

British Sub-Aqua Club

Annual Report & Accounts 2014



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Company Registration Numbers:

British Sub-Aqua Club 1417376
BSAC International Ltd 2084663

Registered Office:

British Sub-Aqua Club & BSAC International Ltd

Telford's Quay
South Pier Road
Ellesmere Port
Cheshire
CH65 4FL

Auditors

Gardners Accountants Limited
Chartered Accountants
Statutory Auditors
Brynford House
Brynford Street
Holywell
Flintshire
CH8 7RD

Bankers

HSBC Bank plc
94 Whitby Road
Ellesmere Port
Cheshire
CH65 0AE

Solicitors

174 Law
Solicitors
68 Whetstone Lane
Birkenhead
CH41 2TF

The Members of Council present their annual report on the affairs of the British Sub Aqua Club together with the financial statements and auditors' report, for the year ended 31st December 2014. The group position reported is for BSAC and its wholly owned subsidiary, BSAC International Ltd, the Company position reported is for BSAC only.

Principal Activity

The principal activities of the group in the year under review continued to be that of promoting underwater sport, exploration and science and related studies, to promote safety in those activities, to maintain the highest standards therein, to co-operate with related organisations, and to sustain recognition as the Governing Body for all such amateur activities.

On the 10th May 2014 HRH The Duke of Cambridge followed in the footsteps of his father and grandfather to become BSAC's new President. At a reception to celebrate the event held in London he spoke of how he hopes his Presidency will inspire his little son George and other youngsters to explore the underwater world. The Duke has taken over the lead from his father, The Prince of Wales, who took over the Presidency from his father, The Duke of Edinburgh.

Strategic Development Areas

BSAC developed its current strategic aims over the last few years, the current iteration of strategy will be coming to a close this year and work has begun on the continuation of our goals. We will continue to be a Club for all, open and welcoming to divers of all ages and experience. Our popularity has been boosted by the appointment of our new president The Duke of Cambridge, and the public handover event last summer gained worldwide publicity. We are working very hard in encouraging more young people into our sport, they will be the future. We also recognise that we have to look after the needs of all members, whether new or well established. Our training program is highly respected and we will continue to review this and to support these goals, activities such as the Diver Training Programme review and Instructor Training reviews at IFC and Advanced Instructor are progressing.

National Governing Body

BSAC is the national governing body for underwater sport, we take this responsibility seriously, and ensure that we consider and act on important issues such as environment, conservation and the protection of underwater heritage. We as a Club have undertaken many activities that demonstrate our values in these areas, and we will continue this work.

National Diving Committee

NDC continued to work constructively on a wide range of projects in the areas of diver training, snorkel training, instructor training, technical diving and communications that keep the Club at the forefront of recreational diving, currently under the guidance of the NDO, Jeff Reed.

- **National Instructors**

Maria Harwood and Martin Smith passed the grade for the highest BSAC Instructor qualification in 2014. The National Instructor Exam assesses candidates' instructional skills over four days and 23 separate component elements. To be a National Instructor takes an incredible amount of hard work. They both showed skill, dedication and teamwork and are now amongst the best in the world. Congratulations to you both!

- **First Class Divers**

The successful candidates for 2014 were, Alan Brown, Dai Atkins, Dominic Robinson, Duncan Read, Robert Sewell, Simon Child, John De Lara and Joli Riley.

- **National Coaching Team**

BSAC would like to take the opportunity to give special thanks and recognition to the coaching team and supporting staff; they are the first support line for branches, they do a wonderful job as volunteers.

- **BSAC Diving Conference**

The BSAC Diving Conference, a sell-out in 2014 held at the NEC Birmingham on 25 October, saw delegates enjoy a packed and informative programme of BSAC news, diver training updates and open forums. The speakers – renowned diving doctor Peter Wilmshurst and maritime archaeologist Peter Holt – informed and entertained the conference audience while BSAC Safety Advisor Brian Cumming introduced the findings of the latest Incident Report.

Environmental and Social Responsibility

Volunteers and staff have actively engaged in consultation groups and committees on behalf of all divers and are influencing UK and European policy on the marine environment, marine heritage, and safety in the diving industry. We regularly consult with other diving training agencies in forming responses.

An environment panel has been formed from interested volunteers to support the work of the group and provide expert input into consultations on matters such as wind farms, poor underwater visibility off the South Coast, byelaws to manage shellfish landing and tidal energy. We support the "Hacked Off" campaign run by Biteback providing an opportunity for our members to campaign for the UK to become the first country to become shark fin soup free.

BSAC is also active in discussions with bodies such as the Marine Management Organisation (MMO) in order to protect divers' interests. In addition we are actively involved in developing Marine Plans and the economic aspects of Marine Conservation Zones (MCZ), with representation on the Welsh MCZ process as well as contributing to the consultation relating to the Scottish Marine Protected Areas. We are also in discussion with wind farm providers to ensure that diver access and diving businesses are affected as little as possible as wind farms become a more favoured green energy option.

BSAC has representation on several bodies that look after our marine heritage, such as Nautical Archeological Society (NAS), English heritage's Historic Wrecks Panel, Joint Nautical Archaeology Policy Committee and the Honor Frost Foundation, including projects such as Adopt a Wreck and the WW1 initiative 'Lost Beneath the Waves'. The BSAC Wreck Award ran for the first time in 2014 and was awarded to Nigel Braybrook and the SevernSide SAC team. This programme celebrates our underwater heritage using BSAC members' first-hand experiences to bring their favourite wreck sites to life. BSAC are active in promoting divers as a force for the good in the protection and management of our seas and maintaining responsible access for divers is foremost in our efforts.

Young People and Snorkelling

BSAC has continued its work to attract and encourage greater participation in snorkelling by younger people. The images of HRH The Duke of Cambridge snorkelling with several young people have provided a great boost in this area. Our courses and materials have again been revised to improve delivery and make them suitable for distribution into several main areas. The future of snorkelling includes continued improvement in delivery to Branches, commercial as well as young people initiatives. In 2014 several nationally led instructor events took place supporting branch and commercial instruction delivery. The Chief Examiner is happy to receive requests for on-demand events. To aid in delivery of the instructor courses we have developed materials to support pre-learning. This eases the burden on course delivery and timeframes. We would also highlight that we have continued to work proactively with the Wildlife Trust, National Trust, Leisure Centres, and Amateur Swimming Association to encourage the next generations into the marine environment with some understanding of what they can see by adapting our process and material delivery. By building our contact base we hope to spread our brand and entice the public into snorkelling.

Alongside the successful introduction of BSAC Beachcomber, we launched the course 'Beach Snapper' to encourage children to take photos of marine life and identify with it as well as learn the basic skills of photography.

BSAC International

Eugene Farrell, BSAC Chairman attended the Annual Diving Conference hosted by BSAC Japan in Tokyo during 2014 and the 20th Anniversary celebrations held by BSAC Korea in Seoul. BSAC Thailand also attended the events.

BSAC in Partnership

BSAC was delighted to once again renew its relationship with Malta Tourism Authority (MTA) as a key partner and sponsor for another year during 2014, This ongoing partnership reinforces Malta is a popular and exciting destination for UK divers. Malta offers stunning underwater scenery and is suitable to all level of divers and snorkellers.

Branch and Awards Update

Branch support

New member recruitment through supporting Branches with real practical support remained a key priority for BSAC's marketing department through 2014. A 9% increase in new members followed the Free Training Packs Promotion that was repeated from January to June 2014. The strategy of supporting and investing in Branches with regard to their membership recruitment will continue through 2015.

Increased recruitment and retention support for Branches

The quality and breadth of general support for Branches in terms of their membership retention and recruitment was maintained in 2014 with the monthly 'New member recruitment newsletter' for Branch Officers of the branches looking to recruit and improvement of the free promotional materials and loan items for Branches.

Investment in digital strategy

In the last quarter of 2014, BSAC commissioned an independent agency to carry out what must be our biggest ever research project and asked them to make recommendations for a digital strategy for BSAC. This involved holding focus group discussions with clubs, instructors and other types of members and stakeholders. In 2015 this work will continue and BSAC aims to have a digital strategy agreed later in 2015. This strategy will define how BSAC can use digital tools and services to better support the members and the organisation. This will bring huge benefits to members in how they can renew membership, book courses and update their qualifications, as well as improving booking on to courses.

National Awards

- **Heinke Trophy** - winners for 2014 were Bradford SAC. London No 1 branch were commended for their application.
- **BSAC Expedition Trophy** - in 2014 was won by Darwin SAC.
- **Collins & Chambers OWI Trophy** - 2014 congratulations go to Lee Evans.
- **Analox AI Award** - congratulations go to Chucky Kane for 2014.
- **A P Diving Award** - for 2014 congratulations go to Simon Child.
- **Wilkinson Sword** - for 2014 congratulations go to Martin 'Smudge' Smith.
- **BSAC Safety Award** - for 2014 congratulations go to Colin Hill.
- **Scubapro Cousteau Award** - the 2014 award was made to Marg Baldwin.
- **Alan Broadhurst Award** - the 2014 winners were, Malcolm Avis, Claude Carletide, Mark Edmunds, Zack Halim, Jim Hallyburton, David Horton, Natasha Scott, John Sharp, Martin Smith, Ian Stirling, Fraser Sweeny, Holly Wright.
- **BSAC Wreck Award** – new for 2014 the award was made to Severnside SAC.

British Sub-Aqua Jubilee Trust

The Trust, on behalf of BSAC, administers the Duke of Edinburgh Prize and the Colin McLeod Award. It makes grants for underwater scientific and other projects. The Report and Accounts of the Trust for 2014 start on page 23.

The Duke of Edinburgh Prize

The Trust submits three projects to His Royal Highness, and he chooses the prize-winner, presenting them with the Medal and personally signed certificates and if approved, personally signed "Highly Commended" certificates to the other two. The 2013 award was made to Bigbury Bay Archaeology.

The Colin McLeod Award

This is given for "Furthering International Co-operation in Diving", and the 2014 Award was made to Dr Ian Calder for Diving Medicine.

Financial Performance

As at 31-Dec-14	2014	2013
Members	29,232	29,610
	£000	£000
Subscriptions	£ 1,297	£ 1,297
Total income	£ 1,985	£ 1,976
Total expenditure	£ 1,929	£ 1,932
Operating Surplus (Deficit)	£ 56	£ 44
Surplus (Deficit) on Ordinary Activities before taxation	£ 62	£ 60
Net Cash at year-end	£ 649	£ 703

Membership numbers for 2014 showed a fall on 2013 of 378 whilst 2013-2012 reported a fall of 884 in membership numbers. Reported performance of the British Sub Aqua Club on ordinary activities for the year to

31st December 2014 before taxation was an overall surplus of £62,427, and compares with a surplus of £59,661 in 2013.

Income from operational activities was up marginally by 0.46% (£9,082) at £1.98 million. Membership subscriptions, the main source of income for the Club, were static when compared to 2013 at £1.29 million. Retail sales from the BSAC shop, exhibitions and events were reduced with income down by 4.85% (£18,734). Overseas income improved in 2014 by £12,268.

Overall, operational expenditure for the year was lower by 0.18% £3,537 at £1.93 million. Membership direct costs decreased in total by £2,166 (0.32%) due to reduced insurance premiums. Expenditure on core activities (HQ Administration, IT, AGM, Council, NDC and New Projects) also decreased in 2014 by £17,102. A Group surplus of £57,480 after taxation was generated for 2014.

Outlook

As Governing Body for underwater activities in the UK, the British Sub Aqua Club plays a key role within the diving industry. BSAC actively supports cross-industry initiatives that aim to develop our sport and strengthen our work with other training agencies and trade associations to promote UK diving.

The strategic direction for the BSAC is being defined for 2015-2017 and Council, Headquarters and NDC will be engaged in implementing these initiatives with the aim of improving membership recruitment and retention.

Our budgets for 2015 are prepared on a conservative basis, predicting a fall in membership with continued volume and inflationary pressures on expenditure. Income and expenditure will be closely monitored and controlled to minimise any impact.

Accountability and Audit

Reporting to members

In order to protect its members, the British Sub Aqua Club is run as a company limited by guarantee. This is a common structure for organisations like ours and means that in the event of the Club being dissolved members are liable for no more than £1 each. The legal document that sets out how BSAC operates and answers to its members is known as the 'Articles of Association', and makes reference to the Companies Act. This Act of Parliament is reviewed from time to time, and occasionally changes are made that mean BSAC's Articles of Association also need to be updated to comply. The most recent change to the Companies Act was in 2006.

BSAC operates a procedure for the development of annual operating budgets. During the final quarter of each financial year, a detailed budget is prepared for the following year. The budget is reviewed by Council before being adopted formally. Operating results are reported monthly and presented to Council for review. The results are compared to budget and the previous year, with full-year forecasts prepared and updated throughout the year allowing timely intervention, if required.

Internal control

BSAC operates a system of internal control, which is maintained and reviewed in accordance with recommended best practice as applied to smaller companies by the Companies Act 2006. Council is responsible for the group's system of internal controls and for reviewing their effectiveness. The system is designed to manage rather than eliminate the risks associated with achieving business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Every year the accounts of BSAC are audited by an independent firm of Auditors, which results in the auditor's report in the Annual Accounts. In addition the present auditors Gardners Accountants Ltd review as part of their audit our system of control and reporting processes. They report to Council in the form of a management letter on this review and for 2014 no issues were identified in the management letter. Policies and procedures governing HQ activities are set out and communicated in BSAC's Operations Manual. The application of these policies and procedures is monitored on a day-to-day basis by the Chief Operating Officer.

Appointments and Members of Council

Details of Council members who, under the Articles of Association of the Company offer themselves for re-election are set out in the notice of Annual General Meeting. The movement in Council members and their positions is detailed below. All members of Council are volunteers and as such receive no remuneration, and

may submit themselves for re-election by members every three years. Their interests are those of an ordinary member. The names of persons who, at any time during the financial year, were registered as directors of the group are recorded as:

Members of Council		British Sub-Aqua Club	BSAC International Limited
C Peddie	Chairman	Retired 10.5.14	Retired 10.5.14
E Farrell	Chairman	Appointed 10.5.14	Appointed 10.5.14
E Farrell	Vice Chairman	Retired 10.5.14	Retired 10.5.14
A Warzynski	Vice Chairman	Appointed 10.5.14	Appointed 10.5.14
J Reed	National Diving Officer		
M Driscoll	Honorary Treasurer		
S Jepson	Honorary Secretary		
D Bell			
S Heptonstall			
G Hide			
R Higgle			
M Kim			
B Panter			
C B Parker			
J Suto		Appointed 10.5.14	Appointed 10.5.14
L Whitehouse			

Board effectiveness

Council is collectively responsible for promoting the success of the British Sub Aqua Club by directing, supervising, developing and implementing policy and strategy, and is responsible to members for the group's financial and operational performance. Day-to-day management issues are delegated by Council to the Chief Executive and the Chief Operating Officer. For the year under review, Clare Peddie was Chairman until 10th May 2014, after which Eugene Farrell was appointed. They were responsible for the leadership of Council. During 2014, Council met 5 times formally and held a number of smaller working group meetings throughout the year.

Audit committee

The Audit Committee acts independently of, but reports to, Council. Meetings of the Audit Committee, during 2014, were attended, in whole or in part, by Ian Irvine (Chairman), Ernie Crook, Harry Gould, Phil Harrison, Brian Cumming, Tony Marshall and Wendy Meadows, BSAC Chief Operating Officer, and by invitation the Auditors, the Honorary Treasurer and the Chief Executive.

This year the work of the committee included:

- monitoring the integrity of the BSAC's financial statements and reviewing significant financial reporting decisions;
- reviewing internal system control activities;
- the review and recommendation to Council regarding the appointment of the external auditors and approval of their remuneration and terms of engagement;
- and monitoring the external auditors' independence, objectivity and effectiveness.

The terms of reference for the audit committee and the qualifications of members are available on request.

The Audit Committee would like to express their sadness at the passing of Ian Irvine. He initiated the creation of this important safeguard and led the deliberations in a cool, calm and technically brilliant manner. He will be sorely missed.

The Committee also acknowledge his significant contribution in previous roles as: Chairman, the leader of the investigation into impropriety in the late 90's, as a Life Vice President, Honorary Member and a person who helped and advised members of the BSAC Council and HQ. He will be remembered as a man who loved the Club, was a sound, trusted confidant and who was not afraid of saying what he felt was the right thing to do.

Report of Council

The members of council present their annual report, together with the financial statements of the company and the group for the year ended 31 December 2014 on pages 8 to 20.

Council

Council are the directors of the BSAC, and details of the individuals and positions held since 1 January 2014 are included on page 5 of the report and accounts.

Audit Committee

A full list of the members of the committee is included on page 5.

Statement of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom General Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the surplus or deficit of the company, and the group for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all steps that he ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Charitable Donations

There were no charitable donations made during the year.

Subsidiary Undertakings

The company has one wholly owned subsidiary, BSAC International Limited. The principal activities of this subsidiary are the promotion of BSAC's systems and techniques of training in the UK and overseas markets.

Auditors

The auditors, Gardners Accountants Limited, Chartered Accountants, will be proposed for re-appointment, at the forthcoming Annual General Meeting.

Special Provisions Relating To Small Companies

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and groups.

By order of the Board 28th March 2015
E Farrell
Chairman

M Driscoll
Director

Report of the Independent Auditors to the Members of the British Sub-Aqua Club

We have audited the financial statements of the British Sub-Aqua Club for the year ended 31 December 2014 on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Elected Council Members and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page six, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the company's affairs as at 31 December 2014 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the Report of the Directors in accordance with the small companies regime.

John Gardner FCA (Senior Statutory Auditor)
for and on behalf of Gardners Accountants Limited
Chartered Accountants
Statutory Auditors
Brynford House
21 Brynford Street
Holywell
Flintshire
CH8 7RD

28th March 2015

**Consolidated Income and Expenditure Account
For the year to 31 December 2014**

	Notes	2014 £	2013 £
Income			
Subscriptions		1,297,284	1,297,813
Retail sales, exhibitions & related events		367,157	385,891
Diver training/ Instructor courses		235,908	229,802
Overseas royalties & fees		49,261	36,993
Sponsorship & grant funding		15,000	15,000
Other income		20,494	10,521
		<u>1,985,103</u>	<u>1,976,021</u>
Expenditure			
Membership direct costs		(667,027)	(669,193)
Retail, exhibitions & related events		(200,832)	(207,940)
Diver training/ Instructor courses & development		(357,651)	(341,563)
HQ, Council, NDC, AGM, IT & other administration costs		(662,537)	(679,639)
BSAC International & other overseas activities		(7,685)	(3,866)
Sponsorship & grant funding utilised		(15,000)	(15,000)
Depreciation		(17,897)	(14,965)
		<u>(1,928,629)</u>	<u>(1,932,166)</u>
Operating surplus	3	56,474	43,855
Surplus from ordinary activities before interest		56,474	43,855
Bank interest receivable		5,953	15,806
Bank interest payable		<u>-</u>	<u>-</u>
Surplus from ordinary activities before taxation		62,427	59,661
Taxation	6	<u>(4,947)</u>	<u>(3,831)</u>
Surplus from ordinary activities after taxation & transferred to reserves	12	<u><u>57,480</u></u>	<u><u>55,830</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

Notes 1 to 17 form part of these financial statements

Statement of total recognised gains and losses

	Notes	2014 £	2013 £
Surplus for the financial year		57,480	55,830
Total recognised gains and losses		<u>57,480</u>	<u>55,830</u>

Notes 1 to 17 form part of these financial statements

**Consolidated Balance Sheet
As at 31 December 2014**

	Notes	2014		2013	
		Group £	Company £	Group £	Company £
Fixed assets					
Tangible fixed assets	7	319,103	319,103	325,869	325,869
Investments	8	8	10	8	10
		<u>319,111</u>	<u>319,113</u>	<u>325,877</u>	<u>325,879</u>
Current assets					
Stocks		173,713	173,713	200,306	200,306
Debtors	9	162,133	178,633	97,302	109,302
Cash at bank & in hand		648,716	603,448	702,802	660,820
		<u>984,562</u>	<u>955,794</u>	<u>1,000,410</u>	<u>970,428</u>
Current liabilities					
Creditors: Amounts falling due within one year	10	(661,838)	(654,487)	(741,928)	(732,739)
Net current assets		<u>322,724</u>	<u>301,307</u>	<u>258,482</u>	<u>237,689</u>
Net assets		<u>641,835</u>	<u>620,420</u>	<u>584,359</u>	<u>563,568</u>
Funded by Reserves:					
Income & expenditure reserve	12	641,835	620,420	584,359	563,568
Accumulated fund	12	<u>641,835</u>	<u>620,420</u>	<u>584,359</u>	<u>563,568</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 applicable to small companies and groups and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by Council on 28th March 2015 and signed on its behalf by:

E Farrell
Chairman

M Driscoll
Director

Notes 1 to 17 form part of these financial statements

**Cash Flow Statement
for the year ended 31 December 2014**

	Cashflow Notes	£	2014	£	£	2013	£
Net cash inflow/ (outflow) from operating activities	1			(43,973)		103,868	
Returns on investments and servicing of finance	2			5,953		15,806	
Taxation				(4,947)		(3,831)	
Capital expenditure	2			(11,120)		(20,640)	
Increase/(decrease) in cash in the period				<u><u>(54,087)</u></u>		<u><u>95,203</u></u>	

Cashflow notes 1 to 3 form part of these cashflow statements

**Notes to the cashflow statement
for the year ended 31 December 2014**

**1. Reconciliation of operating surplus to net cash inflow/(outflow)
from operating activities**

	2014	2013
	£	£
Operating surplus/ (deficit)	56,474	43,855
Depreciation charges	17,885	14,965
Profit on disposal of fixed assets	-	-
(Increase)/Decrease in stocks	26,592	(2,978)
Decrease/(Increase) in debtors	(64,830)	5,751
Increase/(Decrease) in creditors	(80,094)	42,275
Net cash inflow/(outflow) from operating activities	<u>(43,973)</u>	<u>103,868</u>

2. Analysis of cashflows for headings netted in the cashflow statement

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	<u>5,953</u>	<u>15,806</u>
Net cash outflow for returns on investments and servicing of finance	<u>5,953</u>	<u>15,806</u>
Capital expenditure		
Receipts from sales of tangible fixed assets	-	-
Payments to acquire tangible fixed assets	<u>(11,120)</u>	<u>(20,640)</u>
Net cash inflow/(outflow) for capital expenditure and financial investment	<u>(11,120)</u>	<u>(20,640)</u>

3. Reconciliation of net cashflow to movement in net funds

	At 1.1.14	Cashflow	Other non-cash changes	At 31.12.14
	£	£	£	£
Net cash:				
Cash at bank and in hand	702,802	(54,087)	-	648,716
Total	<u>702,802</u>	<u>(54,087)</u>	<u>0</u>	<u>648,716</u>

Notes to the financial statements

1. Accounting Policies

{a} Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The group financial statements consolidate those of the holding company, the British Sub-Aqua Club, and its wholly owned subsidiary, BSAC International Limited.

In accordance with the exemption granted by Section 408 of the Companies Act 2006, no separate income and expenditure account is presented for the parent company. The pre tax surplus for the company was (£61,642).

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

{b} Subscriptions

Subscriptions received in advance of performance are reflected as an obligation in the balance sheet and released to the profit and loss account over the period to which the subscription relates.

{c} Tangible Fixed Assets

Long leasehold properties are stated at cost or valuation where relevant.

All other fixed assets are stated at cost.

All long leasehold properties are externally valued at least every five years subsequent to acquisition. In the period between external valuations Council review the value of the properties. Any impairment in the value of a long leasehold property is recognised in the income and expenditure account. Depreciation has been charged in the year at the following rates:

Computer Equipment:	25%	straight line
Motor Vehicles:	25%	reducing balance
Fixtures & Fittings:	15-33%	straight line

{d} Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

{e} Foreign Currency Translation

Foreign currency assets and liabilities are translated at the rate of exchange ruling at the balance sheet date and any gain or loss arising on exchange is included in the income and expenditure account. Income and expenditure transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of receipt or payment.

{f} Leased Assets

Rentals paid under operating leases are charged to the profit and loss account when incurred.

Notes to the financial statements continued

{g} Development Costs

Research and development expenses are charged to the income and expenditure account in the year in which they are incurred.

{h} Pension Contributions

The group operates a defined contributions pension scheme. Contributions payable are charged to the income and expenditure account in the year to which they relate.

{i} Campaign Sponsorship & Grant Funding

Income is accounted for within the income & expenditure account in the year of receipt.

2. The Status of the Company

The company is limited by guarantee without share capital. The Council members control the activities of the Company. Under the terms of the Memorandum and Articles of Association, the liability of the members is limited and every member undertakes to contribute to the assets of the Company, in the event of a winding up, an amount not greater than £1.

As at 31 December 2014, there were 29,232 members (2013: 29,610).

3. Operating Surplus

The following items have been charged/(credited) in calculating the operating surplus:

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
Auditors remuneration	12,750	9,000	12,750	9,000
Directors emoluments	-	-	-	-
Depreciation	17,897	17,897	14,965	14,965
Property revaluation adjustment	-	-	-	-
Profit on disposal of fixed assets	-	-	-	-

Notes to the financial statements continued

5. Staff Costs

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
Salaries	542,076	542,076	552,923	552,923
Social security costs	50,281	50,281	44,368	44,368
Pension costs	21,301	21,301	20,978	20,978
	<u>613,657</u>	<u>613,657</u>	<u>618,270</u>	<u>618,270</u>

The average number of employees of the group during the year was 21 (2013: 23).

The Members of Council, as directors, did not receive any remuneration for their services in that elected capacity, except reimbursed expenses as detailed in note 15.

6. Taxation

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
UK Corporation Tax:				
Current year provision	4,947	4,790	3,831	2,330
	<u>4,947</u>	<u>4,790</u>	<u>3,831</u>	<u>2,330</u>

Notes to the financial statements continued

7. Tangible Fixed Assets

	Long Leasehold Premises £	Computer Equipment £	Motor Vehicles £	Fixtures & Fittings £	Total £
Cost or valuation					
At 1 January 2014	280,000	92,749	8,880	216,537	598,166
Additions	-	8,170	-	2,950	11,120
Disposals	-	(61,874)	-	(6,558)	(68,432)
At 31 December 2014	<u>280,000</u>	<u>39,045</u>	<u>8,880</u>	<u>212,929</u>	<u>540,854</u>
Depreciation					
At 1 January 2014	-	75,816	1,317	195,163	272,296
Charge for the year	-	7,528	1,890	8,468	17,886
Eliminated on disposals	-	(61,874)	-	(6,558)	(68,432)
At 31 December 2014	<u>-</u>	<u>21,470</u>	<u>3,207</u>	<u>197,073</u>	<u>221,750</u>
Net book value					
At 31 December 2014	<u>280,000</u>	<u>17,575</u>	<u>5,673</u>	<u>15,856</u>	<u>319,103</u>
At 31 December 2013	<u>280,000</u>	<u>16,933</u>	<u>7,563</u>	<u>21,374</u>	<u>325,870</u>

The property is subject to a leasehold period of 123 years expiring in 2114 and was initially purchased in 1989 for £362,588. Depreciation amounting to £76,251 had historically been charged resulting in a net book value before revaluation adjustments of £286,337. The property was revalued in December 2008 on an open market basis at £400,000 resulting in a revaluation reserve of £113,663.

The property was valued by Beresford Adams Commercial in December 2012 on an open market basis at £280,000 as a commercial property.

Notes to the financial statements continued

8. Investments

	Group £	Company £
At 1 January & 31 December 2014:		
Shares in subsidiary undertakings	-	2
Unlisted investments at cost	8	8
	<u>8</u>	<u>10</u>

The investment in subsidiary undertakings at 31 December 2014 represents 100% of the ordinary issued share capital of BSAC International Limited.

The unlisted investment at 31 December 2014 is 15% of the ordinary share capital of Telford's Quay Management Company Limited.

9. Debtors - Amounts falling due within one year

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
Trade debtors	14,513	14,513	21,257	21,257
VAT	25,237	25,237	32,773	32,773
Prepayments	116,842	116,842	32,647	32,647
Accrued income	5,541	5,541	10,625	10,625
Due from subsidiary undertaking	-	16,500	-	12,000
	<u>162,133</u>	<u>178,633</u>	<u>97,302</u>	<u>109,302</u>

Notes to the financial statements continued

10. Creditors

Amounts falling due within one year

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
Trade creditors	138,324	138,324	182,102	182,102
Corporation tax	4,947	4,790	3,831	2,330
Taxation & social security	14,769	14,769	20,176	20,176
General accruals	16,774	13,024	36,623	32,873
Deferred course income	11,309	11,309	8,743	8,743
Deferred other income	7,236	7,236	12,996	12,996
Deferred overseas income	3,444	-	3,937	-
Deferred membership income	453,748	453,748	465,821	465,821
Deferred centre fees & sponsorship	11,287	11,287	7,699	7,699
	<u>661,838</u>	<u>654,487</u>	<u>741,928</u>	<u>732,739</u>

Secured debts

The bank facilities are secured by a debenture over the assets of the group.

11. Operating Lease Commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases for assets other than land and buildings expiring as follows:

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
Within one year	2,482	2,482	15,923	15,923
Within two to five years	10,751	10,751	27,193	27,193
	<u>13,233</u>	<u>13,233</u>	<u>43,116</u>	<u>43,116</u>

Notes to the financial statements continued

12. Reconciliation of Movements in Members' Funds

	2014 Group £	2014 Company £	2013 Group £	2013 Company £
Opening Members' funds	584,355	563,568	528,529	508,925
Surplus/(deficit) for the financial year	57,480	56,852	55,830	54,643
Closing Members' funds	<u>641,835</u>	<u>620,420</u>	<u>584,355</u>	<u>563,568</u>

13. Income & expenditure reserve

	2014 Group £	2014 Company £
Accumulated Fund		
As at 1 January 2014	584,355	563,568
Retained surplus/(deficit) for year	57,480	56,852
Surplus carried forward	<u>641,835</u>	<u>620,420</u>

Notes to the financial statements continued

14. Guarantees and Financial Commitments

The company has a contractual commitment with regard to the publication of SCUBA Magazine. The terms of the contract provide for its termination with six months notice in writing by either party. Should such notice not be given a contractual payment by the company would be due of £51,000 (2013: 6 months notice = £51,000).

15. Details of Directors' and Vice Presidents' Expenses

The directors had no beneficial interest in the share capital of the company.

This note details the individual Directors' net expenses for the financial year of 2014 during the time served as a Director of BSAC and BSAC International Limited as appropriate. It also details individual Vice Presidents' expenses.

As some, if not most, are also involved in other activities and hold other positions as a volunteer, on behalf of the club, the total value is not directly attributable to Council business alone.

Name	Amount £	Name	Amount £
D Bell	1,181	S Jepson	53
B Cumming	464	M Kim	1,194
E F Crook	-	A J H Marshall	1,825
M Driscoll	1,460	B Panter	502
E Farrell	3,375	B Parker	-
H Gould	-	C Peddie	1,312
P Harrison	84	J Reed	-
S Heptonstall	1,174	J Suto	1,020
G Hide	278	A Warzynski	1,291
R Higgin	377	L Whitehouse	3,610
I A N Irvine	-		

16. Related party disclosure

Included within the company's debtors is a balance of £16,500 (2013: £12,000) due from BSAC International Limited, the subsidiary undertaking. The movement includes a management charge of £16,500 (2013: £12,000) and other trading transactions.

BSAC President

HRH The Duke of Cambridge KG KT 2014 - present

Past Presidents

HRH The Prince Philip, Duke of Edinburgh KG KT	1960 - 1963
The Earl Granville MC	1964 - 1966
* Lord Wakefield of Kendal	1967 - 1970
* Lord Ritchie - Calder of Balmashannar	1971 - 1974
HRH The Prince of Wales KG KT PC GCB	1974 - 2014

Life Vice-Presidents

- * N Oscar Gugen (Founder)
H Gould OBE JP BA DL FCA
- * M K Todd
- * I A N Irvine FCA
E F Crook

Vice-Presidents - in order of appointment Past and Present

- * Major Sir Patrick Wall MC MP
- * Sir John Wedgwood
- * Colin H McLeod
- * Surgeon Rear-Admiral Stanley Miles CB
- * Alexander Flinder MBE
- * D M F Cockbill
- * Dr J Betts
- * Kendal McDonald
Dr N C Flemming OBE
Phil Harrison MBE
Prof Brian Cumming
Anthony Marshall

* Deceased

**BSAC Honorary Life Members - in order of appointment
Past and Present**

- * Commander Jimmy Hodges RN
- * Captain Jacques Yves Cousteau
- * Peter Small (Founder)
- * Dr Hans Hass
- * Dr Edwin Link
- * Commander W Shelford RN
- * Sir George Deacon CBE
HRH The Prince Philip, Duke of Edinburgh KG KT
- * Oscar Gugen (Founder)
G F Brookes
- * Colin McLeod
- * The Earl Mountbatten of Burma
- * Major Hume Wallace
- * Lord Wakefield of Kendal
- * Lord Ritchie-Calder of Balmashannar
- * C D Balaam
- * Dr D Boyd
- * A Ridout
- * Lt Cdr Jackie Warner DSC OBE
Lt Cdr Matthew Todd MBE
H Gould OBE JP BA DL FCA
- * Sir Arthur C Clarke
Phil Rogers
- * Vane Ivanovic
- * Surgeon Rear-Admiral Stanley Miles CB
- * Fred Briscoe
- * F D Leete III
Dr David Bellamy
J B Meredith
- * Surgeon Vice-Admiral Sir John Rawlins KBE
- * D M F Cockbill
E F Crook
- * W Burdett
M F Busuttili
J Myers
- * M K Todd
- * Lionel Blandford
HRH Sheikh Hamad bin Khalifa al-Thani KCMG
- * Lady Philippa Scott
- * Stanley Thomas
- * Bernard Scott
Jim Corry
Alan Forster
M Holbrook
Margot Parker
Dr Sylvia Earle
- * Lotte Hass
Jerry Hazzard
- * I A N Irvine FCA
N Hashitani
Shunici Hosokawa
Phil Harrison MBE
Prof Brian Cumming
Anthony Marshall
HRH The Prince of Wales KG KT PC GCB

* Deceased

**THE BRITISH SUB-AQUA
JUBILEE TRUST**

**REGISTERED CHARITY
NO 275835R**

**TRUST DEED DATED
3 MAY 1978**

**REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2014**

THE BRITISH SUB- AQUA JUBILEE TRUST
FOR THE YEAR ENDED 31 DECEMBER 2014

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THE BRITISH SUB- AQUA JUBILEE TRUST
FOR THE YEAR ENDED 31 DECEMBER 2014
LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

H Gould OBE JP BA DL FCA (Chairman)
Dr P Cragg BSc PhD (Hon Secretary)
Dr J Bevan PhD (Hon Treasurer)
Dr N C Flemming OBE MA PhD
Dr R M Pagett BSc PhD
G Anthony BSc MSc CChem CSci FRSC
E F Crook
G. Momber BA MSc MIFA.
Dr. J.D. King MB BS LRCP MRCS AFOM.

PRINCIPAL OFFICE

47 Oakfields
Broadacres
Guildford
Surrey
GU3 3AS

BANKERS

HSBC Bank Plc
Baker Street Branch
90 Baker Street
London
W1U 6AX

THE BRITISH SUB- AQUA JUBILEE TRUST

FOR THE YEAR ENDED 31 DECEMBER 2014

REPORT OF THE TRUSTEES

The trustees present their report along with the financial statements of the charity for the year ended 31 December 2014. The financial statements have been prepared in accordance with the accounting policies set out on page 7 and comply with the charity's trust deed and applicable law.

Constitution and objects

The British Sub-Aqua Jubilee Trust is constituted under a trust deed dated 3 May 1978 and is a registered charity no 275835R.

The objects of the charity are to establish a Trust for the benefit of the community for the advancement of underwater exploration, discovery of safety health and science and for other kindred purposes.

Organisation

The trustees who have served during the year and since the year end are set out on page 1. Trustees are appointed by the board of trustees and serve for three years after which period they may put themselves forward for re-appointment. The trustees met three times during the year.

Grant making policy

The trust has the right to endow, present, sponsor or maintain prizes and scholarships.

Awards made in 2014

The Trust made 3 awards during 2014

PROJECTS SUPPORTED:-

Leader

A. Morrison.
A. Mayor.
S. Hasan.

Project

"Recording our Wrecks".
"Mulberry 70".
"Project Solent.

THE BRITISH SUB- AQUA JUBILEE TRUST
FOR THE YEAR ENDED 31 DECEMBER 2014
REPORT OF THE TRUSTEES

Status of grant reports due in the year (from 2014 onwards).

It is a condition of the Award that a report be submitted one year after the grant is made.

Projects supported:

Leader	Project
J. Perrie.	"Cuckoo Wreck".
K. Smith.	"Unknown 4 Engine Aircraft"
N. Oldham.	"Bigbury Bay Cannon Sites".
S. Clarkson.	"Dragon Wreck Survey".
J. Maddocks.	"SS Faith Survey".
Peter Small Award.	"Scarborough Real Reefs".
Peter Small Award.	"Southsea Kedge Hook".

Duke of Edinburgh Prize

HRH The Duke of Edinburgh presented the 2013 prize to "Bigbury Bay Archaeology2"

Colin McLeod Award

The 2014 Award was made to Dr. Ian Calder "Diving Medicine"..

Financial review and investment policy

There are no restrictions on the charity's power to invest.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level to ensure there are sufficient funds to cover management, administration and support costs and to respond to emergency applications for grants which may arise from time to time. Unrestricted funds were maintained at this level throughout the year.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

THE BRITISH SUB- AQUA JUBILEE TRUST

FOR THE YEAR ENDED 31 DECEMBER 2014

REPORT OF THE TRUSTEES

Trustees' responsibilities in relation to the financial statements

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping accounting records which 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 1993. 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.

ALL REPORTS DUE HAVE BEEN RECEIVED BY THE TRUST	
H GOULD CHAIRMAN OF THE TRUSTEES Harold Gould -----	P CRAGG HONORARY SECRETARY Paul Cragg -----
21st January 2015	

THE BRITISH SUB- AQUA JUBILEE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2014

		2014		2013	
	Notes	£	£	£	£
INCOME					
Legacies/Donations	1	1,646		50	
Interest	2	598		619	
			2,244		669
EXPENDITURE					
Grants made in year	3	4,039		8,000	
Expenses	4	79		35	
			4,118		8,035
EXCESS (DEFICIT) OF INCOME OVER EXPENDITURE			(1,874)		(7,366)

All of the above activities relate to unrestricted funds.

All income and the operating excess derive from continuing operations.

All recognised gains and losses are included in the Income & Expenditure Account.

A separate movement of Trustee's Funds Statement is not provided, as there are no changes for the current or previous year other than the retained excess in the Income & Expenditure Account.

THE BRITISH SUB- AQUA JUBILEE TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2014

	2014 £	2013 £
CURRENT ASSETS		
Money market	168,266	170,139
Current Account	<u>5,000</u>	<u>5,001</u>
NET ASSETS	<u>173,266</u>	<u>175,140</u>
 ACCUMULATED FUND		
Balance at 1 January	175,140	182,556
Excess (Deficit) of funds for the year	(1,874)	(7,416)
	<u>173,266</u>	<u>175,140</u>
Balance at 31 December 2014	<u>173,266</u>	<u>175,140</u>

APPROVED BY THE TRUSTEES AND SIGNED ON THEIR BEHALF BY

Harold Gould

**H GOULD
CHAIRMAN OF THE TRUSTEES**

21st January 2015

THE BRITISH SUB- AQUA JUBILEE TRUST
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. Principal accounting policies

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005). In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000.

b) Income from investments

Investment income is accounted for the period in which the charity is entitled to receive.

c) Income from donations

Donations are included in the Income & Expenditure Account in the period to which the income is received.

d) Grants payable

Grants are included in the Income & Expenditure Account in the period in which they are awarded.

e) Computer equipment

Computer equipment acquired is debited to the Income and Expenditure Account in the year of purchase.

2. Investment income

	2014	2013
	£	£
Interest on cash deposits	598	619

All of the above are derived from the UK.

THE BRITISH SUB- AQUA JUBILEE TRUST
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

3. Grants payable

The amount payable in the year comprises:

	2014	2013
	£	£
Cuckoo Wreck (Refund)	(360)	1,500
Unknown 4 Engine Aircraft		750
Bigbury Bay Cannon Sites		1,000
Drager Wreck Survey		750
SS Faith Survey		2,000
Scarborough Real Reefs		1,000
Southsea Kedge Hook		1,000
Project Solent	2,000	
Recording our Wrecks	1,150	
Mulberry 70	1,250	
	<hr/> 4,040	<hr/> 8,000 <hr/>

4. Support costs

	2014	2013
	£	£
Secretarial Expenses	79	35