

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

England & Wales · Charity number 1081658

Details

Status Registered

Legal form Charitable company

Company number [04019273](#)

Registered 2000-07-20

Register [View on the Charity Commission register](#)

Contact

Address Jubilee Sailing Trust Ltd
Enterprise House
Ocean Way
Ocean Village
Southampton
SO14 3XB

Phone 02380449108

Email info@jst.org.uk

Website www.jst.org.uk

Activities

Objects: TO PROVIDE FACILITIES FOR RECREATIONAL AND OTHER LEISURE TIME OCCUPATIONS FOR DISABLED PEOPLE IN THE INTEREST OF THEIR SOCIAL WELFARE WITHIN THE MEANING OF THE RECREATIONAL CHARITIES ACT 1958; AND IN PARTICULAR TO ASSIST THE JUBILEE SAILING TRUST IN THE ATTAINMENT OF ITS CHARITABLE OBJECTS NAMELY; TO PROVIDE SAIL TRAINING FACILITIES TO ENABLE PHYSICALLY DISABLED PEOPLE OVER THE AGE OF 16 TO SHARE THE CHALLENGE OF CREWING A TALL SHIP AT SEA WITH OTHER DISABLED AND ABLE BODIED PEOPLE FOR THEIR MUTUAL AND INDIVIDUAL INTEGRATION.

Activities: To give people of mixed abilities and circumstances the freedom to explore their ability, potential and place in the world through inclusive adventures at sea. Please also see Jubilee Sailing Trust (277810) which is the company's controlling party.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Disability, Amateur Sport
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Antigua And Barbuda
- Bermuda
- France
- Saint Helena
- South Africa
- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|--------|-----------|
| 2024-08-31 | - | - | - | - |
| 2023-08-31 | - | - | - | - |
| 2022-08-31 | - | - | - | - |
| 2021-03-31 | £2,183,256 | £2,183,256 | £0 | 0 |
| 2020-03-31 | £1,978,058 | £1,978,058 | £0 | 0 |
| 2019-03-31 | £2,137,659 | £2,137,659 | £0 | 30 |
| 2018-03-31 | £2,832,313 | £2,832,313 | £0 | 0 |
| 2017-03-31 | £3,974,950 | £2,285,694 | £0 | 0 |

Trustees

| Name | Role | Appointed |
|------------------|-------|------------|
| Charles Humpleby | Chair | 2021-01-01 |

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

England & Wales - Charity number 1081658

Accounts



JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Report and Financial Statements

Year Ended

31 March 2021

Registered Charity Number: 1081658

Company number: 04019273

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2021

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JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Reference and administrative details**

| | | |
|--|---|---|
| Board of Directors and Trustees | Charles Humpleby Tom Stewart James Crill Kevin Curran | Appointed 1 January 2021 Resigned 31 December 2020 Resigned 26 March 2021 |
| Chief Executive | Patrick Fleming | |
| Honorary Secretary | Malcolm Entwistle | |
| Registered office | Enterprise House Ocean Way Ocean Village Southampton SO14 3XB | |
| Bankers | National Westminster Bank PLC PO Box 315 High Street Southampton SO14 2BF | |
| Solicitors | Hill Dickinson LLP Irongate House Dukes Place London EC3A 7HX | |
| Independent Auditors | Fiander Tovell Limited Stag Gates House 63/64 The Avenue Southampton SO17 1XS | |
| Company Number | 04019273 | |
| Charity Number | 1081658 | |

JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Report of the Board of Directors for the year ended 31 March 2021**

Jubilee Sailing Trust (Tenacious) Limited (“JST T Limited”) is a subsidiary charity of the main charity, Jubilee Sailing Trust (“JST” charity registered number 277810). The main parent charity, JST, prepares a consolidated report and accounts including JST T Limited. The charitable objective is to enable physically disabled and able-bodied people to share the challenging and integrating experience of crewing a sailing tall ship at sea.

This report and accounts includes only the statutory information relating to this subsidiary charity, and does not fully reflect the overall charity’s objectives and operations. A fuller understanding of the operations of the JST group as a whole can be gained from the consolidated report and accounts.

Structure, Governance and Management

JST T Limited is a registered charity (no. 1081658) and is a company limited by guarantee (no. 04019273). The principal objective of this subsidiary charity is to own and operate a tall ship in support of the overall objectives of the parent charity. The objective has been achieved through the operation of “Tenacious” throughout the year.

The Directors, who are also Trustees of the parent charity, and other administrative details, are set out on page 2 of this report.

The Trustees of the parent charity are responsible for the governance of the group as a whole, with day to day decision making delegated to the CEO. The company operates in accordance with the group policies regarding the recruitment, appointment, induction and training of new Trustees and the setting of remuneration for key management personnel. The consolidated report and accounts disclose information regarding compliance with fund-raising standards.

Risk is managed at a group level with the principal risks being the group’s capital debt burden and the operational risks associated with the running of a tall ship.

Trustee indemnity insurance is in place.

Financial review and reserves

The overall income of this charity, JST T Limited, is up by £344,597 on 2020 (excluding the subvention from the parent charity). The operating costs are up by £192,339 on 2020. The operating loss and net decrease in funds for the year is £1,242,061 (2020: £1,381,460) before subvention. After subvention, the charity shows a net movement in funds of £Nil (2020: £Nil).

This charity receives financial support from its parent charity, and from its fellow subsidiary charity. Further information regarding going concern can be found in note 1b.

The company does not maintain reserves. Where possible, reserves are maintained by the parent charity.

Performance, achievements and plans for the future

The company’s performance is satisfactory in difficult circumstances. The company will continue to operate in support of the parent charity’s objectives.

Public Benefit

The Directors have had due regard to guidance published by the Charity Commission on public benefit and are confident that the charitable company meets the requirements.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED
Report of the Board of Directors for the year ended 31 March 2021

Auditors

The auditors, Fiander Tovell Limited, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Jubilee Sailing Trust (Tenacious) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

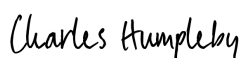
In so far as the Trustees are aware:

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

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

This report was approved by the Trustees on 1/2/2022 | 13:36 GMT



Charles Humpleby
Director

JUBILEE SAILING TRUST (TENACIOUS) LIMITED
Independent Auditors Report to the Members of Jubilee Sailing Trust (Tenacious) Limited

Opinion

We have audited the financial statements of Jubilee Sailing Trust (Tenacious) Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1(b) to the financial statements concerning the charitable company's ability to continue as a going concern, which is dependent upon the support of the parent charity and fellow members of the group, which in turn is dependent on the continued support of the group's bank, other creditors and its supporters and donors.

These conditions, along with the other matters explained in note 1(b) to the financial statements, indicate the existence of a material uncertainty about the group's and the charitable company's ability to continue in operation. The financial statements do not include the adjustments that would result in the event the company was unable to continue as a going concern. In view of the significance of this matter, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Independent Auditors Report to the Members of Jubilee Sailing Trust (Tenacious) Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Independent Auditors Report to the Members of Jubilee Sailing Trust (Tenacious) Limited**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- tested a sample of BACS payments to identify payments being made to unexpected bank accounts.
- performed transactional testing on payroll costs in respect of those employees with responsibility or authority in connection with the payroll function.
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- enquiring of management as to actual and potential litigation and claims.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Independent Auditors Report to the Members of Jubilee Sailing Trust (Tenacious) Limited

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Fiander Tovell

Paul Meacher FCA (Senior Statutory Auditor)

**For and on behalf of Fiander Tovell Limited
Chartered Accountants and Registered Auditors
Stag Gates House
63/64 The Avenue
Southampton
SO17 1XS**

Date: 1/2/2022 | 13:48 GMT

**Statement of Financial Activities (including Income & Expenditure Account)
for the year ended 31 March 2021**

| | Unrestricted Funds 2021 £ | Unrestricted Funds 2020 £ |
|--|------------------------------------|------------------------------------|
| Income and endowments from: | | |
| <i>Voluntary income</i> | 74,727 | 989 |
| <i>Charitable activities:</i> | | |
| Voyage fees | 667,239 | 527,265 |
| Appearance fees | - | 56,041 |
| <i>Other trading activities:</i> | | |
| Merchandising income | 6,140 | 12,303 |
| Other fundraising income | - | - |
| <i>Other:</i> | | |
| Subvention from Jubilee Sailing Trust | 1,242,061 | 1,381,460 |
| Sundry income | 193,089 | - |
| Total incoming resources | 2,183,256 | 1,978,058 |
| Expenditure on: | | |
| <i>Raising funds:</i> | | |
| Fund raising and publicity costs | 219,658 | 177,177 |
| Merchandising costs | 9,440 | 1,768 |
| | 229,098 | 178,945 |
| <i>Charitable activities:</i> | | |
| Tenacious operating and support costs | 1,818,124 | 1,625,785 |
| Tenacious depreciation | 106,250 | 106,250 |
| Interest payable | 7 29,784 | 67,078 |
| | 1,954,158 | 1,799,113 |
| Total resources expended | 4 2,183,256 | 1,978,058 |
| Net income/(expenditure) for the year/Net incoming/(outgoing) resources | - | - |
| (Losses)/Gains on revaluation of tangible fixed assets | - | - |
| Net movement in funds for the year | - | - |
| Fund balance at 1 April 2020 | - | - |
| Fund balance at 31 March 2021 | - | - |

All items dealt with in arriving at the net movement in funds for 2021 and 2020 relate to continuing operations.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Balance sheet at 31 March 2021

| | Notes | 2021 £ | 2020 £ |
|--|-------|-------------|-------------|
| Fixed assets | | | |
| Tangible assets | 8 | 3,832,396 | 3,775,852 |
| Current assets | | | |
| Stocks | 9 | 28,873 | 22,677 |
| Debtors due within one year | 10 | 143,317 | 778,697 |
| Debtors due after more than one year | 10 | - | - |
| Cash at bank and in hand | | 1,164 | 4,032 |
| | | 173,354 | 805,406 |
| Creditors: amounts falling due within one year | 11 | (918,231) | (1,351,666) |
| Net current (liabilities)/ assets | | (744,877) | (546,260) |
| Total assets less current liabilities | | 3,087,519 | 3,229,592 |
| Creditors: amounts falling due after more than one year | 12 | (3,087,519) | (3,229,592) |
| Net assets | | - | - |
| Unrestricted funds | | - | - |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006.

The financial statements were approved by the Board and authorised for issue on: 1/2/2022 | 13:36 GMT

by:

Charles Humpleby

Charles Humpleby Director
Company No. 04019273

JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Notes to the financial statements for the year ended 31 March 2021**

1 Accounting policies

Charity Information

Jubilee Sailing Trust (Tenacious) Limited is a charitable company established under a Memorandum and Articles of Association and registered with the Charity Commission and Companies House in England and Wales. The principal address is Enterprise House, Ocean Way, Ocean Village, Southampton, SO14 3XB. The charity is a public benefit entity.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention (subject to the revaluation of certain fixed assets as detailed in note 1g) and have been prepared in accordance with the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (SORP2019) issued in October 2019, the Companies Act 2006, the Charities Act 2011 and the applicable accounting standard, FRS 102.

As the company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The company has taken advantage of the reduced disclosure framework exemption. The parent entity is Jubilee Sailing Trust, a charity registered in England and Wales. Jubilee Sailing Trust prepare group financial statements and copies can be obtained from Enterprise House, Ocean Way, Ocean Village, Southampton, SO14 3XB. The company has taken advantage of exemption from the following disclosures: statement of cash flows, financial instruments and key management personnel remuneration.

b) Going concern

The company is dependent on the continued support of the bank, fellow members of the group, other creditors and supporters and donors. The Directors consider that they have this support, and that the company will continue to operate as a going concern. The financial statements have been prepared on the basis that the company is a going concern and do not include the adjustments that would result in the event

JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Notes to the financial statements for the year ended 31 March 2021**

1 Accounting policies continued*b) Going concern continued*

COVID-19 is not expected to have a significant impact on the entity. The impact of COVID-19 post year end shows a reduction in ship running costs due to cancelled voyages. The company made the decision to avoid refunds and transfer payments on cancelled voyages to future bookings. The company has also taken advantage of various schemes offered by the government such as the furlough of staff and bounce back loans.

c) Company status

The company is a company limited by guarantee. The members of the company are Trustees of the parent charity, Jubilee Sailing Trust, including Charles Humpleby and Tom Stewart. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

d) Incoming resources

Merchandising income represents the funds received during the year from the sale of promotional goods. Voyage fees represent the amounts invoiced for voyages which commenced in the accounting period. Voyage deposits received in advance are deferred until the commencement of the voyage.

Subvention from the Jubilee Sailing Trust represents funds received from the parent in support of the charitable activities of the subsidiary.

Other income represents funds received from sponsorship and corporate receptions and government grants. Government grants relate to claims made under the coronavirus job retention scheme and are recognised in the statement of financial activities in the same period as the costs to which they relate.

e) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Support costs are those costs (including overheads) incurred in support of expenditure on the objects of the charity. Support costs have been allocated first between charitable activity and governance. The overhead element has then been apportioned between charitable activity and governance based on staff time. The allocation of overhead and support costs is analysed in note 4 (b).

f) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Notes to the financial statements for the year ended 31 March 2021**

1 Accounting policies continued*g) Tangible fixed assets and depreciation*

Tenacious is stated at valuation in accordance with FRS 102. Depreciation following a revaluation is provided on a straight line basis at 2.5% per annum. The costs of refits are charged against revenue as incurred.

All other fixed assets costing over £3,000 are capitalised and are stated at cost or, if donated, at valuation, less accumulated depreciation. Depreciation is calculated so as to write off the cost of fixed assets over their expected useful economic lives on a straight line basis, at annual rates varying between 10% and 25%.

Subsequent expenditure that enhances the economic benefits of the asset in excess of its previously assessed value is capitalised.

h) Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. Any differences are taken to the Statement of Financial Activities.

i) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

k) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Notes to the financial statements for the year ended 31 March 2021**

1 Accounting policies continued*m) Financial instruments*

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

n) Pension costs

The charity participates in independent pension schemes for employees based on defined levels of contributions. The assets of the schemes are held separately from those of the charity. Pension costs represent the contributions payable by the charity during the periodivities.

Some employees are members of the Merchant Navy Officers Pension Fund (MNOFP), a multi-employer scheme. The fund member is the Jubilee Sailing Trust Limited, the fellow subsidiary company. Provision is made for deficit contributions agreed to be made under a payment instalment arrangement.

o) Irrecoverable VAT

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the financial statements for the year ended 31 March 2021

2 Critical accounting estimates and judgements

Ship Valuations

The charitable company's tall ship is shown in the financial statements at valuation. The trustees engage professional specialist valuers to value the ships and the valuations are based on their advice. The valuation is an estimate based on various factors as shown in note 8.

MNOPF Multi-Employer Defined Benefit Scheme

Provision is made for the agreed contributions to the deficit on the MNOPF multi-employer defined benefit scheme. The deficit is an estimate based on calculations and valuations made by independent actuaries.

3 Donated goods, facilities and services

From our valued supporters around the world the Trust received £84,000 in donations in kind in the year. We are extremely grateful to our supporters for all they do in making our mission achievable from helping us with discounted or free berthing, pilotage and mooring, to parts for our ships and servicing. We also continue to receive assistance with insuring our fleet, training our staff and crew and charts to help us navigate the world.

Our volunteer branch community (nearly 1,000 strong) continues to grow and stretch further around the world following the ships where they go. We are lucky to receive invaluable support not only in helping us deliver our mission by way of Watch Leaders, Bosun's Mates and Cook's Assistants but to raise awareness of our work, fundraising, providing expert assistance both on and off shore in the office and with the maintenance of our ships.

Notes to the financial statements for the year ended 31 March 2021

4 (a) Total resources expended

| | Staff Costs | Depreciation | Other Direct Costs | Other Allocated Costs | Total 2021 | Total 2020 |
|-------------------------------|----------------|----------------|--------------------|-----------------------|------------------|------------|
| | £ | £ | £ | £ | £ | £ |
| Fundraising & publicity costs | 162,086 | 4,009 | 53,563 | - | 219,658 | 177,177 |
| Merchandising costs | - | - | 9,440 | - | 9,440 | 1,768 |
| Tenacious operating costs | 396,577 | 106,250 | 1,421,547 | - | 1,924,374 | 1,732,035 |
| Interest payable | - | - | 29,784 | - | 29,784 | 67,078 |
| | 558,663 | 110,259 | 1,514,334 | - | 2,183,256 | 1,978,058 |

Fundraising and publicity costs relate to fundraising for donations and gifts, and to communicating the charitable aims of the company. In previous years, other allocated costs were costs that were incurred on behalf of Jubilee Sailing Trust (Tenacious) Limited by Jubilee Sailing Trust Limited and recharged. Following the decommissioning of Lord Nelson in the previous year, costs have been charged directly to Jubilee Sailing Trust (Tenacious) Limited where applicable.

(b) Allocation of support costs and overheads

The breakdown of support and overhead costs and how these were allocated between Governance and Charitable Activities (Ship operating costs) is shown in the table below. All have been allocated on a 'time spent' basis.

| Cost type | Total Allocated | Governance | Ship Operating Costs |
|-------------------------|-----------------|---------------|----------------------|
| | £ | £ | £ |
| Staff costs | 534,952 | 14,893 | 520,059 |
| Office rental and costs | 23,389 | 1,362 | 22,027 |
| Communication costs | 9,337 | 544 | 8,793 |
| Insurance | - | - | - |
| Depreciation | 8,515 | 496 | 8,019 |
| Other | 80,907 | 40,675 | 40,232 |
| | 657,100 | 57,970 | 599,130 |

Governance costs include audit fees of £16,000 (2020: £7,125) and amounts payable to the auditors for other services of £3,275 (2020: £1,500). All the auditor's remuneration was borne by Jubilee Sailing trust (Tenacious) Limited this year.

Support costs include exchange differences debited/(credited) of (£1,957) (2020: £2,875).

JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Notes to the financial statements for the year ended 31 March 2021****5 Staff costs**

Staff costs for the year are analysed as follows:

| | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| Salary costs charged directly by Jubilee Sailing Trust Limited | 165,435 | - |
| Agency staff | 382,852 | 403,009 |
| Pension contributions | 10,376 | 15,845 |
| | <u>558,663</u> | <u>418,854</u> |

Jubilee Sailing Trust Limited runs the payroll for employees of both Jubilee Sailing Trust Limited and Jubilee Sailing Trust (Tenacious) Limited. In previous years, costs were recharged by way of overhead allocations but following the decommissioning of Lord Nelson in the previous year, costs have been charged directly to Jubilee Sailing Trust (Tenacious) Limited.

Employees earning more than £60,000 are disclosed in the accounts of Jubilee Sailing Trust Limited.

The agency staff costs shown above relate to staff employed by a third party but provided to Jubilee Sailing Trust (Tenacious) Limited under a contract for the provision of staff.

As the charitable company has no directly employed staff, there are no employee numbers to be disclosed for either year.

6 Trustees' remuneration

None of the Trustees received any emoluments in either period. No expenses were reimbursed to the trustees (2020: None).

Trustee indemnity insurance of £1,890 (2020: £1,680) has been paid by Jubilee Sailing Trust Limited, recharged to Jubilee Sailing Trust (Tenacious) Limited and is included within governance costs.

7 Interest Payable

| | 2021 | 2020 |
|--------------------|---------------|---------------|
| | £ | £ |
| Intercompany loans | 29,784 | 67,078 |
| | <u>29,784</u> | <u>67,078</u> |

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the financial statements for the year ended 31 March 2021

| 8 Tangible fixed assets | Tenacious | Boats & Spare Engines | Equipment | Total |
|--------------------------|-------------------------|--------------------------|----------------------|-------------------------|
| | £ | £ | £ | £ |
| Cost or valuation | | | | |
| At 1 April 2020 | | | | |
| at original cost | - | 23,942 | 75,864 | 99,806 |
| at valuation | 4,250,000 | - | - | 4,250,000 |
| | <u>4,250,000</u> | <u>23,942</u> | <u>75,864</u> | <u>4,349,806</u> |
| Additions in the year | - | 171,391 | 7,937 | 179,328 |
| Disposals | - | - | - | - |
| At 31 March 2021 | <u>4,250,000</u> | <u>195,333</u> | <u>83,801</u> | <u>4,529,134</u> |
| Depreciation | | | | |
| At 1 April 2020 | 531,250 | 23,942 | 18,762 | 573,954 |
| Disposals | - | - | - | - |
| Charge for the year | 106,250 | 7,755 | 8,779 | 122,784 |
| At 31 March 2021 | <u>637,500</u> | <u>31,697</u> | <u>27,541</u> | <u>696,738</u> |
| Net book value | | | | |
| At 31 March 2021 | <u>3,612,500</u> | <u>163,636</u> | <u>56,260</u> | <u>3,832,396</u> |
| At 31 March 2020 | <u>3,718,750</u> | <u>-</u> | <u>57,102</u> | <u>3,775,852</u> |

Tenacious is pledged as security for a number of loans made to the parent entity, Jubilee Sailing Trust.

The company adopts a policy of revaluation of its sailing ship in accordance with FRS 102. A valuation was carried out in July 2015 by Graham Westbrook (independent naval architect and surveyor) who estimated the approximate value of Tenacious at £4,250,000. The basis for the valuation and factors considered were:

1. Ships of similar size and nature available on the open market.
2. Comparison with as near an identical ship whose details are known.
3. The cost to build the ship from new.

Comparable historical cost for Tenacious:

| (a) | Tenacious |
|-----------------------------------|-------------------|
| | £ |
| Cost | |
| At 1 April 2020 and 31 March 2021 | <u>15,620,213</u> |
| Depreciation | |
| At 1 April 2020 | 6,130,678 |
| Charge for the year | 312,404 |
| At 31 March 2021 | <u>6,443,082</u> |
| Net Book Value | |
| At 31 March 2021 | 9,177,131 |
| At 31 March 2020 | <u>9,489,535</u> |

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the financial statements for the year ended 31 March 2021

9 Stocks

These comprise promotional trading goods and bar stock for resale and ship stores.

10 Debtors

| Debtors: amounts falling due within one year | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Trade debtors | 113,100 | 771,727 |
| Prepayments and accrued income | 30,217 | 6,970 |
| | <u>143,317</u> | <u>778,697</u> |

11 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|----------------------------|----------------|------------------|
| | £ | £ |
| Bank and other loans | 5,000 | - |
| Trade creditors | 298,616 | 166,188 |
| Voyage deposits in advance | 260,252 | 216,579 |
| Deferred income | 293,750 | 950,000 |
| Accruals | 60,613 | 18,899 |
| | <u>918,231</u> | <u>1,351,666</u> |

The amount of secured liabilities falling due within one year is £Nil (2020: £Nil).

All of the voyage deposits in advance deferred last year continue to be deferred and no amounts have been utilised and recognised as income this year.

12 Creditors: amounts falling due after more than one year

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Bank loan (see note 12a) | 45,000 | - |
| Advances from the Jubilee Sailing Trust | 3,042,519 | 3,229,592 |
| | <u>3,087,519</u> | <u>3,229,592</u> |

The amount of secured liabilities falling due after more than one year is £3,042,519 (2020: £3,229,592).

The advances from the Jubilee Sailing Trust are secured on the assets of the company and, in the absence of any breach of the terms of the security, are repayable out of the proceeds of sale of any assets so secured. By a Deed of Subordination, Jubilee Sailing Trust has agreed that its security ranks behind the security given to National Westminster Bank plc, the Secretary of State for Trade and Industry, The Corporation of Trinity House of Deptford Strond, John Marston, Harry Cator and Elisabeth Thistlethwayte.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED**Notes to the financial statements for the year ended 31 March 2021**

13 Related Party Transactions

As a wholly owned subsidiary of Jubilee Sailing Trust, the company is exempt from the requirements to disclose related party transactions with Jubilee Sailing Trust and Jubilee Sailing Trust Limited, a fellow subsidiary, under FRS 102. There are no other related party transactions which require disclosure.

14 Controlling Party

The Jubilee Sailing Trust is the company's controlling party. Jubilee Sailing Trust operates from Enterprise House, Ocean Way, Ocean Village, Southampton, SO14 3XB. The charity registration number of Jubilee Sailing Trust is 277810. Jubilee Sailing Trust's principal purpose and activity is the promotion of the integration of able-bodied and physically disabled people through adventure sailing holidays aboard its two square-rigged ships. Copies of the Jubilee Sailing Trust's consolidated financial statements can be obtained from the company's registered office.

15 Pension Costs

The Jubilee Sailing Trust Limited contributes at varying rates to the Merchant Navy Officers Pension fund, a pension scheme for qualifying members which incorporates both defined benefit and defined contribution sections. The defined benefit scheme is exempt from the disclosures required under Section 28 of FRS 102 as a multi-employer scheme, because the company is unable to identify its share of the underlying assets and liabilities in the scheme on a reasonable and consistent basis.

The latest Actuarial Valuation at 31 March 2018 reported a gross deficit of £73 million, and at that date previously agreed deficit contributions to be paid over by all scheme members had a value of £64 million, resulting in an adjusted deficit of £9 million.

Jubilee Sailing Trust Limited has entered into an agreement with the MNOPF in March 2014 and is paying monthly instalments of £3,500 per month, starting in February 2014 and ending in July 2023.

Provision is made for the agreed contributions to the deficit under the instalment payment arrangement made in March 2014. The provision at the year end in the balance sheet of Jubilee Sailing Trust Limited amounted to £83,000 (2020: £125,000). The pension contributions paid in the year which reduce the provision and are recharged to Jubilee Sailing Trust (Tenacious) Limited through its intercompany account amounted to £21,000 (2020: £21,000).

16 Contingent Liability

The company has provided a guarantee and a ship's mortgage on Tenacious for loans made by various parties to the parent entity, Jubilee Sailing Trust. The balance of the loans at 31 March 2021 was £2,843,250 (2020: £2,843,250).

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

England & Wales - Charity number 1081658

Accounts



JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Report and Financial Statements

Year Ended

31 March 2020

Registered Charity Number: 1081658

Company number: 04019273

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Annual Report and Financial Statements for the year ended 31 March 2020

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JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Reference and administrative details

| | |
|--|---|
| Board of Directors and Trustees | Tom Stewart James Crill Kevin Curran |
| Chief Executive | Duncan Souster to 31 December 2019 Patrick Fleming from 2 December 2019 |
| Honorary Secretary | Malcolm Entwistle |
| Registered office | 12 Hazel Road Woolston Southampton SO19 7GA |
| Bankers | National Westminster Bank PLC PO Box 315 High Street Southampton SO14 2BF |
| Solicitors | Hill Dickinson LLP Irongate House Dukes Place London EC3A 7HX |
| Independent Auditors | Fiander Tovell Limited Stag Gates House 63/64 The Avenue Southampton SO17 1XS |
| Company Number | 04019273 |
| Charity Number | 1081658 |

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Report of the Board of Directors for the year ended 31 March 2020

Jubilee Sailing Trust (Tenacious) Limited (“JST T Limited”) is a subsidiary charity of the main charity, Jubilee Sailing Trust (“JST” charity registered number 277810). The main parent charity, JST, prepares a consolidated report and accounts including JST T Limited. The charitable objective is to enable physically disabled and able-bodied people to share the challenging and integrating experience of crewing a sailing tall ship at sea.

This report and accounts includes only the statutory information relating to this subsidiary charity, and does not fully reflect the overall charity’s objectives and operations. A fuller understanding of the operations of the JST group as a whole can be gained from the consolidated report and accounts.

Structure, Governance and Management

JST T Limited is a registered charity (no. 1081658) and is a company limited by guarantee (no. 04019273). The principal objective of this subsidiary charity is to own and operate a tall ship in support of the overall objectives of the parent charity. The objective has been achieved through the operation of “Tenacious” throughout the year.

The Directors, who are also Trustees of the parent charity, and other administrative details, are set out on page 2 of this report.

The Trustees of the parent charity are responsible for the governance of the group as a whole, with day to day decision making delegated to the CEO. The company operates in accordance with the group policies regarding the recruitment, appointment, induction and training of new Trustees and the setting of remuneration for key management personnel. The consolidated report and accounts disclose information regarding compliance with fund-raising standards.

Risk is managed at a group level with the principal risks being the group’s capital debt burden and the operational risks associated with the running of a tall ship.

Trustee indemnity insurance is in place.

Financial review and reserves

The overall income of this charity, JST T Limited, is down by £65,000 on 2019 (excluding the subvention from the parent charity). The operating costs are down by £160,000 on 2019. The operating loss and net decrease in funds for the year is £1,381,460 (2019: £1,475,598) before subvention. After subvention, the charity shows a net movement in funds of £Nil (2019: £Nil).

This charity receives financial support from its parent charity, and from its fellow subsidiary charity. Further information regarding going concern can be found in note 1b.

The company does not maintain reserves. Where possible, reserves are maintained by the parent charity.

Performance, achievements and plans for the future

The company’s performance is satisfactory in difficult circumstances. The company will continue to operate in support of the parent charity’s objectives.

Public Benefit

The Directors have had due regard to guidance published by the Charity Commission on public benefit and are confident that the charitable company meets the requirements.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED
Report of the Board of Directors for the year ended 31 March 2020

Auditors

The auditors, Fiander Tovell Limited, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Jubilee Sailing Trust (Tenacious) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

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

This report was approved by the Trustees on

James Crill
Director

JUBILEE SAILING TRUST (TENACIOUS) LIMITED
Independent Auditors Report to the Members of Jubilee Sailing Trust (Tenacious) Limited

Opinion

We have audited the financial statements of Jubilee Sailing Trust (Tenacious) Limited (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020, and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1(b) to the financial statements concerning the charitable company's ability to continue as a going concern, which is dependent upon the support of the parent charity and fellow members of the group, which in turn is dependent on the continued support of the group's bank, other creditors and its supporters and donors.

These conditions, along with the other matters explained in note 1(b) to the financial statements, indicate the existence of a material uncertainty about the group's and the charitable company's ability to continue in operation. The financial statements do not include the adjustments that would result in the event the company was unable to continue as a going concern. In view of the significance of this matter, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED
Independent Auditors Report to the Members of Jubilee Sailing Trust (Tenacious) Limited

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED
Independent Auditors Report to the Members of Jubilee Sailing Trust (Tenacious) Limited

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Paul Meacher FCA (Senior statutory auditor)

For and on behalf of Fiander Tovell Limited
Chartered Accountants and Registered Auditors
Stag Gates House
63/64 The Avenue
Southampton
SO17 1XS

Date:

JUBILEE SAILING TRUST (TENACIOUS) LIMITED
Statement of Financial Activities (including Income & Expenditure Account)
for the year ended 31 March 2020

| | Unrestricted Funds 2020 £ | Unrestricted Funds 2019 £ |
|--|------------------------------------|------------------------------------|
| Income and endowments from: | | |
| <i>Voluntary income</i> | 989 | - |
| <i>Charitable activities:</i> | | |
| Voyage fees | 527,265 | 650,739 |
| Appearance fees | 56,041 | - |
| <i>Other trading activities:</i> | | |
| Merchandising income | 12,303 | 10,784 |
| Other fundraising income | - | 538 |
| <i>Other:</i> | | |
| Subvention from Jubilee Sailing Trust | 1,381,460 | 1,475,598 |
| Total incoming resources | 1,978,058 | 2,137,659 |
| Expenditure on: | | |
| <i>Raising funds:</i> | | |
| Fund raising and publicity costs | 177,177 | 197,033 |
| Merchandising costs | 1,768 | 21,125 |
| | 178,945 | 218,158 |
| <i>Charitable activities:</i> | | |
| Tenacious operating and support costs | 1,625,785 | 1,744,108 |
| Tenacious depreciation | 106,250 | 106,248 |
| Interest payable | 7 67,078 | 69,145 |
| | 1,799,113 | 1,919,501 |
| Total resources expended | 4 1,978,058 | 2,137,659 |
| Net income/(expenditure) for the year/Net incoming/(outgoing) resources | - | - |
| (Losses)/Gains on revaluation of tangible fixed assets | - | - |
| Net movement in funds for the year | - | - |
| Fund balance at 1 April 2019 | - | - |
| Fund balance at 31 March 2020 | - | - |

All items dealt with in arriving at the net movement in funds for 2020 and 2019 relate to continuing operations.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Balance sheet at 31 March 2020

| | Notes | 2020 | 2019 |
|--|-----------|--------------------|-------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 8 | 3,775,852 | 3,889,688 |
| Current assets | | | |
| Stocks | 9 | 22,677 | 8,761 |
| Debtors due within one year | 10 | 778,697 | 9,867 |
| Debtors due after more than one year | 10 | - | - |
| Cash at bank and in hand | | 4,032 | 627 |
| | | 805,406 | 19,255 |
| Creditors: amounts falling due within one year | 11 | (1,351,666) | (255,975) |
| Net current (liabilities)/ assets | | (546,260) | (236,720) |
| Total assets less current liabilities | | 3,229,592 | 3,652,968 |
| Creditors: amounts falling due after more than one year | 12 | (3,229,592) | (3,652,968) |
| Net assets | | - | - |
| Unrestricted funds | | - | - |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006.

The financial statements were approved by the Board and authorised for issue on:

by:

James Crill, Director
Company No. 04019273

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the Financial Statements for the year ended 31 March 2020

1 Accounting policies

Charity Information

Jubilee Sailing Trust (Tenacious) Limited is a charitable company established under a Memorandum and Articles of Association and registered with the Charity Commission and Companies House in England and Wales. The principal address is 12 Hazel Road, Woolston, Southampton, SO19 7GA. The charity is a public benefit entity.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets as detailed in note 1g and have been prepared in accordance with the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (SORP2019) issued in October 2019, the Companies Act 2006, the Charities Act 2011 and the applicable accounting standard, FRS 102.

As the company is a charity, the wording of the statutory formats required by the Companies Act 2006 has been appropriately amended in order to give a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The company has taken advantage of the reduced disclosure framework exemption. The parent entity is Jubilee Sailing Trust, a charity registered in England and Wales. Jubilee Sailing Trust prepare group financial statements and copies can be obtained from 12 Hazel Road, Woolston, Southampton, SO19 7GA. The company has taken advantage of exemption from the following disclosures: statement of cash flows, financial instruments and key management personnel remuneration.

b) Going concern

The company received further support from its parent charity during the year. The Directors have taken steps to improve the financial performance which is shown in income levels and operational cost reduction since the balance sheet date, and projected operational cash flows, which indicate that the company is in a more positive financial position.

COVID-19 is not expected to have a significant impact on the entity. The impact of COVID-19 post year end shows a reduction in ship running costs due to cancelled voyages. The company made the decision to avoid refunds and transfer payments on cancelled voyages to future bookings. The company has also taken advantage of various schemes offered by the government such as the furlough of staff and bounce back loans.

The company is dependent on the continued support of the bank, fellow members of the group, other creditors and supporters and donors. The Directors consider that they have this support, and that the company will continue to operate as a going concern. The financial statements have been prepared on the basis that the company is a going concern and do not include the adjustments that would result in the event of the lenders or principal creditors removing their continued support and current credit and working capital facilities.

c) Company status

The company is a company limited by guarantee. The members of the company are the Trustees of the parent charity, Jubilee Sailing Trust, including James Crill, Tom Stewart and Kevin Curran. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the Financial Statements for the year ended 31 March 2020

1 Accounting policies continued

d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Support costs are those costs (including overheads) incurred in support of expenditure on the objects of the charity. Support costs have been allocated first between charitable activity and governance. The overhead element has then been apportioned between charitable activity and governance based on staff time. The allocation of overhead and support costs is analysed in note 4 (b).

e) Incoming resources

Merchandising income represents the funds received during the year from the sale of promotional goods. Voyage fees represent the amounts invoiced for voyages which commenced in the accounting period. Voyage deposits received in advance are deferred until the commencement of the voyage.

Subvention from the Jubilee Sailing Trust represents funds received from the parent in support of the charitable activities of the subsidiary.

f) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

g) Tangible fixed assets and depreciation

Tenacious is stated at valuation in accordance with FRS 102. Depreciation following a revaluation is provided on a straight line basis at 2.5% per annum. The costs of refits are charged against revenue as incurred.

All other fixed assets costing over £3,000 are capitalised and are stated at cost or, if donated, at insured value, less accumulated depreciation. Depreciation is calculated so as to write off the cost of fixed assets over their expected useful economic lives on a straight line basis, at annual rates varying between 10% and 25%.

Subsequent expenditure that enhances the economic benefits of the asset in excess of its previously assessed value is capitalised.

h) Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. Any differences are taken to the Statement of Financial Activities.

i) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis.

1 Accounting policies continued

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

k) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

n) Pension costs

The charity participates in independent pension schemes for employees based on defined levels of contributions. The assets of the schemes are held separately from those of the charity. Pension costs represent the contributions payable by the charity during the period.

Some employees are members of the Merchant Navy Officers Pension Fund (MNOFF), a multi-employer scheme. The fund member is the Jubilee Sailing Trust Limited, the fellow subsidiary company. Provision is made for deficit contributions agreed to be made under a payment instalment arrangement.

o) Irrecoverable VAT

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Ship Valuations

The charitable company's tall ship is shown in the financial statements at valuation. The trustees engage professional specialist valuers to value the ships and the valuations are based on their advice. The valuation is an estimate based on various factors as shown in note 8.

MNOPF Multi-Employer Defined Benefit Scheme

Provision is made for the agreed contributions to the deficit on the MNOPF multi-employer defined benefit scheme. The deficit is an estimate based on calculations and valuations made by independent actuaries.

3 Donated goods, facilities and services

From our valued supporters around the world the Trust received £84,000 in donations in kind in the year. We are extremely grateful to our supporters for all they do in making our mission achievable from helping us with discounted or free berthing, pilotage and mooring, to parts for our ships and servicing. We also continue to receive assistance with insuring our fleet, training our staff and crew and charts to help us navigate the world.

Our volunteer branch community (nearly 1,000 strong) continues to grow and stretch further around the world following the ships where they go. We are lucky to receive invaluable support not only in helping us deliver our mission by way of Watch Leaders, Bosun's Mates and Cook's Assistants but to raise awareness of our work, fundraising, providing expert assistance both on and off shore in the office and with the maintenance of our ships.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the financial statements for the year ended 31 March 2020

4 (a) Total resources expended

| | Staff Costs | Depreciation | Other Direct Costs | Other Allocated Costs | Total 2020 | Total 2019 |
|-------------------------------|----------------|----------------|-----------------------|-----------------------------|------------------|------------|
| | £ | £ | £ | £ | £ | £ |
| Fundraising & publicity costs | - | - | - | 177,177 | 177,177 | 197,033 |
| Merchandising costs | - | - | 1,768 | - | 1,768 | 21,125 |
| Tenacious operating costs | 418,854 | 113,836 | 675,998 | 523,347 | 1,732,035 | 1,850,356 |
| Interest payable | - | - | 67,078 | - | 67,078 | 69,145 |
| | 418,854 | 113,836 | 744,844 | 700,524 | 1,978,058 | 2,137,659 |

Fundraising and publicity costs relate to fundraising for donations and gifts, and to communicating the charitable aims of the company. Other allocated costs were incurred on behalf of Jubilee Sailing Trust (Tenacious) Limited by Jubilee Sailing Trust Limited, a fellow subsidiary and recharged to this company.

(b) Allocation of support costs and overheads

The breakdown of support and overhead costs and how these were allocated between Governance and Charitable Activities (Ship operating costs) is shown in the table below. All have been allocated on a 'time spent' basis.

| Cost type | Total Allocated | Governance | Ship Operating Costs |
|-------------------------|--------------------|---------------|----------------------------|
| | £ | £ | £ |
| Staff costs | 205,702 | 20,797 | 184,905 |
| Office rental and costs | 13,760 | 802 | 12,958 |
| Communication costs | 5,797 | 338 | 5,459 |
| Insurance | 4,487 | 261 | 4,226 |
| Depreciation | 6,894 | 402 | 6,492 |
| Other | 205,378 | 16,445 | 188,933 |
| | <u>442,018</u> | <u>39,045</u> | <u>402,973</u> |

Governance costs include audit fees of £7,125 (2019: £4,985) and amounts payable to the auditors for other services of £1,500 (2019: £417).

Support costs include exchange differences debited/(credited) of £2,875 (2019: £4,976).

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the financial statements for the year ended 31 March 2020

5 Staff costs

Staff costs for the year are analysed as follows:

| | 2020 | 2019 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Agency staff | 403,009 | 464,027 |
| Pension contributions | 15,845 | 15,332 |
| | <u>418,854</u> | <u>479,359</u> |

No employee earned more than £60,000 in either year.

The above amounts are in respect of staff employed by a third party but provided to Jubilee Sailing Trust Limited under a contract for the provision of staff.

As the charitable company has no directly employed staff, there are no employee numbers to be disclosed for either year.

6 Trustees' remuneration

None of the Trustees received any emoluments in either period. No expenses were reimbursed to the trustees (2019: None).

Trustee indemnity insurance of £1,680 (2019: £1,680) has been paid by Jubilee Sailing Trust Limited, recharged to Jubilee Sailing Trust (Tenacious) Limited and is included within governance costs.

7 Interest Payable

| | 2020 | 2019 |
|--------------------|---------------|---------------|
| | £ | £ |
| Intercompany loans | 67,078 | 69,145 |
| | <u>67,078</u> | <u>69,145</u> |

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the financial statements for the year ended 31 March 2020

8 Tangible fixed assets

| | Tenacious | Boats & Spare Engines | Equipment | Total |
|--------------------------|-------------------------|--------------------------|----------------------|-------------------------|
| | £ | £ | £ | £ |
| Cost or valuation | | | | |
| At 1 April 2019 | | | | |
| at original cost | - | 23,942 | 75,864 | 99,806 |
| at valuation | 4,250,000 | - | - | 4,250,000 |
| | <u>4,250,000</u> | <u>23,942</u> | <u>75,864</u> | <u>4,349,806</u> |
| Additions in the year | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 March 2020 | <u>4,250,000</u> | <u>23,942</u> | <u>75,864</u> | <u>4,349,806</u> |
| Depreciation | | | | |
| At 1 April 2019 | 425,000 | 23,942 | 11,176 | 460,118 |
| Disposals | - | - | - | - |
| Charge for the year | 106,250 | - | 7,586 | 113,836 |
| At 31 March 2020 | <u>531,250</u> | <u>23,942</u> | <u>18,762</u> | <u>573,954</u> |
| Net book value | | | | |
| At 31 March 2020 | <u>3,718,750</u> | <u>-</u> | <u>57,102</u> | <u>3,775,852</u> |
| At 31 March 2019 | <u>3,825,000</u> | <u>-</u> | <u>64,688</u> | <u>3,889,688</u> |

Tenacious is pledged as security for a number of loans made to the parent entity, Jubilee Sailing Trust.

The company adopts a policy of revaluation of its sailing ship in accordance with FRS 102. A valuation was carried out in July 2015 by Graham Westbrook (independent naval architect and surveyor) who estimated the approximate value of Tenacious at £4,250,000. The basis for the valuation and factors considered were:

1. Ships of similar size and nature available on the open market.
2. Comparison with as near an identical ship whose details are known.
3. The cost to build the ship from new.

Comparable historical cost for Tenacious:

| (a) | Tenacious |
|-----------------------------------|-------------------|
| Cost | £ |
| At 1 April 2019 and 31 March 2020 | <u>15,620,213</u> |
| Depreciation | |
| At 1 April 2019 | 5,818,274 |
| Charge for the year | <u>312,404</u> |
| At 31 March 2020 | <u>6,130,678</u> |
| Net Book Value | |
| At 31 March 2020 | 9,489,535 |
| At 31 March 2019 | <u>9,801,939</u> |

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the financial statements for the year ended 31 March 2020

9 Stocks

These comprise promotional trading goods and bar stock for resale and ship stores.

10 Debtors

| Debtors: amounts falling due within one year | 2020 | 2019 |
|---|-----------------------|---------------------|
| | £ | £ |
| Trade debtors | 771,727 | - |
| Prepayments and accrued income | 6,970 | 9,867 |
| | <u>778,697</u> | <u>9,867</u> |

11 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|----------------------------|-------------------------|-----------------------|
| | £ | £ |
| Trade creditors | 166,188 | - |
| Voyage deposits in advance | 216,579 | 217,541 |
| Deferred income | 950,000 | - |
| Accruals | 18,899 | 38,434 |
| | <u>1,351,666</u> | <u>255,975</u> |

The amount of secured liabilities falling due within one year is £Nil (2019: £Nil).

Voyage deposits in advance deferred last year have been utilised and recognised as income this year.

12 Creditors: amounts falling due after more than one year

| | 2020 | 2019 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Advances from the Jubilee Sailing Trust | 3,229,592 | 3,652,968 |
| | <u>3,229,592</u> | <u>3,652,968</u> |

The amount of secured liabilities falling due after more than one year is £3,229,592 (2019: £3,652,968).

The advances from the Jubilee Sailing Trust are secured on the assets of the company and, in the absence of any breach of the terms of the security, are repayable out of the proceeds of sale of any assets so secured. By a Deed of Subordination, Jubilee Sailing Trust has agreed that its security ranks behind the security given to National Westminster Bank plc, the Secretary of State for Trade and Industry, The Corporation of Trinity House of Deptford Strond, John Marston, Harry Cator and Elisabeth Thistlethwayte.

JUBILEE SAILING TRUST (TENACIOUS) LIMITED

Notes to the financial statements for the year ended 31 March 2020

13 Related Party Transactions

As a wholly owned subsidiary of Jubilee Sailing Trust, the company is exempt from the requirements to disclose related party transactions with Jubilee Sailing Trust and Jubilee Sailing Trust Limited, a fellow subsidiary, under FRS 102. There are no other related party transactions which require disclosure.

14 Controlling Party

The Jubilee Sailing Trust is the company's controlling party. Jubilee Sailing Trust operates from 12 Hazel Road, Woolston, Southampton, SO19 7GA. The charity registration number of Jubilee Sailing Trust is 277810. Jubilee Sailing Trust's principal purpose and activity is the promotion of the integration of able-bodied and physically disabled people through a adventure sailing holidays aboard its two square-rigged ships. Copies of the Jubilee Sailing Trust's consolidated financial statements can be obtained from the company's registered office.

15 Pension Costs

The Jubilee Sailing Trust Limited contributes at varying rates to the Merchant Navy Officers Pension fund, a pension scheme for qualifying members which incorporates both defined benefit and defined contribution sections. The defined benefit scheme is exempt from the disclosures required under Section 28 of FRS 102 as a multi-employer scheme, because the company is unable to identify its share of the underlying assets and liabilities in the scheme on a reasonable and consistent basis.

The latest Actuarial Valuation at 31 March 2018 reported a gross deficit of £73 million, and at that date previously agreed deficit contributions to be paid over by all scheme members had a value of £64 million, resulting in an adjusted deficit of £9 million.

Jubilee Sailing Trust Limited has entered into an agreement with the MNOPF in March 2014 and is paying monthly instalments of £3,500 per month, starting in February 2014 and ending in July 2023.

Provision is made for the agreed contributions to the deficit under the instalment payment arrangement made in March 2014. The provision at the year end in the balance sheet of Jubilee Sailing Trust Limited amounted to £125,000 (2019: £167,000). The pension contributions paid in the year which reduce the provision and are recharged to Jubilee Sailing Trust (Tenacious) Limited through its intercompany account amounted to £21,000 (2019: £21,000).

16 Contingent Liability

The company has provided a guarantee and a ship's mortgage on Tenacious for loans made by various parties to the parent entity, Jubilee Sailing Trust. The balance of the loans at 31 March 2020 was £2,843,250 (2019: £2,843,250).