



**TALL SHIPS
YOUTH TRUST**

**Financial Statements
Year Ended 28 February 2014**

**Charity Number 314229
A Company Limited by Guarantee
Registered in England No 567460**

Highlights of the Year to 28 February 2014

Charitable Mission – Young People

- ◆ Scope and diversity of work with young people expanded including Special Needs Project.
- ◆ New UK-wide pilot initiative launched for NEETS (young people not in employment, education or training). Voyages seen as a key catalyst for changes in attitudes and skills during six month intervention with 97% going into employment, education or training.
- ◆ Proportion of young people who are disadvantaged or disabled increased from 43% when Challengers introduced six years ago to 74%. Number of young people benefitting from Trust services increased by 18% in the same period.

The Fleet

- ◆ Mixed fleet of six vessels– one 60m square rigged Brig, four 22m ocean going Challenger Yachts, one 19m Catamaran - operated 12 months of the year
- ◆ Mixed fleet offers:-
 - maximum variety of developmental experiences for young people
 - flexibility to expand and contract supply in line with seasonal demand
 - ability to expand scale and scope of work with young people
 - greater scope for managing costs down (annual operating costs of four Challengers 30% less than the one Brig)

Volunteers, Supporters, Communications

- ◆ 2,500 individuals volunteering and regularly supporting the Trust
- ◆ Over 108,000 volunteer hours donated in 2013/14
- ◆ Further development of website – new video clips of other youth organisations explaining benefits and outcomes of using Trust's services for their young people
- ◆ New Facebook site launched – over 2,000 followers.

Financial Performance

- ◆ Underlying financial performance solid including:-
 - Day to day fundraising up £92K, representing a 17% increase on 2012/13
 - Winter alongside programme developed for Stavros, £20K net saving on 2012/13
 - Various initiatives across the fleet reduced costs by a further £82K on 2012/13
- ◆ Business Plan progressing – replacement of existing Tall Ship with smaller Tall Ship which will better suit our youth work, growing small group work and business model
- ◆ Overall, net outgoing resources (£747K), in line with Business Plan expectations, and reducing to (£328K) net of non-cash and exceptional items, a £29K improvement on 2012/13.

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TALL SHIPS YOUTH TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 28 FEBRUARY 2014

Tall Ships Youth Trust is a company limited by guarantee and a registered charity.

Charity Number	314229
Company Number	567460
Principal Office	2A The Hard, Portsmouth, PO1 3PT
Patron	His Royal Highness The Duke of York KG KCVO
Vice-Patrons	Mr M P Aiken MBE Mr T P Allen Admiral the Lord Boyce KG GCB OBE DL The Right Honourable Lord Butler of Brockwell KG GCB CVO Mr I A Carruthers Mr D de Laszlo Mr D Darbyshire Mr M Dixon Mr M A C Drummond OBE DL JP Lord Grade CBE Lord Greenway Vice Admiral M Gretton CB CVO MA Mr J Hardie Mr M Jay CBE DL Mr R Morley Mr A C Salvesen DL Mr M Slade Mr B A Stewart Mr D Tydeman Mr I Ventham Mr T Vokos Mrs C Williams
Trustees	Mr M Broughton Mr P Coleman Mr W D Cormie MA CA Mr R Evans Mrs W Fitzsimmons (appointed 27 November 2013) Mr W M Garnett Maj. Gen. J Gordon CBE Surg. Lt. Cdr. C Griffiths RN Mr M Le May (stood down 18 December 2013) Mr J Lennox Mr O Michaelson (stood down 18 December 2013) Sir Michael Moore KBE LVO Mr S J Roberts Mr C Tite

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FOR THE YEAR ENDED 28 FEBRUARY 2014

Chief Executive Mrs C Law

Company Secretary Mr P Taylor

Auditors Grant Thornton UK LLP
No 1 Dorset Street
Southampton
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Solicitors Blake Laphorn
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Investment Managers Brewin Dolphin Investment Management
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Bankers Clydesdale Bank plc

TALL SHIPS YOUTH TRUST

REPORT OF THE TRUSTEES AND STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2014

Objects and Powers

The Tall Ships Youth Trust is dedicated to the personal development of young people through the crewing of Tall Ships. Its principal activities are to provide opportunities for young people to go to sea on the Trust's ocean going sail training vessels and to promote sail training internationally.

Review of Activities

The Trust had another busy year in 2013/14 with its fleet providing voyages for young people 12 months of the year.

Purpose, Vision and Values

The Trust's **Purpose** is to increase young people's life chances and well-being by supporting them to develop their life skills, build self-esteem and aspirations, embrace a healthier more active lifestyle and get involved in volunteering. It does this using six residential youth centres (vessels). The Trust's current fleet is a 60m Tall Ship, Stavros S Niarchos; four 22m ocean going yachts, Challenger 1,2,3 and 4; and a 19m catamaran, Tall Ships Cat.

Our **Vision** is "to be the leader in youth development through the Tall Ships experience".

Our underlying **Values** are that in all we do and say, we will, for the public benefit:-

- Support young people to develop their potential
- Seek the highest standards in our work with young people
- Manage professionally and efficiently
- Value and respect our crews and staff
- Appropriately harness the enthusiasm of our volunteers and supporters
- Manage our vessels safely and to the highest standards
- Communicate effectively and openly

In reviewing the Trust's aims, objectives and planned activities the Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission.

Over Fifty Years of Achievement

The Tall Ships Youth Trust, formerly known as The Sail Training Association, is the world's oldest and largest sail training charity dedicated to the Personal Development of Young People aged 12 to 25. Formed in 1956, over 102,000 trainees have sailed 1.9 million nautical miles on our fleet of vessels – currently a 60m Brig Stavros S Niarchos, four 22m ocean going Challenger yachts, one 19m Catamaran and, before them, a 60m brig Prince William and two 37m schooners Malcolm Miller and Sir Winston Churchill.

The Trust has a reputation for delivering outstanding work with young people. We take 40% more individuals to sea a year than the next largest UK sail training charity, several times more than the others and our utilisation is the highest in the fleet.

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Recent Developments, Major Achievements

As a result of various new initiatives, we have managed to raise more funds to expand our work with disadvantaged and disabled young people so that they now represent 74% of the young people we work with compared to 43% when we introduced the Challengers six years ago. The number of young people benefitting from our work has grown by 18% in that time.

With high youth unemployment, this year we launched a new project for young people not in employment, education or training in partnership with four other youth organisations across the UK. The young people's voyages proved to be the key catalyst for changes in their attitudes and skills with 97% of them going into employment, education or training at the end of their six months' involvement.

These are real successes – significant achievements in today's difficult economic climate.

The Trust's primary responsibility is to ensure this work continues. To do this, we continue to work hard to implement new fundraising initiatives and cost cutting measures. Longer-term, the Trust must be financially sustainable and this is reflected in the Business Plan, based on a major business restructuring to diversify opportunities for young people and to improve financial stability. Over the period January to April 2008 we replaced one of our two 60m square rigged Brigs with four 22m ocean going Challenger Yachts. We bought one directly, with Vice Patrons/Trustees buying the other three. In September 2010 we sold a Brig, renamed Rah Naward (Swift Mover), to the Pakistan Navy for naval cadet training.

Together, the four Challengers provide the same number of berths and therefore income earning potential as one Brig. However, the number of Challengers operating can be flexed as demand varies from season to season so controlling and reducing costs. As a result the Challenger Fleet operating costs are 30% less than the one Brig they replaced. We are also able to split the Challenger Fleet to chase several different markets and income streams at the same time. In addition, the 12 berth Challengers and the 8 berth Catamaran (19m vessel donated in 2009/10) have enabled us to develop more dedicated voyages with our partner organisations, most of which cannot fill the 48 berths on a Brig.

During 2011/12, we secured £202K from two exceptional donations and a legacy of £340K given specifically to buy the three remaining Challengers from the Vice Patrons/Trustees so had only to spend £328K to buy the vessels which have a combined market value of £1.1M.

The mixed fleet model – a Tall Ship and Ocean Going Yachts – is a good one for the Trust, one we want to retain, offering the most diverse development opportunities for young people. We also see the group bookings market growing and we want to pursue and maximise the opportunities of this trend, which leans us towards smaller vessels. We also want to improve financial stability and we recognise that we are more likely to achieve this in today's tough economic climate by reducing operating costs than by increasing fundraising income

For all of these reasons, our Business Plan proposes replacing our 60m Brig with a smaller Tall Ship to support our expanding group business and further reduce costs. The successful execution of the Business Plan will see the proceeds from the sale of the Brig being utilised to repay borrowing arranged to finance the Business Plan and provide the core funding for the replacement smaller Tall Ship. The sale of the Brig is progressing as envisaged in the Business Plan. This new fleet will fit better with our current and proposed business model whilst allowing us to continue developing our work with young people.

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Charitable Mission – Young People

Today, as in the Trust's formative years as The Sail Training Association, the development of young people is central to everything we do and we are proud of the reputation we have amongst education and youth work professionals for delivering effective, good quality services to young people. Whilst the Brig, Challengers and Catamaran are very different settings for youth development, we operate all to the same high standards. The same policies and practices apply to all such as the same rigorous recruitment and screening of prospective volunteers, the same Safeguarding Policy and Code of Conduct.

During 2013/14 we expanded the scope and diversity of our work with young people in a number of ways. We developed more partnerships with other youth organisations across the UK, particularly those working with disadvantaged and disabled young people. These included special needs groups, schools, youth offending teams, youth organisations representing young people not in employment, education or training (NEET) and those from black, asian and minority ethnic (BAME) backgrounds. Arrangements ranged from informal partnerships to formal contracts supported by detailed service level agreements.

By working with these third parties, voyages are an integral part of a longer term development programme for each young person:-

Vikki, Senior Youth Worker: "The voyage was a rich learning opportunity for the young people. It stretched and challenged them like no other residential outdoor experience I've used before. It was a unique experience which had a significant impact on them. The young people said they'd learned about respect and responsibility, how to listen to and understand other peoples' point of view, how to work in a team, how to deal with conflict, even how to have fun without alcohol. These lessons will stay with them for the rest of their lives."

Research shows that the negative psychological impact of unemployment does permanent damage to young people's chances in life, increases the likelihood of their future unemployment and welfare dependence and leads to their poor physical and mental health.

Keen to address this issue and aware of the positive impact Trust voyages can have on young people not in employment, education or training, we launched a new NEET project in 2013/14 in partnership with four other youth organisations across the UK. Funded by Comic Relief, the project offered young people six months of one-to-one and group sessions covering life skills such as communication, team work and problem solving as well as work ready topics such as writing job applications and interview skills. Other sessions addressed specific, individual needs identified with the young people including physical and mental health issues. The young people's voyage proved to be the key catalyst for change:-

Toni, Senior Youth Worker: "On board the young people quickly learned that nothing happens unless you work hard and you work in a team. The great thing about the boat was that the young people couldn't run away or hide. They had to pull their weight. They learned that when they did this, others around them would give them all the support they needed to succeed. A few months after the voyage and all 9 have gone into employment, education or training. Unheard of!"

Overall, an impressive 97% of the project's 40 young people have gone into employment, education or training. We are continuing the project in 2014/15 with another 40 young people.

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Charitable Mission – Young People (continued)

During 2013/14, we built on the experiences and feedback of our many partner organisations to further develop several other initiatives. These included a three year London based project to support 200 young people with special needs, funded by a very generous donation from a London based grant making trust. We are also working with special needs groups across the UK to reach more young people with various disabilities such as learning difficulties, ADHD, motor co-ordination problems, visual and hearing impairments and social interaction problems.

The stable platform provided by the Catamaran is particularly helpful for our work with young people with special needs:-

Emma, mother of Stewart (12): “Stewart has special needs and was very nervous about the voyage but from the second he stepped on board I knew it was going to be a very positive experience for him. The crew went out of their way to make him feel welcome. I’ve seen a real change in him. He’s grown in confidence, is more willing to take on new challenges and hasn’t stopped talking about it!”

As a result of these various new initiatives, and despite the recession, we have managed to raise more funds to expand and diversify our work with disadvantaged and disabled young people so that they now represent 74% of the young people we work with compared to 43% when we introduced the Challengers six years ago,

In terms of other demographics in 2013/14, the male:female split was 65:35 and 16% of the young people were non-white (4% six years ago). Continuing the trend of the last few years, the number of young adults (those aged 18 to 25) who chose to sail on 18+ voyages rather than on 16-25 year old voyages remained high at 17%. This meant that 22% of the berths on 18+ voyages were filled with young people. Their feedback indicates that the inter-generational dimension of these voyages is popular with the more diverse range of life experiences on board giving young people added benefit.

We thank our Head Office staff for developing these new initiatives and our Salaried and Volunteer Crews for delivering them so successfully.

Voyages have a significant impact on young people’s lives. These include:-

- Increased self-esteem and self confidence
- Healthier, more active lifestyle
- Improved life skills
- Improved volunteering and citizenship skills

Statistical evaluations of outcomes provide empirical evidence of improvements in life skills (source: data collected post voyage):-

- Over 90% experienced increased self-esteem and self-confidence
- Over 85% gained life experience
- Over 80% were better communicators
- Over 75% developed greater self-reliance
- Over 70% improved their problem solving skills

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Charitable Mission – Young People (continued)

These impacts are well recognised and valued by education and youth work professionals. As Loughborough University reported at the end of their three year research project: “The voyages had an unanticipated impact on the culture of some of the schools, becoming an established and valued part of their educational calendar.” They concluded “ There is strong evidence that participation in Trust voyages influences young people’s general life aspirations.”

Key objectives for the Trust’s work with young people in 2014/15 include:-

- Consolidating and building on partnerships with other youth organisations to maintain the number of young people sailing as in 2013/14.
- Developing the new project for young people not in employment, education or training in partnership with four other youth organisations across the UK
- Continuing the development of work for young people with special needs
- Securing funds to deliver the projects

In summary, 2013/14 was another successful year for the Trust in delivering its core mission. We would like to thank all of the young people who sailed with us for making this so and also all of those who helped to support the cost of their voyages.

Tall Ships Academy

The Trust’s training programme for young people is endorsed by the Royal Yachting Association (RYA) and Maritime and Coastguard Agency (MCA) and operates under the banner of the “Tall Ships Academy”.

A world first, the programme gives young people a path from their first experience as Voyage Crew to volunteering on the Trust’s vessels and, for those who wish it, onto a career at sea. Some 20% of young people are recommended at the end of their voyage to come back as Volunteer Crew and follow the training programme.

The objectives of the Tall Ships Academy and its training programme are:-

- To offer young people more options for enhancing their skills and qualifications.
- To add value and enjoyment to the sailing experience of all of our Volunteer Crew by increasing their knowledge, skills and confidence.
- To provide better support to our Salaried Crew by introducing a record of experience for each individual as well as clear training goals.
- To maintain the Trust’s reputation for “best practice”.
- To be in advance of legislative changes which are expected to require documentary evidence of safety and familiarisation training on board.

The programme formalises the existing on board training for our Volunteer Crew - working with young people, vessel familiarisation and safety training – and adds to it the syllabus of the RYA Watch Leader Certificate and the MCA Yacht Rating Certificate.

The 11 modules are assessed using a Training Record Log Book which tracks competencies, defined in detail in an Instruction Manual.

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Tall Ships Academy (continued)

The Academy programme is well established on the Brig. We have adapted the Training Record Log Book to incorporate the Challengers but have temporarily suspended further work until the replacement Tall Ship is operational as the programme and supporting material will need to be amended accordingly.

Our Royal Yachting Association shore based theory courses, including VHF and First Aid, help to encourage and support the further development of our Volunteer Crew.

Stavros S Niarchos, Challengers, Cat

Stavros S Niarchos began 2013/14 in the Azores before returning to the UK mid April for an intensive programme of youth voyages and port events. Highlights during the year included voyages sponsored by the HSBC Education Trust (their 13th consecutive year), Emmanuel Schools, the Captain Scott Society and a project with five schools in Tower Hamlets aimed at addressing local hostility issues. At the beginning of November, with difficult trading conditions anticipated over the winter months, we took Stavros out of service so we could put more focus on volunteer crew training, open days for schools/youth groups and maintenance. Liverpool City Council offered Albert Dock as a non-tidal, safe berth and with the support of hundreds of volunteers, our winter programme of activities proved very successful. Stavros left Liverpool at the end of March 2014 to restart her programme of youth voyages.

Whilst three Challengers were completing their winter voyage schedule in the UK, the other began 2013/14 in the Caribbean, sailing to the Azores before returning to the UK at the beginning of April to join the rest of the fleet. Highlights for the year included voyages sponsored by the Thames Valley Police, Comic Relief and a Rank Foundation voyage for their young leaders. All four Challengers took part in the 2013 Fastnet Race, with the leading two finishing only six minutes apart after 700 gruelling nautical miles. One of the Challengers sailed south to the Canaries in November to join the ARC, landing in the Caribbean mid December and returning to the UK via the Azores at the beginning of April 2014.

The Catamaran, generously donated by a Trust supporter in 2009/10, was based in and around the Solent during 2013/14. Highlights included introductory sail training weekends for 12-15 year olds and voyages for young people with special needs.

Despite difficult trading conditions continuing throughout 2013/14, various sales and marketing initiatives delivered strong bookings across the fleet from both existing and new customers. As a result, even with the depressed market, the number of young people sailing on the Challengers and Catamaran remained level year on year.

Numbers on Stavros were down 18% due to two factors. The first of these was the winter lay-up for five months from November 2013 to March 2014. In addition, and in common with the rest of the UK sail training fleet, Stavros had bad luck during the Baltic Tall Ships Race voyages when the supporting airline cancelled many of their flights. This meant that either there was no transport for the young people to/from the ship or the few flights available were too expensive for them to afford. This affected Stavros voyages in July and August, which should be our busiest time of year.

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Stavros S Niarchos, Challengers, Cat (continued)

However, building on the five previous consecutive years of increases, the total number of young people on all vessels still remains 11% higher than six years ago when the Challengers were introduced and 18% higher comparing like with like, after adjusting for Stavros' five month winter lay-up.

This is a good achievement given the overarching economic conditions.

Income from the Challengers and the Catamaran increased year on year but Stavros' winter lay-up and reduced summer races income meant that total income from the fleet was £100K lower. This was more than offset by a £182K reduction in operating costs (see next page).

Sales and marketing priorities for 2014/15 include developing new sales distribution channels including through social media and maximizing the sales opportunities of high profile events.

Work will also continue with our existing partners as well as several new ones including a trans-Atlantic challenge event in partnership with St Margaret's Hospice. Programme highlights will include Stavros taking part in the Royal Greenwich Tall Ships Regatta and the Challengers' Round Britain and ARC voyages.

The Trust outsources ship management of the Brig Stavros to Northern Marine Management Ltd (NMM) because it is the most cost effective way of providing 24/7 operational and safety management of the ship. The partnership with NMM works well with Trust and NMM staff focussed on their respective areas of expertise. We thank the dedicated team of people at NMM who continue to provide our vessels and crews with such a high standard of support.

The current split of tasks/responsibilities between NMM and the Trust's operating company Tall Ships Ltd is:-

- NMM has responsibility for all operational and technical issues for the Brig including emergency response co-ordination and is the employer of all Salaried Crew (Brig, Challengers and Cat).
- Tall Ships Ltd has responsibility for the operational and technical issues for the Challengers and Cat including emergency response co-ordination and the rostering and travel arrangements for all Salaried Crew (Brig, Challengers and Cat) and all aspects of managing the Volunteer Crew (Brig, Challengers and Cat).

Safety remains paramount and we will continue to maintain our vessels to the highest safety standards. Trustees receive a detailed safety report at each Council meeting.

At the same time, the Trust has a reputation for good cost control so we were pleased that operating costs in 2013/14 were £182K lower than the previous year. Of this, £100K was due to Stavros' winter lay-up and we saved a further £54K across the fleet through a variety of cost management initiatives. We had to spend an additional £19K on the Catamaran's decks which were delaminating in places, replacing the wood with harder wearing synthetic materials wherever possible but this was more than offset by the £47K spent on the Challengers' five year surveys in 2012/13.

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Stavros S Niarchos, Challengers, Cat (continued)

Our aim for 2014/15 is to keep the fleet's operating costs as low as possible, consistent with maintaining the highest level of quality and safety. This will be helped by the fact that the operating costs of the four Challengers will continue to be 30% lower than those of the one Brig. We will also continue our various cost management initiatives and introduce others as circumstances allow.

We thank our Salaried Crew, Volunteer Crew and Head Office teams for their continued hard work, support and enthusiasm. We also thank the many organisations and individuals who have helped us to recruit and fund our young people.

Promoting the Trust

During 2013/14, we continued our strategy of focussed PR and this proved very successful in promoting the Trust's work, leading to extensive coverage in national and regional newspapers, television and radio.

Our website continues to receive praise for its young, fresh feel and ease of navigation. As an indication of this, several companies and individuals have asked us to be their nominated charity after their internet search drew them to our site and they then reviewed its content. During the year we added a series of video clips to the home page in which other youth organisations talk about the benefits and outcomes of using our services for their young people. Website traffic remains very high with 10,000 to 50,000 unique visitors a month depending on the time of year.

Our Facebook site, launched in early 2013/14, is enabling us to evolve a new approach to PR, reaching a much wider audience using social media channels. Whilst still early days, we currently have 2,000 followers.

Meanwhile, our Enews, produced in house and distributed fortnightly, enables us to reach our target market and supporter base at minimal cost.

Throughout the year we held several Regional Events on Stavros to promote the Trust's work, to re-energise our local supporters, donors and recruiters of young people and to attract new ones. We deployed one of the Challengers to the Southampton Boat Show in September. Our "taster sailing experiences" proved so successful that we have already been invited to attend again in 2014/15. In January we took one of the Challengers to the London Boat Show and with the support of our wonderful volunteers gave personalised tours to over 3,000 visitors.

The Trust's ninth Charity Yacht Regatta took place in November 2013, bringing together Trust supporters and volunteers from around the UK and helping us to raise awareness of the Trust's work in the yachting world. Over 100 people took part in a fiercely contested "round the cans" Solent racing, finishing with a dinner dance. The event raised over £6K for young people's bursaries. We are planning a special tenth anniversary event for November 2014. Finally we were delighted to be awarded the High Sheriff of Hampshire's Charity Award for 2013/14 and named as the Royal Southampton Yacht Club's nominated charity for 2014/15.

TALL SHIPS YOUTH TRUST

REPORT OF THE TRUSTEES AND STRATEGIC REPORT

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Fundraising

The Trust raised £876K from individuals, trusts, organisations and legacies in 2013/14.

This included an exceptionally generous donation of £250K from Vice Patron Andrew Salvesen, released from his Endowment Fund, to assist the implementation of the Business Plan. We are extremely grateful to Andrew, a benefactor of the Trust for nearly 30 years, for continuing to support us in this way.

In addition, we raised £626K from day-to-day fundraising activities, an impressive 17% increase on the previous year.

Approaching grant making trusts again proved successful in 2013/14. A number of grant making trusts donate to us each year and we are very grateful to these for their continued support. Using our new initiatives as a platform, we were also able to engage with a number of new trusts and we thank them for deciding to give us their support for the first time in 2013/14. We were particularly pleased to receive £28K from Comic Relief for the first year of the project to help young people not in employment, education or training and £24K from the City Bridge Trust to continue our London project for 200 young people with special needs.

Despite the difficult economic times and national reports that individuals are giving less to charities, we continue to be surprised by the generosity of our supporters. The Trust is very fortunate to have hundreds of individuals who support its work. Some respond to cash appeals while others give a regular monthly donation/subscription or donate the proceeds from an event. Many give several donations a year using all of these routes. We are very grateful to everyone who supported the Trust by giving a donation in 2013/14.

During 2013/14 we also had a very good response to our cash appeal. Further donations were received from supporters taking part in a variety of fundraising activities and events. These ranged from fun runs, cycle rides and river races to family fun days and sponsored slims. Other supporters asked their family and friends to make a donation instead of a birthday present or in memory of someone special.

As in previous years, legacies were another very welcome and valuable source of income in 2013/14. We received income from two estates and we are very grateful indeed to all of those who chose to leave us donations in their wills.

To support our expanding individual giving programmes, in 2013/14 we further developed the fundraising section on our website. The “fundraising ideas” page has proved particularly popular and has encouraged more people to get involved in raising funds for the Trust.

Our committed giving scheme – the Fellowship – goes from strength to strength. Launched last year to celebrate the wonderful achievement of our 100,000th trainee at sea, its aim is to bring together all those whose lives have been touched by the Trust’s work and who want to help us to continue it. This includes those who have sailed with us since 1956 and also the thousands of parents, carers, teachers etc who have seen for themselves how our voyages can change young people as well as the crews who have supported them along the way. The Fellowship is providing much needed, regular income for bursaries and vessel running costs so that more young people can experience their life changing benefits.

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Fundraising (continued)

Since the launch, over 200 supporters and past sailors have signed up to the Fellowship or upgraded their monthly donations. This is contributing an additional £60K a year, sufficient to support another 170 young people. We are very grateful to everyone who is supporting us through the Fellowship.

We are planning a number of events over the next few years to bring Fellowship members together.

Volunteers

The Trust has thousands of individuals who dedicate themselves to the service of the Trust and its mission for young people.

Some are involved in our volunteer support groups (Branches) whilst others offer their services on our vessels or help out at fundraising events, exhibitions and port events. Many are involved in several different activities for the Trust.

Our Volunteers are an essential element in everything we do and their contribution can be seen in every section of this Report.

In total, they donated over 108,000 hours to the Trust during 2013/14.

The Trust has some 2,500 individuals volunteering and regularly supporting the Trust and we are very grateful to them all.

Environmental Policy

The Trust continues in its efforts to reduce its carbon footprint and overall impact on the environment.

It is currently doing this through a number of initiatives:-

- Reducing energy consumption on the Trust's vessels by minimising the use of engines and generators. This is achieved by, for example, organising voyage schedules to maximise the amount of sailing compared to motoring and careful management and monitoring of the "domestic" services on board to reduce the energy requirements for heating, cooling and lighting.
- Implementing a marine environmental policy which eliminates discharges into the sea of any materials other than biodegradable substances.
- Promoting a "switch it off" energy campaign amongst staff and volunteers.
- Recycling paper, cardboard, plastics, metal, mobile phones and printer cartridges.
- Promoting conference calls to reduce business miles.

TALL SHIPS YOUTH TRUST

REPORT OF THE TRUSTEES AND STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2014

Financial Results for the Year Ended 28 February 2014

The results for the year show that outgoing resources exceeded incoming resources by (£747K), reducing to (£328K) net of non-cash and exceptional items. This was a £29K improvement on 2012/13.

The result was in line with the expectations of the Business Plan and underlines the strategies we adopted in the plan to replace our 60m Brig with a smaller Tall Ship in order to support our expanding group business and develop our youth work.

The Business Plan is based on prudent assumptions and the Trust continues to monitor the plan as part of its risk management activities to ensure that it is on track.

Underlying performance was solid with a £120K improvement on 2012/13 but (£185K) of one-off items meant that overall, the result for 2013/14 was (£65K) worse:-

- £120K improvement on 2012/13, mainly:-
 - £92K more day to day fundraising income – Donations from grant making trusts and individuals up 17% on previous year
 - £82K lower fleet costs – Various initiatives reduced costs across the fleet
 - £100K lower fleet costs – Reduced costs due to Stavros winter alongside
 - (£80K) lower fleet income – Reduced income due to Stavros winter alongside
 - (£32K) higher interest costs – Cost of increased loans to support Business Plan
 - (£17K) less endowment – Lower market gain in value of investments
- (£185K) of one-off items, mainly:-
 - (£100K) exceptional donation in 2012/13 only – Donation from Foundation for Sport and the Arts to support implementation of the Business Plan
 - (£30K) activity in 2012/13 only – Net income from Fellowship Dinner to celebrate Trust's 100,000th trainee
 - £250K exceptional donation in 2013/14 only – Donation from Andrew Salvesen to support implementation of Business Plan, released from Endowment Fund (shown on Transfers between funds line in accordance with SORP)
 - (£250K) exceptional donation cost in 2013/14 only – Cost of Andrew Salvesen donation set against Endowment Fund, (shown on Transfers between funds line in accordance with SORP)
 - (£55K) one-off pension cost in 2013/14 only - Provision for 2012 Merchant Navy Officers Pension Fund deficit

In connection with the implementation of the Business Plan, the Trust arranged an additional £280K long term borrowing during 2013/14. The Trust is immensely grateful to the organisations and individuals who have supported the work of the Trust in this way.

Having bought the three remaining Challengers with a market value of £1.1M for just £328K in 2011/12 due to exceptionally large donations from two Vice Patrons and a very large legacy, the Trust's fleet now has a book value of £5.1M at 28 February 2013.

The Trust ended the year with £2,048K in its unrestricted funds and £2,094K in its restricted and endowment funds, so that total funds were £4,142K.

TALL SHIPS YOUTH TRUST

REPORT OF THE TRUSTEES AND STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2014

Future Financial Prospects and Reserves Policy

The mixed fleet model – a Tall Ship and Ocean Going Yachts – is a good one for the Trust and one we want to retain as it offers the most diverse development opportunities for young people. We also see the group bookings market growing and we want to pursue and maximise the opportunities of this trend which leans us towards smaller vessels. At the same time, like many other charities, particularly those affected by seasonality, cash remains tight.

So we also want to improve financial stability. We recognise that we are more likely to achieve this going forward by reducing costs than by relying on fundraising income given the current economic climate. For these reasons our Business Plan sees us replacing our 60m Brig with a smaller Tall Ship. This will support our expanding group business as well as reduce costs further. The sale of the Brig is progressing as envisaged in the Business Plan. This new fleet will fit better with our current and proposed business model whilst allowing us to continue developing our work with young people.

We have raised the funds needed to implement this Business Plan including a donation of £100K in 2012/13 and £250K in 2013/14. The successful execution of the Business Plan will see the proceeds from the sale of the Brig being utilised to repay borrowing arranged to finance the Business Plan and provide core funding for the replacement smaller Tall Ship. Nevertheless, the Trustees recognise that 2014/15 will be another challenging year financially but take comfort from previous years' achievements in equally challenging circumstances.

The Trustees' medium term objective is to build the Trust's reserves to protect our charitable mission against unexpected events, for example the consequences of one or more of the vessels being temporarily out of service. The Trustees have therefore set a goal of building available liquid assets of the unrestricted funds to meet any potential gap between income and expenditure. We recognise that it may take many years to achieve this but, once achieved, it will protect the charitable work of the Trust's thousands of supporters of the past half century.

Risk Review

The major operational, reputation and financial risks to which the Trust is exposed, as identified by Council, have been reviewed and systems established to mitigate those risks:-

- Operations - The principal risk is associated with running the Trust's vessels. The safety of everyone on board is paramount. All significant activities are risk reviewed at initial assessment and implementation. Salaried and Volunteer Crew receive training. Voyage Crew are trained and supervised. All vessels are maintained to the highest safety standards, in compliance with MCA and other regulatory standards.
- Fundraising Income – The risk of not securing voluntary income in these difficult economic times is being mitigated by approaching a broader range of funders.
- Business Plan – As part of its risk management activity, the Trust continues to monitor and assess that the plan is progressing. There is a risk that the trading and other assumptions in the Business Plan are not achieved. If this happens, and were progress to be delayed, it is believed that there is flexibility for an alternative plan to be developed.
- Liquidity - The Trust seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

TALL SHIPS YOUTH TRUST

REPORT OF THE TRUSTEES AND STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2014

Risk Review (continued)

- Credit - The Trust's principal financial assets are investments, bank deposits, cash and debtors. The credit risk associated with bank deposits and cash is low. The principal credit risk arises from debtors. To manage this, voyage fees are paid before departure.
- Pensions – The Trust's subsidiary, Tall Ships Limited ("TSL"), is a member of MNOFP, a multi-employer pension fund. TSL is in the process of agreeing a revised funding plan with the MNOFP. There is the risk that the funding assumptions of the pension fund are amended, resulting in a change in the funding requirement by TSL.
- Investments - The Trust employs an investment manager to manage the funds on a discretionary basis, with agreed objectives for a diversified portfolio invested in a medium risk spread of assets. The Trustees keep these guidelines under review and, at quarterly intervals, review the performance of the investments against an appropriate benchmark.

Investment Powers and Investment Policy

The Articles of Association give the Trustees the power to invest the monies of the Trust not immediately required for its purposes in or upon such investments, securities or other property as may be thought fit, subject nevertheless to such conditions and such consents as may for the time being be imposed by law.

The Trust employs an investment manager to manage the funds on a discretionary basis, with agreed objectives to generate both long-term growth and income from a diversified-risk portfolio. The Trustees keep these guidelines under review and, at quarterly intervals, review the performance of the investments against an appropriate benchmark, the WM Total Charity index (total return).

The portfolio achieved a total return of 8.0% for the twelve month period to 28 February 2014 once the withdrawals of £235,000 in October and £15,000 in November are taken into account, compared with a 9.2% rise in the benchmark, WM Total Charity index (total return). Over the three year period to 28 February 2014, the portfolio gained 28.2% versus a 29.4% rise in the benchmark.

In terms of asset allocation, the portfolio is underweight in fixed interest compared to the benchmark, in response to the fall in the yields on UK government bonds in recent years to record low levels. It is correspondingly overweight in both UK and overseas equities, which has been beneficial to performance with equity markets rallying during 2013. Alternative assets such as infrastructure trusts, absolute return funds and property have added useful diversification, at a time when there is little value in holding cash, given the stubbornly low interest rates on offer. The equities within the portfolio are generally defensive in nature with a focus on companies that are well managed, have strong balance sheets and secure cash-flows. There is also a bias towards companies generating a large proportion of their revenues overseas. We are comfortable with the current structure of the portfolio and believe the portfolio to be well diversified and suitably positioned to meet its objectives in the coming 12 months. An estimated gross annual income of £12,715 was being generated by the investments as at 28 February 2014, equivalent to a gross yield of 3.3%.

TALL SHIPS YOUTH TRUST

REPORT OF THE TRUSTEES AND STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2014

Structure, Governance and Management

The Tall Ships Youth Trust is a charitable company limited by guarantee. The governing documents are its Memorandum and Articles of Association. For the purposes of Company Law, the Trustees listed on page 1, all of whom served throughout the year except as otherwise stated, are the Directors of the company and are elected by resolution of the company in a general meeting. The company is administered under the control of the Trustees, sitting as the Council of Management, who have general control of and responsibility for the management of the Trust and its subsidiary companies.

Trustees are eligible to claim their out-of-pocket expenses but none do.

There are several Council sub-committees including a Remuneration Committee and Working Groups are also formed from time to time to consider specific, short-term issues.

The trading operations of the Trust are devolved to its wholly owned subsidiary, Tall Ships Limited. As well as appointing Directors to the subsidiary company, the Council establishes other committees to deal with different aspects of the Trust's work as necessary.

Day-to-day management of the Trust is delegated to the Chief Executive. We congratulate and thank our small but extremely professional, committed and hard working team at Head Office for achieving such remarkable success over recent years on such limited resources.

We are also fortunate to have such a wealth of knowledge, skills and experience on our Trustee board. As part of our planning process, we review and amend our Trustee matrix, a statement of the ideal mix of backgrounds and attributes needed collectively by the Trustees in order to effectively manage the Trust. Using this as a guide, we then attract and appoint new Trustees to fill vacancies as they arise.

The nominations, screening and selection process for new Trustees is managed on the Council's behalf by an Appointments Committee consisting of three Trustees including the Chairman and Chairman of Governance and Finance. Additional Trustees are involved as appropriate. Candidates are invited to meet at least two Members of the Appointments Committee and the Chief Executive. As part of the appointments process, all new Trustees also receive a full briefing on the Trust's financial performance, business plans and key issues, and meet key employees. On conclusion of this process, the Appointments Committee recommend candidates to the Council which decides on the appointment and, if successful, co-opts the individual until the next AGM at which their appointment is agreed by the Members.

The Trust has a wide-ranging induction programme for new Trustees which is also open to existing trustees to attend. The programme includes visits to the Trust's main operating bases (vessels), introduction to new youth initiatives, coverage of the charity's aims and how they are being fulfilled, the role and duties of the trustees, company and charity law and governance, and financial and risk management. Further ongoing training is arranged for Trustees individually or the Board as a whole as needed.

Two Trustees, Malcolm Le May and Owen Michaelson, stood down in 2013/14. One new Trustee, Wendy Fitzsimmons, joined us.

We thank all who gave of their time to support the Trust during the year.

TALL SHIPS YOUTH TRUST

REPORT OF THE TRUSTEES AND STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2014

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of Tall Ships Youth Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as each of the Trustees is aware:-

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

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

Auditors

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

ON BEHALF OF THE TRUSTEES



Jock Lennox
Chairman of the Council
29 May 2014

REPORT OF THE INDEPENDENT AUDITOR

TO THE MEMBERS AND TRUSTEES OF TALL SHIPS YOUTH TRUST

We have audited the financial statements of Tall Ships Youth Trust for the year ended 28 February 2014 which comprise the principal accounting policies, the consolidated statement of financial activities, the consolidated summary income and expenditure account, the consolidated and parent charitable company balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members and trustees, 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 charitable company's members and 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 charitable company and its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 16 and 17, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 parent charitable company's affairs as at 28 February 2014 and of the group's incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

REPORT OF THE INDEPENDENT AUDITOR

TO THE MEMBERS AND TRUSTEES OF TALL SHIPS YOUTH TRUST
(CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Trustees' Annual Report 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:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Stephen Mills
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Southampton
30 May 2014

TALL SHIPS YOUTH TRUST

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Companies Act 2006 and with applicable United Kingdom accounting standards and the Statement of Recommended Practice: Accounting and Reporting by Charities (the SORP) issued in March 2005. They have been prepared under the historical cost convention except for certain yachts and investments included at market value.

As set out in the Trustees' Report, the Trustees have implemented a strategy to reduce the Trust's operating costs over the long term. The Business Plan is based on prudent assumptions including the likely timing of the sale of the Brig and, as part of its risk management activity (see pages 14-15), the Trust continues to monitor and assess that the plan is progressing. The projections of future cash flow show that the Trust remains in a position to deliver its Business Plan and consequently the Trustees consider it appropriate to continue to prepare the financial statements on a going concern basis.

The principal accounting policies of the group have remained unchanged from the previous year except for the below.

The Trustees have reviewed the accounting policy in respect of defined benefit pension deficits. Where payment plans are in place, deficits are recognised within creditors, aged based upon the payment plan. Where payment plans are not in place, a provision is recognised based upon the best estimate of the deficit. A prior year adjustment is included, reclassifying from creditors falling due after more than one year to provisions. This reclassification does not change the Statement of Financial Activities (SOFA).

BASIS OF CONSOLIDATION

The group financial statements consolidate those of the charity and of its subsidiary undertakings (see note 11) drawn up to 28 February 2014. The results of the charity's trading subsidiary, Tall Ships Limited, have been consolidated on a line by line basis. Surpluses or deficits on intra group transactions are eliminated in full.

INCOMING RESOURCES

Donations and Gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies to which the charity is entitled are included in the statement of financial activities unless they are incapable of measurement.

Intangible income is valued and included in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure. Voluntary help is not included as income.

Life subscriptions are counted in full when received. Annual membership fees are recognised over the period to which they relate.

Donations and any associated income tax recoveries when donated under gift aid are credited as income when the amounts are received.

Activities for Generating Funds

Revenue from activities such as special fund raising events is recognised in the period in which the activity or event occurs.

TALL SHIPS YOUTH TRUST

PRINCIPAL ACCOUNTING POLICIES

INCOMING RESOURCES (CONTINUED)

Investment income

Investment income is recognised when receivable.

Incoming Resources from Charitable Activities

Revenue from voyage fees is recognised in the year in which the voyage commences.

Grants Receivable

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Grants for the purchase of fixed assets are initially credited to restricted incoming resources when receivable. On completion of the purchase or construction of the fixed asset towards which the grant was receivable, the amount of grant is transferred from restricted to unrestricted resources.

RESOURCES EXPENDED

Expenditure is recognised when a liability is incurred.

Expenditure, which is charged on an accruals basis, is allocated between:-

- Charitable expenditure incurred directly in the fulfilment of the charity's objectives.
- Costs of generating funds, being those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Other costs comprise interest payable on loans.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

FUND ACCOUNTING

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

Endowment funds represent those funds which must be held permanently on trust by the charity for the benefit of the charity.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation, net of depreciation. The costs of the new ships include all direct costs incurred before entry into service. Depreciation is calculated on all tangible fixed assets to write down the cost or valuation less estimated residual value by annual instalments over their expected useful lives. The periods generally applicable are:-

Brigs	25 years
Yachts	5-20 years
Computers and Office Equipment	5 years
Display and Exhibition Equipment	3 years
Fixtures and Fittings	18 months

TALL SHIPS YOUTH TRUST

PRINCIPAL ACCOUNTING POLICIES

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with in the statement of financial activities.

INVESTMENTS

Assets held for investment purposes are included at market value.

Traded securities are valued at the mid-point quotation in the Stock Exchange Daily List. Other investment assets are included at the Trustees' best estimate of market value. Donated shares that come with a requirement that they be held for a fixed period are included in the Balance Sheet at a value assessed by the Trustees at the date of receipt. This value is then reviewed by the Trustees at each balance sheet date.

STOCKS

Stocks are stated at the lower of cost and net realisable value.

RETIREMENT BENEFITS

Defined Contribution Scheme

The pension costs charged in the year represent the amount of the contributions payable to the scheme in respect of the accounting period.

Defined Benefit Scheme

Some former employees of the Trust's active subsidiary, Tall Ships Limited, were members of the Merchant Navy Officers Pension Fund, which is a multi-employer scheme. Tall Ships Limited is unable to identify its share of the underlying assets and liabilities of this scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement Benefits', accounts for it as if it were a defined contribution scheme.

LEASED ASSETS

Finance lease agreements

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Operating lease agreements

Leases regarded as operating leases and the payments made under them are charged to the statement of financial activities on a straight line basis over the lease term.

TALL SHIPS YOUTH TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 28 FEBRUARY 2014

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2014 £	Total 2013 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income	1	194,180	435,228	-	629,408	636,959
Activities for generating funds	2	26,835	-	-	26,835	60,816
Investment income		523	1,803	46,544	48,870	65,767
Incoming resources from charitable activities	3	<u>1,519,682</u>	<u>-</u>	<u>-</u>	<u>1,519,682</u>	<u>1,623,973</u>
Total incoming resources		<u>1,741,220</u>	<u>437,031</u>	<u>46,544</u>	<u>2,224,795</u>	<u>2,387,515</u>
Resources expended						
Costs of generating funds						
Costs of generating voluntary income		204,582	-	-	204,582	219,526
Costs of activities for generating funds		12,259	-	-	12,259	26,544
Investment management costs		-	-	4,952	4,952	5,072
Charitable activities		2,129,190	479,304	-	2,608,494	2,725,122
Governance costs		33,578	-	-	33,578	36,806
Other costs		125,769	-	7,863	133,632	101,955
Total resources expended		<u>2,505,378</u>	<u>479,304</u>	<u>12,815</u>	<u>2,997,497</u>	<u>3,115,025</u>
Net incoming/(outgoing) resources before other recognised gains and losses		(764,158)	(42,273)	33,729	(772,702)	(727,510)
Other recognised gains and losses						
Transfers between funds		39,948	-	(39,948)	-	-
Transfers - Exceptional	1	-	250,000	(250,000)	-	-
Gains/(losses) on investment assets		-	-	25,881	25,881	45,596
Net incoming/(outgoing) resources for the year		(724,210)	207,727	(230,338)	(746,821)	(681,914)
Fund balances brought forward at 1 March 2013		<u>2,772,661</u>	<u>1,076,199</u>	<u>1,040,255</u>	<u>4,889,115</u>	<u>5,571,029</u>
Fund balances carried forward at 28 February 2014		<u>2,048,451</u>	<u>1,283,926</u>	<u>809,917</u>	<u>4,142,294</u>	<u>4,889,115</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

All operations of the Trust and its subsidiaries are classed as continuing.

TALL SHIPS YOUTH TRUST

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2014

	2014	2013
	£	£
Total income	2,178,251	2,324,146
Total expenditure	<u>(2,984,682)</u>	<u>(3,109,953)</u>
Net outgoings for the year before transfers	<u>(806,431)</u>	<u>(785,807)</u>

Total income comprises £1,741,220 (2013: £1,947,643) for unrestricted funds and £437,031 (2013: £376,503) for restricted funds. A detailed analysis of income by source is provided in the statement of financial activities.

Detailed analysis of expenditure is provided in the Consolidated Statement of Financial Activities and note 6.

The summary income and expenditure account is derived from the Consolidated Statement of Financial Activities on page 23 and excludes all income and expenditure on the endowment funds. The statement of financial activities together with the notes on pages 26 to 36 provides full information on the movements during the year on all the funds of the Charity.

TALL SHIPS YOUTH TRUST

BALANCE SHEETS

AS AT 28 FEBRUARY 2014

		Consolidated		Tall Ships Youth Trust	
		2014	2013	2014	2013
			Restated*		
Note	£	£	£	£	£
Fixed assets					
Tangible assets	10	5,079,731	5,301,018	5,079,731	5,301,018
Investments	11	-	-	160,409	160,409
		5,079,731	5,301,018	5,240,140	5,461,427
Current assets					
Stocks		10,918	1,869	250	250
Debtors	12	287,202	329,365	86,813	42,565
Investments	13	387,250	617,328	387,250	617,328
Cash at bank and in hand		279,319	233,421	223,225	157,622
		964,689	1,181,983	697,538	817,765
Creditors: amounts falling due within one year	14	(615,134)	(608,437)	(773,027)	(647,720)
Net current assets / (liabilities)		349,555	573,546	(75,489)	170,045
Total assets less current liabilities		5,429,286	5,874,564	5,164,651	5,631,472
Creditors: amounts falling due after more than one year	15	(1,060,014)	(808,129)*	(1,000,000)	(720,000)
Provisions for liabilities					
Pension provision	20	(226,978)	(177,320)*	-	-
		4,142,294	4,889,115	4,164,651	4,911,472
Capital funds					
Endowment funds	16	809,917	1,040,255	809,917	1,040,255
Income funds					
Restricted funds	17	1,283,926	1,076,199	1,283,926	1,076,199
Revaluation reserve	18	104,046	109,997	104,046	109,997
Other unrestricted funds	18	1,944,405	2,662,664	1,966,762	2,685,021
		4,142,294	4,889,115	4,164,651	4,911,472

* See Note 20

The financial statements were approved by the Trustees on 29 May 2014.



Jock Lennox
Chairman of the Council

Charity Number: 314229 Company Number: 567460

The accompanying accounting policies and notes form an integral part of these financial statements.

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

1 INCOMING RESOURCES FROM VOLUNTARY INCOME

	2014	2013
	£	£
Donations	542,435	563,070
Legacies	25,780	13,937
Membership	61,193	59,952
	<u>629,408</u>	<u>636,959</u>

During the year, £250,000 was received from Andrew Salvesen to support the implementation of the Business Plan. This was released from the Andrew Salvesen Endowment Fund and is shown in Transfers – Exceptional line on the Consolidated Statement of Financial Activities in accordance with the SORP.

2 INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING INCOME

	2014	2013
	£	£
Fundraising Events	<u>26,835</u>	<u>60,816</u>

3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2014	2013
	£	£
Generated from Ship Operations	1,481,833	1,584,833
Grants (receivable from Association of Sea Training Organisations for Youth Work)	<u>37,849</u>	<u>39,140</u>
	<u>1,519,682</u>	<u>1,623,973</u>

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

4 NET INCOME FROM ACTIVITIES OF SUBSIDIARIES

The Charity's only active subsidiary is Tall Ships Limited. A summary of its results for the year is set out below:-

	2014 £	2013 £
Turnover	1,601,227	1,721,695
Operating costs	(1,785,048)	(1,908,166)
Other income – subvention receipt	183,761	186,476
Operating profit	(60)	5
Interest receivable	60	53
Interest payable and other charges	-	(58)
Net profit	-	-

The net assets and liabilities of the active subsidiary are:

	2014 £	2013 £
Current assets	451,443	410,483
Creditors: amounts falling due within one year	(164,451)	(145,034)
Creditors: amounts falling due after more than one year	(60,014)	(88,129)
Provision	(226,978)	(177,320)
Total net assets	-	-
Aggregate of share capital and reserves	-	-

*See Note 20

5 BRANCHES

The financial results of the branches of Tall Ships Youth Trust are consolidated into these accounts on the basis of returns as of 28 February submitted by each branch. Branches raised £39,124 (2013: £32,084) in the year.

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

6 ANALYSIS OF RESOURCES EXPENDED

	Direct costs £	Support costs £	Total 2014 £	Total 2013 £
Cost of generating funds				
Costs of generating voluntary income:				
Fundraising costs	167,062	37,520	204,582	219,526
Costs of activities for generating funds:				
Events costs	12,048	211	12,259	26,544
Investment management costs	4,952	-	4,952	5,072
Charitable activities				
Ship related costs	1,395,752	-	1,395,752	1,564,770
Depreciation	262,867	-	262,867	257,488
Bursaries and grants paid from restricted funds	479,304	-	479,304	496,331
Defined benefit pension scheme cost	60,901	-	60,901	-
Other expenses	303,053	106,617	409,670	406,533
	<u>2,501,877</u>	<u>106,617</u>	<u>2,608,494</u>	<u>2,725,122</u>
Governance costs				
Staff costs	15,043	-	15,043	15,049
Auditors remuneration	15,085	-	15,085	17,981
Administrative expenses	1,708	1,742	3,450	3,776
	<u>31,836</u>	<u>1,742</u>	<u>33,578</u>	<u>36,806</u>
Other costs				
Interest payable and other charges	133,632	-	133,632	101,955
Total resources expended include:				
			2014	2013
			£	£
Auditors remuneration				
Audit services			14,500	14,500
Non-audit services			1,500	1,500
Expenses			460	460
			<u>16,460</u>	<u>16,460</u>
Depreciation			266,547	261,502
Operating lease rentals			<u>31,059</u>	<u>25,469</u>

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

7 EMPLOYEES

Employee costs during the year were as follows:

	2014	2013
	£	£
Wages and salaries	440,188	442,952
Social security costs	45,843	46,931
Other pension costs	22,519	22,540
	<u>508,550</u>	<u>512,423</u>

The average number of employees during the year were as follows:

	2014	2013
Management and administration	<u>13</u>	<u>13</u>

The emoluments of higher paid employees fell within the following ranges

	2014	2013
	Number	Number
£60,001 to £70,000	1	1
£70,001 to £80,000	<u>1</u>	<u>1</u>

8 PAYMENTS TO TRUSTEES AND CONNECTED PERSONS

No Trustee or person with a family or business connection with a Trustee received remuneration in the year, directly or indirectly, from either the charity or an institution or company controlled by the charity.

Expense reimbursements for travel and subsistence were not paid to Trustees during the year (2013: £nil).

9 DEFICIT OF EXPENDITURE OVER INCOME

A separate statement of financial activities and income and expenditure account are not presented for the parent charity as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

The deficit of income over expenditure for the year includes £724,211 (2013: deficit of £625,511) that is dealt with in the financial statements of the charity. This is stated after the subvention payment of £183,761 (2013: £186,476) to its subsidiary Tall Ships Limited.

Details of the results of the trading subsidiary are set out in note 4.

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

10 TANGIBLE FIXED ASSETS

Consolidated and Tall Ships Youth Trust	Brig £	Yachts £	Computers, Fixtures and Equipment £	Total £
Cost or valuation				
At 1 March 2013	5,715,496	1,713,793	155,744	7,585,033
Additions		44,501	759	44,810
At 28 February 2014	<u>5,715,496</u>	<u>1,758,294</u>	<u>156,503</u>	<u>7,630,293</u>
Depreciation				
At 1 March 2013	1,932,482	206,403	145,130	2,282,015
Provided in the year	156,413	106,456	3,678	266,550
At 28 February 2014	<u>2,088,895</u>	<u>312,859</u>	<u>148,808</u>	<u>2,550,565</u>
Net book amount at 28 February 2014	<u>3,626,601</u>	<u>1,445,435</u>	<u>7,695</u>	<u>5,079,731</u>
Net book amount at 28 February 2013	<u>3,783,014</u>	<u>1,507,390</u>	<u>10,614</u>	<u>5,301,018</u>

The figures stated above for cost or valuation in respect of Yachts comprise assets at:

	£
Cost	1,388,294
Valuation	370,000
	<u>1,758,294</u>

If certain fixed assets had not been revalued, they would have been included on the historical cost basis at the following amounts:

	Yachts £
Cost	290,000
Accumulated depreciation	119,222
Net book amount at 28 February 2014	<u>170,778</u>
Net book amount at 29 February 2013	<u>190,111</u>

Included within the net book value of £5,079,728 is £Nil (2013: £9,324) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £Nil (2013: £2,944).

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

11 FIXED ASSET INVESTMENTS

	2014 £	2013 £
Investment in Subsidiary undertakings	<u>160,409</u>	<u>160,409</u>

At 28 February 2014 the charity held the whole of the issued share capital of its active subsidiary – Tall Ships Limited engaged on the operation of tall ships. The charity also held the whole of the issued share capital of the following dormant companies – Tall Ships Races Limited, Tall Ships Classics Limited, Tall Ships Events Limited, STA Tall Ships Limited, International STA Limited, Tall Ships Youth Limited, Tall Ships Crew Limited, Tall Ships Adventures Limited, Tall Ships 2000 Limited and The Sail Training Association. All of the subsidiary undertakings have been consolidated in these financial statements.

12 DEBTORS

	Consolidated		Tall Ships Youth Trust	
	2014 £	2013 £	2014 £	2013 £
Trade debtors	-	17,488	-	-
Amounts owed by group undertakings	-	-	1,955	1,955
VAT	11,720	31,974	2,162	10,826
Unamortised dry docking costs	144,301	225,171	-	-
Other debtors	83,010	36,452	70,945	18,397
Prepayments	48,171	18,280	11,751	11,387
	<u>287,202</u>	<u>329,365</u>	<u>86,813</u>	<u>42,565</u>

13 CURRENT ASSET INVESTMENTS

	Consolidated		Tall Ships Youth Trust	
	2014 £	2013 £	2014 £	2013 £
Listed investments (in the UK)	379,717	611,119	379,717	611,119
Cash held as part of portfolio	3,606	2,543	3,606	2,543
Unlisted investments (in the UK)	3,927	3,666	3,927	3,666
	<u>387,250</u>	<u>617,328</u>	<u>387,250</u>	<u>617,328</u>

Listed investments are stated at the lower of Trustees' valuation or their market value as at the balance sheet date. Unlisted investments have been valued by the Trustees.

In a prior year, some endowment fund investments were sold and the amount realised was loaned to the Trust, with the consent of the donor of the endowment fund. The loan is secured by a charge over one of the Trust's vessels in favour of the endowment fund.

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Tall Ships Youth Trust	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	-	-	-	-
Loans from Trustees and funders	150,518	242,610	150,518	242,610
Payments received on account	268,415	161,155	187,108	88,117
Trade creditors	39,839	70,653	6,144	22,067
Amounts owed to group undertakings	-	-	322,343	184,317
Amounts due under finance leases	-	4,727	-	4,727
Social Security and other taxes	12,567	11,190	12,567	11,190
Other creditors and accruals	143,795	118,102	94,347	94,692
	615,134	608,437	773,027	647,720

Loans from Trustees and funders are secured by fixed charges over the Trust's vessels (see note 25).

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated		Tall Ships Youth Trust	
	2014	2013	2014	2013
	£	Restated* £	£	£
Loans from Trustees and funders	1,000,000	720,000	1,000,000	720,000
Other creditors	60,014	88,129*	-	-
	1,060,014	808,129*	1,000,000	720,000

*See Note 20

16 ENDOWMENT FUNDS

	Andrew Salvesen £	Michael Crocker £	Nova Scotia £	Lord Burnham £	Total £
At 1 March 2013	994,035	11,992	11,671	22,557	1,040,255
Incoming resources	15,732	357	356	651	17,095
Outgoing resources	(4,575)	(99)	(98)	(180)	(4,952)
Inter-fund interest receivable	29,448	-	-	-	29,448
Other inter-fund transfers	(297,811)	-	-	-	(297,811)
Net gains on investments	23,919	513	512	936	25,881
At 28 February 2014	760,749	12,764	12,439	23,965	809,917

The Andrew Salvesen fund was established in November 1999 with a donation from the Andrew Salvesen Charitable Trust (ASCT). By a trust deed dated 23rd March 2004, the ASCT, as settlor, established the Andrew Salvesen Endowment Trust (the ASET) to which the ASCT donated an initial capital sum of £900,000 to be held as permanent endowment. The object of the ASET is to generate income to enhance the personal development of young people through crewing tall ships. Tall Ships Youth Trust (TSYT) is the sole Trustee of the ASET which has been registered as a subsidiary charity of TSYT with the Charity Commission. By a Supplemental Deed dated 21 October 2013 amending the 2004 trust deed, the ASCT has power to direct TSYT, as Trustee of the ASET, to apply any part or

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

ENDOWMENT FUNDS (CONTINUED)

parts of the capital of the endowment of ASET to TSYT acting in its own capacity, subject to such conditions as may be agreed. On 23 October 2013, ASCT exercised this power by directing TSYT to release £250k to TSYT to be held by TSYT as a restricted fund for the purposes of providing working capital. In order to reflect this transfer, the value of the original gift by the ASCT (£900k) and the unapplied total return at the date of the transfer (£112k) have been reduced on a pro-rata basis.

The Michael Crocker fund was set up in memory of a yachtsman murdered in February 1982. The income is for contributions to voyage fees for pupils of Henley College. The Nova Scotia fund was set up in memory of trainees who died on the sailing ship "Marques" which sank off Bermuda during the 1984 American Tall Ships race. The income is shared with the American Sail Training Association and is to support a voyage berth. The Lord Burnham fund was set up in his memory following his death in June 1993. Income is for contributions to Voyage fees aboard the Trust's ships for trainees ideally but not exclusively from Eastern Europe.

The Charity Commission permitted the Trust to adopt the use of total return investment powers in relation to its permanent endowment investments by an order granted in May 2005. The power permits the Trustees to invest the portfolio to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income (as disclosed in the fund transfers, notes 18 and 19), the unapplied total return remains invested as part of the Permanent Endowment.

	£
Unapplied total return at 1 March 2013	111,256
Investment return - year to 28 February 2014	
Dividends	17,095
Inter-fund interest receivable	29,448
Gains and losses	25,881
Investment management costs	(4,952)
Unapplied total return before transfer to income	178,728
Transfer to Restricted Funds	(27,776)
Unapplied total return applied	(47,811)
Unapplied total return at 28 February 2014	103,141
Original value of gifts	929,000
Transfer to Restricted Funds	(222,224)
	706,776
Permanent endowment including the unapplied total return	809,917

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

17 RESTRICTED FUNDS

	Specific Funds £	International Fund £	Total £
At 1 March 2013	895,938	180,261	1,076,199
Incoming resources (including inter-fund transfers)	685,228	1,803	687,031
Outgoing resources	(479,304)	-	(479,304)
	<u>1,101,862</u>	<u>182,064</u>	<u>1,283,926</u>
At 28 February 2014	<u>1,101,862</u>	<u>182,064</u>	<u>1,283,926</u>

The Specific Funds are donations made to the Trust to be used for specified purposes. At 28 February 2014 there were 117 separate funds (2013: 108).

The International Fund is restricted within the accounts of the Trust for the support of international sail training activities.

18 UNRESTRICTED FUNDS

Consolidated	Revaluation reserve £	General reserve £	Total £
At 1 March 2013	109,997	2,662,664	2,772,661
Incoming resources (including inter-fund transfers)	-	1,781,168	1,781,168
Outgoing resources (including inter-fund transfers)	-	(2,505,378)	(2,505,378)
Transfer between reserves	(5,951)	5,951	-
	<u>104,046</u>	<u>1,944,405</u>	<u>2,048,451</u>
At 28 February 2014	<u>104,046</u>	<u>1,944,405</u>	<u>2,048,451</u>
Tall Ships Youth Trust	Revaluation reserve £	General reserve £	Total £
At 1 March 2013	109,997	2,685,021	2,795,018
Incoming resources (including inter-fund transfers)	-	225,559	225,559
Outgoing resources (including inter-fund transfers)	-	(766,008)	(766,008)
Transfer between reserves	(5,951)	5,951	-
Subvention payment to subsidiary undertaking	-	(183,761)	(183,761)
	<u>104,046</u>	<u>1,966,762</u>	<u>2,070,808</u>
At 28 February 2014	<u>104,046</u>	<u>1,966,762</u>	<u>2,070,808</u>

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Consolidated				
Tangible fixed assets	5,079,731	-	-	5,079,731
Current assets	(1,129,154)	1,283,926	809,917	964,689
Current liabilities	(615,134)	-	-	(615,134)
Creditors: due after more than one year	(1,060,014)	-	-	(1,060,014)
Provision	(226,978)	-	-	(226,978)
	<u>2,048,451</u>	<u>1,283,926</u>	<u>809,917</u>	<u>4,142,294</u>
Tall Ships Youth Trust				
Tangible fixed assets	5,079,731	-	-	5,079,731
Investments	160,409	-	-	160,409
Current assets	(1,396,305)	1,283,926	809,917	697,538
Current liabilities	(773,027)	-	-	(773,027)
Creditors: due after more than one year	(1,000,000)	-	-	(1,000,000)
	<u>2,070,808</u>	<u>1,283,926</u>	<u>809,917</u>	<u>4,164,651</u>

20 PENSIONS

Defined contribution scheme

The group makes contributions towards individual pension schemes for the benefit of certain employees. The assets of these schemes are administered by Trustees in funds independent from those of the Tall Ships Youth Trust and its subsidiary companies. Contributions made during the year are disclosed in note 7.

Defined benefit scheme

A number of former employees of the Trust's subsidiary Tall Ships Limited ("TSL") have belonged to an industry wide pension scheme – the Merchant Navy Officers Pension Fund ('MNOF'). The MNOF has advised TSL that part of the scheme is in deficit and it is apportioning the deficit between participating employers.

The share of the deficit attributable to TSL from the March 2003 and March 2006 actuarial valuations amounted to £159,393. Agreement was reached with the MNOF for this to be paid over a number of years together with interest on the outstanding balance. The current balances on these deficits are shown as £26,000 creditors falling due within one year and £60,014 creditors falling due after more than one year.

Provision

The Trustees have reviewed the accounting for the post 2006 pension liability. As discussions continue between TSL and MNOF on the precise payment terms, the Trustees have made a provision of £226,978 based on their current best estimate of the deficit. This amount has been reclassified from creditors due after more than one year, and the prior year figures restated. This reclassification does not change the Statement of Financial activities (SOFA).

Therefore, the aggregate deficit due to MNOF shown in the accounts is £312,992.

The Trustees are currently in discussions with the MNOF to agree a revised repayment schedule to include all deficits.

TALL SHIPS YOUTH TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2014

21 CAPITAL COMMITMENTS

There were no capital commitments at 28 February 2014 or 28 February 2013. No amounts were authorised but not yet contracted for.

22 CONTINGENT LIABILITIES

There were no contingent liabilities at 28 February 2014 or at 28 February 2013.

23 LEASING COMMITMENTS

Operating lease payments amounting to £31,059 (2013: £25,469) are due within one year. The leases to which these amounts relate expire as follows:-

	2014		2013	
	Land & buildings £	Other £	Land & buildings £	Other £
In one year or less	-	-	-	1,490
Between two and five years	20,750	3,229	20,750	3,229
Over five years	-	7,080	-	-
	<u>20,750</u>	<u>10,309</u>	<u>20,750</u>	<u>4,719</u>

24 RELATED PARTY TRANSACTIONS

Loans

In 2011/12, a loan facility was established by a syndicate of Trustees, secured by the Catamaran. The loan currently stands at £45,518 (2013: £45,110). The loans bear interest at 5% per annum and are repayable 12 months from the date of draw down, or earlier if alternative funds become available to the Trust from other sources. Lenders may also renew their loans for a further year on the anniversary of the drawdown.

Two similar such syndicates were established in 2012/13, secured by two of the Challenger yachts. These syndicates include Trustees and other related parties, in addition to members of the general public. Loans currently stand at £465,000 (2013: £435,000) of which £55,000 is from Trustees and connected related parties. These loans bear interest at 5% per annum and are repayable 36 months from the date of drawdown.

Tall Ships Youth Trust

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