadets identify as **non-heterosexual** (3.3% general population)

At 31 March 2025 we are able to report 38% of cadets were female and 62% male. This continues a recent trend for attracting more girls and young women to Sea Cadets, with the female proportion at 36% in 2023 and 37% in 2024

Throughout August 2024, our On The Water outreach programme gave a first taste of boating and water sports to **966** hard-to-reach children in London, Birmingham and Liverpool (a 24% increase on last year thanks to the programme's return to Merseyside). We were also able to maintain our engagement with young people affected by several categories of disadvantage:

- **31%** of participants were from 'extremely economically disadvantaged areas' (no change on 2023), far above the national benchmark of 20%.
- **5%** of those taking part were looked after young peoples – UP from 2% (national average of 0.6%)
- **10%** of the young people we welcomed had disabilities – no change on 2023 and in line with the national average of 11%

### OUR FUTURE READY STRATEGY

The strategy, developed with our cadets, volunteers and employees, charts a clear course for the next five years to 2028. It is about meeting the growing demand for what our charity offers young people, seafarers and maritime professionals, while equipping them for a world of increasingly rapid change.

For cadets, this means providing a unique mix of non-formal education, challenge and adventure that develops confidence and resilience; builds teamwork and leadership skills; and instills clear values, within a safe and inclusive environment, where cadets have a real voice – all of which will ensure our young people can thrive whatever their futures.

For seafarers, this means providing the practical learning opportunities, online support and expert mentoring which will allow them to upskill and progress throughout their careers – with the versatility and adaptability to seize new opportunities and make full use their talents.

The Future Ready Strategy is designed to create the conditions where we are:

- Developing an urgency for growth and delivering on it
- Fully embracing flexible volunteering
- Becoming fully inclusive
- Creating a youth centred approach
- Driving cadet voice
- Equipping seafarers with the essential skills they need
- Ensuring a positive and supportive employee experience



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We will achieve this by focusing on the following key themes:

Enhancing **Our Offer** to cadets

*Having listened to cadets' views, the Future Ready Strategy aims to:*

- expand our range of training and activities.
- ensure the Sea Cadets Experience reflects today's Royal Navy.
- develop support for mental health and emotional wellbeing.
- empower young people to shape their own experience.

Enhancing **Our Offer** to seafarers

*Responding to the priorities of the UK's Maritime 2050 strategy, Future Ready aims to:*

- increase apprenticeship opportunities.
- broaden our maritime curriculum.
- promote and support maritime careers.

Equipping **Our People** to support our beneficiaries

*To ensure our volunteers and employees have the skills and support they need to thrive, Future Ready aims to:*

- implement leadership and management training.
- deliver the skills to help volunteers provide youth-centred activities.
- explore opportunities for flexible volunteering.

Embracing **Inclusion** throughout MSSC

*Guided by the recommendations of our independent Equity, Diversity & Inclusion audit, Future Ready aims to:*

- update our policies to promote EDI and challenge inappropriate behaviour.
- provide EDI training and support for volunteers and employees.
- ensure that we reflect the communities we serve.

Creating the conditions for **Growth**

*To address the growing demand for our services, and make our offer more accessible to minority groups, Future Ready aims to:*

- open new sections and units, including in new locations.
- develop targeted outreach for under-represented communities.
- support an additional 4,500 cadets by 2028 (1,500 per year).

Strengthening our underpinning **Enablers**

*To achieve all the impact outlined above, Future Ready aims to deliver the investment that will:*

- improve our environmental approach and reduce our carbon footprint.
- provide the new facilities and equipment needed to support cadet training.
- drive our ongoing digital transformation.

We are clear that safety and safeguarding are paramount to everything we do and therefore foremost in all of the objectives in the strategy.

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### **WHAT WE ACHIEVED IN 2024/25**

We set out 10 key outcomes to guide delivery in the second year of our new strategy, backed by detailed plans to achieve them. We note our progress against each below:

#### **OUR OFFER for sea cadets**

##### **1. *Enhancing the Sea Cadets Experience***

###### **We delivered:**

- A refined cadet training programme to maximise our resources, with navigation, meteorology and piping now incorporated into unit training and a streamlined competitions schedule implemented.
- 50 new online learning modules added to the Sea Cadets Portal, with 30 more sessions updated.
- Beyond unit training for 65% of cadets (up from 45% in 2023/24), with 45% of this training now at district level (compared to just 26% in 2020), bringing more activities within reach of every cadet.
- A National Staff Officer for Cadet Wellbeing & Welfare to lead on specialist training and support for residential camps and offshore voyages.

##### **2. *Empowering more people through Cadet Voice:***

###### **We delivered:**

- 60% of units holding regular Cadet Voice forums (target 50%).
- Two cadet trustee members appointed to represent young people on our Board.

##### **3. *Increasing engagement with the Royal Navy:***

###### **We delivered:**

- Opportunities to engage with serving Royal Navy personnel for 35% of cadets at units, ceremonial parades and visits to ships and establishments. This was above and beyond our target for 20%.
- 11 District Naval Experience weeks at HMS Raleigh.
- 5 careers webinars, with the Royal Navy Medical Branch, Royal Naval Reserves, Royal Navy Careers, the Royal Marines and HM Royal Marines Band.

##### **4. *Maritime career opportunities increased for cadets***

###### **We delivered:**

- Careers awareness fairs and webinars attended by 552 cadets with employers including UK Sail Training, the Merchant Navy, and Royal Navy.
- A dedicated Sea Cadets Portal page created to promote Marine Society courses and apprenticeships to cadets.
- Maritime careers opportunities and job vacancies shared with sea cadets via social media and the Sea Cadets Portal.

#### **OUR OFFER for seafarers and maritime professionals**

##### **5. *Marine Society College offer further developed:***

###### **We delivered:**

- 17 new apprentices (ahead of our target of 10), meaning the number of apprentices on our programme surged from six to 21 during the year.
- Free digital library access to five Port Welfare Centres (Belfast, Grangemouth, Humber, Southampton and Tilbury), with 82 seafarers taking advantage of the service.



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- 99 Slater scholarships and bursaries awarded to seafarers (up from 94 in 2023/24).
- 77 Coming Ashore registrations with 7 seafarers securing jobs onshore, including our first overseas role in Mumbai.
- A 28% increase in revenue from our Learn@Sea/Shore apps, to £29,371.
- A 13% increase on Library sales, to £32,325.
- £165k income from maritime book sales.

### OUR PEOPLE

#### **6. Increasing support for volunteers and employees:**

**We delivered:**

- 30% of national volunteer training online, reducing the cost and inconvenience of residential training.
- A mandatory health & safety training course and comprehensive guidance to help volunteers plan and deliver activity in the safest possible way.
- 30 places for employees on management & leadership training courses, with 100 additional days of training offered to all staff.

### INCLUSION & GROWTH

#### **7. Providing Sea Cadets to even more young people:**

**We delivered:**

- 33 new Senior/RMC sections, thanks to the DCMS-funded waiting list project (with two additional non-DCMS sections opened during the year).
- 17 new Junior sections.
- 5,695 new cadets to the Sea Cadets Corps, keeping overall numbers above 14,000.
- Our 'On The Water' outreach programme in three cities (London, Birmingham and Liverpool), engaging 996 marginalised young people (up from 779).

#### **8. Progressing our approach to Equity, Diversity & Inclusion:**

**We delivered:**

- A mandatory EDI training course for all volunteers
- New EDI Lead roles who were recruited and embedded into our six Area Leadership Teams.
- A major organisation-wide consultation on creating a more inclusive Sea Cadet Promise.
- A suite of new EDI resources, including: new training for volunteers on Anti-Racism, Gender, and Reasonable Adjustments; new trans-inclusive materials; and tools to promote inclusive inclusivity throughout Sea Cadets.

### ENABLERS

#### **9. Digital and facilities improvements:**

**We delivered:**

- A new residential Midlands Boat Station at Edgbaston Reservoir in Birmingham, officially opened by HRH The Princess Royal in October 2024, offering inshore boating and residential training opportunities to 1,500 cadets in the region.
- A streamlined digital onboarding process to support 1,750 new volunteers recruited in 2024/25.
- Continued improvements to the Sea Cadets Portal to allow help cadets shape their own experience and have closer communications with course directors.

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### **1. £3m raised to fund facilities and equipment**

#### **We delivered:**

- £3.2m of funding to support cadet activities, including £1.3 raised specifically to help units improve facilities and equipment.
- Phase 1 of TS Royalist's 10-year refit, fully funded by our appeal. With funding on course to meet our target for phase 2, thousands of cadets will be able to enjoy a voyage on a safer and more comfortable flagship over the next decade.

### **Other major milestones in 2024/25:**

#### **National Drill & Piping Competition – April 2024**

Over 300 cadets from across the UK assembled at HMS Raleigh for a very special National Drill and Piping Competition. For the first time, we were joined by our Admiral of the Sea Cadet Corps, HRH The Princess Royal, who enjoyed some fantastic demonstrations of both drill and piping; presented our winners with their gold medals; and took the salute of all the cadets during the closing March Past.

#### **Gibraltar Cup – May 2024**

The Gibraltar Cup competition at Royal Marines Commando Training Centre Lympstone saw Royal Marines Cadets Detachments representing all six companies excel in field craft, map reading, endurance, and tactical situations. Cadets also enjoyed the chance to experience a flight in a Merlin helicopter, thanks to the generosity of the Royal Navy. Jersey Detachment won a fine overall victory, with Cadet Sergeant Gemma of Scarborough Detachment named as Best Section Commander. A new award for 2024, Best Individual Medic, was presented to Cadet Lance Corporal Isabelle from Chislehurst and Sidcup Detachment.

#### **D-Day 80 in Normandy – June 2024**

48 cadets voyaged to Normandy on three of our offshore vessels, with TS Royalist joining Royal Navy warships and historic naval vessels in escorting the United Kingdom's veterans across the English Channel. Our flagship then joined the powerboats TS John Jerwood and TS Jack Petchey near Pegasus Bridge in Bénouville, where cadets were honoured to meet several veterans while taking part in anniversary parades and memorial events. Cadet Corporal Grace of Trafford Unit was proud to carry the Torch of Commemoration and meet HRH The Princess Royal at the Great Vigil at Bayeux Cemetery. Other cadets greeted guests at the British Normandy Memorial at Ver-sur-Mer on 6 June, where they were privileged to speak with His Majesty King Charles III and Queen Camilla.

#### **Funeral of Captain Flinders RN – July 2024**

Over 100 cadets and volunteers from Eastern Area Sea Cadets line the streets of Donington in Lincolnshire for a unique funeral procession. The Royal Navy explorer Captain Matthew Flinders was reburied with honours in his home village, following the discovery of his grave during work at Euston Station in 2019. Cadets proudly took part in ceremonies in front of visiting dignitaries including the Governor of South Australia, Frances Adamson, before witnessing the Royal Navy's State Ceremonial Training Team perform a Guard of Honour and 18-gun salute.

#### **Shooting success at Bisley – July 2024**

Sea Cadets achieved some very notable successes at the 2024 Inter Service Cadet Rifle Meeting (ISCRM) held at the National Rifle Association ranges at Bisley in mid-July. In the overall 'Champion Unit' competition, our North West Area A team beat the Army Cadets to second place and even hit six more bullseyes than the winning RAF Air Cadets team. Petty Officer Cadet Amelia of Winsford & Middlewich Unit won the Gwendolen

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Guinness Cup as the top overall cadet in the 'Cadet 100' competition – the first time that a sea cadet has been the 'top shot' at ISCRM since 1984.

### **Aviation Gold Wings – August 2024**

A successful Naval Wings Programme saw three outstanding sea cadets awarded with their Gold Wings badges – the pinnacle of cadet aviation – after a dynamic week at RNAS Yeovilton. Having been selected from an initial pool of over 200, the cadets enjoyed extended flights in the Grob 115 and completed challenging flight operations with the support of 727 Naval Air Squadron's dedicated team.

### **National Band Competition at Greenwich – August 2024**

Our National Band Competition returned for the first time since 2019, with the historic Old Royal Naval College in Greenwich providing a stunning stage for seven of our finest bands. In front of guests including Commander Maritime Reserve and Cadets, Commodore Jo Adey RN, the South West Area Massed Band deservedly won the Eason-Bassett Goblet for Best All-Round Band, ahead of a fine performance from the runners-up of Ellesmere Port Unit Band. Highlighting the quality of our young musicians, the following weekend saw the winners asked to deputise for the Royal Marines Band Service at the Dartmouth Regatta Opening Ceremony.

### **ASTO Race – August 2024**

Our yachts, TS Sir Stelios and TS City of London, competed in the annual Association of Sail Training Organisation's (ASTO) race for young people. Inspired by this year's race being in honour of the RLNI and enthused by the well-wishes of HRH The Duchess of Edinburgh, our cadets showed great skill and determination in tackling the 150km course from Guernsey to Poole. Due to very light winds, the race took our yachts a challenging 36 hours to complete. However, our competitors gained a huge amount of confidence and experience, finishing 4<sup>th</sup> and 5<sup>th</sup> in their class with TS Sir Stelios awarded the prize for the youngest crew.

### **Southampton International Boat Show – September 2024**

Marine Society had the pleasure of attending the British Marine 'Apprentice of the Year Award' graduation awards ceremony for which three of our marina and boatyard operative apprentices had been nominated – a great achievement in their first year. One of the three, Oli Rickard, 24, subsequently won the ViewHR award for Apprentice of the Year at the New Forest Brilliance in Business Awards.

### **Trafalgar Parades – October 2024**

Windsor and Eton Unit celebrated its 125th anniversary on 13 October, having been formed (as the very first Navy League Sea Cadets Unit) thanks to a donation from Queen Victoria in 1899. His Majesty King Charles III graciously permitted a grand muster in the quadrangle of Windsor Castle, where 640 cadets from across Southern Area were honoured to be inspected by Admiral Sir James Perowne KCVO KBE. Our National Trafalgar Day Parade on 20 October saw 400 cadets and volunteers overcome wet and windy conditions to entertain hundreds of spectators with a magnificent display of drill and musicianship in Trafalgar Square.

### **Royal Marines 360<sup>th</sup> anniversary voyage – October 2024**

Our Offshore Team organised a special TS Jack Petchey voyage to celebrate the 360<sup>th</sup> anniversary of the Royal Marines on 28 October. Cadets visited the Warsash memorial to D-Day Commando Units before taking part in 'Exercise Coastal Guardian' – a week of complex amphibious exercises, including missions with the 17 Port & Maritime Regiment of the Royal Logistics Corps and Hampshire & Isle of Wight Police Marine Support Unit.



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### **Marine Society Matrix Assessment – October 2024**

After vigorous preparation and evidence collection, Marine Society was assessed for Matrix Quality Standard to evaluate the provision of information, advice and guidance (IAG). We were judged to be maintaining the

Standard and received a glowing commendation from the Matrix assessor for our dedication to supporting seafarer welfare and the level of IAG services that we provide.

### **National Remembrance Ceremonies – November 2024**

The Sea Cadet Corps was privileged to have its first ever plot in the Westminster Abbey Field of Remembrance, where CEO Martin Coles CBE and Deputy Staff Recreation Officer, Lt Cdr (SCC) Ray Mitchell RNR, placed 53 wooden crosses – each representing a former sea cadet or volunteer who had died in conflicts or in service. Their sacrifice was honoured in a special ceremony organised by Eastern Area cadets and volunteers, who later represented the Corps at the Royal Albert Hall's Festival of Remembrance and the National Remembrance Service at the Cenotaph.

### **National First Aid competition – November 2024**

Our teams of cadets and young volunteers demonstrate excellent First Aid skills under pressure at the Manchester Fire & Rescue Service Training Centre in Bury. The cadet and young adult teams from Milton Keynes Unit both won their categories in the SCC event, with the young adults achieving bronze medals in the following day's Inter-Service competition.

### **CGI Innovate Challenge winners – December 2024**

Crewe, Newark, Stroud and Swindon Units were announced as winners of the Sea Cadets 2024 Innovate Challenge. The global technology company CGI had partnered with MSSC to set cadets a mission to design an imaginative and engaging way of learning about information systems. CGI praised the innovative concepts submitted and the problem-solving and teamwork of cadets, awarding each winning team a £1,000 digital grant to bring their ideas to life. The four successful units also visited CGI offices, where they explored real-world applications of information systems in mission-critical environments and learned how to programme small robots.

### **Cadet Conference – February 2025**

Planned and facilitated by our National Cadet Voice teams at Weymouth, almost 1,000 cadets joined in with for online Cadet Conference 2025 from their units or homes. Cadets discussed ways to improve their digital experience and progression through the Corps before holding Q&A sessions with MSSC's Senior Management Team.

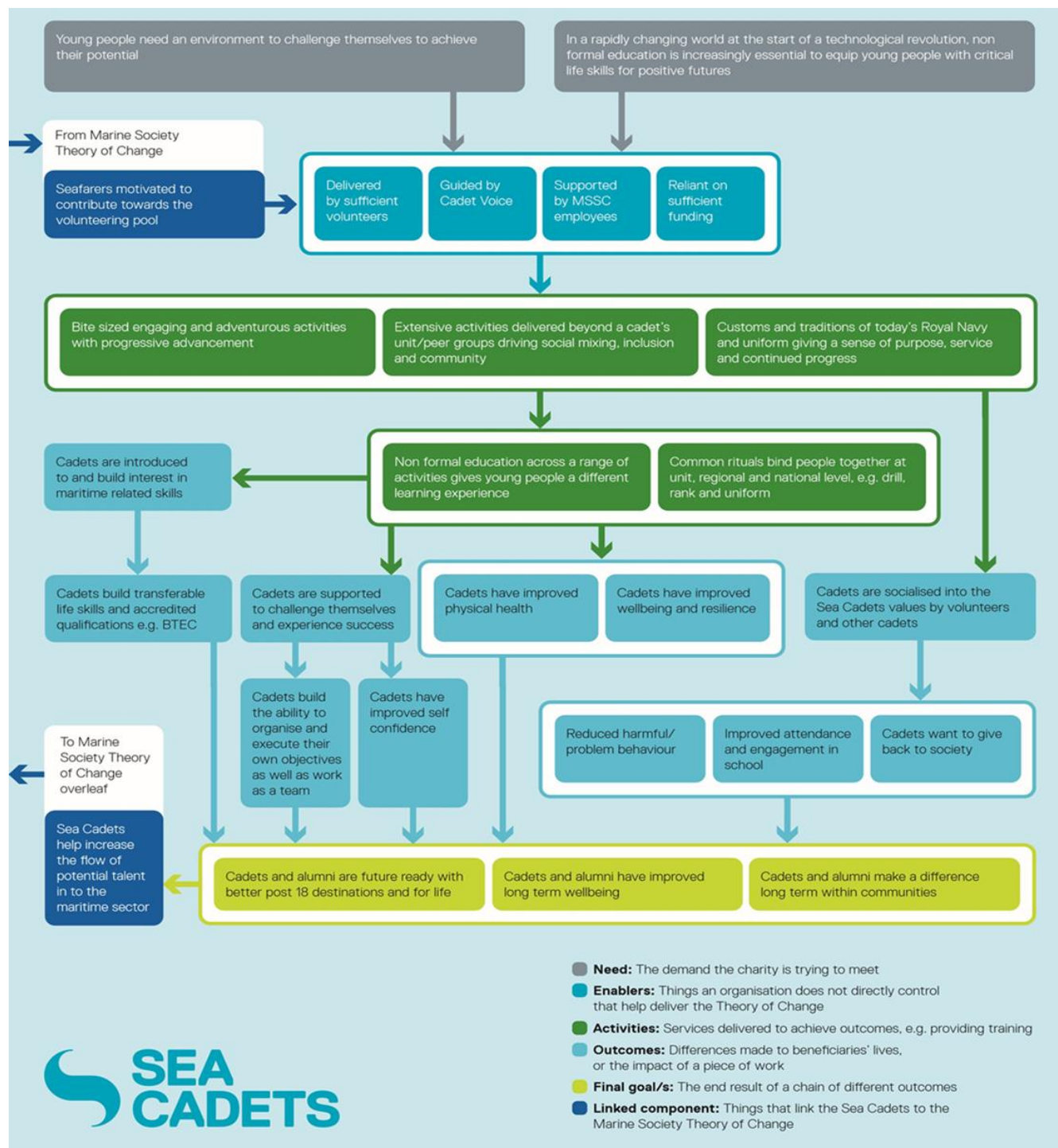
### **Keel-laying ceremony for HMS Dreadnought in Barrow – March 2025**

In a very proud day for Sea Cadets, Barrow Unit represented the Corps at the keel-laying ceremony for the submarine HMS Dreadnought at BAE Systems' shipyard. With terrific music provided by Scarborough Unit's band, the event saw cadets and volunteers meet VIP guests including Prime Minister Keir Starmer and Defence Secretary John Healey MP, while winning praise for their smartness and professionalism from Royal Navy dignitaries.

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### SEA CADETS THEORY OF CHANGE

Our theory of change illustrates how our interventions build to deliver immediate and enduring positive impacts for young people.



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### OUR IMPACT: How Sea Cadets changes young people

Based on 2,337 responses to our 2024/25 Impact Report survey of cadets

#### ENHANCING LIFE SKILLS, CONFIDENCE AND WELLBEING

*Sea Cadets has improved:*

- My ability to work with others in a team - **89%** of cadets surveyed agreed (up from 77%)
- How well I communicate with others **83%** (up from 81%)
- My ability to plan for the future **70%** (up from 63%)
- My physical health **61%** (down from 75%)
- My skillset for later life 86% (new measure)

*Sea Cadets:*

- Makes me feel empowered **73%** (no change)
- Prepares me well for when times are tough **72%** (up from 61%)
- Is a supportive environment **90%** (up from 88%)
- Helps me to stop getting in trouble at school, or with the police **47%** (down from 48%)

#### ACHIEVING PERSONAL GROWTH THROUGH THE SEA CADETS VALUES

##### Respect

- Sea Cadets has made me better at listening to the views of others **78%** (up from 71%)
- Sea Cadets has made me more likely to help other people **84%** (up from 80%)

##### Loyalty

- I feel connected to Sea Cadets **85%** (up from 83%)
- Sea Cadets has increased my involvement with my local community **77%** (up from 65%)

##### Self-discipline

- Sea Cadets has increased my willingness to work hard **79%** (up from 77%)
- Sea Cadets helps my young person do better at school 74% and improves their attendance 42% (parent/carer responses)

##### Commitment

- Sea Cadets has increased my motivation to take part in things **85%** (up from 83%)
- Sea Cadets has improved my ability to make decisions and see them through **69%** (no change)

##### Honesty & integrity

- Sea Cadets has made me feel that other people can count on me **76%** (up from 70%)
- Sea Cadets has helped me to tell the truth, even when it is hard **66%** (up from 58%)

##### Courage

- Sea Cadets has helped me to stand up for things I believe are right **75%** (up from 67%)
- Sea Cadets has reduced my involvement in risky or anti-social behaviour **49%** (up from 43%)



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YEAR ENDED 31 MARCH 2025**



# THE SEA CADETS EXPERIENCE



**Sea Cadets  
12–18yrs**



**Royal Marines Cadets  
13–18yrs**



**Junior Sea Cadets  
9–12yrs<sup>1</sup>**

**0–2 years  
(NEC–CFC)<sup>2</sup>**

**2–4 years  
(CFC–AC)**

**4–6 years  
(AC–POC)**

**0–1 year  
(REC–RMC)**

**1–3 years  
(RMC–LCPL)**

**3–5 years  
(LCPL–SGT)**

**0–3 years  
(JC–LJ)**

Sea Cadets values<sup>3</sup> are woven into our training

|   | Basic | Int   | Adv   | Basic | Int   | Adv   | Sea Cadets life skills                                   | Intro              |
|---|-------|-------|-------|-------|-------|-------|--|--------------------|
| Sea Cadet life skills                     |       |       |       |       |       |       |  |                    |
| Cadet training Prog/Syllabus <sup>4</sup> | Basic | Int   | Adv   | Basic | Int   | Adv   | Learning about your unit                                 | 15 modules         |
| Specialisation (e.g. Marine Engineering)  | 1     | 1     | 1     |       |       |       | Outdoor activities                                       | 15 modules         |
| Proficiency (e.g. Musician)               |       |       |       |       |       |       | Waterborne activities                                    | 15 modules         |
| Waterborne proficiency                    | 1     | 1     | 1     | 1     | 1     | 1     | Community activities                                     | 15 modules         |
| Boating (Hours effort)                    | 60hrs | 60hrs | 60hrs | 30hrs | 60hrs | 60hrs | Boating (Hours effort)                                   | 90hrs <sup>5</sup> |
| Offshore voyages                          |       | 1     | 1     |       | 1     | 1     | Participation Awards (Waterborne and STEM <sup>6</sup> ) | 2                  |
| BTEC                                      |       | ✓     | ✓     |       | ✓     | ✓     |  |                    |
| Event or competition                      | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |  |                    |
| RN or RM event                            | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |  |                    |
| DofE Award: (Bronze, Silver, Gold)        | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |  |                    |
| (RMC) Skill at Arms Training              |       |       |       | 1     | 2     | 2     |  |                    |
| (RMC) Shooting                            |       |       |       | 1     | 1     | 1     |  |                    |

## Key

- 1 Numbers show the amount of qualifications, modules, hours, events or training days
- Int Basic Intermediate Advanced
- Optional courses
- Supported activity

**SEA  
CADETS**

- Nine year olds currently limited to targeted locations.
- Ranks and rates of cadets.
- The Sea Cadet values are respect, loyalty, self-discipline, commitment, honesty & integrity and courage.
- Is the foundation of the experience, delivered at units.
- Based on three year experience at 30hrs per year.
- Science, technology, engineering and mathematics.



Marine Society & Sea Cadets, a charity registered in England and Wales 313013 and in Scotland SC037608

## REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025

**OUR IMPACT:** what the Sea Cadets Experience delivered for young people in 2024/25

### Overall statistics on activities delivered in 2024/25:

- Total boating hours: **423,523**
- Boating hours per cadet: **30.3**
- Cadets experiencing a week-long voyage via our offshore fleet: **1,591**
- Total beyond unit training days: **56,802** (4 per cadet)
- Total qualifications awarded: **31,966**
- Qualifications per cadet: **2.3**
- BTEC vocational qualifications: **338**
- Duke of Edinburgh's Awards completed: **315** – including **12** Golds

### Cadet feedback on the Sea Cadets Experience [from the 2024/25 impact survey]

- I have taken part in lots of different activities through Sea Cadets **84%** (down from 85%)
- I find Sea Cadets training engaging **86%** (no change)
- I can get useful qualifications from Sea Cadets **89%** (down from 92%)

### Future prospects

- **72%** of parents/carers (up from 67%) felt Sea Cadets would help their young person join the maritime sector.
- **75%** of parents/carers felt Sea Cadets would help their young person join the Royal Navy.
- **77%** of parents/carers (up from 73%) felt Sea Cadets would help their young person find a job.
- **58%** of cadets said they had been helped to know what sort of job they wanted to do.

### Cadet Sharlize, Southern Area, on the impact of her Sea Cadets Experience:

"During my time as a Sea Cadet, each course and event I have attended has taught me something and allowed me to gain a new transferrable skill. Whether it be my Cadet Drill Instructors that really installed self-discipline, or my First Aid which influenced quick-thinking. My favourite thing about being a Sea Cadet is the wide variety of courses and events which the organisation has to offer. From attending offshore vessels, to being a part of the National Cadet Voice Team, to gaining different qualifications, to attending area & district camps, to being selected as a Cadet Trustee and achieving my RYA Intermediate Powerboating!

Not only have I pushed myself through barriers I thought I would never break, and been taught crucial and valuable life lessons, I have been lucky enough to form a close-knit group of friends. Being a Sea Cadet has given me hundreds of moments and memories that I could never have gained from anywhere else."

### Cadet Daniel, Northern Area, on the impact of his Sea Cadets Experience:

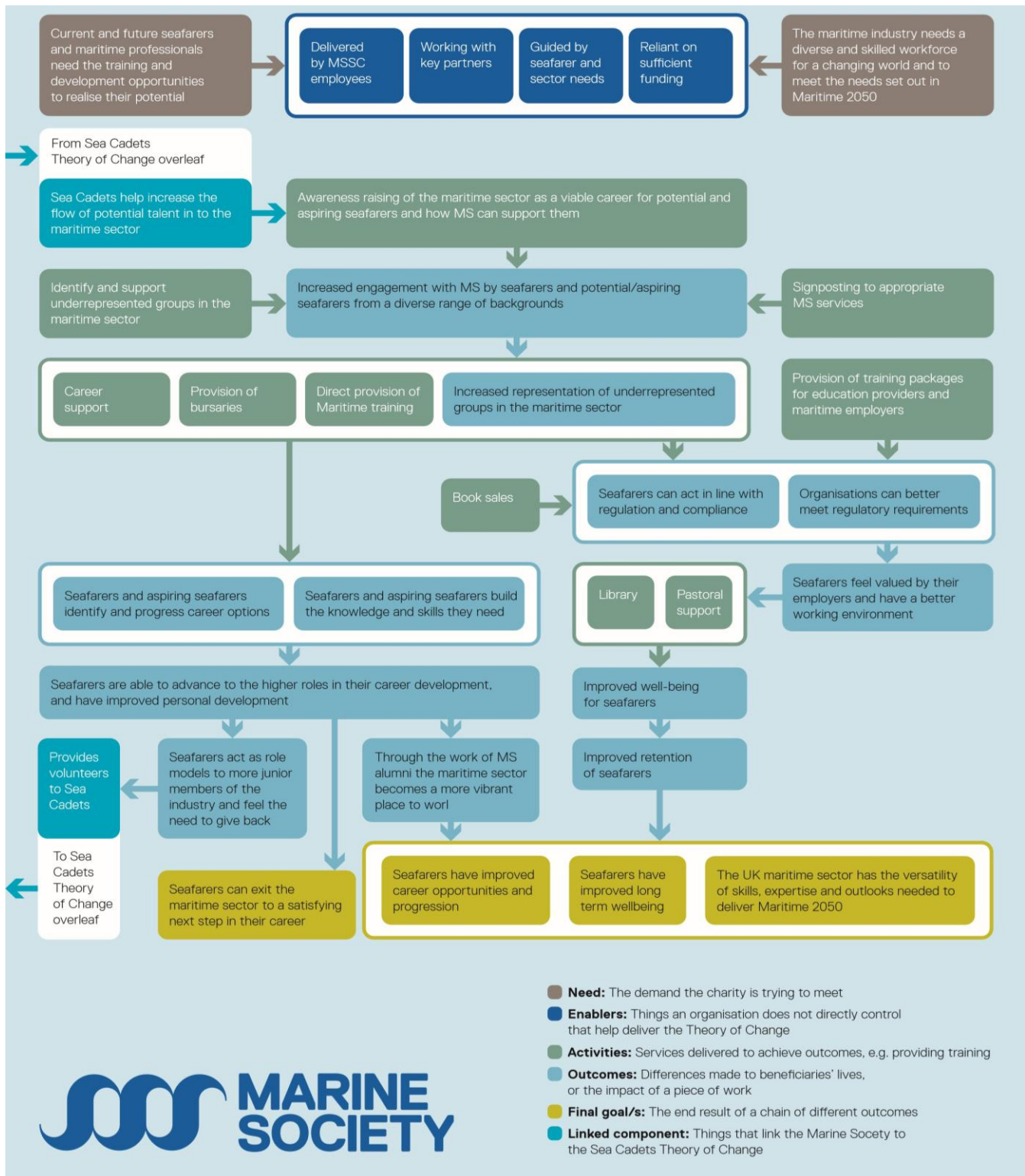
"Sea Cadets has introduced me to many new activities, including Seamanship and Marine Engineering, and has contributed massively towards my personal development – particularly my confidence and leadership skills. Being a sea cadet teaches us the importance of self-discipline, working as a team and working for the good of the community. It is also a great way to experience the challenges of the Duke of Edinburgh's Award, and I am in the process of working towards my silver.

Most importantly, Sea Cadets lets us enjoy activities that we might not have had the opportunity to try before, for example, sailing on our tall ship TS Royalist. When I finish my journey as a cadet, I want to become an instructor, and help others find their passions and achieve their potential. My unit has helped me make lifelong friends and given me memories which will stay with me always."

## REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025

### OUR THEORY OF CHANGE FOR MARINE SOCIETY

The following diagram shows how we engage and support current and future seafarers and maritime professionals, delivering immediate impact and enduring benefits for them and the maritime sector.





## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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### **OUR IMPACT: how Marine Society helps seafarers change their lives**

#### **Changing lives – in numbers:**

**7** Coming Ashore mentees securing jobs onshore

**10** seafarers furthering careers in the offshore energy with support from our Green Skills Bursary

**46** ratings achieved their first Certificates of Competency supported by the Slater Fund

**290** hours of one-to-one mentoring delivered to seafarers, a 42% increase on 2024/24

#### **Seafarer feedback on Marine Society support**

“With their funding and continued support throughout my studies, Marine Society have always been there working hard in the background. The Slater Fund is an amazing opportunity for seafarers who are going for that first certificate of competency – it’s changed my career for the better. Marine Society made it possible to get past obstacles and achieve my dream.”

#### **Dean Hodgson, Slater Award Winner 2024**

“The Coming Ashore programme has taught me a sense of accountability and time management. I learned to prioritise my goals and make time to achieve my objectives. I meet my mentor once a month for an hour and I am free to dial in at any moment. All I can tell is that my mentor is very open, experienced and knowledgeable. He is patient and knows how to keep me motivated to focus.

The programme eliminated the fear of how to face the job market; I gained interpersonal skills and knowledge and grew from merely trying to gain an understanding of a seafaring career to a confident Superintendent in the making.”

#### **Joanna Kafe, Coming Ashore mentee**

## REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025

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### OUR FUTURE READY PLAN FOR 2025/26

Our top 10 goals for 2025/26 are centred around delivering or supporting growth – whether that is by increasing the number of young people inspired through Sea Cadets, or the opportunities we offer to current and potential seafarers. As ever, our goals also prioritise support for volunteers and employees – the people who make everything we do possible. Together, we will work to ensure MSSC remains a modern and resilient charity which can deliver lasting change for its beneficiaries.

## MSSC's top 10 goals for 2025/26

### OUR OFFER

#### 1 Training increased

- 125+ Air Rifle Centres/Unit Drill Hubs operating
- Regional Shooting Hub network operating

#### 2 More training delivered at district level

- 45%+ of beyond unit training delivered at district

#### 3 Cadet Voice further increased

- 60%+ of units holding regular cadet forums

#### 4 Cadet Royal Navy engagement increased

- 30%+ of cadets offered the opportunity to meet the Royal Navy
- 2+ specialisations/proficiencies updated to reflect today's Royal Navy
- Virtual spotlight sessions delivered by RN Attract Team
- Pilot Royal Marines experience course delivered

#### 5 Maritime career opportunities for cadets increased

- 2+ regional careers fairs held
- Maritime careers embedded in cadet training programme
- Level 1 Maritime Studies enrolment launched

#### 6 Marine Society College offer further developed

- 20+ additional apprentices enrolled
- RYA Yachtmaster course developed
- Coming Ashore programme grown

### OUR PEOPLE

#### 7 Volunteers and employees further supported

- Volunteer mentoring programme framework developed
- District leadership and management course further developed
- 30+ employees provided management and leadership training

### INCLUSION & GROWTH

#### 8 Offering Sea Cadets to even more young people

- 1,500+ more cadets
- 17+ new sections/units opened

#### 9 Our approach to EDI further progressed

- Virtual EDI training course delivered to all volunteers
- Area EDI leads appointed and trained
- New Sea Cadet Promise launched

### ENABLERS

#### 10 Essential support delivered

- TS Royalist 10-year refit completed, fully funded via appeal
- Trinity 500 in production and available for purchase
- Updated Unit Review implemented
- £2.8m+ fundraising delivered

**REPORT OF THE COUNCIL  
YEAR ENDED 31 MARCH 2025**

**MSSC'S LAMBETH ROAD, LONDON PREMISES**

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The former MSSC building and land at 202 Lambeth Road was sold in 2024/25 and the funds added to the endowment fund.

**CHARITY OBJECTS**

The objects of the Marine Society & Sea Cadets (MSSC), a charity registered in England and Wales 313013 and in Scotland SC037808, are set out in its governing instruments which are based on the Act of Incorporation of 1772, the Charities (Marine Society) Order 1976 No 147 and subsequent Charity Commission schemes, the latest being that dated 22 November 2004. The Objects of the charity are:

- to promote 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
- to advance the education of seafarers in such ways as the Council shall determine but including (at the discretion of the Council) the following:
  - the provision in ships and on shore of a comprehensive library service in any media for the use of seafarers
  - the assistance of persons preparing for or entering upon a maritime career by the provision of training, the payment of fees, maintenance and other expenses and the making of loans
  - the award to seafarers of scholarships, bursaries and maintenance allowances tenable at nautical or other schools or training establishments
  - the making of grants or loans to nautical or other schools or training establishments which are charities or to other organisations established for charitable purposes only which provide facilities for and encourage young persons to become seafarers
- the advancement of the education of the public in maritime matters
- the promotion of scientific or other research of particular benefit to seafarers and the publication of the useful results of such research
- the provision in the interests of the social welfare of seafarers of facilities for recreation and other leisure-time occupation, being facilities which will improve their conditions of life and of which they have need by reason of their social and economic circumstances
- the relief of financial hardship among seafarers and their dependants

"Seafarers" used above is a term defined as:

- persons who have served, are serving, or intend to serve in the Royal Navy, the British Merchant Navy or fishing fleets or any other maritime career
- persons who are serving in the navies, merchant navies or fishing fleets of such other countries as the Council from time to time determines
- Members of the Sea Cadet Corps; and
- any other young persons considering or interested in a maritime career

"Sea Cadet Corps" (SCC) means properly constituted maritime cadet units that conform to the policies of Sea Cadet Regulations established by the charity and that are formally affiliated to it.



## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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### **HISTORY**

The Marine Society was founded in 1756 by Jonas Hanway, a London-based philanthropist, with the aim of encouraging young men and boys of good character to join the Royal Navy at the start of the Seven Years' War. Incorporated in 1772, the Society commissioned in 1786 the first sea training ship in the world, the 350-ton Sloop *Beatty*, and went on to provide sea training all the way up to the Second World War. It was estimated that over 110,000 men and boys were trained and equipped by the Society over this period.

The Sea Cadets movement dates back to 1856 when sailors returning from the Crimean War started up 'Naval Lads' Brigades' in ports around the country. In 1910 the Navy League sponsored a small number of independent units, which received Admiralty recognition in 1919. In 1937 Lord Nuffield gave £50,000 to fund the re-launch and expansion of the Corps and five years later the Admiralty started to pay for uniforms, equipment, travel and training. In 1976 the Navy League was renamed the Sea Cadet Association. In 1963 the Girls' Naval Training Corps (GNTC), which had been formed in 1942 with objectives similar to those of the Sea Cadet Corps, became a partner organisation of the Sea Cadets, often sharing facilities. In 1980, the GNTC merged with the Sea Cadets, firstly as the Girls Nautical Training Contingent, until becoming fully absorbed in 1992. Girls and women currently make up over a third of all cadets and volunteers.

MSSC was formed in 2004 on the merger of The Marine Society and the Sea Cadet Association (SCA) with the merged organisation retaining the constitution of The Marine Society. The SCA (registered charity number 306141 & company number 404951) is now a subsidiary of MSSC.

### **PRINCIPAL ACTIVITIES**

The activities broadly relate to those of promoting Sea Cadets activity and helping seafarers realise their ambitions.

The charity supports the maritime industry through the provision of Marine Society College activities, by promoting career opportunities in the maritime sector, upskilling seafarers using new technologies, whilst supporting others to transition ashore into maritime-related roles. As an approved Government-funded training provider and Ofsted-rating 'Good', Marine Society will build on its global reputation for supporting seafarers offering advice and guidance, scholarships, bursaries, apprenticeships, a growing range of post-16 to graduate courses as well as delivery of crew libraries and specialist book sales.

The charity acts as the franchisor for Sea Cadets units – local groups are constituted as separately registered charities. The charity sets Sea Cadets regulations, issues guidance and performs inspections to ensure that the highest of standards are maintained. It provides support in many other ways including provision of uniforms, equipment, onshore and offshore training and related travel, business and unit support and Disclosure and Barring Service (DBS) checks. The charity does not have overall control over the day-to-day operation of the individual units.

Sea Cadets units operate across the United Kingdom, with a total as at 01 April 2025 of 14,031 cadets (11,628 in England, 1,180 in Scotland, 680 in Wales, 300 in Northern Ireland and 243 overseas). There are 304 established units in England, 35 in Scotland, 20 in Wales and 11 in Northern Ireland, with a further two in Bermuda and one each in Jersey, Guernsey, Isle of Man and Malta. Within these units there are 1031 sections - 849 England, 90 Scotland, 54 Wales, 22 Northern Ireland, 2 Bermuda, 9 Channel Islands (Jersey and Guernsey), 2 Isle of Man and 3 Malta. The charity maintains six area offices, five based in England and one in Scotland, three national training centres, two in England and one in Scotland, eight boating stations, seven in England and one in Scotland, and an offshore fleet of five vessels, based in England.

## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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### **VOLUNTEERS**

The charity relies extensively on volunteers to support the delivery of its training and other activities to Sea Cadets, and to serve as unit management team members (trustees) of Sea Cadets units. As at 01 April 2025 there were 4,775 adult instructional volunteers, 1,473 unit management team members and 2,441 other volunteers. In total 8,689 volunteers (6,917 in England, 733 in Scotland, 462 in Wales, 170 in Northern Ireland, 293 National and 114 overseas). We are extremely grateful for the generosity of time, huge commitment and can-do attitude of our volunteers in making the Sea Cadets the success that the organisation is.

### **KEY RISKS AND UNCERTAINTIES**

The Council is responsible for management of the risks and uncertainties faced by the charity, assisted by senior staff. The Council undertook an annual review of the organisation's risk management process through the Safety, Safeguarding, Inclusion and Risk Committee in July 2023, and together with the Policy Development and Nominations Committee and the Financial Investments Audit and Remuneration Committee continued to monitor the charity's key risks throughout the year.

The charity's risk register operates at three principal levels; the Strategic Risk Register, the High Operational Risk Register and Departmental Risk Registers. Each risk identified is described, together with its indicators and mitigating factors in place, and its target and current mitigated scores based upon an impact and likelihood matrix. A commentary is also maintained by risks of actions in progress to further reduce the risk score, which may also be increased should risk circumstances change. All risks and their completeness is reviewed and revised by management and reviewed by the relevant committee, overseen by the Safety, Safeguarding, Inclusion and Risk Committee which meets three times a year.

The Council considers the key risks facing the charity to fall within the following areas:

- Safeguarding children and vulnerable adults
- Health & Safety
- Sufficiency of MOD Grant in Aid funding
- Lack of diversification of funding and support
- Sufficiency of financial reserves
- Public perception and reputation
- Stakeholder management, and in particular, key stakeholder support

The key mitigating controls used are:

- Formal and periodic review by the trustees
- Comprehensive strategic planning, budgeting and management accounting
- Formal organisational and governance structure and lines of reporting
- Formal written policies
- Hierarchical authorisation and approval levels
- Internal audit review of targeted areas
- External audit and other 3<sup>rd</sup> party verification agents

The Council is satisfied that key risks identified are adequately managed and these are reviewed by the full Council. It is recognised that systems can only provide reasonable but not absolute assurance that major risks are adequately managed.

## REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025

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### FINANCIAL REVIEW

#### Income

Total income amounted to £23,562K (2024: £18,842K), an increase of 25% over the previous year.

Donations and legacies are £3,872K up on last year. This increase is due to the receipt of funds from the 202 Lambeth Road of £5,863k. Without this we would have decreased by £1,991k – mainly due to £2,100k received for Midlands Boat Station in 24/25.

We continue to remain sincerely grateful for the continued support provided by the MOD in helping finance the Sea Cadets through the grant in aid.

#### Expenditure

Total expenditure was £19,341K (2024: £18,620K).

The cost of safeguarding and supporting Sea Cadets activity and infrastructure increased by £244K – the majority in delivering RN Armaments Security project. The cost of Offshore increased by £335k – the majority due to the TS Royalist 10 year re-fit.

#### Net income and other movements

|                               | £k    |
|-------------------------------|-------|
| Sale of 202 Lambeth Road      | 5,863 |
| RN Armaments Security Project | (877) |
| TS Royalist                   | (262) |
| Other                         | (729) |
| Net income increase in year   | 3,995 |

Overall, net movement in funds was £3,995K this is broken down to endowment funds 5,637k, restricted funds (£2,181K), Designated funds £655K and Unrestricted funds (£115K).

It has been the policy of the charity since 2012/13 to set aside long-term gains from its expendable endowment for current expenditure. The drawdown amounted to £960K (2024: £622K) based on an up to 4.0% agreed return set by the Trustees following advice from the investment managers.

Investment portfolio loss in the year was (£226K) (2024 Gain £847k).

#### Balance sheet

The value of investments portfolio increased by £6,919k – mainly due to the reinvestment of the proceeds of sale of the 202 Lambeth Road.

Cash at bank has decreased by (£2,815K) mainly due to expenditure on RN Armaments Security project and TS Royalist.

Total debtors have increased by £947K, mainly decrease in accrued income (£405k) ( DCMS and Investment income), Trade Debtors (£213k), offset by an increase in Other Debtors of £638k which is predominately MOD Grant in Aid funding final month paid in 2025/26 and Prepayment of £926k.

Total creditors have increased by £762K, due to an increase in Accruals predominately due to RN Armaments Security project expenditure.

It is noted that the Net Current Assets currently are negative. However, this is just a timing issue, and any issue can swiftly be addressed using our cash investments.

## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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### **SAFEGUARDING POLICY**

#### **MSSC Safeguarding Policy Statement**

*'At Marine Society and Sea Cadets (MSSC) we recognise our responsibilities to ensure that in line with our duty of care we safeguard and protect the children & young people and adults at risk with whom we work, doing all we can to promote their safety, health, well-being and happiness. We continually strive to be a respected and trusted organisation where everyone feels safe to participate in all our activities and our cadets and adults understand their right to be-protected from all forms of harm.'*

MSSC accords the utmost priority to the safety of vulnerable and groups and those groups & individuals with protected characteristics. All have the right to be free to work, learn and develop their potential without fear of discrimination or exclusion. All members of the MSSC will be valued and their rights to opportunity, protection and safety fully respected. This is underpinned by the charity's values and other supporting policies and procedures including our Equity, Diversity and Inclusion policies.

### **FUNDRAISING STANDARDS**

#### **Our Fundraising Approach**

MSSC's fundraising activity is carried out entirely by its in-house fundraising team, with support from volunteers and local Sea Cadets units. We did not engage any professional fundraisers or commercial participators during the year. All fundraising was conducted by MSSC staff or trained volunteers, in line with our commitment to ethical, transparent and supporter-focused fundraising. We use a range of approaches to raise income, including applications to trusts and statutory funders, individual giving campaigns, corporate partnerships, and membership programmes. We also provide tools, training and guidance to help local Sea Cadets units fundraise safely and effectively in their communities.

#### **Regulation and Standards**

MSSC is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice, which sets the standards for fundraising across the UK. We are also committed to the four fundraising principles of being legal, open, honest and respectful, and our practices reflect this commitment.

We comply fully with the Charities (Protection and Social Investment) Act 2016, the General Data Protection Regulation (GDPR), and other relevant laws. We are pleased to confirm that no breaches of fundraising regulations or standards were identified during the year.

Our Fundraising Promise, which outlines the standards our supporters can expect from us, is publicly available on our website:

[www.sea-cadets.org/our-fundraising-promise-to-you](http://www.sea-cadets.org/our-fundraising-promise-to-you)



## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025 FUNDRAISING STANDARDS (cont)**

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### **Oversight and Governance**

Responsibility for MSSC's fundraising rests with the Board of Trustees, supported by regular oversight from the Finance, Investment, Remuneration and Audit Committee. Day-to-day delivery is managed by the Director of Fundraising & Communications, who reports regularly to the Board on performance, compliance and risk.

All fundraising undertaken by staff or volunteers is governed by internal policies and reviewed regularly to ensure compliance with regulation and alignment with MSSC's values. Our team receives training on data protection, safeguarding, and respectful fundraising practices.

### **Protecting the Public and Vulnerable People**

MSSC takes its responsibilities towards supporters who may be in vulnerable circumstances very seriously. All fundraisers are trained to recognise signs of vulnerability and to respond sensitively and appropriately. MSSC's dedicated safeguarding team is available to support and advise where concerns arise. We also honour donor preferences through full GDPR compliance and participate in the Fundraising Preference Service.

### **Complaints and Feedback**

We are committed to openness and accountability in all interactions with supporters. MSSC operates a clear and accessible fundraising complaints policy, and all feedback is welcomed as an opportunity to learn and improve.

We are pleased to report that no complaints relating to fundraising were received during the year ending 31 March 2025.

### **Fundraising Performance**

In the financial year ended 31 March 2025, MSSC raised £8,118K (23/24 £4,246K) through a variety of fundraising activities. Fundraising costs totalled £488K (23/24 £328K), resulting in a return on investment of £16.64 for every £1 spent (23/24 £12.95). This calculation includes the cost of centrally supporting units with their own local fundraising efforts and reflects a strong level of efficiency across both restricted and unrestricted income streams.

### **Looking Ahead**

As we look to the future, MSSC will continue to uphold the highest standards of ethical fundraising. We remain committed to transparency, accountability, and delivering a positive experience for every supporter. Our fundraising will continue to evolve to meet the changing expectations of donors while helping us deliver our mission to launch young people for life.

## REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025

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### INVESTMENT POLICY

Cazenove manage the investment portfolio (excluding properties managed directly by the charity (£13m)). KW Investment Management manage the treasury portfolio (£13m) – this includes the £6m from the sale of old HQ which will be transferred to Waverton in 2025. We also hold an investment property managed directly by the charity (£1.2m) (see Note 12).

The investment aims are to create sufficient income and capital growth to enable the Charity to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance, and if possible, enhancement of the value of the invested funds whilst they are retained.

As such the current investment objective is to generate a minimum total return in excess of UK CPI plus 4% net of fees per year over rolling five-year periods.

The annual drawdown requirement is approximately 4% of the value of the Portfolio. The Assets are not permanently endowed, and the Portfolio is to be run on a total return basis with the drawdowns made up of dividend income and, when required, capital.

The Charity is prepared to take a “medium level” of investment risk relative to the risk profile of UK charities investors in general. As such, the expectation is that the Investment Managers will not take more than 85% of equity market risk, at any one time.

The Incumbent Investment Manager (Cazenove Capital) has discretion to shift between asset classes as opportunities present themselves within the following ranges:

| Asset Class                    | Portfolio Neutral Position % | Minimum Allowable % of total Portfolio | Maximum Allowable % of total Portfolio |
|--------------------------------|------------------------------|--|--|
| <b>Equities</b>                | <b>75</b>                    | <b>55</b>                              | <b>85</b>                              |
| <b>Bonds</b>                   | <b>10</b>                    | <b>0</b>                               | <b>20</b>                              |
| <b>Property</b>                | <b>7</b>                     | <b>0</b>                               | <b>15</b>                              |
| <b>Alternative Investments</b> | <b>6</b>                     | <b>0</b>                               | <b>15</b>                              |
| <b>Cash</b>                    | <b>2</b>                     | <b>0</b>                               | <b>15</b>                              |

Bonds held will be of ‘BBB’ credit rating or better.

No single investment should exceed 10% of the total value of the funds under management and the total sum of all equity holdings in excess of 5% must not be equal to or exceed 40% of the fund’s value at any time.

#### **Ethical considerations**

The Trustees would like to invest in a responsible and sustainable way and therefore expect the investment manager to take into account ESG factors when making investment decisions, as well as a carbon aware approach.

#### **Timing of returns and liquidity requirements**

The investment horizon is ongoing and there are currently no planned significant future capital requirements from the Portfolio. The Client will update the Investment Managers in good time if capital drawdowns are required.

## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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### **Performance**

The Investment Managers will be measured against UK inflation (CPI) + 4% and the Arc Steady Growth Charity Index. This year the return was 3.7%.

The Trustees continue to monitor investment performance and are grateful for the assistance of the investment managers, Cazenove.

### **Review of investment managers**

A tender exercise for the provision of investment management services to the charity was conducted in 2023, with the assistance of Independent Investment Reviews Ltd. Following a full and fair competition, Cazenove have been appointed and are suitably authorised persons within the meaning of the Financial Services and Markets Act 2000.

Waverton have been appointed to manage the funds raised from the sale of 202 Lambeth Rd.

### **RESERVES POLICY**

Total funds at the year-end as detailed in note 18 were £41,383K, (2024: £37,389K). This is made up of :

£14,351K (2024: £16,533K) restricted funds. These are funds that have been given to us for specific purposes. Most significantly these include Fixed Asset funds to cover depreciation of Restricted Assets, Bursaries, Annual Funds, Branch and District funds. Specific funds are for Arms and Ammunition, maintenance and replacement of Offshore fleet and On the Water

£23,868K (2024: £18,231K) endowment funds. These funds were taken on as part of the merger between the Sea Cadets and the Marine Society and have been recognised as expendable endowment funds since then. We have added the £6m from the sale of 202 Lambeth Rd as this was also part of the merger agreement. We recognise the investments income as unrestricted, this drawdown amounted to £960K (2024: £622K) based on an up to 4.0% agreed return set by the Trustees.

£1,867K (2024: £1,214K) designated funds. These are for cadet outreach, boat station development, Weapons & Ammunition and future developments over the Future Ready strategy funded from the property transaction.

After accounting for intangible and tangible fixed assets of £570K (2024: £570K) this leaves unrestricted funds, comprising free reserves of £727K (2024: £842K).

## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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The charity does not retain MOD grant monies as part of its reserves. The reserves policy of the charity is a risk based approach, meaning that the reserves reflect the risk of loss of specific income (see key risks page 22) and the risk of the most significant costs increasing. On the basis of this approach the trustees have agreed our free reserves target is **£2.4 million**. We have not met this reserves policy.

A breakeven budget has again been set in the current year. It is unlikely the charity will be able to meet its reserves targets and instead will have to rely on expendable endowment to act as a reserves buffer. The policy has clear dangers for the charity in the long term especially given the uncertainty market turmoil currently being experienced any drawdown that may be made will be kept to an absolute minimum. It is at the complete discretion of Trustees as to the level of support the charity will give to the Sea Cadet movement in the event of shortfalls in public funding.

### **GRANT MAKING POLICY**

Grants awarded in 2025 amounted to £1,266K (2024: £1,271K) (Note 6). Individual Sea Cadets units are separate registered charities and thus financial support is paid via grants. The policy of the charity is to grant monies for one-off items to support the Sea Cadet Corps and individuals (members of the Sea Cadet Corps or seafarers) to help them either facilitate or receive approved training or qualifications. In addition, grants are provided to volunteers to allow upkeep or purchase of uniforms on promotion or for wear and tear during the year. Payments are made in accordance with published scales.

### **EMPLOYEE REMUNERATION POLICY**

As a charity, it is important we achieve balance in ensuring value for money, including how we pay our employees, with the need to attract, motivate and retain the right people to ensure we are able to deliver our ambitious plans and so maximise our impact on our beneficiaries. Therefore, our principles are to pay fair salaries that are consistent with our commitment to equality and diversity; that we remain competitive within the industry and geographic location of the role; are appropriate for the level of responsibility; and are in keeping with our charitable status. Headcount is reviewed annually as part of our budgeting process.

#### **Governance of Pay**

The Council approves the Pay and Benefits Policy, and the Finance, Investments, Remuneration and Audit Committee is appointed as a committee of the Council to approve pay related matters. The Council delegates to this committee the annual pay review and determining the CEO and senior management team salaries. This committee meets quarterly.

#### **Annual pay review**

Salaries are normally reviewed annually and the pay review implemented in August. We benchmark salaries to ensure that we are paying appropriately and that we broadly fall within the mid-point for similar organisations. Where we find salaries that are not aligned, we adjust accordingly. There is no obligation to increase salaries, however if it is affordable and we have performed well, then a uniform inflationary increase may be applied. This is awarded to all staff, including senior staff, with the exception of those who have resigned. Salaries had an inflationary pay increase of 3% in August 2024.



**REPORT OF THE COUNCIL  
YEAR ENDED 31 MARCH 2025**

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**PUBLIC BENEFIT**

The Council members continue to give due regard to the public benefit provided by the charity in relation to its charitable purposes as set out in the activities and achievements outlined in this report and have given due consideration to guidance issued by the Charity Commission on this matter.

The aim of Sea Cadets activities is to give young people the best possible head start in life through nautical adventure and fun, based on the customs and traditions of the Royal Navy.

*“Adventure that launches young people for life”*

In order to achieve this, Sea Cadets units take young people from all backgrounds, including where possible those with disabilities and develop their skills and abilities by:

- Inspiring young people through regular and structured activities with a nautical theme
- Encouraging young people to take part in activities connected with the wider Sea Cadets movement, including inshore boating and offshore voyages, as well as events and competitions at District, Area and National levels
- Availability of formal externally recognised educational achievements whilst taking courses to earn badges and promotions

Charges are kept low in order to ensure all those who wish to take part in Sea Cadets activities may do so. Where further financial support is required for those on low incomes, a wide range of bursaries are available.

The aim of the Marine Society is to give aspiring and serving seafarers the best possible lifelong learning opportunities tailored to their individual needs.

*“Realising Seafarer Potential”.*

We achieve this through a wide range of services that are geared towards their personal development, education and learning support needs, helping them realise their potential. This includes:

We achieve this through a wide range of services that are geared towards their personal development, education and learning support needs, helping them realise their potential. This includes:

- Promoting career opportunities into the maritime sector
- As an approved Government-funded training provider with Ofsted-rating ‘Good’, offering advice and guidance, scholarships, bursaries, apprenticeships and a growing range of post-16 to graduate courses
- Delivering upskilling courses to aspiring and serving seafarers around the world through use of digital learning
- Supporting others to transition ashore into maritime-related roles.
- Providing a ship’s library service for seafarers at sea and specialist book sales.

The Council members are thus satisfied that the charity provides substantial public benefit.

## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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### **ORGANISATIONAL STRUCTURE AND GOVERNANCE**

The charity is governed by a board of unpaid non-executive Council members who act as Trustees. Details of the Council Members who served during the year, and as at the date of this report, together with details of the executive management and professional advisors, are shown on pages 64-65.

The Council meets at least three times a year and is supported by members of the senior management team. Responsibility for reviewing key areas of activity is delegated to committees which report back to the Council meetings. The committees, with specific terms of reference, may also include specialist co-opted members as well as Council members to ensure that expert opinion is available. The day-to-day management of the charity and the exercising of executive responsibility are delegated to the CEO and senior management team. Meetings of the Council are also attended by one of our current First Sea Lord Cadets.

The current committees and their primary purposes are:

#### **Finance, Investment, Remuneration & Audit Committee**

- Oversees the financial affairs of MSSC, including management accounts, budgeting and the preparation of statutory accounts
- Formulates Investment policy and oversees the management of Investment assets
- Oversees and ensures the proper conduct of the internal audit process in accordance with Council requirements
- Oversees the remuneration, terms and conditions and performance review of MSSC's CEO and NCS senior management
- Oversees the appointment and remuneration of the external auditors and receiving reports from them

#### **Policy, Development and Nominations Committee**

- Develops and recommends strategy and policy for the optimum use of MSSC resources in order to fulfil its objects in the medium to long term (2 – 10 years)
- Advises Council on major strategic issues, especially those which do not fall within the remit of any other major committee, and for monitoring the implementation of MSSC's strategic plan, keeping it under review, and advising Council on its revision
- Considers and approves guidelines for fundraising and public profile strategies
- Nurtures and develops relationships with external stakeholders (including MOD, Skills Funding Agency (SFA) and public funding bodies) in order to maximise support
- Sets and monitors performance against established targets (KPIs)
- Undertakes a nominations function, in liaison with MSSC Chairman, for appointment to MSSC Council and the Committees

#### **Safety, Safeguarding, Inclusion & Risk Committee**

- Reviews the quality of services and activities undertaken by MSSC (and SCC) to ensure that they are safe (with particular consideration to the need to protect its young people), high quality, inclusive and appropriately risk assessed
- Ensures the maintenance of an effective system of integrated governance and risk management that supports the achievement of the organisation's objectives

## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

### **ORGANISATIONAL STRUCTURE AND GOVERNANCE (CONT)**

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National Sea Cadets Forum (Known as National Cadet Voice Team)

- Composed of Sea Cadets, the forum supports the aims and objectives of the SCC, providing ideas and feedback to the MSSC from cadet forums at Area level. In the year, work continued to create cadet forums at District level to link in to the Area Cadet forum and in turn the National Sea Cadets forum.

National Sea Cadets Advisory Council (NSCAC)

- Primarily composed of representatives and volunteers of the SCC and MSSC management team. The council supports the aims and objectives of SCC and provides advice to its principal national sponsors. From 9 July 2014, the chair of NSCAC was invited to be a Trustee of MSSC for the period of office.

### **Appointment, induction and training of Council members**

Council members (Trustees) are co-opted by the board and elected by the charity's members at the AGM following their appointment according to the provisions of the Society's Scheme. A Council member, who has previously been re-elected at an AGM, is eligible for re-election only with the prior approval of the Council. The Society's Scheme formally provides that one-third (rounded down) of the elected Council members shall retire at each AGM. The board keeps the skill requirements for the Trustee body under review and, with these in mind, seeks to identify new members in a range of ways, including recommendation from all interested parties.

The induction process for a new Council member comprises initial meetings with the Chairman and other members of the board, followed by meetings with the CEO and senior management team, through which the individual will be briefed on the remit of the charity and the powers and responsibilities of its Trustees. The charity aims to provide all new Council members with the information necessary to ensure that they are fully equipped to contribute to the organisation within their powers. Council members are informed of current and evolving issues within the sector by the senior management team.

### **Membership and Branches**

The MSSC is a membership organisation and currently enjoys the support of some 600 members who pay an annual subscription to the Charity. MSSC has five (2024: five) branches within the United Kingdom made up of members of the charity who reside within its locality. The annual subscriptions of those living within the catchment area of a branch are returned to the branch committee to be applied for the benefit of local Sea Cadets units and MSSC initiatives. These branches are an active and welcome force in spreading the charity's message at a local level.

## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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### **THE CHARITY GOVERNANCE CODE**

The Trustees have considered the new third edition of the Charity Governance Code for larger charities, published in July 2017 by the charity sector's The Code Steering Group (the Association of Chief Executives of Voluntary Organisations, the Association of Chairs, Small Charities Coalition, the Institute of Chartered Secretaries and Administrators: The Governance Institute, the National Council for Voluntary Organisations and the Wales Council for Voluntary Action). The code is supported and endorsed by the Charity Commission in England and Wales.

The code lays out principles for seven key areas of governance together with recommended practice for each principle; organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

The Trustees consider that the charity continues to comply with the principles of the code.

### **INTERNAL AUDITOR'S REPORT TO THE COUNCIL**

The Internal Auditor reported to the Council in July 2025 as follows:

Based on the work performed during the year, it is the opinion of Internal Audit that MSSC has an adequate and effective framework of governance, risk management and control in place to support the organisation's objectives as laid out in its Vision and Strategy.

Following each audit engagement, actions to address any identified control weaknesses have been agreed with management and progress against these agreed actions are monitored by Internal Audit and reported to the Finance, Investments, Remuneration & Audit (FIRA) Committee on a regular basis. In the opinion of Internal Audit, no control weaknesses have been identified during the year which are of such significance to warrant specific disclosure in the Annual Governance Statement.

### **STATEMENT OF THE ACCOUNTING OFFICER**

The Chief Executive Officer (CEO) as designated Accounting Officer in accordance with the current ten year Memorandum of Understanding with the MOD dated 13 December 2018, should ensure that MSSC and any subsidiaries to it or organisations sponsored by it, operates in respect of the GIA effectively and to a high standard of probity. The MSSC should in respect of the GIA:

#### **Governance**

- Have a governance structure which transmits, delegates, implements and enforces decisions
- Have trustworthy internal controls to safeguard, channel and record resources as intended
- Work cooperatively with partners in the public interest
- Operate with propriety and regularity in all its transactions
- Treat those with whom they deal fairly and honestly
- Offer redress for failure to meet agreed stakeholder standards; and
- Give timely, transparent and realistic accounts of the MSSC



## **REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025**

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### **Decision-making**

- Provide the Ministry of Defence (MOD) with clear, well-reasoned and timely information in accordance with the Memorandum of Understanding
- Make all its decisions in line with the strategy, aims and objectives of the charity
- Take a balanced view of the MSSC's approach to managing opportunity and risk

### **Financial management**

- Comply with Public Sector Internal Audit Standards (PSIAS) in order that the Principal Accounting Officer may receive an annual assurance on risk management, governance and control
- Use its resources efficiently, economically and effectively, avoiding waste and extravagance
- Plan to use its resources on an affordable and sustainable path, with agreed limits
- Carry out procurement and project appraisal objectively and fairly, using cost benefit analysis and seeking good value for money
- Use, where possible, management information systems to secure assurance about value for money and the quality of delivery and so make timely adjustments
- Avoid over defining detail and imposing undue compliance costs, either internally or on the charity's stakeholders and others with whom it deals

### **STATEMENT OF COUNCIL'S RESPONSIBILITIES**

- Have practical documented arrangements for working in partnership with other organisations, as appropriate
- Use internal and external audit to improve its internal controls and performance

In order for the Chief Executive Officer to provide assurance on the above matters the following measures are in place:

- Delegated authorities are formally agreed by the Council under Financial Standing Orders. Part of these require CEO authorisation of all expenditure over £10,000 with three comparable quotations and a business plan required in respect of new projects with a value in excess of £10,000
- All payments are made from a single bank account or from approved centrally managed credit and debit cards
- An internal audit function performs regular reviews, following a three year audit plan based on the risk profile of the charity

The Council as Trustees are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations. Charity law requires the Council to prepare financial statements for each financial year in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

## REPORT OF THE COUNCIL YEAR ENDED 31 MARCH 2025

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Under charity law the Council 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 charity and of its net outgoing resources for that period. In preparing these financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities' SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards 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 charity will continue to operate.

The Council 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, the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

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


### AUDITORS

A resolution to reappoint MHA will be tabled at the Annual Court.

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

- so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

On behalf of the Board:



Jeremy Penn  
Council Member and Chairman

17 July 2025



Guy Holloway  
Chief Executive Officer  
& Grant in Aid Accounting Officer

17 July 2025

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARINE SOCIETY & SEA CADETS**

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### **Opinion**

We have audited the financial statements of The Marine Society & Sea Cadets (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the financial statements, 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 parent charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, 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 Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent charity 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 and parent charity's ability to continue as a going concern for a period of at least 12 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARINE SOCIETY & SEA CADETS**

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### **Other information**

The other information comprises the information included in the Report & Accounts of the Council other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Report & Accounts of the Council. Our opinion on the financial statements does not cover the other information

and, 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.

### **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 Report & Accounts of the Council is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the 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 Statement of Council's Responsibilities, the Trustees are responsible for the preparation of the financial statements which 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 parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MARINE SOCIETY & SEA CADETS**

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:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place;
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [frc.org.uk/auditors-responsibilities](http://frc.org.uk/auditors-responsibilities). This description forms part of our Auditor's Report.

### **Use of our report**

This report is made solely to the Charity's Trustees, 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 Charity's Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**MHA**

Statutory Auditor  
London, United Kingdom

Date: **7/8/2025**

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2025

|   | Notes    | Unrestricted   | Restricted     | Endowment      | 2025           | 2024           |
|---|----------|----------------|----------------|----------------|----------------|----------------|
|   |          | Funds<br>£'000 | Funds<br>£'000 | Funds<br>£'000 | Total<br>£'000 | Total<br>£'000 |
| <b>INCOME AND ENDOWMENTS FROM:</b>                    |          |                |                |                |                |                |
| Donations and legacies                                | 2        | 619            | 1,636          | 0              | 2,255          | 4,246          |
| Charitable activities                                 | 3        | 2,157          | 12,032         | 0              | 14,189         | 13,624         |
| Other trading activities                              | 8        | 34             | 0              | 0              | 34             | 32             |
| Investments   | 4        | 1,221          | 0              | 0              | 1,221          | 940            |
| Other income  | 1m       | 0              | 0              | 5,863          | 5,863          | 0              |
| <b>TOTAL INCOME</b>                                   |          | <b>4,031</b>   | <b>13,668</b>  | <b>5,863</b>   | <b>23,562</b>  | <b>18,842</b>  |
| <b>EXPENDITURE ON:</b>                                |          |                |                |                |                |                |
| Raising funds   |          | 663            | 0              | 0              | 663            | 389            |
| <b>NET INCOME AVAILABLE FOR CHARITABLE ACTIVITIES</b> |          | <b>3,367</b>   | <b>13,668</b>  | <b>5,863</b>   | <b>22,899</b>  | <b>18,453</b>  |
| <b>Total charitable activity costs</b>                | <b>5</b> | <b>3,484</b>   | <b>15,195</b>  | <b>0</b>       | <b>18,678</b>  | <b>18,231</b>  |
| <b>TOTAL EXPENDITURE</b>                              |          | <b>4,147</b>   | <b>15,195</b>  | <b>0</b>       | <b>19,341</b>  | <b>18,620</b>  |
| <b>Balance carry forward</b>                          |          | <b>(116)</b>   | <b>(1,526)</b> | <b>5,863</b>   | <b>4,221</b>   | <b>222</b>     |

The notes on pages 43 to 65 form an integral part of these accounts

<sup>1</sup> Donations and legacies includes unrestricted costs of raising both unrestricted and restricted income.

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

|  | Notes    | Unrestricted   | Designated     | Restricted     | Endowment      | 2025           | 2024           |
|--|----------|----------------|----------------|----------------|----------------|----------------|----------------|
|  |          | Funds<br>£'000 | Funds<br>£'000 | Funds<br>£'000 | Funds<br>£'000 | Total<br>£'000 | Total<br>£'000 |
| <b>NET INCOME<br/>(EXPENDITURE)<br/>BEFORE INVESTMENT<br/>GAINS (LOSSES) Brought<br/>Forward</b> |          | (116)          | 0              | (1,526)        | 5,863          | 4,221          | 222            |
| <b>Net gains (losses)<br/>on investments</b>   | 12       | 0              | 0              | 0              | (226)          | (226)          | 847            |
| <b>NET INCOME<br/>(EXPENDITURE)</b>  |          | (116)          | 0              | (1,526)        | 5,637          | 3,995          | 1,069          |
| <b>Transfers between<br/>funds</b>   | 17<br>18 | 0              | 655            | (655)          | 0              | 0              | -              |
| <b>NET MOVEMENT IN FUNDS</b>   |          | (116)          | 655            | (2,181)        | 5,637          | 3,995          | 1,069          |
| <b>TOTAL FUNDS<br/>1 APRIL 2024</b>  |          | 1,412          | 1,214          | 16,532         | 18,231         | 37,389         | 36,321         |
| <b>TOTAL FUNDS<br/>31 MARCH 2025</b>   | 15<br>18 | 1,296          | 1,868          | 14,351         | 23,868         | 41,384         | 37,390         |

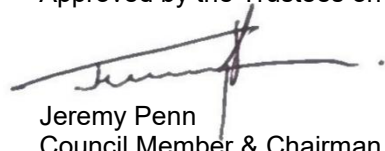
All amounts relate to continuing activities.

The notes on pages 43 to 65 form an integral part of these accounts

**CONSOLIDATED BALANCE SHEET**  
**31 MARCH 2025**

|   |       |               | 2025           | 2024          |
|---|-------|---------------|----------------|---------------|
|   | Notes | £'000         | £'000          | £'000         |
| <b>FIXED ASSETS</b>                     |       |               |                |               |
| Intangible assets                       | 10    |               | 39             | 177           |
| Tangible assets                         | 11    |               | 15,286         | 15,169        |
| Investments                             | 12    |               | 27,135         | 20,216        |
|   |       |               | <u>42,460</u>  | <u>35,562</u> |
| <b>CURRENT ASSETS</b>                   |       |               |                |               |
| Stocks                                  |       | 191           |                | 463           |
| Debtors                                 | 13    | 1,927         |                | 980           |
| Cash at bank and in hand                |       | 2,626         |                | 5,442         |
|   |       | <u>4,744</u>  |                | <u>6,885</u>  |
| <b>CREDITORS</b>                        |       |               |                |               |
| Amounts falling due within one year     | 14    | (5,820)       |                | (5,058)       |
| <b>NET CURRENT ASSETS (LIABILITIES)</b> |       |               | <u>(1,076)</u> | <u>1,827</u>  |
| <b>NET ASSETS</b>                       |       |               | <u>41,384</u>  | <u>37,389</u> |
| <b>THE FUNDS OF THE CHARITY</b>         | 15-18 |               |                |               |
| Unrestricted funds                      |       |               |                |               |
| Fixed assets                            |       | 570           |                | 570           |
| Other                                   |       | 727           |                | 842           |
|   |       | <u>1,297</u>  |                | <u>1,412</u>  |
| Designated funds                        | 17    | 1,868         |                | 1,214         |
| Restricted funds                        |       |               |                |               |
| Fixed assets                            | 15    | 7,724         |                | 5,630         |
| Other                                   | 15    | 6,627         |                | 10,902        |
|   |       | <u>14,351</u> |                | <u>16,532</u> |
| Endowment funds                         | 16    | 23,868        |                | 18,231        |
|   | 18    |               | <u>41,384</u>  | <u>37,389</u> |

Approved by the Trustees on 17 July 2025 and signed on their behalf:

  
Jeremy Penn  
Council Member & Chairman

  
Guy Holloway  
Chief Executive Officer & Grant in Aid Accounting Officer

**The notes on pages 43 to 65 form an integral part of these accounts**



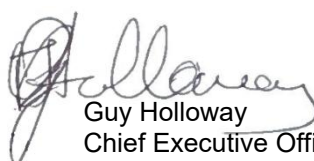
**CHARITY BALANCE SHEET**  
**31 MARCH 2025**

|   |       |               | 2025           | 2024          |
|---|-------|---------------|----------------|---------------|
|   | Notes | £'000         | £'000          | £'000         |
| <b>FIXED ASSETS</b>                     |       |               |                |               |
| Intangible assets                       | 10    |               | 39             | 177           |
| Tangible assets                         | 11    |               | 15,286         | 15,169        |
| Investments                             | 12    |               | 27,140         | 20,221        |
|   |       |               | <u>42,465</u>  | <u>35,567</u> |
| <b>CURRENT ASSETS</b>                   |       |               |                |               |
| Stocks                                  |       | 191           |                | 463           |
| Debtors                                 | 13    | 1,923         |                | 991           |
| Cash at bank and in hand                |       | 2,619         |                | 5,396         |
|   |       | <u>4,733</u>  |                | <u>6,850</u>  |
| <b>CREDITORS</b>                        |       |               |                |               |
| Amounts falling due within one year     | 14    | (5,817)       |                | (5,055)       |
| <b>NET CURRENT ASSETS (LIABILITIES)</b> |       |               | <u>(1,084)</u> | <u>1,795</u>  |
| <b>NET ASSETS</b>                       |       |               | <u>41,381</u>  | <u>37,362</u> |
| <b>THE FUNDS OF THE CHARITY</b>         |       |               |                |               |
| Unrestricted funds                      |       |               |                |               |
| Fixed assets                            |       | 570           |                | 570           |
| Other                                   |       | 723           |                | 815           |
|   |       | <u>1,293</u>  |                | <u>1,385</u>  |
| Designated funds                        |       | 1,868         |                | 1,214         |
| Restricted funds                        | 15    |               |                |               |
| Fixed assets                            |       | 7,724         |                | 5,630         |
| Other                                   |       | 6,628         |                | 10,902        |
|   |       | <u>14,352</u> |                | <u>16,532</u> |
| Endowment funds                         | 16    | 23,868        |                | 18,231        |
|   | 18    |               | <u>41,381</u>  | <u>37,362</u> |

Approved by the Trustees on 17 July 2025 and signed on their behalf:



Jeremy Penn  
Council Member & Chairman



Guy Holloway  
Chief Executive Officer & Grant in Aid Accounting Officer

The notes on pages 43 to 65 form an integral part of these accounts

## CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 MARCH 2025

|  | Notes | 2025<br>£'000  | 2024<br>£'000  |
|--|-------|----------------|----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                       |       |                |                |
| Net cash (used by)/provided by operating activities                | (a)   | (1,553)        | (273)          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                       |       |                |                |
| Interest received  | 4     | 50             | 76             |
| Investment income  | 4     | 1,171          | 864            |
| Purchase of fixed assets   | 10&11 | (1,201)        | (3,332)        |
| Proceeds from sale of fixed assets                                 |       | 5,860          | (1)            |
| Purchase of investments  | 12    | (25,110)       | (8,004)        |
| Proceeds from sale of investments                                  | 12    | 17,966         | 7,854          |
| Net cash generated by/(used in) investing activities               |       | (1,264)        | (2,543)        |
| <b>INCREASE/(DECREASE) IN CASH AT BANK AND IN HAND IN THE YEAR</b> |       | <b>(2,816)</b> | <b>(2,816)</b> |
| <b>CASH AT BANK AND IN HAND 1 APRIL 2024</b>                       |       | <b>5,442</b>   | <b>8,258</b>   |
| <b>CASH AT BANK AND IN HAND 31 MARCH 2025</b>                      |       | <b>2,626</b>   | <b>5,442</b>   |

### NOTES TO CASH FLOW STATEMENT

|   |         | 2025<br>£'000 | 2024<br>£'000 |
|---|---------|---------------|---------------|
| <b>(a) Reconciliation of net income (expenditure) to Net cash flows from operating activities</b> |         |               |               |
| Net income/(expenditure)  |         | 3,995         | 1,069         |
| Depreciation  | 10 & 11 | 1,061         | 1,167         |
| (Gains)/losses on investments   | 12      | 226           | (847)         |
| Gains / (Losses) on the sale of tangible fixed assets   |         | 162           | 9             |
| Sale of 202 Lambeth Road  |         | (5,863)       | 0             |
| Decrease in stocks  |         | 272           | 14            |
| Decrease in debtors   |         | (947)         | (742)         |
| Increase/(Decrease) in creditors  |         | 762           | (3)           |
| Interest received and investment income   | 4       | (1,221)       | (940)         |
| Net cash (used by)/provided by operating activities   |         | (1,553)       | (273)         |

As the Group does not have any debt, an analysis of net debt has not been produced.

The notes on pages 43 to 65 form an integral part of these accounts

## NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2025

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### 1. ACCOUNTING POLICIES

#### a) Basis of Preparation

The financial statements have been prepared on a consolidated basis in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charity 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 results of the charity and its subsidiaries are consolidated on a line-by-line basis after intercompany transactions and balances have been eliminated.

The charity is well placed to manage the business risks we face. The position is supported by a strong cash flow, a sufficient level of reserves and a good relationship with our key funders. We therefore have a reasonable expectation that we have sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of the charity to continue as a going concern.

Whilst one of the main charitable purposes of the Fund is to support the activities of Sea Cadets and seafarers, the level of this necessary expenditure is at the discretion of the Trustees and can be adjusted during the year. The Trustees have also considered the Group's working capital and capital expenditure requirements. As a result of the foregoing the Trustees are satisfied that it is appropriate to prepare the accounts on a going concern basis.

The key sources of estimation and/or judgement that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies below. The Trustees are not aware of any areas where significant changes to key accounting assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

#### b) Donations, legacies and other income

Income is recognised when the charity has earned entitlement, receipt is probable and the amounts involved can be measured with reasonable certainty. This policy is applied as follows:

Donations are recognised when received, grants are recognised when receivable unless they are restricted for use in a future accounting period in which case they are deferred.

Legacies are recognised at the earlier of receipt, completion of estate accounts or notification by the executors of an estate of a distribution.

Income received from the sale of goods and service is recognised in the year the sale occurs or the good is provided. Income from training, events and offshore activities is recognised in the year the activity or event is delivered.

## NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2025

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### 1. ACCOUNTING POLICIES (CONTINUED)

#### c) Expenditure

Expenditure is classified by direct allocation of costs and best estimates of usage of costs where relevant, as follows:

Raising funds:

- The cost of raising funds comprises costs associated with raising funds from all sources and includes fundraising costs, costs of events and investment management costs.

Charitable expenditure:

- Direct costs are allocated to functional cost headings based on supporting cost centre analyses.
- Overheads (including irrecoverable VAT) are included in support costs and are allocated to functional cost headings on the basis of headcount (see note 9). Irrecoverable VAT is included in support costs as an overhead cost.
- Governance costs are included in support costs.

#### d) Recognition of liabilities and grants

Liabilities are recognised either on the date goods or services are received, or when recipients are given a reasonable expectation that grants will be made and the conditions of those grants have been met.

#### e) Definition of liquid resources

Liquid resources included on the cash flow statement are those held as cash at bank and in hand.

#### f) Pension costs

Pension contributions are made to a defined contribution pension scheme and are written off to the Statement of Financial Activities as they are incurred. The charity also makes contributions to a multi-employer defined benefit scheme in respect of former employees. These amounts are also written off as incurred together with any known commitments to fund the deficit of the scheme, where they relate to past service.

#### g) Intangible and tangible fixed assets

Capital items with a value over £5,000 are treated as fixed assets. Depreciation / amortisation is provided on all fixed assets to write off the cost of these assets over their expected useful life. The following straight line depreciation rates have been used:

|                           |            |                                |     |
|---------------------------|------------|--------------------------------|-----|
| Freehold buildings        | 1.66%      | Boats and dinghies             | 10% |
| Freehold improvements     | 10%        | Motor vehicles                 | 25% |
| Leasehold improvements    | Lease term | Furniture, Fixtures & Fittings | 20% |
| Training ships and yachts | 5%         | Computers & software           | 25% |

202 Lambeth Road continues to be treated in line with this policy during its current marketing for sale, pending exchange of contracts, following which it will be reassessed on a market value basis.

#### h) Investments

Investments are included in the Balance Sheet at fair value. Realised investment gains and losses represent the difference between the fair value of the investments at the beginning of the period, or the cost if purchased during the period, and the sale proceeds. The Trustees review the valuation of property investments for impairment every year and revalue the investments on a market basis at least every five years.

#### i) Stocks

Stock is valued at the lower of cost, including irrecoverable VAT, and market value.



**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**j) Endowment and Restricted Funds**

Restricted funds represent gifts or grants, which can only be applied for a purpose specified by the donor or grantor. These amounts are carried forward as deferred income where there is a restriction on when monies can be spent. All monies received from the MOD are treated as restricted funds.

Designated funds for investments in future investments including boat stations and outreach work have been set up.

Endowment funds are classified as either permanent - those where the donor has specified that the capital of the gift cannot be expended and that only the income arising from the capital may be used for the specified purpose. Alternatively, they may be expendable if they relate to those that were given where the intention was clearly for the donation to be held for the longer term but where the funds are ultimately expendable.

**k) Heritage assets**

The charity has received donations of various naval and maritime paintings and artefacts throughout its 265-year history. A number of these are housed at the National Maritime Museum in Greenwich and at Chatham Historic Dockyard in Kent. These assets are retained for their historical and cultural significance in relation to the work of the charity, which illustrate and show the unique service the charity has given to the nation. These heritage assets are not recognised on the balance sheet. They were either donated or acquired so long ago that reliable cost or valuation information is not available, and the cost of obtaining such information would outweigh the benefits to users of the financial statements. The charity does not hold these items for their financial value but for their contribution to its charitable objectives.

It is not the policy of the charity to obtain further artefacts but to preserve those of heritage significance that it owns, which it does with the help of the National Maritime Museum. Alongside the planned relocation of the national offices of the charity, the Trustees reviewed the artefacts held and determined those that should be held for posterity, those that should be gifted to relevant museums and those to be sold. Effecting this is ongoing. No material artefacts have been acquired in the last five years.

**l) 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.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors, and accrued income. Financial liabilities held at amortised cost comprise, trade and other creditors, grants payable and accruals. Income arising from financial assets, comprising bank interest is recognised within income and expenditure.

Non property investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses and investment income being recognised within income and expenditure. Investments in subsidiaries are held at cost less impairment.

**m) Sale of 202 Lambeth Road**

During the year £5,863k was received from the sale of 202 Lambeth Road.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**2. DONATIONS AND LEGACIES**

|                                     | Unrestricted<br>£'000 | Restricted<br>£'000 | Endowment<br>£'000 | Total<br>£'000 |
|-------------------------------------|-----------------------|---------------------|--------------------|----------------|
| <b>2024/25 analysis of income</b>   |                       |                     |                    |                |
| Donations and subscriptions         | 78                    |                     |                    | 78             |
| Legacies                            | 12                    |                     |                    | 12             |
| Other Major Grants <sup>1</sup>     |                       | 687                 |                    | 687            |
| Boat station appeals                |                       | 7                   |                    | 7              |
| Bursaries <sup>2</sup>              |                       | 195                 |                    | 195            |
| Other restricted funds <sup>3</sup> |                       | 628                 |                    | 628            |
| Areas, Branches and Other Income    | 529                   | 119                 |                    | 648            |
|                                     | <b>619</b>            | <b>1,636</b>        | <b>0</b>           | <b>2,255</b>   |
| <b>2023/24 analysis of income</b>   |                       |                     |                    |                |
| Donations and subscriptions         | 80                    | -                   | -                  | 80             |
| Legacies                            | 173                   | -                   | -                  | 173            |
| Other Major Grants <sup>1</sup>     | -                     | 819                 | -                  | 819            |
| Boat station appeals <sup>2</sup>   | -                     | 2,150               | -                  | 2,150          |
| Bursaries                           | -                     | 156                 | -                  | 156            |
| Other restricted funds <sup>3</sup> | -                     | 210                 | -                  | 210            |
| Areas, Branches and Other Income    | 553                   | 105                 | -                  | 658            |
|                                     | <b>806</b>            | <b>3,440</b>        | <b>-</b>           | <b>4,246</b>   |

**Other Major Grants <sup>1</sup>**

Mainly grants from Department for Culture, Media and Sport (DCMS)

**Bursaries <sup>2</sup>**

Include major donation from Michael Uren Foundation and Jack Petchey Foundation

**Other Restricted Funds <sup>3</sup>**

Include major donations from Conrad Blakey OBE RD JP, Nicholas Ferguson, RNVR Officers' Association, Shipwrights, ITF Seafarers' Trust, Michael Uren Foundation, Stelios Philanthropic Foundation, Trinity House, Gosling Foundation, Kilfinan Trust, EBM Charitable Trust, BGS Cayzer Trust, BMT Group, Foreland Shipping, London Insurance Market Trust, Wyfold Trust and Square Rigger Club

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**3. INCOME FROM CHARITABLE ACTIVITIES**

|                                | <b>Unrestricted</b> | <b>Restricted</b> | <b>Total</b>  | <i>Unrestricted</i> | <i>Restricted</i> | <i>Total</i>  |
|--------------------------------|---------------------|-------------------|---------------|---------------------|-------------------|---------------|
|                                | <b>2025</b>         | <b>2025</b>       | <b>2025</b>   | <i>2024</i>         | <i>2024</i>       | <i>2024</i>   |
|                                | <b>£'000</b>        | <b>£'000</b>      | <b>£'000</b>  | <i>£'000</i>        | <i>£'000</i>      | <i>£'000</i>  |
| MOD grant in aid               |                     | <b>12,032</b>     | <b>12,032</b> | -                   | 11,577            | 11,577        |
| MOD other grants               |                     |                   |               |                     | 431               | 431           |
| Seafarer education and support | <b>552</b>          |                   | <b>552</b>    | 404                 | 0                 | 404           |
| Sea Cadet Corps training       | <b>891</b>          |                   | <b>891</b>    | 716                 | -                 | 716           |
| Offshore fleet income          | <b>714</b>          |                   | <b>714</b>    | 496                 | -                 | 496           |
|                                | <b>2,157</b>        | <b>12,032</b>     | <b>14,189</b> | <i>1,616</i>        | <i>12,008</i>     | <i>13,624</i> |

In addition to the MOD grant in aid (for Sea Cadets activity), the charity receives significant support in kind from the MOD. Eleven Royal Navy personnel are provided on loan, six area offices, three Sea Cadets training centres, Sea Cadets stores, the offshore offices and berthing facilities are also provided at MOD premises, together with ad hoc use of MOD training estate. Fuel for the offshore vessels from Royal Navy sources, some uniforms and various specialist stores items are also provided by the Royal Navy. These are specialised supplies and so there is no commercial value or open market valuation.

**4. INVESTMENTS**

|   | <b>Unrestricted</b> | <b>Restricted</b> | <b>Total</b> | <i>Unrestricted</i> | <i>Restricted</i> | <i>Total</i> |
|---|---------------------|-------------------|--------------|---------------------|-------------------|--------------|
|   | <b>2025</b>         | <b>2025</b>       | <b>2025</b>  | <i>2024</i>         | <i>2024</i>       | <i>2024</i>  |
|   | <b>£'000</b>        | <b>£'000</b>      | <b>£'000</b> | <i>£'000</i>        | <i>£'000</i>      | <i>£'000</i> |
| Investment income (excluding Rental income) | <b>960</b>          |                   | <b>960</b>   | 622                 | -                 | 622          |
| Rental income                               | <b>211</b>          |                   | <b>211</b>   | 242                 | -                 | 242          |
| Bank interest                               | <b>50</b>           |                   | <b>50</b>    | 76                  | -                 | 76           |
|   | <b>1,221</b>        |                   | <b>1,221</b> | <i>940</i>          | <i>-</i>          | <i>940</i>   |

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**5. ANALYSIS OF EXPENDITURE**

|   | <b>Unrestricted<br/>2025</b> | <b>Restricted<br/>2025</b> | <b>Total<br/>2025</b> | <i>Unrestricted<br/>2024</i> | <i>Restricted<br/>2024</i> | <i>Total<br/>2024</i> |
|---|------------------------------|----------------------------|-----------------------|------------------------------|----------------------------|-----------------------|
|   | <b>£'000</b>                 | <b>£'000</b>               | <b>£'000</b>          | <i>£'000</i>                 | <i>£'000</i>               | <i>£'000</i>          |
| Safeguarding, supporting Sea Cadets activity & infrastructure | <b>1,278</b>                 | <b>8,578</b>               | <b>9,856</b>          | <i>1,084</i>                 | <i>8,529</i>               | <i>9,613</i>          |
| Sea Cadet Corps training                                      | <b>1,195</b>                 | <b>3,177</b>               | <b>4,372</b>          | <i>1,637</i>                 | <i>2,892</i>               | <i>4,529</i>          |
| Offshore fleet  | <b>273</b>                   | <b>2,883</b>               | <b>3,155</b>          | <i>269</i>                   | <i>2,552</i>               | <i>2,821</i>          |
| Professional seafarer education and support                   | <b>651</b>                   | <b>122</b>                 | <b>774</b>            | <i>574</i>                   | <i>92</i>                  | <i>666</i>            |
| Promoting Sea Cadets activity                                 | <b>85</b>                    | <b>435</b>                 | <b>520</b>            | <i>80</i>                    | <i>522</i>                 | <i>602</i>            |
|   | <b>3,484</b>                 | <b>15,195</b>              | <b>18,678</b>         | <i>3,644</i>                 | <i>14,587</i>              | <i>18,231</i>         |

|  | <b>Grants</b> | <b>Direct Salary Costs</b> | <b>Other</b> | <b>Support costs (note 7)</b> | <b>Total</b>  |
|--|---------------|----------------------------|--------------|-------------------------------|---------------|
|  | <b>£'000</b>  | <b>£'000</b>               | <b>£'000</b> | <b>£'000</b>                  | <b>£'000</b>  |
| <b>2024/25 analysis of costs</b>                                   |               |                            |              |                               |               |
| Investment management fees   | <b>0</b>      | <b>0</b>                   | <b>145</b>   | <b>0</b>                      | <b>145</b>    |
| Fundraising  |               | <b>317</b>                 | <b>70</b>    | <b>102</b>                    | <b>488</b>    |
| MSSC (Trading) Limited   |               |                            | <b>31</b>    |                               | <b>31</b>     |
| Safeguarding and supporting Sea Cadets activity and infrastructure | <b>848</b>    | <b>3,940</b>               | <b>3,566</b> | <b>1,502</b>                  | <b>9,856</b>  |
| Sea Cadet Corps training   | <b>-</b>      | <b>1,418</b>               | <b>2,010</b> | <b>945</b>                    | <b>4,373</b>  |
| Offshore fleet   | <b>388</b>    | <b>1,170</b>               | <b>1,277</b> | <b>321</b>                    | <b>3,156</b>  |
| Professional seafarer education and support                        | <b>30</b>     | <b>330</b>                 | <b>356</b>   | <b>58</b>                     | <b>774</b>    |
| Promoting Sea Cadets activity                                      |               | <b>202</b>                 | <b>205</b>   | <b>112</b>                    | <b>520</b>    |
|  | <b>1,266</b>  | <b>7,377</b>               | <b>7,659</b> | <b>3,039</b>                  | <b>19,341</b> |

## NOTES TO THE ACCOUNTS (CONTINUED)

### YEAR ENDED 31 MARCH 2025

#### 5. ANALYSIS OF EXPENDITURE (CONTINUED)

|  | Grants     | Direct<br>Salary<br>Costs | Other        | Support<br>costs<br>(note 7) | Total         |
|--|------------|---------------------------|--------------|------------------------------|---------------|
|  | £'000      | £'000                     | £'000        | £'000                        | £'000         |
| <b>2023/24 analysis of costs</b>                                   |            |                           |              |                              |               |
| Investment management fees   | -          | -                         | 57           | -                            | 57            |
| Fundraising  | -          | 211                       | 43           | 74                           | 328           |
| MSSC (Trading) Limited   | -          | -                         | 4            | -                            | 4             |
| Safeguarding and supporting Sea Cadets activity and infrastructure | 618        | 3,847                     | 3,582        | 1,566                        | 9,613         |
| Sea Cadet Corps training   | 84         | 1,809                     | 1,616        | 1,020                        | 4,529         |
| Offshore fleet   | 12         | 981                       | 1,439        | 389                          | 2,821         |
| Professional seafarer education and support                        | 15         | 287                       | 295          | 69                           | 666           |
| Promoting Sea Cadets activity                                      | -          | 238                       | 219          | 145                          | 602           |
|  | <u>729</u> | <u>7,373</u>              | <u>7,255</u> | <u>3,263</u>                 | <u>18,620</u> |

Other costs include all direct expenditure in relation to areas, branches, onshore and offshore activities.

#### 6. GRANTS PAYABLE

Grants payable were as follows:

|                        | 2025<br>£'000 | 2024<br>£'000 |
|------------------------|---------------|---------------|
| Grants to institutions | 750           | 739           |
| Grants to individuals  | 516           | 532           |
|                        | <u>1,266</u>  | <u>1,271</u>  |

Individual grants given are small and not material within the overall total.

Grants to institutions comprise grants made to Sea Cadets units to reimburse expenditure towards premises, minibuses, junior units and emergency needs. It also includes the provision of boats and equipment to units and unit hubs.

Grants to individuals comprise grants to Sea Cadets volunteers for uniforms and bursaries for cadets to take part in activities.

Support costs in relation to grants payable are included within note 7 below.

Grants payable at the year-end are included with creditors (see note 14).



## NOTES TO THE ACCOUNTS (CONTINUED)

### YEAR ENDED 31 MARCH 2025

#### 7. SUPPORT COSTS

The support costs of the charity consist of four elements: Management, Finance & Digital, Premises, and Human Resources. These costs have been apportioned across the work of the charity on the basis of staff numbers in each functional area. The apportioned costs are set out below:

|                     | Fundraising | Safeguarding and SC Infrastructure | Sea Cadets Training | Offshore fleet | Professional seafarer education and support | Promoting Sea Cadets activity | 2025 Total |
|---------------------|-------------|------------------------------------|---------------------|----------------|---|-------------------------------|------------|
|                     | £'000       | £'000                              | £'000               | £'000          | £'000                                       | £'000                         | £'000      |
| Management          | 6           | 73                                 | 46                  | 16             | 3   | 5                             | 148        |
| EDI                 | 3           | 43                                 | 27                  | 9              | 2   | 3                             | 88         |
| Finance and Digital | 41          | 730                                | 459                 | 156            | 23  | 60                            | 1,470      |
| Premises            | 20          | 257                                | 162                 | 55             | 12  | 17                            | 524        |
| Human Resources     | 24          | 305                                | 192                 | 65             | 14  | 21                            | 621        |
| Governance          | 7           | 93                                 | 59                  | 20             | 4   | 6                             | 189        |
| 2025                | 102         | 1,502                              | 945                 | 321            | 58  | 112                           | 3,039      |

Included within Support costs are salary costs of £1,534K (2024: £1,382K).

Irrecoverable VAT costs included within Support costs amounted to £144K (2024: £107K).

Total Governance costs included in Support were £189K (2024: £244K). These included auditors' fees for external audit £18K (2024: £63K) and tax advice £8K (2024: £17K).

|                     | Fundraising | Safeguarding and SC Infrastructure | Sea Cadets Training | Offshore fleet | Professional seafarer education and support | Promoting Sea Cadets activity | 2024 Total |
|---------------------|-------------|------------------------------------|---------------------|----------------|---|-------------------------------|------------|
|                     | £'000       | £'000                              | £'000               | £'000          | £'000                                       | £'000                         | £'000      |
| Management          | 8           | 124                                | 81                  | 31             | 8   | 9                             | 261        |
| EDI                 | 3           | 47                                 | 31                  | 12             | 3   | 4                             | 100        |
| Finance and Digital | 13          | 656                                | 427                 | 162            | 12  | 76                            | 1,346      |
| Premises            | 23          | 346                                | 225                 | 86             | 22  | 26                            | 728        |
| Human Resources     | 19          | 277                                | 181                 | 69             | 17  | 21                            | 584        |
| Governance          | 8           | 116                                | 75                  | 29             | 7   | 9                             | 244        |
| 2024                | 74          | 1,566                              | 1,020               | 389            | 69  | 145                           | 3,263      |

## NOTES TO THE ACCOUNTS (CONTINUED)

### YEAR ENDED 31 MARCH 2025

#### 8. SUBSIDIARY ORGANISATIONS

The Sea Cadet Association is a charitable company registered in England and Wales (company number Number 00404951 and Charity Number 306141). The charity was dormant in the current year and both net income and net assets/funds for the year were £nil (2024: net income and net assets/funds: £nil). The organisation is retained as it is counterparty to a number of leases held by Sea Cadets units and also acts as a vehicle for the receipt of occasional legacies.

MSSC (Trading) Limited is registered in England with company number 09476222. The charity has a £5K (2024: £5K) investment in MSSC (Trading) Limited (note 12), representing 100% of the issued share capital of that company. The results of the company for the year and its balance sheet at the year end were as below. The company made a charitable donation in the year of £27K (2024: £24k) to the charity. The company anticipates making a charitable donation to the charity of £3k in 2024/25 based on profits earned in 2024/25. Year-end net assets stand at £8K (2024: £32K).

|  | 2025<br>£'000 | 2024<br>£'000 |
|--|---------------|---------------|
| <b>Turnover</b>  | 7             | 31            |
| Purchases for resale                                   | -             | -             |
| Other operating charges                                | (4)           | (4)           |
| <b>Profit on Ordinary Activities before taxation</b>   | 3             | 27            |
| Taxation   | -             | -             |
| <b>Profit on Ordinary Activities after taxation</b>    | 3             | 27            |
| Retained profit at 1 April 2023                        | -             | -             |
| Charitable donation to the Marine Society & Sea Cadets | (3)           | (24)          |
| <b>Retained profit at 31 March 2024</b>                | -             | 3             |
|  | 2025<br>£'000 | 2024<br>£'000 |
| <b>Current Assets</b>                                  |               |               |
| Debtors  | 8             | 25            |
| Cash at bank and in hand                               | 8             | 46            |
|  | 16            | 71            |
| <b>Creditors</b>                                       |               |               |
| Amounts falling due within one year                    | (8)           | (39)          |
| <b>Net Current Assets</b>                              | 8             | 32            |
| <b>Net Assets</b>                                      | 8             | 32            |
| <b>Capital and Reserves</b>                            |               |               |
| Called up share capital                                | 5             | 5             |
| Profit and loss account                                | 3             | 27            |
|  | 8             | 32            |

## NOTES TO THE ACCOUNTS (CONTINUED)

### YEAR ENDED 31 MARCH 2025

#### 9. STAFF COSTS

|                            | 2025<br>£'000 | 2024<br>£'000 |
|----------------------------|---------------|---------------|
| Wages and salaries         | 7,545         | 7,468         |
| Social security costs      | 697           | 683           |
| Pension fund contributions | 531           | 498           |
| Health insurance           | 139           | 128           |
|                            | <b>8,912</b>  | <b>8,777</b>  |

The figures above include £88k for nine settlement agreements concluded in the year related to redundancies. £69k were contractual payments and £19k non-contractual paid as part of the consultation. The average head count was 195 staff (2024: 207) and the average full time equivalent numbers of employees were as follows:

|   | 2025       | 2024       |
|---|------------|------------|
| Fundraising                                       | 7          | 6          |
| Supporting Sea Cadets activity and infrastructure | 89         | 83         |
| Sea Cadets training                               | 56         | 62         |
| Offshore fleet                                    | 19         | 22         |
| Promoting Sea Cadets activity                     | 4          | 6          |
| Seafarer education and support                    | 6          | 7          |
|   | <b>181</b> | <b>186</b> |

Included within staff costs are £1,535K (2024: £1,382K) support costs.

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer and the six (2024: six) Directors in post (senior management team) listed under Executive Management on page 64. Their total remuneration, (including those not in post at the year-end), including social security costs and pension contributions was £825K (2024: £756K). The Trustees did not receive any remuneration from the charity during the year but were reimbursed for some travel costs, where they chose to claim. Five (2024: Four) Trustees claimed travelling expenses totalling £1.5K (2024: £1.0K).

15 employees earned over £60K (2024: twelve). Bandings:

|               | 2025 | 2024 |
|---------------|------|------|
| £60K - £70K   | 6    | 5    |
| £70K - £80K   | 1    | 2    |
| £80K - £90K   | 3    | 3    |
| £90K - £100K  | 1    | 1    |
| £110K - £120K | 1    | *1   |
| £140K - £150K | 1    | 0    |

\* These figures include pension allowances paid to one individual (2024: one) in lieu of employer pension contributions that would otherwise be payable but not shown within remuneration.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**10. INTANGIBLE FIXED ASSETS (GROUP AND CHARITY)**

|                         | <b>Computers<br/>&amp; software</b> | <b>Total</b> |
|-------------------------|-------------------------------------|--------------|
|                         | <b>£'000</b>                        | <b>£'000</b> |
| <b>COST</b>             |                                     |              |
| At 1 April 2024         | <b>1,672</b>                        | <b>1,672</b> |
| Additions in period     |                                     |              |
| Disposals in period     | <b>(474)</b>                        | <b>(474)</b> |
| <b>At 31 March 2025</b> | <b>1,198</b>                        | <b>1,198</b> |
| <b>AMORTISATION</b>     |                                     |              |
| At 1 April 2024         | <b>1,495</b>                        | <b>1,495</b> |
| Provision in period     | <b>139</b>                          | <b>139</b>   |
| Disposals in period     | <b>(474)</b>                        | <b>(474)</b> |
| <b>At 31 March 2025</b> | <b>1,159</b>                        | <b>1,159</b> |
| <b>Net book value</b>   |                                     |              |
| <b>At 31 March 2025</b> | <b>39</b>                           | <b>39</b>    |
| <i>Net book value</i>   |                                     |              |
| <i>At 31 March 2024</i> | <i>177</i>                          | <i>177</i>   |

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**11. TANGIBLE FIXED ASSETS (GROUP AND CHARITY)**

|  | Freehold<br>building | Building<br>improve-<br>ments | Ships<br>& boats | Furniture<br>& fittings | Motor<br>vehicles | Computers | Total         |
|--|----------------------|-------------------------------|------------------|-------------------------|-------------------|-----------|---------------|
|  | £'000                | £'000                         | £'000            | £'000                   | £'000             | £'000     | £'000         |
| <b>COST</b>                                    |                      |                               |                  |                         |                   |           |               |
| At 1 April 2024                                | 717                  | 12,236                        | 11,096           | 367                     | 422               | 115       | 24,953        |
| Additions in<br>period                         |                      | 1,147                         | 13               | 35                      |                   | 6         | 1,201         |
| Disposals in<br>period                         | (717)                | (742)                         | (10)             | (275)                   | (40)              | (48)      | (1,832)       |
| <b>At 31 March<br/>2025</b>                    | <b>-</b>             | <b>12,641</b>                 | <b>11,099</b>    | <b>127</b>              | <b>382</b>        | <b>73</b> | <b>24,322</b> |
| <b>DEPRECIATION</b>                            |                      |                               |                  |                         |                   |           |               |
| At 1 April 2024                                | 639                  | 2,233                         | 6,103            | 336                     | 379               | 94        | 9,784         |
| Provision in<br>period                         |                      | 339                           | 520              | 13                      | 35                | 15        | 922           |
| Disposals in<br>period                         | (639)                | (676)                         | (11)             | (263)                   | (32)              | (49)      | (1,669)       |
| <b>At 31 March<br/>2025</b>                    | <b>-</b>             | <b>1,896</b>                  | <b>6,612</b>     | <b>86</b>               | <b>382</b>        | <b>60</b> | <b>9,037</b>  |
| <b>Net book value<br/>At 31 March<br/>2025</b> | <b>-</b>             | <b>10,745</b>                 | <b>4,487</b>     | <b>42</b>               | <b>0</b>          | <b>12</b> | <b>15,286</b> |
| <i>Net book value<br/>At 31 March<br/>2024</i> | <i>78</i>            | <i>10,003</i>                 | <i>4,993</i>     | <i>31</i>               | <i>43</i>         | <i>21</i> | <i>15,169</i> |

At the year end, building improvements include assets under construction £NilK (2024: £3,626K). These are not depreciated until complete. During the year, £3,626k (2024: £Nil) of assets previously classified as assets under construction within building improvements were completed. These assets were brought into use and are now being depreciated over their estimated useful lives in accordance with the Group's depreciation policy. The majority of the disposals relate to the sale of 202 Lambeth Road.



**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**12. INVESTMENTS**  
**GROUP INVESTMENTS**

|                             | Investment<br>Portfolio<br>£'000 | Properties<br>£'000 | Cash<br>£'000 | Total<br>£'000 |
|-----------------------------|----------------------------------|---------------------|---------------|----------------|
| Fair value at 1 April 2024  | <u>19,001</u>                    | <u>1,200</u>        | <u>15</u>     | <u>20,216</u>  |
| Additions at cost           | 25,081                           |                     |               | 25,081         |
| Disposal proceeds           | (17,966)                         |                     |               | (17,966)       |
| Movement in Cash            |                                  |                     | 29            | 29             |
| Gain for the year           | (226)                            |                     |               | (226)          |
| Fair value at 31 March 2025 | <u>25,890</u>                    | <u>1,200</u>        | <u>44</u>     | <u>27,135</u>  |

**CHARITY INVESTMENTS**

|                             | Investment<br>Portfolio<br>£'000 | Properties<br>£'000 | Cash<br>£'000 | Subsidiary<br>£'000 | Total<br>£'000 |
|-----------------------------|----------------------------------|---------------------|---------------|---------------------|----------------|
| Fair value at 1 April 2024  | <u>19,001</u>                    | <u>1,200</u>        | <u>15</u>     | <u>5</u>            | <u>20,221</u>  |
| Additions at cost           | 25,081                           |                     |               |                     | 25,081         |
| Disposal proceeds           | (17,966)                         |                     |               |                     | (17,966)       |
| Movement in Cash            |                                  |                     | 29            |                     | 29             |
| Gain for the year           | (226)                            |                     |               |                     | (226)          |
| Fair value at 31 March 2025 | <u>25,890</u>                    | <u>1,200</u>        | <u>44</u>     | <u>5</u>            | <u>27,140</u>  |

All investments are held in the UK. The subsidiary investment is in MSSC (Trading) Limited, note 8. The historic cost of the Investment Portfolio including cash was £25,269K (2024: £18,004k). The investment property relates to 206 Lambeth Road – valued by a Member Royal Institution of Chartered Surveyors.

**Fund analysis of gains and (losses):**

|                      | 2025<br>£'000 | 2024<br>£'000 |
|----------------------|---------------|---------------|
| Endowment (note 16)  | (227)         | 846           |
| Total gains (losses) | <u>(227)</u>  | <u>846</u>    |

## NOTES TO THE ACCOUNTS (CONTINUED)

### YEAR ENDED 31 MARCH 2025

#### 13. DEBTORS

|                                     | <b>Group<br/>2025</b> | <i>Group<br/>2024</i> | <b>Charity<br/>2025</b> | <i>Charity<br/>2024</i> |
|-------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
|                                     | <b>£'000</b>          | <i>£'000</i>          | <b>£'000</b>            | <i>£'000</i>            |
| Trade debtors                       | <b>50</b>             | <i>264</i>            | <b>43</b>               | <i>240</i>              |
| Amounts due from MSSC (Trading) Ltd | <b>-</b>              | <i>-</i>              | <b>4</b>                | <i>35</i>               |
| Other debtors                       | <b>702</b>            | <i>63</i>             | <b>702</b>              | <i>63</i>               |
| Prepayments                         | <b>1,098</b>          | <i>171</i>            | <b>1,098</b>            | <i>171</i>              |
| Accrued income                      | <b>77</b>             | <i>482</i>            | <b>77</b>               | <i>482</i>              |
|                                     | <b>1,927</b>          | <i>980</i>            | <b>1,923</b>            | <i>991</i>              |

#### 14. CREDITORS: Amounts falling due within one year

|                                    | <b>Group<br/>2025</b> | <i>Group<br/>2024</i> | <b>Charity<br/>2025</b> | <i>Charity<br/>2024</i> |
|------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
|                                    | <b>£'000</b>          | <i>£'000</i>          | <b>£'000</b>            | <i>£'000</i>            |
| Trade creditors                    | <b>718</b>            | <i>629</i>            | <b>718</b>              | <i>629</i>              |
| Amount due to Slater               | <b>-</b>              | <i>116</i>            | <b>-</b>                | <i>116</i>              |
| Other taxation and social security | <b>203</b>            | <i>185</i>            | <b>203</b>              | <i>185</i>              |
| Grants payable                     | <b>1,177</b>          | <i>1,247</i>          | <b>1,177</b>            | <i>1,247</i>            |
| Other creditors                    | <b>894</b>            | <i>706</i>            | <b>894</b>              | <i>704</i>              |
| Accruals                           | <b>2,591</b>          | <i>1,746</i>          | <b>2,588</b>            | <i>1,743</i>            |
| Deferred income                    | <b>236</b>            | <i>429</i>            | <b>236</b>              | <i>429</i>              |
|                                    | <b>5,820</b>          | <i>5,058</i>          | <b>5,817</b>            | <i>5,055</i>            |

£76K (2024: £273k) of accruals and £33K (2024: £32k) of deferred income balances at 1 April 2024 are included in creditors at 31 March 2025. These should be released in 2025/26.

#### Grants Payable

| B/Forward £k | Grants paid in year £k | Grants given or provided for in year £k | Carry forward £k |
|--------------|------------------------|---|------------------|
| 1,247        | (1,336)                | 1,266                                   | 1,177            |

Payment of grants made is mostly conditional on the balance of funding for property projects being raised by the grant recipient.

#### Deferred income

| B/Forward £k | Income recognised in year £k | New Deferrals £k | Carry forward £k |
|--------------|------------------------------|------------------|------------------|
| 429          | (396)                        | 203              | 236              |

Most of the deferrals were related to receipts related to courses starting after April 2025.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**15. RESTRICTED FUNDS (GROUP AND CHARITY)**

| Donor                      | Purpose                                      | Balance         | Movement of funds |                   |                     | Transfer   | Balance             |
|----------------------------|--|-----------------|-------------------|-------------------|---------------------|------------|---------------------|
|                            |  | 1 April<br>2024 | Income            | Expend-<br>-iture | Income/<br>interest |            | 31<br>March<br>2025 |
|                            |  | £'000           | £'000             | £'000             | £'000               | £'000      | £'000               |
| MOD                        | Grant in Aid                                 | -               | 11,732            | (11,732)          |                     |            | 0                   |
| MOD                        | Other Grants <sup>1</sup>                    | 2,021           |                   | (1,785)           |                     |            | 236                 |
| Various                    | Offshore ships and<br>boats <sup>2</sup>     | 5,339           | 1,151             | (1,359)           |                     |            | 5,131               |
| Various                    | Sea Cadets training                          | 2,193           | 114               | (290)             |                     | (1,337)    | 680                 |
| Various                    | Boat stations -<br>Midland/PEBS <sup>3</sup> | 5,199           |                   | (179)             |                     | 1,582      | 6,602               |
| Various                    | Sea Cadets unit<br>grants                    | 633             | 424               | (296)             |                     |            | 761                 |
| Various                    | Area Sea Cadets<br>Training                  | 772             | 118               | (218)             |                     |            | 673                 |
| Various                    | Seafarer training                            | 72              | 50                | (84)              |                     |            | 38                  |
| Various                    | Bursaries                                    | 211             | 79                | (113)             |                     |            | 176                 |
| Corbyn<br>Memorial<br>Fund | Nautical education                           | 18              |                   | (38)              |                     |            | (20)                |
| Various                    | Other  | 74              |                   |                   |                     |            | 74                  |
|                            |  | <b>16,532</b>   | <b>13,668</b>     | <b>(16,094)</b>   | <b>-</b>            | <b>245</b> | <b>14,352</b>       |

(continued)

<sup>1</sup> RN Armaments security fund £2m

<sup>2</sup> Offshore restricted assets £4m

<sup>3</sup> Boat stations restricted assets £7m

The residual funds are made up of multiple small funds for specific purposes.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**15. RESTRICTED FUNDS (GROUP AND CHARITY) (2023/24)**

| Donor   | Purpose                            | Balance<br>1 April<br>2023 | Movement of funds |                   |                     | Transfer | Balance<br>31<br>March<br>2024 |
|---|------------------------------------|----------------------------|-------------------|-------------------|---------------------|----------|--------------------------------|
|   |                                    |                            | Income            | Expend-<br>-iture | Income/<br>interest |          |                                |
|   |                                    | £'000                      | £'000             | £'000             | £'000               | £'000    | £'000                          |
| MOD   | Grant in Aid                       | -                          | 11,577            | (11,577)          | -                   | -        | -                              |
| MOD   | Other Grants                       | 2,631                      | 441               | (812)             | -                   | (239)    | 2,021                          |
| Various   | Offshore ships and<br>boats        | 5,239                      | 886               | (1,185)           | -                   | 399      | 5,339                          |
| Various   | Sea Cadets training                | 1,687                      | 2,228             | (351)             | -                   | (1,371)  | 2,193                          |
| Various   | Boat stations -<br>Midland/PEBS    | 4,177                      | -                 | (154)             | -                   | 1,176    | 5,199                          |
| Various   | Sea Cadets unit<br>grants          | 688                        | 128               | (218)             | -                   | 35       | 633                            |
| Various   | Area Sea Cadets<br>Training        | 828                        | 107               | (163)             | -                   | -        | 772                            |
| Various   | Seafarer training                  | 160                        | -                 | (88)              | -                   | -        | 72                             |
| Various   | Bursaries                          | 165                        | 81                | (35)              | -                   | -        | 211                            |
| Corbyn<br>Memorial<br>Fund<br>Thomas<br>Gray<br>Memorial<br>Trust | Nautical education                 | 22                         | -                 | (4)               | -                   | -        | 18                             |
|   | Maritime Science<br>and Technology | -                          | -                 | -                 | -                   | -        | -                              |
| Various   | Other                              | 74                         | -                 | -                 | -                   | -        | 74                             |
|   |                                    | <b>15,671</b>              | <b>15,448</b>     | <b>(14,587)</b>   | <b>-</b>            | <b>-</b> | <b>16,532</b>                  |

Transfers relate to funds spent on capital purchases. The transfers are equivalent to the depreciation charges required in future years.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**16. ENDOWMENT FUNDS (GROUP AND CHARITY)**

| <b>Donor</b>               | <b>Purpose</b>                                       | <b>Balance<br/>1 April<br/>2024<br/>£'000</b> | <b>Movement of funds<br/>Investment<br/>returns<br/>£'000</b> | <b>Donations/<br/>(transfers)<br/>£'000</b> | <b>Balance<br/>31 March<br/>2025<br/>£'000</b> |
|----------------------------|--|---|---|---|--|
| Corbyn Memorial Fund       | Grants and payments for Nautical Education           | 236   | (3)   |   | 233  |
| Thomas Gray Memorial Trust | Advancement of Maritime Technology and Science       | 113   | (1)   |   | 112  |
| Destitute Sailors Fund     | Assisting distressed merchant seamen                 | 71  | (1)   |   | 70   |
| Various                    | Providing subsidised berths and awards to Sea Cadets | 557   | (7)   |   | 550  |
| Expendable Endowed Funds   | Held for general purposes                            | 17,254  | (215)   | 5,863                                       | 22,903   |
|                            |  | <b>18,231</b>                                 | <b>(227)</b>  | <b>5,863</b>                                | <b>23,868</b>                                  |

| <b>Donor</b>               | <b>Purpose</b>                                       | <b>Balance<br/>1 April<br/>2023<br/>£'000</b> | <b>Movement of funds<br/>Investment<br/>returns<br/>£'000</b> | <b>Donations/<br/>(transfers)<br/>£'000</b> | <b>Balance<br/>31 March<br/>2024<br/>£'000</b> |
|----------------------------|--|---|---|---|--|
| Corbyn Memorial Fund       | Grants and payments for Nautical Education           | 225   | 11  | -   | 236  |
| Thomas Gray Memorial Trust | Advancement of Maritime Technology and Science       | 108   | 5   | -   | 113  |
| Destitute Sailors Fund     | Assisting distressed merchant seamen                 | 68  | 3   | -   | 71   |
| Various                    | Providing subsidised berths and awards to Sea Cadets | 531   | 26  | -   | 557  |
| Expendable Endowed Funds   | Held for general purposes                            | 16,453  | 801   | -   | 17,254   |
|                            |  | <b>17,384</b>                                 | <b>846</b>  | <b>-</b>                                    | <b>18,231</b>                                  |



**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**17. DESIGNATED FUNDS**

| <b>Fund</b>                   | <b>Balance<br/>1 April<br/>2024<br/>£'000</b> | <b>Movement of funds<br/>Investment<br/>returns<br/>£'000</b> | <b>Donations/<br/>(transfers)<br/>£'000</b> | <b>Balance<br/>31 March<br/>2025<br/>£'000</b> |
|-------------------------------|---|---|---|--|
| Cadet Outreach                | 83  |   |   | 83   |
| Boat station                  | 543   | (246)   |   | 297  |
| SC future projects            | 588   |   |   | 588  |
| Weapon & Ammunition equipment | -   |   | 900   | 900  |
|                               | <b>1,214</b>                                  | <b>(246)</b>  | <b>900</b>                                  | <b>1,868</b>                                   |

| <b>Fund</b>             | <b>Balance<br/>1 April<br/>2023<br/>£'000</b> | <b>Movement of funds<br/>Investment<br/>returns<br/>£'000</b> | <b>Donations/<br/>(transfers)<br/>£'000</b> | <b>Balance<br/>31 March<br/>2024<br/>£'000</b> |
|-------------------------|---|---|---|--|
| Cadet Outreach          | 83  | -   | -   | 83   |
| Boat station            | 1,007   | -   | (463)                                       | 543  |
| SC future projects      | 373   | -   | 215   | 588  |
| Expedition<br>equipment | 198   | -   | (198)                                       | -  |
| Environmental<br>grants | 113   | -   | (113)                                       | -  |
|                         | <b>1,774</b>                                  | <b>-</b>  | <b>(559)</b>                                | <b>1,214</b>                                   |

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

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

| <b>GROUP</b>       | <b>Intangible<br/>&amp; tangible<br/>fixed<br/>assets<br/>£'000</b> | <b>Investments<br/>£'000</b> | <b>Net current<br/>assets and<br/>long term<br/>liabilities<br/>£'000</b> | <b>Total<br/>£'000</b> |
|--------------------|---|------------------------------|---|------------------------|
| <b>2025</b>        |   |                              |   |                        |
| Restricted funds   | 14,351  |                              |   | 14,351                 |
| Endowment funds    |   | 23,868                       |   | 23,868                 |
| Designated funds   | 431   | 537                          | 900   | 1,868                  |
| Unrestricted funds | 543   | 2,734                        | (1,980)   | 1,297                  |
| <b>Total</b>       | <b>15,325</b>   | <b>27,139</b>                | <b>(1,080)</b>  | <b>41,384</b>          |

| <b>GROUP</b>       | <b>Intangible<br/>&amp; tangible<br/>fixed<br/>assets<br/>£'000</b> | <b>Investments<br/>£'000</b> | <b>Net current<br/>assets and<br/>long term<br/>liabilities<br/>£'000</b> | <b>Total<br/>£'000</b> |
|--------------------|---|------------------------------|---|------------------------|
| <b>2024</b>        |   |                              |   |                        |
| Restricted funds   | 14,803  | -                            | 1,729   | 16,532                 |
| Endowment funds    | -   | 18,231                       | -   | 18,231                 |
| Designated funds   | 543   | 605                          | 66  | 1,214                  |
| Unrestricted funds | -   | 1,380                        | 32  | 1,412                  |
| <b>Total</b>       | <b>15,346</b>   | <b>20,216</b>                | <b>1,827</b>  | <b>37,389</b>          |

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**YEAR ENDED 31 MARCH 2025**

**18. (Cont) CHARITY**

| <b>2025</b>        | <b>Intangible<br/>&amp; tangible<br/>fixed<br/>assets<br/>£'000</b> | <b>Investments<br/><br/>£'000</b> | <b>Net current<br/>assets and<br/>long term<br/>liabilities<br/>£'000</b> | <b>Total<br/>£'000</b> |
|--------------------|---|-----------------------------------|---|------------------------|
| Restricted funds   | 14,351  |                                   |   | 14,351                 |
| Endowment funds    |   | 23,868                            |   | 23,868                 |
| Designated funds   | 431   | 537                               | 900   | 1,868                  |
| Unrestricted funds | 543   | 2,734                             | (1,984)   | 1,293                  |
| <b>Total</b>       | <b>15,325</b>   | <b>27,139</b>                     | <b>(1,084)</b>  | <b>41,381</b>          |

| <b>2024</b>        | <b>Intangible<br/>&amp; tangible<br/>fixed<br/>assets<br/>£'000</b> | <b>Investments<br/><br/>£'000</b> | <b>Net current<br/>assets and<br/>long term<br/>liabilities<br/>£'000</b> | <b>Total<br/>£'000</b> |
|--------------------|---|-----------------------------------|---|------------------------|
| Restricted funds   | 14,803  | -                                 | 1,729   | 16,532                 |
| Endowment funds    | -   | 18,231                            | -   | 18,231                 |
| Designated funds   | 543   | 605                               | 66  | 1,214                  |
| Unrestricted funds | -   | 1,385                             | -   | 1,385                  |
| <b>Total</b>       | <b>15,346</b>   | <b>20,221</b>                     | <b>1,795</b>  | <b>37,362</b>          |

**19. TAXATION**

No corporation tax is payable due to the charitable status of the activities of the charity.

## NOTES TO THE ACCOUNTS (CONTINUED)

### YEAR ENDED 31 MARCH 2025

#### 20. PENSION SCHEMES (GROUP AND CHARITY)

A number of former employees of the former Marine Society and of the Sea Cadet Association are members of the Merchant Navy Officers Pension Fund - MNOFF (New Section). The fund is active, though closed to future accrual on 31 March 2016. However, the MSSC continues to have a share of the net deficit in the fund.

The most up to date actuarial report is at 31 March 2024 valued assets in the scheme at £1,956M and the liabilities at £1,967M giving a rise to a scheme wide deficit of (£11M). As at the date of the 2024 valuation no deficit contributions were required. No share of assets and liabilities have been identified.

All current employees are members of a contract based defined contribution scheme. £531K (2024: £498K) was paid by the charity during the year of which £45K (2024: £44K) was outstanding at the year end and included in creditors.

#### 21. RELATED PARTY TRANSACTIONS (CHARITY)

The Director of Young People, Volunteer & Business Support is an ex officio trustee/director of the Royal Albert Dock Trust during the year, the charity paid rent to the Royal Albert Dock Trust's London Regatta Centre totalling £20,501 (2024: £25,803).

Four of the Trustees and the CEO of the charity are Younger Brothers of Trinity House Maritime Charity. During the year the charity received a grant of £140K (2024: £130K) from the Trinity House Maritime Charity. No amounts were outstanding to the charity at the year end.

One of the Trustees is employed by J&J Denholm. They support MSSC, during the year the charity received a donation of £5k (2024: £5k).

Three Trustees and the CEO are members of the Company of Shipwrights who have funded £14k for bursaries (2024: £14k).

The Director of Maritime Training and Development is a Fellow of the Nautical Institute who rent office space in London amounting to £141k (2024: £117k).

One of the Trustees is Headteacher of the London Nautical School. During the year the charity paid a grant of £50k (2024: £22k) offset by course fees of £18k (2024: nil).

The charity was paid £nilK (2024: £nil) for management and accounting services from its subsidiary undertaking MSSC (Trading) Limited (note 8). A charitable donation amounting to £3K (2024: £24k) was received from the subsidiary. The charity anticipates receiving a charitable donation from the subsidiary of £3K in 2025/26 based on profits earned by the company in 2024/25. At the year end, the charity was owed £4K (2024: £35K) by the subsidiary and this amount is included in charity debtors.

The Chair of FIRA, Stuart Curl, and two employees, Jenny Howard and Paul Wilkinson, are directors of MSSC (Trading) Limited. Two Trustees, David Dingle and Jonathan Robertshaw are directors of the Sea Cadet Association.

#### 22. STATUTORY INFORMATION

The Marine Society and Sea Cadets (MSSC) is a charity registered with the Charity Commission in England and Wales (registration number 313013) and with the Office of the Scottish Charity Regulator (registration number SC037808). The registered office is 200b Lambeth Road, London SE1 7JY.

#### 23. FUNDS HELD AS AGENT

| Balance b/fwd | Expenditure | Income | Balance c/fwd |
|---------------|-------------|--------|---------------|
| (116)         | 729         | (854)  | (241)         |

MSSC administers the fund on behalf of Slater Foundation. This involves managing individual awards, payable to either students or educational institutions on behalf of the students. MSSC make these payments fortnightly and is reimbursed quarterly by Slater Foundation. In recognition of this Slater Foundation donates £30k to MSSC annually.

## COUNCIL MEMBERS AND EXECUTIVE MANAGEMENT YEAR ENDED 31 MARCH 2025

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Council members and executive management during the year, and as at the date of this report, were:

**PRESIDENT:** Admiral Sir Philip Jones GCB DL

### COUNCIL MEMBERS

The Council members who served during the year were:

Jeremy Penn (Chair)  
 Steve Smith <sup>2, 3</sup>  
 Alan Marsh MBE FICS <sup>1</sup> (Retired 9 October 2024)  
 John May OBE DL <sup>2, 3</sup> (Retired 9 October 2024)  
 Vice Admiral Sir Jonathan Woodcock KCB OBE <sup>2, 3, 4</sup>  
 David Derbyshire <sup>3</sup> (Retired 9 October 2024)  
 Léonie Austin<sup>2</sup> (Vice Chair)  
 David Dingle CBE<sup>1, 2</sup>  
 Jonathan Robertshaw <sup>1, 2</sup>  
 Michael Schofield <sup>2, 3</sup>  
 Gareth Hampton <sup>1, 2</sup>  
 Laurelle Brant <sup>2, 3</sup>  
 Christine Baldwin MRICS <sup>2, 3</sup>  
 Kirsten Nuade <sup>2, 3</sup>  
 John Denholm <sup>1, 2</sup>  
 Stuart Curl<sup>1, 2</sup> (Appointed 9 October 2024)  
 Stephen Peck <sup>2, 3</sup> (Appointed 9 October 2024)  
 Kate Richardson <sup>2, 3</sup> (Appointed 9 October 2024)

Council Members are members of the following committees as annotated above.

- <sup>1</sup> The Finance, Investment, Remuneration and Audit Committee
- <sup>2</sup> The Policy Development and Nominations Committee
- <sup>3</sup> The Safety, Safeguarding, Inclusion & Risk Committee
- <sup>4</sup> The National Sea Cadets Advisory Council
- <sup>5</sup> The National Sea Cadets Forum

### EXECUTIVE MANAGEMENT

Chief Executive Officer

Captain Sea Cadets & Director of Operations\*

Director of Finance & Digital and Company Secretary

Director of Young People, Volunteer & Business Support

Director of Sea Cadet Learning

Director of Fundraising and Communications

Director of Human Resources

Director of Maritime Training and Development

Martin Coles CBE FRICS ACI Arb (Retired 15 May 2025)

Guy Holloway (Appointed 16 May 2025)

Captain Neil Downing RN

Jenny Howard

Paul Wilkinson

Heather Williams

Daniel McAllister

Petrina Brooker

Darrell Bate

\* provided on loan from the Royal Navy



**PROFESSIONAL ADVISERS  
YEAR ENDED 31 MARCH 2023**

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The principal professional advisers during the year were:

|  |   |
|--|---|
| <b>Auditors:</b>                           | MHA<br>2 London Wall Place<br>London EC2Y 5AU   |
| <b>Bankers:</b>                            | Barclays Bank plc<br>1 Churchill Place<br>London, E14 5HP<br><br>National Westminster Bank plc<br>250 Regent Street<br>London, W1B 3BN<br><br>Royal Bank of Scotland plc<br>62-63 Threadneedle Street<br>London, EC2R 8HP |
| <b>Investment Advisers and Custodians:</b> | Cazenove Capital<br>1 London Wall Place<br>London EC2Y 5AU<br><br>KW Investment Management Ltd<br>13 Austin Friars<br>London, EC2N 2HE  |
| <b>Legal advisers:</b>                     | Farrer & Co LLP<br>66 Lincoln's Inn Fields<br>London, WC2A 3LH<br><br>Moon Beaver<br>21A John Street<br>London, WC1N 2BF<br><br>Russell Cooke<br>2 Putney Hill<br>London, SW15 6BA  |
| <b>Insurance Brokers:</b>                  | Arthur J. Gallagher Insurance Brokers<br>The Walbrook Building<br>25 Walbrook<br>London, EC4N 8AW   |
| <b>Pension Advisers:</b>                   | Mercer Limited<br>1 Tower Place West,<br>Tower Place,<br>London, EC3R 5BU   |
| <b>Registered Office:</b>                  | 200b Lambeth Road<br>London, SE1 7JY<br>ms-sc.org   |