



Jubilee Sailing Trust Annual Report

For the year ending 31st March 2021

Registered charity #277810





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Message from the Chair



This has been my first year as Chair of the JST. It would be a classic understatement to describe the year as “challenging” and no-one could have foreseen the challenges we would face. You will see this recorded in the facts and figures of this Annual Report.

What has been outstanding, however, is how the crew, the staff, the supporters, the volunteers and the trustees have all risen to that challenge so magnificently and with such determination. The result is that we have survived and in fact are now better placed to deliver our Mission in the coming year. Tangible proof, indeed, of the indomitable spirit of the JST.

On behalf of the Trustees we present this report and place on record our heartfelt thanks to everyone involved in living the values of the JST and keeping its mission as relevant and as purposeful as ever. We can look forward with confidence to the year ahead.



Charles Humpleby **Charles Humpleby**
Chairman of Trustees

Message from the Chief Executive



It is my pleasure to introduce our Annual Report for 2020 – 2021 in what has been my first full year as CEO of the Jubilee Trust. Thank you for taking an interest in our work and for your continued support especially through this year which we know has been difficult for so many of you.

There is nothing more frustrating for our committed crew, for our fundraisers and for our volunteers than to find the JST unable to undertake our voyage programme which would have given us that opportunity to fulfil our mission and continue to promote our core beliefs. As I write the prospects for our coming year look so much more positive and I know that we all will celebrate loud and long when we are once more able to set out to sea looking for challenge, excitement, enjoyment and adventure and most of all working together as a team to stretch our limits and exceed our ambitions.

So much has been achieved this year and it is a tribute to our crew that we were able to embark on an exciting new leadership at sea challenge with the Royal Navy. It was the only section of our voyage programme that we were able to complete but it has opened up new opportunities and extended our reach. I know you will enjoy reading of this development in the enclosed report.

The year gave us the opportunity to complete an extensive refit of Tenacious which is also described in the report. Again it was our crew and a small team of specialist volunteers who worked so tirelessly. This was indeed the JST at its best, resilient certainly but also optimistic with a focus firmly on ensuring the future of Tenacious

The challenge of fundraising has been considerable and doubtless will remain so in the ensuing year. It has been heartening, therefore, to see the considerable work undertaken by the team in planning for a more extensive, more professional and thoroughly modern fund-raising team who are looking to work with the Branches and our Volunteers to secure a more consistent income stream. Equally important, and as you will find recorded here, the fundraising team have improved accessibility for people who wish to sail with us and overhauled our funding support to ensure that we reach far more people. We want to raise money to ensure that more people than ever can feel able to sail with us and become part of that inclusive JST community.

I am so grateful to my leadership team, crew, staff, volunteers, trustees and all donors, supporters who have ensured that we have not only survived this most challenging of years but have actually been able to put ourselves in a stronger position to increase the scope of what we do, to reach more people, and to finally set sail, four-square to the winds and making for new horizons.

Patrick Fleming **Patrick Fleming**
Chief Executive

Mission, vision and objectives

Who we are

We are the Jubilee Sailing Trust, a charity that changes lives through adventure and exploration onboard our tall ship, S.V. Tenacious. Our voyages are for people of all ages, backgrounds and abilities, giving everyone the opportunity to explore their potential through inclusive adventures at sea. Tenacious is the only sea-going tall ship in the world designed, built and sailed by a mixed-ability crew.

Our core beliefs

Freedom

We believe that people gain a true sense of self-worth, capability and potential when they are released from feelings of being restricted or trapped.

Tenacity

We believe in the power of a determined and courageous attitude to overcome anything.

Community

We believe in the power of a diverse, accepting and respectful community that safely nurtures and helps each other grow.

Our vision

Our vision is of an inclusive world where we can all contribute and feel valued.

Our mission

We have a unique mission, 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.

Exploration

We believe that exploring can help us see potential, not limitations and give us a fresh perspective on our place in the world.

Responsibility

We believe that to progress whilst protecting ourselves and our environment, we must take risks but never be reckless.

JST’s strategic pillars

We are a community that brings together ship and shore teams, permanent, volunteer and voyage crew, charities and corporate organisations, donors, suppliers and people from so many different backgrounds and life-experiences to share adventures that enrich all of our lives. To achieve our mission is a big undertaking: our seven JST strategic pillars, as this Annual Report shows, provide us with the structure to support everything we do.



Voyages
Organising our voyages to ensure the safety, comfort and positive experience for all



Ship operations
Keeping the ship in brilliant condition, and supporting our permanent crew



Branches and volunteers
Drawing on the experience and commitment of our supporters



Fundraising
Raising funds to ensure we can fulfil our mission



People
Supporting our paid and volunteer ship and shore teams



Partnerships
Working with others to extend our reach and deepen our impact



Profile
Ensuring people know what we do and why we do it

Highs and lows

Throughout this review you will read an account of the Jubilee Sailing Trust through this exceptional year.

We put on record here a few of the ways in which Covid-19 impacted on the JST during the period April 2020 – March 2021. It is a stark reminder of the very recent past and the impact it has had on so many of our supporters, as well as our JST team. But, as you read on, you will see that it's a story that shows how, with the tremendous support of our onshore and offshore teams, volunteers, Trustees, and our donors, we have been able to make considerable progress with some great highlights to take us into the future with hope and opportunity.

Branch network reconnected and recruiting for new members

Partnership voyage with 136 Royal Navy recruits
New partnerships developed for 2021 onwards

Return of permanent crew and successful relaunch of Tenacious

Special Survey successfully completed for Tenacious

Costs controlled during year.
Down £1,240,921 from 2019 - 2020

Significant resilience funding received, particularly from ASTO, as well as a generous bequest

Successful migration to working from home

Launch of Watchkeepers onshore supporter community regular donor scheme

Strong bookings for 2021 – 2022 voyage programme: 100% occupancy anticipated

Sale of Lord Nelson delayed by pandemic

Permanent closure of our Woolston office

First cancellation of the Pumpkin Festival in 21 years

All permanent crew on furlough during first lockdown

Income for year down
£1,018,235 from 2019 – 2020

Cancellation of a high-profile Monaco event, and the sponsored Mediterranean voyage programme (£1m lost income)

All public voyages cancelled. Voyage and partnership income reduced by £319,430 for the year

Fundraising income reduced by £975,045 from previous year

All other partnership voyages cancelled or postponed

SECTION 1

Highlights and plans for the future

Highlights and plans for the future

Ship operations

With virtually no voyages for the entire year it may be thought that ship operations would have been quiet - the facts are very different. It was a year where we were exceptionally busy with increased routine maintenance, risk assessments, planning and then cancelling voyage programmes, organising a major regulatory survey and dry docking for Tenacious to ensure her ongoing sea-worthiness, working with the Masters to continue to care for the permanent crew during the period of furlough, and revising medical and safety policies and regulations, both onboard the ship and for those wishing to sail with us. It has been a year of tremendous activity, often in challenging situations, and considerable achievement in the face of adversity.

The first challenge for the year was ensuring Tenacious returned safely from her Caribbean voyage programme, which needed to be abandoned midway due to the pandemic. Organising for our permanent and voyage crew to return was a logistical task in itself, but bringing Tenacious back safely to the UK and ensuring her safe berth was a major undertaking.

A long term berth was secured in Barry, but with the initial loss in income the difficult decision to utilise the furlough scheme for the crew was made. Before this could happen the ship needed to be squared away so that machinery and equipment would remain in a condition that would allow the ship to come to life again after a period with no crew onboard.

Our permanent crew are passionate about delivering our mission and sailing alongside our volunteers and voyage crew. Like many of us, to find themselves suddenly without this activity and engagement was difficult. As an organisation the welfare of all our staff is a key priority, and regular communication was vital throughout the April – August period, when all permanent crew were on furlough.

Returning the ship to operational levels in late August went smoothly due to the previous lay up process, ensuring Tenacious sailed safely from Barry to Sharpness ready for the survey and dry docking.

The second major challenge of the year, therefore, was the survey and dry dock itself. There was a great deal to do, as the special section within this report shows, to meet all the safety requirements and to bring Tenacious up to date. That in itself was a tremendous project, but to carry out such work under very strict Covid-19 restrictions made it particularly arduous. There was the issue of maintaining social distancing whilst working on the ship, of travelling to and from Sharpness, and

of reducing the amount of volunteer help due to the space restrictions - despite needing to do so much. Supplies were often delayed due to Covid-19, which was frustrating for all concerned but unavoidable. Ultimately though, and with a few delays, everything was achieved and we can take pride in our entire team (crew, volunteers and the ship operations department) for achieving the refit, completing the major survey, and bringing Tenacious well and truly up to date, fit for purpose and ready for the second quarter of 2021.

The third great challenge of the year, early in January 2021, was to prepare Tenacious for her programme with the Royal Navy (RN). Covid-19 regulations needed to be fully understood and applied, which meant reworking the space on the ship, putting in place social distancing policies, and ensuring the permanent crew and RN recruits were fully tested and safe to travel and work alongside each other. Working with such uncertainty, being unsure as to whether the programme could even proceed until the last minute, and with such complex requirements was uncharted waters for us, but we managed it. By all accounts, and notably from the RN recruits themselves, the programme was an outstanding success.

Alongside these three great challenges to the year was the very necessary routine work to complete. Keeping Tenacious secure and sound during her period in Barry, revising our Safety Management System, maintaining relationships with suppliers, and contact with volunteers so keen to be involved and to help but sadly unable to do so, kept us busy. We also needed to keep a watchful eye on Lord Nelson in Bristol, since there was risk of significant deterioration to her during such a prolonged period when routine work could not be undertaken.

Looking ahead

Inevitably we face the coming year with uncertainty. It is likely that we shall need to live with the effects of the pandemic and its variants for some years to come. All the more reason for ensuring that we are both resilient and flexible. The challenges we have met and the work we have completed this year have placed us in a good position to do so.

For the year ahead our plans include:

- Launching a full voyage programme to give as many people as possible the opportunity to sail with us, safely and happily, whilst conscious of the need to constantly monitor the programme, making adjustments as and when needed.

- Helping secure the future of Lord Nelson as she waits for a suitable buyer, and to ensure that when she leaves us we bid a fond farewell to her.
- Continuing to develop our permanent and volunteer crew for the new challenges ahead in the aftermath of Covid-19.
- Preparing Tenacious and her crew for new partnership voyages planned for 2022.

Lord Nelson Operating Costs*		Tenacious Operating Costs*	
2020 – 2021	£ 132,343	2020 – 2021	£1,826,786
2019 – 2020	£1,009,215	2019 – 2020	£1,930,494
		Tenacious Special Survey 2020 – 2021	
*excluding depreciation		Cost (included in operating cost)	£ 545,241

It is immediately apparent how the decommissioning of Lord Nelson has led to a significant reduction in Operating Costs of nearly £1m (£876,872). Those savings include all running costs, maintenance, and staff reductions.

Nevertheless, ship operations is at the core of all that we do and remains our most significant cost as a charity. It remains a challenge to raise sufficient funds through voyage fees and donations to maintain Tenacious as our fully operational ship and to ensure that Lord Nelson does not deteriorate following its decommissioning.

Our ship operations team is responsible for ensuring that everyone who comes on board has the experience of a lifetime, responding to their needs, whilst being safe and secure on a well-maintained, fit for purpose tall ship. Normally this includes:

- Planning the annual voyage programme, providing booking and payment systems, and ensuring our ship has berths and facilities in all destination harbours.

- Managing our permanent crew and volunteer crew. This includes medical screening and safeguarding to ensure everyone is fit to sail, and providing relevant seafarer training.
- Running maintenance programmes, ensuring ship safety and compliance to all maritime regulations.
- Running the safety management system in compliance with the International Safety Management Code.
- Managing relationships with service, equipment, and provisions suppliers.
- Ordering equipment, fuel, and essential supplies.

Highlights and plans for the future

Special Survey

Our ship operations team, working with the Masters, permanent crew and volunteers, undertook a major refit of Tenacious during the year as part of the £500k plus Special Survey. Here is an insider perspective from Luke Galuszewski, Technical Manager, which provides in both pictures and words a fascinating insight into what was involved.

During September to November 2020 Tenacious underwent her 4th Special Survey. Special Surveys are undertaken every five years to meet maritime standards.

With the Coronavirus pandemic embracing the UK and the rest of the world, there was definitely a level of uncertainty as to what we could achieve due to the scaled back work of suppliers and lengthy stock delays. The shipyard's workforce was not at full capacity due to virus concerns from the workers. Our usual, heavily relied upon, volunteer network was severely restricted by social distancing restrictions on board, which also resulted in delays to the work scope and completion timings. Fortunately Sharpness Shipyard and the surrounding area of Berkeley was well placed, and during the majority of the project there were only very minor reports of the virus in the wider area.

What we managed to achieve was by no means all that we had hoped to complete, but we were successful in a lot of areas which will help set the ship up for the future. Some of our successes are below.

- **Rigging.** Stage one of our standing rigging replacement was completed, which included the removal and replacement of all wires and chains on the bowsprit and foremast, at a cost of approx £45k.
- **Rigging.** We sent down and overhauled the furling (timing) gear in the six furling yards. While they were down, minor modifications were made and all were repainted before the yards were sent back up. This cost c. £10k.
- **Engineering.** Our Cummins main engines were removed after 20 years of service on board, and replaced with shiny new Baudouin main engines, costing £50k.
- **Engineering.** The Cummins generators which had been providing the power for all the systems were removed, and replaced with two new Baudouin generators costing £37k.
- **Engineering.** Both the ship's gearboxes and bow thruster were taken apart. Critical parts that had become worn were replaced to make them new and fully operational. This cost £21k

- **Communication & Navigation.** We installed two ECDIS displays and a Satellite Communications unit, and a new depth sounder at a cost of c. £28k.
- **Alarms.** A new ship's alarm system and also a fire detection system were installed, as her existing systems had become obsolete, at a cost of £45k.



It has been abundantly clear that, without the ongoing support and time our volunteers give to the Trust, the maintenance of the ship would not be at the level it is today. Even faced with the difficulties imposed by Covid-19 their contribution was invaluable.

Looking to future needs for Tenacious

After the 2020 dry docking of Tenacious, we are in a good grounding position to continue pushing ahead to preserve and maintain the ship for the future. Some of the bigger items that will need to be completed include:

- Replacing her boat davits
- Completing stages 2 and 3 of her standing (wire) rigging programmeReplacing/upgrading her GMDSS equipment
- Installation of a gas detection system
- Replacement of the ship's flooring covers throughout the bar and accommodation areas.

- Upgrading the cabins for the Permanent and Volunteer Crew.
- What this means for Tenacious now
- This means that Tenacious, after her time in Sharpness, is fit for purpose and able to safely undertake her voyages.

It also means that we find ourselves at the important milestone of having undertaken the first crucial stages of upgrading and renewing the systems on board after her first 20 years of service, and as we look to set her up for the next 20+ years.



Highlights and plans for the future

Customer Services

So much of this year was spent waiting for better news. With public voyages cancelled throughout the period, it was a question of contacting everyone with the bad news and hoping for their understanding. We had a magnificent response with people being so patient and supportive. Many held their bookings open, ready for the next available voyage opportunity, and we thank them and value their support for the Jubilee Sailing Trust.

With almost no public voyage income at all it is not a year any of us would wish to repeat, with income reduced by £319k compared to the previous year, but it did show the best side of the JST during difficult times. Thankfully we were able to plan and run an exciting new partnership with the Royal Navy, following stringent Covid-19 rules, in February and early March 2021 which contributed significantly to our income and gave Tenacious and her Master and crew at least a glimpse of better times to come.

Certainly we know that the future may still face set-backs, but we have spent the year working with our Medical Advisory Group and with our crew to make the ship as safe as possible for future voyages. Greater space on board through reduced occupancy levels, new cleaning and hygiene routines, a new medical screening process, testing before, during and after voyages, have helped to do all we can to provide a safe environment for everyone on board.

Some of our destinations have changed. For the time being we are staying closer to home, which makes it easier and safer to travel to and from the ship, but we shall still ensure that everyone has that unique life-changing experience on board.

We have already been able to plan some voyages for 2021 – 2022 and those we have advertised became fully booked very quickly, showing a strong demand for so many to get back onboard. We anticipate 100% occupancy on most voyages given the pent-up demand and the sheer determination of so many people to sail with us.

Booking is now much simpler, with on-line registration and payment capability, although of course we remain at the end of a phone to answer any enquiries or assist people through the booking process if needed.

We all hope for a packed voyage schedule for the year to come, hopefully with few major changes or disruption. Whatever happens, we know there is that spirit in the JST and all its supporters to rise to every eventuality and come out smiling in the end.

Income from voyages	
2020 – 2021	£668,233
2019 – 2020	£987,663
Year on year decline in revenue of	£319,430



Highlights and plans for the future

Partnerships

Partnerships have always been important to the Jubilee Sailing Trust. Through our partners we have been able to strengthen our reach with charities, local communities, armed forces, businesses, and with the world of education. The benefits are enormous, from fresh perspectives on how we operate, how to work more collaboratively, and ways to reach more people in more settings to ensure they can benefit from our mission.

This year our partners have continued that support, even when faced with their own challenges navigating through the pandemic. We are enormously grateful to all of them.

Partnership voyages in particular have increased over the last decade with groups as diverse as banks, national rugby squads, many charities for both non-disabled and disabled groups, the armed forces, youth exploration groups, and legal firms. We have taken on board valuable know-how and experience from each of these partnerships. A brief overview of just some of our work with partners this year shows that the opportunity to work together, noticeably to plan, has increased considerably and positions us strongly for the future. We see exciting times ahead.

What a Crew!

We have always known our permanent crew are intrepid, brave, passionate in what they do. But if ever there was a time when the term “above and beyond” applied it was their commitment to the Royal Navy Partnership. With Covid19 restrictions making for additional difficulties, weather conditions in February particularly arduous, and with lively but inexperienced RN recruits our permanent crew did everything they could to make the experience memorable and enjoyable. The feedback was 99% positive, with particular praise for the cheerfulness and patience of our crew and the excellence of the food! It has given them a great start to their careers and they will never forget Tenacious Who could ask for more?



ASTO (The Association of Sail Training Organisations)

ASTO (The Association of Sail Training Organisations) has been actively partnering and supporting the JST for many years. This year their support literally kept us afloat at a time when we had such an enormous gap in our funding due to lack of fundraising opportunities and cancelled voyages. They stepped in swiftly and unstintingly



VM Ware

VMware has consistently supported us over the last decade with regular voyages and fundraising events. They have joint-fundraised to enable Macclesfield 'Wheelies Sport and Activity Club' to send people on voyages together with their own employees, and we see them very much as part of our team. Our crew greatly look forward to them coming on board. During the pandemic year their continued support was invaluable, and we are delighted that they are continuing to support us through 2021 and into 2022. Exciting new developments to follow.



Stelios Philanthropic Foundation

We were very disappointed when last year's major partnership with the Stelios Philanthropic Foundation was unable to fulfil its mission to provide sailing experiences around the Mediterranean and Monaco to disabled and non-disabled voyage crew. The partnership remains firmly in place, however, and we are grateful for their ongoing support. We hope during 2021 – 2022 to launch a series of voyages and events with the Stelios Philanthropic Foundation as the starting point of a long-term plan to work together.



Peninsula

Peninsula is another historic partnership which has stood the test of time, with their generous agreement to provide us with free fuel. During the last year this partnership has further developed as we are helping their employees to establish a new charitable foundation. It is great to work together and to share ideas and experience.



Highlights and plans for the future

ROYAL NAVY

Many of you will have followed the exciting new partnership with the Royal Navy whose young recruits sailed with our crew in the early part of 2021, when rough seas, stormy weather, and ongoing pandemic restrictions could not daunt the spirit of adventure.

This partnership provided young people joining the Royal Navy with a unique experience, one which develops a respect for the sea, for the ship, and most of all for each other. As well as general training in seamanship there were leadership and teamwork opportunities, and a practical and exhilarating, if slightly exhausting, course in personal resilience. You can read more on our website

<https://jst.org.uk/royal-navy-revives-days-of-sail-with-training-on-tenacious/> or download a copy of Navy News, April 2021 which features our partnership. <https://magazinebis.com/navy-news-april-2021.html>



The Maritime Archaeology Sea Trust

The Maritime Archaeology Sea Trust and the JST are now working together to raise awareness of maritime heritage both above and below the surface of the oceans. This commitment to protecting the maritime environment resonates strongly with our aims and with so many of our volunteers.

<https://jst.org.uk/working-with-the-maritime-archaeology-sea-trust-mast-28th-january/>



Lifetree Global

Tenacious will be the setting for the Lifetree Ocean Regeneration Lab programme in May 2022, which will see developing world-leaders work together on the water to do the right thing for the future. The partnership focuses on the art of responsible leadership, with participants receiving practical input from a world-class team of business mentors, investors, scientists, and executive coaches. They will also undertake the invaluable practical experience of helping to crew Tenacious on two one-week voyages.

<https://jst.org.uk/jubilee-sailing-trust-partners-with-lifetree-global-to-train-leaders-to-do-the-right-thing-for-the-future-of-the-oceans/>



Spyrosoft

We are delighted to have formed a partnership with one of Europe's fastest growing technology companies, based in Ferndown, Dorset. Spyrosoft will help us leap into the digital age by working with us to develop bespoke digital services. We hope to improve the voyage experience before, during, and after voyage, making a vital link between the real and the digital world.

<https://www.dorsetbiznews.co.uk/welcome-aboard-fast-growing-spyrosoft-and-the-jubilee-sailing-trust-form-new-partnership/>



Lee Peck Media

A new PR and Marketing partnership has also been established between the JST and Lee Peck Media. This will raise our profile and ensure our voice is heard not only on our website and social media pages, but also in the local, national and international media. Raising our profile in this way increases our fundraising opportunities, but just as vitally enables far more people to learn of our mission and become involved with us.

<https://jst.org.uk/jubilee-sailing-trust-outsources-pr-and-marketing-to-lee-peck-media/>



The Cruising Association

Finally, we continue to develop our partnership with the Cruising Association. We already feature in their magazine, and will be included in their information packs at the Southampton Boat Show to encourage their customers to explore what JST has to offer. <https://www.theca.org.uk/>



Several other partners have continued to assist us directly with the maintenance of our ships. These contributed £84,000 during this year in donated goods, facilities and services. Clearly this has provided a significant saving on the costs of maintaining and running our ship. Their experience and expertise, as well as their financial support, in what are often complex requirements is invaluable, and over the years has helped us to control our costs to ensure that more of our funds are available to support those who wish to sail with us. This year we also partnered with **Proteum**, who provided filming and marketing services, helping to raise our profile.

Building on our tradition for creating enduring partnerships, this year has seen us able to negotiate several new relationships which we hope will stand the test of time and help us to take our work long into the future. Some of these have already begun active work with the JST, others are still at the vital planning stage.

It has been a busy year with both our existing and our new partners. Together we have not only overcome difficulties but been able to plan ahead with optimism and determination.

Fundraising

We raise funds in a variety of ways to subsidise the cost of running our tall ship. This helps us to ensure as many people as we can accommodate are able to experience our unique adventures. This has been particularly important during 2020 – 2021 since there has been no income from public voyages, and greatly reduced income from partnership voyages, due to not being able to sail for all but six weeks of the entire year. Fundraising therefore became a crucial focus for the team, however of course this too was significantly impacted by the pandemic. It has been harder to run events, branches have been unable to meet or to launch particular projects, people and businesses have been faced with their own difficulties and the uncertainty has led to hesitation on the part of some to commit to major expenditure.

Despite the difficulties we have raised funds of over £1m of income. The previous year had seen an exceptional fund-raising event in the Emergency Appeal which raised more than £1m - if that amount is excluded then the result year on year is very similar. A detailed breakdown is provided in the box below which also illustrates just how many strands of fund-giving there are contributing to our overall result. We can attribute this to a couple of outstanding features running throughout the year:

- As proven before, when things are tough our wonderful supporters, individuals, branches, partners, regular benefactors, and volunteers, dig deep and make it their resolve to help out even more than usual.
- Our fundraising team itself has developed enormously. New members of the team have joined those in place and, together with a clear strategy, fresh ideas and new energy, have given us considerable momentum and enabled us to work more effectively as a united team.
- A sad, but significant lift in unrestricted legacy income has also helped us in this particularly tricky year.

Our loyal supporter base has given us so much support, freely and generously, and we are hugely grateful to all of them.

This support, and the in-house knowledge and experience of our existing team, creates a solid platform from which we have been able to make significant changes in the ways we approach fundraising and involve people more in our activities. It is important to us to listen, to value the contributions people and organisations make - not just financially, but their ideas and opinions, their contacts, and the opportunities they can see. In this respect we have started to build a fundraising community which stretches deep and wide, and taps into great expertise and limitless goodwill.

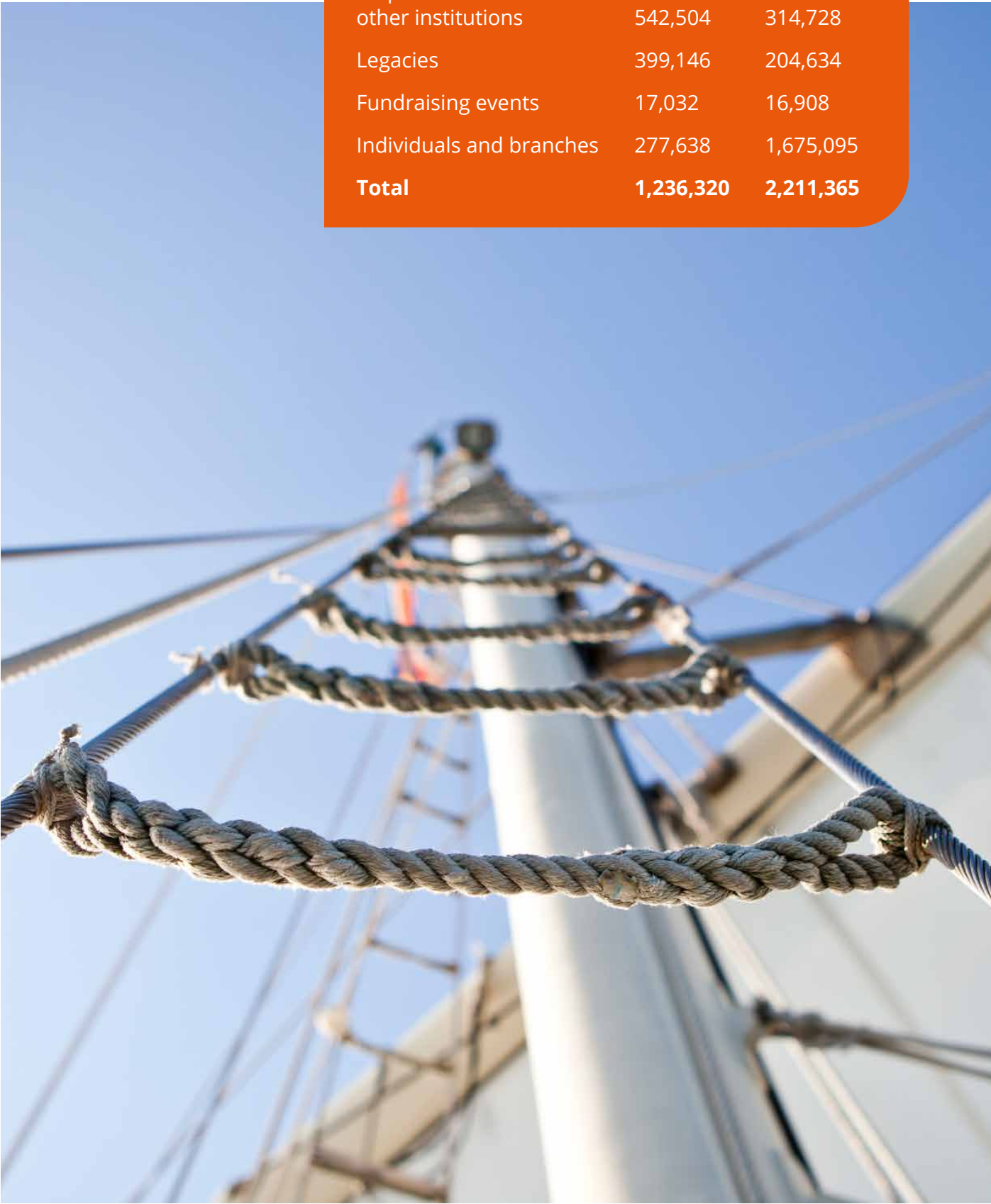
Fundraising and Donations Income

2020 – 2021	£1,236,320
2019 - 2020	£2,211,365
(Including Emergency Appeal)	



SUMMARY breakdown of Fundraising Income

	2021	2020
Charitable trusts, corporate donors and other institutions	542,504	314,728
Legacies	399,146	204,634
Fundraising events	17,032	16,908
Individuals and branches	277,638	1,675,095
Total	1,236,320	2,211,365



Highlights and plans for the future



Watchkeepers

One major initiative this year has been to set up Watchkeepers

This new regular-giving framework will help grow the JST's broad supporter base and make them feel more involved and part of a community in return for their regular support. It was put together with the confidential help of an external Donor Reference Group who represented a broad cross section of the JST's existing supporters. It captures and brings together previous 'Lifelong Friends' and 'Friends of the JST', so that everyone is a Watchkeeper. People can join this community for free, or choose to make a donation at one of three levels: Starboard, Port or Bridge. Including the free level helps the fundraising and communications team to identify our most current and engaged audience who may become donors in the future. It also brings everyone together inclusively rather than excluding those who aren't able to make a donation currently. This is important for bringing younger people into the JST fold.

As our website shows, Watchkeepers are encouraged not only to donate regularly but also to become part of a closed community Facebook forum where they can discuss ideas, provide feedback on our activities, take part in photography competitions and suggest new ideas. The response to date has been excellent and we shall continue to build Watchkeepers during the coming year. It matters to us to draw people into our community and they teach us so much. We also believe that fundraising should be fun, should bring meaning and purpose to donors who can truly be involved and shape the future of the JST, and to be as transparent as possible in what we need funds for and how they make a difference.

A second initiative has been to start establishing an informal network of those who know the area of fundraising particularly well and whose experience means we can test out new ideas, gain feedback on our initiatives, and widen our support networks. This will help us to create a strategic development group to ensure that we continue to refresh our approach to fundraising. Developing and testing ideas through such a group allows us to step back before we start new initiatives and examine more closely what we are trying to achieve and how best to arrive at our destination. Again, we are tapping into that goodwill, expertise and support to build a diverse community of fundraising experts.

This is not in any sense to minimise our existing approach and fundraising streams. They have held up reasonably well this year as our summary breakdown shows – with more details

available in the full Independent Auditor's report in the final section of this Annual Review. However, we are under no illusions. We anticipate that fundraising will be increasingly difficult for the next few years and there is likely to be more competition and more call on the support of charities. In part we can rise to the challenge this brings by having a full fundraising team in place, but this is also a time when we need to cooperate more with other charities who have similar values and aims, and work together to reach people who can really benefit from what we offer.

Equally important to us as raising funds is ensuring that those donations are used for their intended purpose quickly and fairly. We are often able to subsidise voyage costs for individuals and groups and have a bursary scheme already in place with funds available. Many people give specifically to fund voyages, and we have now created a monthly Bursary Committee to ensure that each month we consider applications for assistance quickly and in a transparent way. We know that running a tall ship is expensive and the full cost for each voyage is too much for some people to meet. We hope that by widening our bursary scheme to ensure it reaches more people is an important development to make our voyages more accessible to all.

After the appointment this year of a Head of Fundraising, the focus has been on both rebuilding the fundraising team, increasing its number and the depth of experience, and developing a clear strategy for the future. A Head of Corporate and

Community Giving has been appointed to ensure we work effectively with partner opportunities and collaborate more consistently with them. Grants from Trusts and Foundations represent the largest part of our funding streams and so we have recruited additional resource to this, to ensure we access as many opportunities as possible. We are also bringing into the team a data and insights specialist to enable us to analyse our data, spot trends in support and more effectively target our fundraising activities.

Given the unpredictability of the various fundraising revenue streams there has been a clear understanding of the need to build sustainable pulse income in the main supporter base of regular givers, described as a 'rolling programme initiative'. This has already been implemented in part, including the launch of an up-scaled lottery, going out to the donor database to encourage more regular giving, and developing 'welcome home' packs to those who have recently sailed with the JST to encourage them to make a gift to help someone else to take part in what they have just completed. There are now 600 regular givers, which is an encouraging first base to reach.

From the CEO, the senior director, and the Head of Fundraising there is a clear desire to build collaborative relationships with other charities for fundraising purposes, and indeed

from larger charities as a source of fundraising income. These charity-partner relationships need careful nurturing and will take time to mature, but offer more diverse and more sustainable opportunities for the JST compared to high-profile but one-off initiatives.

In addition to the above, careful thought has been given around the continual need for funding to maintain Tenacious. This rolling capital expenditure is always large and needs to be planned for and fundraised in advance. Plus there is inherent risk, as there is with any vessel, that unexpected costs may suddenly need to be met which can alter the budget plan.

For Tenacious' 21st Birthday in September 2021, the fundraising team have been working with the ship operations team on the launch of a rolling list of items that need to be funded in the near future (6 months to 2 years) to keep Tenacious maintained, certified and able to sail. These capital items offer an opportunity to approach Trusts, Foundations, corporates, branches and individuals to support specific items and give full transparency on the costs the JST has to meet outside of those to directly deliver a voyage.



Highlights and plans for the future

Branches and Volunteers

Branches and volunteers play a crucial role for the Jubilee Sailing Trust and mean we can extend the JST community ashore, beyond our voyages. We have 21 branches throughout the UK, from Scotland to Jersey, plus branches in Ireland and the Netherlands.

Inevitably this year has been one of frustration for so many volunteers, keen to help but restricted by travel regulations, social distancing and the absence of so many opportunities to assist. The vital role volunteers play in providing additional crew for the ship was sadly not needed for most of this year, with the exception of a few volunteers assisting on the Royal Navy programme in early 2021.

Another casualty for the year was our infamous “Pumpkin Festival” fundraising event in Southampton which was cancelled for the first time in 21 years. We look forward to its glorious return in 2021.

Generally, and as for all charities, there was a significant drop in income in terms of Individual and branch donations and gifts but we saw without question from the branches is their unflinching support for the JST. So many messages of support, offers to help, notes of encouragement. Most branches have been unable to meet in person but have retained contact with members through social networks and the ubiquitous video calls which have so rapidly become part of our lives.

Some volunteers were able to help with the Special Survey of Tenacious in August and September 2020 at Sharpness. Numbers were very limited due to social distancing rules in place, and many offers of help had to be politely turned away. So many wanted to see the ship during this period but again this was simply not possible.

Communication with branches has continued to improve, with contact between the ship, volunteers and branches even when there has been no sailing. In addition, from March 2021 branches and volunteers have been involved in the launch and support of the new Watchkeepers programme. This is far more than merely securing donations, much needed as they are, and seeks to involve volunteers, branches and donors in discussing new ideas for the Trust, gaining feedback on initiatives and stimulating debate on the future of the JST.

Our branches bring together like-minded people and create a network of support that we know so many find essential. They are an essential part of the JST family, which is why we’re keen to work more closely with our branches as we move from this extraordinary year to a new period in the life of the JST where the contribution of branches and volunteers will be critical to our success.

Fundraising Events:	
2020 – 2021	£17,032
(2019 – 2020)	£16,908
Donations from Individuals and from Branches	
2020 – 2021	£277,638
(2019 – 2020)	£1,675,095 including £1m Special Appeal

Listening, learning, being seen and heard

We have focused this year on these four elements of our marketing and communication approach. Effective marketing encourages people to join us in our adventures at sea, helps us in our fundraising and enables us to provide thought-leadership and advocacy on all aspects of our mission. But it is far more than advertising campaigns and digital media hits.

We have listened more attentively to the voice of our donors and volunteers through our branch network.

Our fundraising team have initiated new support groups to advise us on our approach, to suggest fundraising approaches and to set up our new Watchkeepers initiative involving volunteers, branches and donors sharing and discussing their ideas for our future development.

The two Masters have spent time during the year listening to the branches, re-engaging their efforts and helping the branches to expand to a lively community of 1000. Branches have had the opportunity for direct contact with the Ships.

Through our Facebook, Instagram and website pages we have encouraged lively moderated discussions on those topics which matter most to donors and volunteers and taken on-board feedback we have received. Our following has increased enormously including significantly more younger followers.

Marketing is a two-way activity, not simply the JST pushing out its message, but also learning from others. For example during this year based on our “listen and learn” approach we

- Revised our approach to supporting more effectively those who wish to sail with us but have limited financial means with a new small committee meeting monthly considering all applications for funding assistance for individuals and for groups.
- Scheduled far more of our sailing programme to sail to and from UK ports. Whilst we shall continue to enjoy adventures further afield, we heard the strong voice from many who wanted shorter trips nearer to home and with greater accessibility.
- Reaching out to those who have never heard of the JST, or known the delights of Tall Ships, we have launched a “taster” series of short sails, off the South Coast, to provide an easy introduction to what is involved and first hand.

Being seen is a critical aspect of our marketing approach and we have been greatly assisted through our partnership with Lee Peck Media whose professionalism and networks have increased our professionalism and our market penetration. We have raised our visibility through our redesigned website this year which now includes strong video and audio content, much stronger visuals and everyday stories of those sailing with us, often for the first time. Beyond our own media resources we have also featured in a number of trade sailing and holiday journals, with free coverage of our activities. We were also featured in the *Navy News* (issue 801) detailing our partnership with them to deliver initial leadership training to Royal Navy recruits.

Our voice has been heard loud and clear on a variety of platforms during the year including extensive Linked-In Coverage, from our CEO Patrick Fleming, FaceBook, Instagram, Local and National Media, engagement at specific events and new partnerships with other organisations whose activities support and enhance our mission. It has been a particularly important aspect of our work to be seen and heard as thought leaders around our core beliefs:

- **Freedom** – for everyone to discover and cherish their self-worth
- **Tenacity** – to overcome obstacles even during the pandemic
- **Community** – in an increasingly divided and divisive world to be seen as strong advocates for diversity, acceptance, respect, and inclusion
- **Exploration** – to enable everyone to realise their potential and not be defined by limitations
- **Responsibility** – to stand alongside organisations creating a better and more sustainable marine environment, through our direct involvement with such organisations and partnerships with them.

Highlights and plans for the future

Our team

Our organisation is made up of ship and shore-based teams, as well as an incredible network of volunteers. It is paramount that we support all of our team - whether paid staff or volunteers - with professional, consistent and easily accessed information, that enables them to do their jobs effectively and to feel recognised for the contribution they make. Whilst the leadership team and managers take ultimate responsibility for this they are supported by our external HR resources: Kate Underwood HR, and PSIL (for our ship-based team).

Inevitably much of the work this year has been focused on providing advice and support to all of our team through the Covid-19 pandemic. This has included:

- Organising the furlough of the entire ship crew from April 2020 through to August 2020, for the majority of crew and September/October for the remainder. One crew member returned to furlough during the second wave and one shore-based team member has been furloughed throughout the pandemic.
- Transitioning all shore-based members of our team to work full time and on a permanent basis from their home environment. This has involved checking they have appropriate working space, equipment, telecommunications and network computer access, working alongside our IT resource, and that guidelines are in place to ensure that their working environment has a positive impact on their wellbeing as well as enabling them to remain productive. The transition has been successfully achieved and the JST now has adopted this working model for its future operations.
- Providing advice and support to the leadership team and to permanent and volunteer crew on Covid-19 compliance, including the provision of both a safe working environment on board ship. Ensuring compliant Covid-19 test provision was essential, especially as the crew prepared for voyages as part of the Royal Navy Programme during February and March 2021.
- Continuing to use the HR on-line platform, Breathe, to ensure all team members have full access to their personal details, pension and employment information.
- Assisting in the recruitment, employment contracting, on-boarding of new members of the team including the appointment of the new Chair of the JST, three new members of the Fundraising team, and the scoping and fulfilment of a new post to the JST as Personal Assistant and Researcher to the CEO and Chair.
- Completing the integration of HR data, reporting, personal records, annual leave booking and absence reporting on Breathe.
- Developing a new Maternity leave policy, updating employment contracts as appropriate, and designing protocols for home working.

During the coming year we hope to be able to conduct performance and personal learning development reviews as well as monitor workplace wellbeing given the significant change in the working environment. These services shall continue to support the leadership team and managers through any emerging policies needed to tackle future pandemic concerns.

Plans are in hand for the Jubilee Sailing Trust to become involved in two local community initiatives to boost training and employment prospects. We are looking at ways to contribute to the Government-backed Kickstart scheme for 16 – 24 yr olds, as well as providing a funded Apprenticeship for a ship crew member. This is very much in line with our desire to give something back to local communities and to work with local businesses and organisations to help people return to employment.



HR and Employment Law Costs

2018 – 2019	£61,054
2019 – 2020	£15,825
2020 – 2021	£ 11,480
(plus £741 Recruitment costs)	

Average Number of Employees*

2020 – 2021	28
(13 Admin, 15 Crew)	
2019 – 2020	49
(22 Admin, 27 Crew)	
Registered Volunteers	325

*includes agency staff

Highlights and plans for the future

An extraordinary year

Captain Simon’s reflection

There’s an old Chinese curse along the lines of ‘May you live in interesting times.’ It’s certainly been one of the more ‘interesting’ of my 20-odd years here! It started with going into cold lay-up and shutting the ship down in Barry Docks in mid-April with all the ship’s staff furloughed. In August, a team returned onboard and brought the ship back to life before entering the docking period in Sharpness. Whilst we achieved a huge amount – new main engines, generators, a shift to ECDIS navigation and much of the foremast stand-ing rigging replaced amongst many other jobs – events conspired to ensure it wasn’t exactly a smooth process, but the ship did finally stagger out of the dock towards the end of November. After a stand-by period in Portland, things changed rapidly as we set off to Portsmouth for the Royal Navy (RN) charter just after the New Year. Some very serious, genuine, Covid-19 concerns across the permanent crew were exacerbated by continually changing goalposts around this charter but, with the ship in the Naval Base, ship’s crew and the RN team on the ground were able to meet and things became a little clearer. This essential communication continued throughout the charter, bring-ing steady improvements in planning and understanding on both sides, and evolving into a pretty swish operation. The charters ran from mid-January to the end of April, they were a great success and proved very popular. In May we finally conducted the Lightship Survey and Inclining Experiment and some MCA audits; successful completion permitted the ship to continue operating. After various Covid-regulation induced delays, now we’re all keen for our voyages to start and to get back to what we’re here for.



Captain Simon Catterson

IT

No aspect of the organisation has undergone as much development or increased its critical importance to the organisation more than IT. Those developments had been well in hand prior to the Covid-19 pandemic, but that event and the subse-quent move of the JST to becoming a virtual organisation with no physical office space has accelerated digital deployment and brought it to centre-stage. It is now essential to all aspects of the JST both internally and externally. To a large extent, the overall dataflow, the hardware, the software, and applications are all in place within the JST to enable the virtual organisation to work well both internally and externally. There are areas where further work is required, but it is all in hand and is being appropriately managed.

Systems and software functionality within the JST has improved and shows what could be possible if carefully thought through and ensuring input from relevant users. For example, the online shop, offering a range of JST-branded merchandising, was well set-up on the website. It is now pos-sible for customers to make voyage payments through the shop instead of our Customer Services team needing to take card payments over the phone. This offers a swifter, more efficient and more secure service.

This shows the importance not only of having good software functionality, but also internal systems and processes in place to identify what is needed, combined with an integra-tive mindset to ensure everything works seamlessly together rather than in isolation.

The fundraising team and IT department are working closely to increase its use of Salesforce as the primary customer management system. This gives the potential to hold all information in one location and to connect internal systems and processes so that they work effortlessly. This will be a great asset to the team, freeing up the time and cost of man-ual administration, but it does come at a financial cost itself.

Increasingly IT costs have to be factored into the running of the JST. We all tend to look for that wonderful word “free” when using technology (free wifi, free bandwidth, free soft-ware) but in fact there are always significant costs. At the same time the operational needs for the JST increase. For ex-ample, on board the ship we need increased bandwidth and

speeds, to ensure that we communicate effectively wherever we are. The permanent crew need this, voyage crew need this, the Masters needs this for the safety and business critical functioning of the ship. But at a cost of \$1,000 per month to provide that level of connectivity and functionality, it becomes an additional burden on our resources.

Our highlights box shows that we have had a busy year and IT continues to develop to meet the challenge. Our ship and shore teams are also now much more adept at using IT well, and seeing its potential. What we shall need to address is the increased financial costs in this digital age.

Highlights

- Successful move to virtual working accelerated by the Covid-19 pandemic and impacting on all areas of the JST
- Greatly improved ship to shore connectivity
- Back-office integration of systems and pro-cesses leading to better, integrated working
- Improved website functionality for setting up donations (e.g. Watchkeepers), taking voyage bookings and purchasing from the on-line shop
- Launch of Salesforce project to support fundrais-ing, financial reporting and data management

SECTION 2

Financial review and governance



Trustees and Governance

The Jubilee Sailing Trust was established under a trust deed dated 6 October 1978, and after subsequent amendments a consolidated deed was adopted on 19 October 2006.

The charity, through its two subsidiary charities, Jubilee Sailing Trust Ltd and Jubilee Sailing Trust (Tenacious) Ltd, owns and operates two tall ships, the Lord Nelson and Tenacious. In 2019 Lord Nelson was decommissioned leaving the Jubilee Sailing Trust with one tall ship to fulfil its mission and achieve its objectives.

Key Management and Remuneration

The key management of the Jubilee Sailing Trust is the legal responsibility of the Senior Management staff and six Trustees, chaired by Charles Humpleby.

In line with Fundraising Regulator guidelines members of staff receive a salary and travel and subsistence allowances when directly involved in work for the Trust. They do not receive any bonuses, commission or other incentives. Details of staff remuneration will be found in notes to the financial statements.

Trustees are not paid and during this financial year no expenses were claimed by them.

With the retirement of our long-serving Trustee and Chair, James Crill, a recruitment process was undertaken leading to the appointment of Charles Humpleby as Chair of the Trustees on 1st January 2021.

Risk Assessment Work

During the pandemic the Trustees evaluated risk to the JST in terms of voyage safety, crew and shore team safety, and financial implications. They were actively involved in the planning and monitoring of risk measures taken when voyages did recommence in February 2021 with the Royal Navy.

The Trustee Team saw three other resignations during the year and the appointment of one new Trustee. Further appointments to the Trustees are planned for 2021 – 2022, mindful of the need to diversify representation on the Board.

During the year the Trustees held five full Meetings of the Trustees with all meetings using video conference facilities. In addition, the Finance & Audit Committee (FACT) financial sub-committee has continued to meet each month with the CEO and Head of Finance and Governance to work through the financial implications of the Covid-19 pandemic.

In terms of Governance, the Trustees have continued to be in close contact with the CEO and leadership team throughout this period and have provided both advice and support.

Additionally, the Trustees noted the updating of the Ships’ Risk Register, under the direction of the Director of Operations, and commissioned a full organisational report to gain a more complete overview of all aspects of the current JST operations. That report continues to be under consideration.

Lord Nelson

After the decommissioning of Lord Nelson in 2019 the Trustees looked at the possible use of the ship for educational purposes, as a museum, as a conference centre, or even as a floating hotel. Investigations were made with a number of ports on the feasibility of Lord Nelson being permanently docked with them as a tourist attraction. A number of enquiries were made from various organisations expressing interest in the ship but after further negotiations no firm proposals were received.

After an extended period looking at all possible options it was determined in February 2021 to formally put Lord Nelson for sale. There had been some good initial interest both in the UK and abroad but during the pandemic it has not been possible to progress these discussions to any great extent, although there had been some initial expressions of interest internationally. During 2021 – 2022 it is hoped to continue to look for a buyer and to finalise a sale in the best long-term interests of the JST.

Fundraising regulations

All fundraising is subject to strict regulations set out by the Charity Commission and monitored by the Board of Trustees of the Jubilee Sailing Trust. All our accounts, including fundraising income and expenditure, are subject to Independent Audit and are submitted to the Charity Commission on an annual basis.

We employ a team of fundraisers who are paid a salary as well as volunteer fundraisers. No commission is paid to our fundraising team or our volunteers. We fully subscribe to the Code of Fundraising Practice of the Fundraising Regulator¹ and are registered by them.

The JST provides full details of the Fundraising Regulator on our website including contact points for any donors or potentials to raise concerns over any intrusion into their privacy, unreasonable pressure or persistence to donate, or any issues over the allocation and distribution of funds.

No complaints concerning the Fundraising Policy or Practice of the JST or of any of its fundraising staff or volunteers have been raised during the period covered by this Annual Report.



Statement of Trustees Responsibilities

The Trustees 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).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 (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 charity will continue in operation.

Summary Statement by Trustees

This has undoubtedly been a challenging year for the JST with no public voyages and just one opportunity to sail, in February 2021, in partnership with the Royal Navy. With a £400k operating deficit for the year our debt position has continued to deteriorate, although at a slightly slower pace than in previous years. Costs are now much more manageable and the major challenge has been to maintain income in such a difficult period.

Income from voyages has been seriously depleted, therefore. In addition, income from fundraising is 50% down on the previous year, some of which is directly related to the impact of the pandemic although it should be noted that income for 2019 – 2020 had included an exceptional item, the £1m raised through the special appeal. Excluding that exceptional item, fundraising for the year was marginally higher in this reporting year.

Administrative expenses have fallen 35% during the year due to changes in staff and the furlough scheme. Ship expenses have reduced despite including the costs of the Special Survey due to savings from not sailing and the decommissioning of Lord Nelson.

The Trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees at the time this report is approved are aware that to the best of their belief and knowledge:

- There is no relevant audit information of which the auditors are unaware
- They have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The Trustees have given due consideration to Charity Commission published Guidance on the operation of the Public Benefit requirement.

This report was approved by Charles Humpleby, chair on January 31, 2022.

The Trustees have noted the considerable support of the loyal volunteers, branches, crew and staff which has enabled the JST to achieve a great deal under adverse circumstances. Consequently, whilst the year ahead needs to be one of recovery, the actual position of the Trust at the end of this reporting period is better than expected given all the circumstances.

The Notes to the financial statements for the year ended 31st March 2021, provided in the final section of this report, state in Section 1 b of the Accounting policies:

1(b) Going Concern

The trustees have taken steps to improve the financial performance of the group which is shown in income levels and operational cost reduction since the balance sheet date, and projected operational cash flows, which indicate that the group is in a more positive financial position.

Reference and administrative details

Chairman of Trustees:	Charles Humpleby
Vice-Chairman:	Martyn Cuff
Trustees:	Jessica Berry Tom Stewart Niall Tarrell Emma Lawton
Chief Executive:	Patrick Fleming
Principal Address:	Enterprise House, Ocean Village, Southampton SO14 3XB
Bankers:	National Westminster Bank PLC 15 Bishopsgate London EC2P 2AP
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
Charity Number:	277810

Financial Review

Inevitably the financial position of the Trust has been impacted severely by the Covid-19 pandemic. Throughout the Annual Report and in the full accounts provided in the financial statements that financial impact is outlined.

In terms of income compared to the previous year:

- There has been very little public voyage income during 2020 – 2021, with the only significant voyage income coming from the Royal Navy charter in February – March 2021.
- Fundraising income has fallen by more than 50% during the year when compared to 2020 (when such income was higher due to the emergency appeal).
- The Trust was able to reclaim £176,000 from the Government Furlough scheme from furloughing of the ship crew.

In terms of expenditure compared to the previous year:

- Ship expenses have reduced due to savings from not sailing, and the decommissioning of Lord Nelson and reduced headcount.
- Costs of the Special Survey of Tenacious made up approximately 50% of total ship expenses for the year at a total of £545,241.
- Admin expenses have fallen 35% mainly due to changes in staffing, reduced office running costs with closure of the Woolston office, and the reduction of crew numbers.
- Costs of fundraising, excluding salaries, have fallen considerably
- Cash and cash equivalents at the end of the reporting period (March 2021) had improved to £152,438 compared to a balance of £24,952 at March 2020
- Creditors position has improved by £323,876 overall from £6,256,226 in March 2020 to £5,932,350 in March 2021

The detailed report of our financial performance for FY20.21 is provided in the full copy of the financial statements. In summary:

Total Income 2020 - 2021	£2,106,117 (compared to £3,124,412 in 2019 - 2020)
Breakdown of Income:	
Voyage Fees	£668,233 (compared to £987,663 in 2019 – 2020)
Donations and Gifts	£1,236,320 (compared to £2,211,365 in 2019 - 2020)
Merchandising	£7,341 (compared to £17,039 in 2019 - 2020)
Other Fundraising Income	£1,897 (compared to £1,175 in 2019 – 2020)
Sundry Income	£214,445 (nil recorded in 2019 -2020)
Total Expenditure	£2,321,254 (compared to £3,562,175 in 2019 - 2020)
Operating Deficit for Year 2020 - 2021	£215,137 (compared to £437,763 in 2019 - 2020)

Re-evaluation of Fixed Assets

A re-evaluation of fixed assets during 2020 – 2021 to £5,037,123 compared to £5,982,439 in 2019 – 2021 a reduction of £925,000.

Principal risks and uncertainties

The Trustees of the JST have established a risk assessment framework, reviewed throughout the year, to consider the impact and probability of risks in various areas, as part of its general governance of the Trust.

During 2020 – 2021 a full organisational review was commissioned and conducted by an external consultant to identify operational risks. The Trustees are currently considering the contents of the review and will make any necessary changes in the light of recommendations made.

An extensive updating of the Ship Safety Management System, effectively the risk register for the operation of the ships and safety of permanent crew, volunteers, and voyage crew, was conducted under the leadership of the Director of Operations during November – March 2021 and passed inspection by the Marine and Coastguard Agency during one of its regular reviews.

Many of the risks to the Jubilee Sailing Trust have focused on the impact of Covid-19 and any enduring consequences.

Investments

Currently the JST does not have any significant investments or reserves.

The principal current financial and operational risks are considered to be:

- Recurrence of pandemic causing the sudden cessation of voyages with costs associated, loss of revenue as well as impact on fundraising.
- Risk of insufficient working capital to meet operational requirements or service debt.
- Significant deterioration in the condition of the Lord Nelson which would impact on a final sale price.
- Challenges to fundraising of all types in the current economic climate.
- Decline in occupancy levels on voyages, and lower contribution to costs payments by voyage crew, leading to high operating deficit and increasing overall debt levels.



SECTION 3

Financial
Statements



Independent Auditors Report to the Trustees of Jubilee Sailing Trust

Opinion

We have audited the financial statements of Jubilee Sailing Trust (the ‘parent charity’) and its subsidiaries (the ‘group’) for the year ended 31 March 2021 which comprise the Group Statement of Financial Activities, the Group and the Trust Balance Sheet, Group Cashflow Statement 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 group’s and parent charity’s affairs as at 31 March 2021, and of the group’s incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

At the Balance Sheet Date, the Group had Net Current Liabilities of £2,482,075 (2020: £2,120,454). 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 group and the Trust’s ability to continue as a going concern, which is dependent on the continued support of the group’s bank, fellow members of the group, 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 which may cast significant doubt about the group’s and the Trust’s ability to continue in operation. The financial statements do not include the adjustments that would result if the group or the Trust 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.

Independent Auditors Report to the Trustees of Jubilee Sailing Trust

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees’ report; or
- sufficient accounting records have not been kept; or
- the parent charity’s financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees’ responsibilities statement set out on page 40, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Independent Auditors Report to the Trustees of Jubilee Sailing Trust

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.

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.

Independent Auditors Report to the Trustees of Jubilee Sailing Trust

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity'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)
Fiander Tovell Limited
Chartered Accountants and Registered Auditors
Stag Gates House
63/64 The Avenue
Southampton
SO17 1XS

Date: 31/1/2022 | 14:39 GMT

Fiander Tovell Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.


Financial Statements

JUBILEE SAILING TRUST							
Consolidated statement of financial activities for the year ended 31 March 2021							
	Notes	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total £
Income and endowments from:							
<i>Donations and legacies:</i>							
Donations and gifts	4	1,158,841	77,479	1,236,320	1,983,858	227,507	2,211,365
Deferred income		-	(22,119)	(22,119)	-	(149,207)	(149,207)
<i>Charitable activities:</i>							
Voyage fees		668,233	-	668,233	987,663	-	987,663
Appearance fees		-	-	-	56,277	-	56,277
<i>Other trading activities:</i>							
Merchandising income		7,341	-	7,341	17,039	-	17,039
Other fundraising income		1,897	-	1,897	1,275	-	1,275
<i>Sundry income</i>							
		214,445	-	214,445	-	-	-
Total incoming resources		2,050,757	55,360	2,106,117	3,046,112	78,300	3,124,412
Expenditure on:							
<i>Raising funds:</i>							
Costs of generating voluntary income		243,935	-	243,935	375,242	-	375,242
Merchandising costs		9,440	-	9,440	(2,489)	-	(2,489)
		253,375	-	253,375	372,753	-	372,753
<i>Charitable activities:</i>							
Lord Nelson operating costs		132,343	-	132,343	990,738	18,477	1,009,215
Lord Nelson depreciation		76,861	-	76,861	74,387	-	74,387
Tenacious operating costs		1,693,493	133,293	1,826,786	1,908,621	21,873	1,930,494
Tenacious depreciation		106,250	-	106,250	113,836	-	113,836
Restricted income released	1(e)	-	-	-	(37,900)	37,900	-
Interest payable	9	(74,361)	-	(74,361)	61,490	-	61,490
		1,934,586	133,293	2,067,879	3,111,172	78,250	3,189,422
Total resources expended	6(a)	2,187,961	133,293	2,321,254	3,483,925	78,250	3,562,175
Transfers		375,057	(375,057)	-	-	-	-
Net incoming/(outgoing) resources		237,853	(452,990)	(215,137)	(437,813)	50	(437,763)
Memo: net incoming/ (outgoing) resources before depreciation							
		420,964	(452,990)	(32,026)	(249,590)	50	(249,540)
Revaluation of tangible fixed assets		(925,000)	-	(925,000)	-	-	-
Net movement in funds		(687,147)	(452,990)	(1,140,137)	(437,813)	50	(437,763)
Reconciliation of total funds:							
Funds brought forward		210,870	547,671	758,541	648,683	547,621	1,196,304
Funds at 31 March 2021		(476,277)	94,681	(381,596)	210,870	547,671	758,541

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

JUBILEE SAILING TRUST					
Consolidated and Trust Balance Sheets at 31 March 2021					
	Notes	Group 2021 £	2020 £	Trust 2021 £	2020 £
Fixed Assets					
Tangible assets	11	5,037,123	5,982,439	-	-
Total fixed assets		5,037,123	5,982,439	-	-
Current assets					
Stocks	12	33,973	27,777	-	-
Debtors - due within one year	13	327,220	979,599	116,514	149,750
Debtors - due after more than one year	13	-	-	4,443,160	4,750,232
Cash at bank and in hand		152,438	24,952	24,187	17,622
		513,631	1,032,328	4,583,861	4,917,604
Creditors: amounts falling due within one year	14	(2,995,706)	(3,152,782)	(1,231,478)	(1,140,836)
Net current (liabilities)/ assets		(2,482,075)	(2,120,454)	3,352,383	3,776,768
Total assets less current liabilities		2,555,048	3,861,985	3,352,383	3,776,768
Creditors: amounts falling due after one year	16	(2,936,644)	(3,103,444)	(2,808,977)	(3,020,444)
Net assets		(381,596)	758,541	543,406	756,324
Funds					
Unrestricted		(476,277)	210,870	448,725	208,653
Restricted	19	94,681	547,671	94,681	547,671
		(381,596)	758,541	543,406	756,324

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


Charles Humpleby
Chairman
31/1/2022 | 14:26 GMT

Financial Statements

JUBILEE SAILING TRUST

Consolidated cash flow statement for the year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities (A)	220,655	(238,004)
Cash flows from investing activities:		
Dividends, interest and rents from investments	-	-
Purchase of tangible fixed assets	(179,328)	-
Net cash provided by/(used in) investing activities	(179,328)	-
Cash flows from financing activities:		
Proceeds from bank loans	100,000	-
Repayment of bank loans	-	-
Repayment of Trustee Loans	-	(8,000)
Repayment of other loans	(64,718)	-
Cash inflows from new borrowing	-	20,000
Net cash provided by/(used in) financing activities	35,282	12,000
Change in cash and cash equivalents in the reporting period	76,609	(226,004)
Cash and cash equivalents at the beginning of the reporting period	(17,874)	208,130
Cash and cash equivalents at the end of the reporting period (B)	58,735	(17,874)
(A) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period	(215,137)	(437,763)
Depreciation	199,645	195,519
Dividends, interest and rents from investments	-	-
Decrease / (Increase) in stocks	(6,197)	16,342
(Increase) / Decrease in debtors	652,379	(595,754)
(Decrease) / Increase in creditors	(410,035)	583,652
Donations in kind of fixed assets	-	-
Net cash provided by/(used in) operating activities	220,655	(238,004)
(B) Analysis of cash and cash equivalents		
Cash in hand	152,438	24,952
Overdraft facility	(93,703)	(42,826)
Total cash and cash equivalents	58,735	(17,874)

JUBILEE SAILING TRUST

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

1 Accounting policies*Charity information*

Jubilee Sailing Trust is a charitable trust established under a Trust Deed and registered with the Charity Commission in England and Wales. The principal address is Enterprise House, Ocean Way, Ocean Village, Southampton, SO14 3XB. The Trust 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 fixed assets as detailed in note 1(h)) and are 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, the Charities Act 2011 and the applicable accounting standard, FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Trust and its subsidiary undertakings, Jubilee Sailing Trust Limited and Jubilee Sailing Trust (Tenacious) Limited as at 31 March 2021 using the acquisition method of accounting. No separate SOFA has been presented for the Trust alone as permitted by the SORP.

The parent entity has taken advantage of the reduced disclosure framework exemption in connection with its own results. This gives exemption from the following disclosures: statement of cash flows, financial instruments and key management personnel remuneration.

b) Going concern

The Trust is dependent on the continued support of its supporters, donors and lenders, fellow members of the group and other creditors. The Trustees consider that they have this support, and that the Trust will continue to operate as a going concern. The financial statements have been prepared on the basis that the Trust 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.

JUBILEE SAILING TRUST

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 group. The impact of COVID-19 post year end shows a reduction in ship running costs due to cancelled voyages. The group made the decision to avoid refunds and transfer payments on cancelled voyages to future bookings. The group has also taken advantage of various schemes offered by the government such as the furlough of staff and bounce back loans.

c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

Restricted funds are funds provided to be used for specific purposes as specified by the donor. Expenditure which meets these criteria is charged to the funds.

d) Incoming resources

All incoming resources are recognised once the Trust has entitlement to the resources, it is reasonably certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. Gifts in kind are included at valuation. No amounts are included in the financial statements for services donated by volunteers.

Legacy income is recognised when the legacy has been received, or once the Trust has confirmed its entitlement to the legacy and the value is known with sufficient reliability.

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.

Other sundry 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.

JUBILEE SAILING TRUST

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

1 Accounting policies continued*e) Donated voyage fees*

Donations made to subsidise the cost of voyages are restricted and shown as deferred income under assisted voyage deposits. Donated voyage fees are only used for subsidising the cost of voyages as specified by donors and are released to meet the costs of the voyage when the conditions set by the donors are met.

f) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust 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 Trust. 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 and turnover ratio. The allocation of overhead and support costs is analysed in note 6 (b).

g) Governance costs

Governance costs comprise all costs involving the public accountability of the Trust 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.

h) Tangible fixed assets and depreciation

Lord Nelson and Tenacious are 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 cost of refits is charged against revenue as incurred.

All other fixed assets costing over £3,000 are capitalised and stated at cost or, if donated, at retail cost, less accumulated depreciation. Depreciation is calculated so as to write off the cost of fixed assets over the 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.

i) 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.

Financial Statements

JUBILEE SAILING TRUST

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

1 Accounting policies continued*j) 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.

k) 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.

l) 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.

m) Creditors and provisions

Creditors and provisions are recognised where the Trust 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.

n) Financial instruments

The Trust 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.

o) Pension costs

The Trust 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 Trust. Pension costs represent the contributions payable by the Trust during the period.

The Trust also participates in the Merchant Navy Officers Pension Fund (MNOF) pension scheme for qualifying members which incorporates both defined benefit and defined contribution sections. Provision is made for the agreed contributions to the deficit under an instalment payment arrangement.

p) Irrecoverable VAT

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

JUBILEE SAILING TRUST

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

1 Accounting policies continued*q) Operating leases*

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

r) Concessionary loans

Concessionary loans are initially recognised at the amount received in accordance with paragraphs PBE34.90 to PBE34.97 of FRS 102.

2 Critical accounting estimates and judgements

In the application of the Trust'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 Trust's tall ships are 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 11.

MNOF Multi-Employer Defined Benefit Scheme

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

Financial Statements

JUBILEE SAILING TRUST

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

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

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

4 Donations and gifts

	2021	2020
	£	£
Charitable trusts, corporate donors and other institutions	542,504	314,728
Legacies	399,146	204,634
Fundraising events	17,032	16,908
Individuals and branches	277,638	1,675,095
	<u>1,236,320</u>	<u>2,211,365</u>

5 Investment income

Investment income comprises bank interest receivable of £Nil (2020: £Nil).

6 (a) Total resources expended

	Staff costs	Depreciation	Other direct costs	Total 2021	Total 2020
	£	£	£	£	£
Fundraising and publicity costs	162,086	16,534	65,315	243,935	375,242
Merchandising costs	-	-	9,440	9,440	(2,489)
Lord Nelson operating costs	39,294	76,861	93,049	209,204	1,083,602
Tenacious operating costs	396,577	106,250	1,430,209	1,933,036	2,044,330
Interest payable	-	-	(74,361)	(74,361)	61,490
	<u>597,957</u>	<u>199,645</u>	<u>1,523,652</u>	<u>2,321,254</u>	<u>3,562,175</u>

Other direct costs include audit fees of £16,000 (2020: £14,250) and auditors' remuneration for non-audit services of £3,275 (2020: £3,000).

Financial Statements

JUBILEE SAILING TRUST

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

6 Total resources expended - continued

6 (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	Governance	Operating Costs	
	Allocated		Lord Nelson	Tenacious
	£	£	£	£
Staff costs	435,871	-	39,294	396,577
Office rental and costs	37,353	892	14,434	22,027
Communication costs	9,617	48	776	8,793
Insurance	7,929	462	7,467	-
Depreciation	8,019	-	-	8,019
Other	78,543	23,847	14,464	40,232
	<u>577,332</u>	<u>25,249</u>	<u>76,435</u>	<u>475,648</u>

Support costs include exchange differences debited/(credited) of (£3,456) (2020: £5,750).

(c) Allocation of governance costs

	Total	Fund	Ship
	Allocated	Raising & Publicity Costs	Operating Costs
	£	£	£
Staff costs	-	-	-
Office rental and costs	892	223	669
Communication costs	48	12	36
Insurance	462	115	347
Depreciation	-	-	-
Other	<u>23,847</u>	<u>5,961</u>	<u>17,886</u>
	<u>25,249</u>	<u>6,311</u>	<u>18,938</u>

7 Staff and Agency Costs and Remuneration of Key Management Personnel

Group	2021	2020
	£	£
Wages and salaries	608,863	798,449
Social security costs	62,331	84,541
Pension contributions	26,249	35,641
Agency staff	382,852	707,825
Pension contributions - agency staff	10,376	24,439
	<u>1,090,671</u>	<u>1,650,895</u>

The average number of employees, analysed by function, was:

	No.	No.
Administration	<u>13</u>	<u>22</u>

The average number of full time staff was 9 (2020: 19) and part time staff was 4 (2020: 3). The average number of full time equivalent staff was 11 (2020: 21).

The majority of the ships' crews are supplied to the Jubilee Sailing Trust by a specialist agency which employs them and consequently they are not included in the average number of employees shown above. 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.

JUBILEE SAILING TRUST

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

7 Staff and Agency Costs and Remuneration of Key Management Personnel - continued

During the year, the number of employees with emoluments of over £60,000 was as follows:

	2021	2020
	No.	No.
£60,000 - £70,000	1	1
£70,000 - £80,000	1	1
£110,000 - £120,000	1	-

Pension contributions of £8,284 (2020: £Nil) were paid in respect of higher paid employees.

The average number of administrative employees is based on full-time equivalents whereas the average number of ships' crew consists of relief and permanent crew.

	2021	2020
	£	£
Employment benefits of key management personnel	<u>330,991</u>	<u>193,528</u>
	2021	2020
	£	£
Trust		
Wages and salaries	-	-
Social Security costs	-	-
Pension contributions	-	-
	<u>-</u>	<u>-</u>

The average number of employees, analysed by function, was:

	No.	No.
Administration	<u>-</u>	<u>-</u>

8 Trustees' remuneration

None of the Trustees or any persons connected with them received any emoluments from the charity in either year.

No Trustees received reimbursed expenses during either year.

Trustee indemnity insurance of £3,780 (2020: £3,360) has been paid by Jubilee Sailing Trust Limited and is included within governance costs.

Financial Statements

JUBILEE SAILING TRUST

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

9 Interest payable

	2021 £	2020 £
Bank loans and overdrafts	-	-
Other loans	(74,361)	61,490
	<u>(74,361)</u>	<u>61,490</u>

Interest charged on two loans up to 31 March 2021 was waived post-year end. This resulted in an adjustment of £146,096, of which £37,085 related to interest charged in the current year.

10 Results of parent and subsidiaries

These accounts incorporate the results of the Trust's wholly owned subsidiaries, Jubilee Sailing Trust Limited (company number (company number 01694447, charity number 286487) and Jubilee Sailing Trust (Tenacious) Limited (company number 04019273, charity number 1081658), for the year ended 31 March 2021. These subsidiaries share the principal objective of enabling physically disabled and able-bodied people to share the challenging and integrating experience of crewing a sailing ship at sea.

Each entity's total incoming resources for this period and their net operating surplus/deficit before any subvention of funds from the parent entity were as follows:

	Incoming resources		Operating surplus/(deficit)	
	2021 £	2020 £	2021 £	2020 £
Jubilee Sailing Trust	1,177,595	2,130,095	1,254,175	2,063,143
Jubilee Sailing Trust Limited	2,195	496,797	(225,032)	(1,121,665)
Jubilee Sailing Trust (Tenacious) Limited	750,003	596,598	(1,242,061)	(1,381,460)

The aggregate amount of assets, liabilities and funds in each subsidiary is as follows:

	Assets £	Liabilities £	Net Assets £
Jubilee Sailing Trust Limited	2,394,404	3,319,404	(925,000)
Jubilee Sailing Trust (Tenacious) Limited	4,014,529	4,014,529	-

JUBILEE SAILING TRUST

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

11 Tangible fixed assets

Group	Tenacious £	Lord Nelson £	Boats & spare engines £	Equipment & motor vehicles £	Total £
Cost or valuation					
At 1 April 2020					
- at original cost	-	-	89,496	155,372	244,868
- at valuation	<u>4,250,000</u>	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>6,750,000</u>
	4,250,000	2,500,000	89,496	155,372	6,994,868
Revaluation	-	(925,000)	-	-	(925,000)
Additions	-	-	171,391	7,937	179,328
Disposals	-	-	-	(8,986)	(8,986)
At 31 March 2021	<u>4,250,000</u>	<u>1,575,000</u>	<u>260,887</u>	<u>154,323</u>	<u>6,240,210</u>
Depreciation					
At 1 April 2020	531,250	312,500	80,055	88,623	1,012,428
Revaluation	-	-	-	-	-
Charge for the year	106,250	62,500	12,473	18,422	199,645
Eliminated on disposal	-	-	-	(8,986)	(8,986)
At 31 March 2021	<u>637,500</u>	<u>375,000</u>	<u>92,528</u>	<u>98,059</u>	<u>1,203,087</u>
Net book value					
At 31 March 2021	<u>3,612,500</u>	<u>1,200,000</u>	<u>168,359</u>	<u>56,264</u>	<u>5,037,123</u>
At 31 March 2020	<u>3,718,750</u>	<u>2,187,500</u>	<u>9,441</u>	<u>66,749</u>	<u>5,982,440</u>

Tenacious and Lord Nelson are pledged as security for a number of loans, as detailed in note 16a.

The group adopts a policy of revaluation of its sailing ships in accordance with FRS 102.

A valuation was carried out in July 2015 by Graham Westbrook (independent naval architect and surveyor). He estimated the approximate value of Lord Nelson (Jubilee Sailing Trust Limited) at £2,500,000 and Tenacious (Jubilee Sailing Trust (Tenacious) Limited) at £4,250,000.

The basis for 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.

The charity itself does not hold tangible fixed assets (2020: £Nil).

Financial Statements

JUBILEE SAILING TRUST

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

11 Comparable historical cost for Lord Nelson and Tenacious:

	Tenacious	Lord Nelson	Total
Cost	£	£	£
At 1 April 2020 and 31 March 2021	15,620,213	2,690,205	18,310,418
Depreciation			
At 1 April 2020	6,130,678	1,829,339	7,960,017
Charge for the year	312,404	53,804	366,208
At 31 March 2021	6,443,082	1,883,143	8,326,225
Net Book Value			
At 31 March 2021	9,177,131	807,062	9,984,193
At 31 March 2020	9,489,535	860,866	10,350,401

12 Stocks

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

13 Debtors

	Group		Trust	
	2021	2020	2021	2020
	£	£	£	£
Other debtors	157,143	804,374	-	-
Prepayments and accrued income	170,078	175,225	116,514	149,750
	327,221	979,599	116,514	149,750

Amounts falling due after more than one year

Amounts due from subsidiary companies	-	-	4,443,160	4,750,232
	-	-	4,443,160	4,750,232

The advances to Jubilee Sailing Trust Limited and Jubilee Sailing Trust (Tenacious) Limited from the Trust are secured on the assets of the companies. By a Deed of Subordination the 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 as detailed in Note 16. In the absence of any breach of the terms of the security, advances are repayable out of the proceeds of sale of any assets so secured.

JUBILEE SAILING TRUST

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

14 Creditors: amounts falling due within one year

	Group		Trust	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	107,036	42,826	-	-
Other loans (16a)	681,055	534,306	681,055	534,306
Voyage deposits in advance (15a)	776,858	711,066	516,606	494,487
Trade creditors	577,252	514,026	-	-
Other creditors	54,441	69,290	-	600
Other taxation and social security	371,097	181,386	-	-
Deferred income	293,750	950,000	-	-
Accruals	134,217	149,882	33,817	111,443
	2,995,706	3,152,782	1,231,478	1,140,836

The amount of secured liabilities due within one year is £665,773 (2020: £517,132). The bank overdraft is secured by an intercompany guarantee, debenture and a ship mortgage on Tenacious.

15 Voyage deposits in advance

(a) Trust:	01-Apr	Incoming	Release of	31-Mar
	2020	Resources	b/f deferred	2021
	£	deferred	income	£
Assisted voyage fees	480,645	22,119	-	502,764
Branches	13,842	-	-	13,842
	494,487	22,119	-	516,606

Donations made to subsidise the cost of voyages are received from a variety of sources to enable the Trust to operate subsidised voyages.

Group:	01-Apr	Incoming	Release of	31-Mar
	2020	Resources	b/f deferred	2021
	£	deferred	income	£
Assisted voyage fees	480,645	22,119	-	502,764
Branches	13,842	-	-	13,842
Voyage deposits	216,579	43,673	-	260,252
	711,066	65,792	-	776,858

Financial Statements

JUBILEE SAILING TRUST

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

16 Creditors: amounts falling due after more than one year

	Group		Trust	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	86,667	-	-	-
Other loans (a)	2,677,477	2,888,944	2,677,477	2,888,944
Loans from individuals (b)	131,500	131,500	131,500	131,500
Other creditors	41,000	83,000	-	-
	<u>2,936,644</u>	<u>3,103,444</u>	<u>2,808,977</u>	<u>3,020,444</u>

The amount of secured liabilities due after more than one year is £2,677,477 (2020: £2,868,944).

a Other loans

Details of the other loans provided are as follows:

Lender	Capital	Term	Interest
Harry Cator	1,647,000	15 years	0.7% above base
Harry Cator	550,000	15 years	3% above base
John Marston	175,000	15 years	3% above base
Elisabeth Thistlethwayte	221,250	15 years	3% above base
Trinity House	250,000	15 years	5% above base
Anonymous	500,000	5 years	0%
John Christodoulou	15,282	1 year	0%

The above loans (with the exception of the loan from John Christodoulou) are secured by a guarantee from Jubilee Sailing Trust (Tenacious) Limited and a ship mortgage on Tenacious. The guarantee and mortgage rank behind the guarantee to National Westminster Bank plc and equally with the Corporation of Trinity House of Deptford Strond and the three lenders referred to above. The anonymous loan is secured by a guarantee from Jubilee Sailing Trust Limited and a ship mortgage on Lord Nelson.

Included within other loans are concessionary loans totalling £622,282 (2020: £687,000), of which £15,282 (2020: £60,000) are due for payment within one year and £607,000 (2020: £627,000) are due for payment after more than one year.

JUBILEE SAILING TRUST

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

16 Creditors: amounts falling due after more than one year - continued

The analysis of other loans is:

	2021	2020
	£	£
Due within 1 year	681,055	534,306
Due within 1-2 years	191,467	211,467
Due within 2-5 years	1,074,400	1,074,400
Due after 5 years	<u>1,411,610</u>	<u>1,603,077</u>
	<u>3,358,532</u>	<u>3,423,250</u>

b Loans from individuals

At 31 March 2021, 8 (2020: 8) individuals including some Trustees had advanced loans to the Trust, totalling £131,500 (2020: £131,500).

	2021	2020
	£	£
At 1 April 2020	131,500	139,500
Loans advanced during the year	-	-
Repaid during the year	-	(8,000)
Reclassified	-	-
Waived during the year	-	-
At 31 March 2021	<u>131,500</u>	<u>131,500</u>

The interest on these advances is waived with the exception of one of the advances which bears interest at 3.5%. The JST has the power to make such interest payments in accordance with the terms of the Deed of Trust.

The outstanding amount at 31 March is analysed as follows:

	2021	2020
	£	£
Due within 1 year	-	-
Due between 1 and 2 years	<u>131,500</u>	<u>131,500</u>
	<u>131,500</u>	<u>131,500</u>

Financial Statements

JUBILEE SAILING TRUST

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

17 Obligations under operating lease

At 31 March 2021 the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Land & Buildings		
Within one year	22,335	22,335
In more than one year but not more than five years	6,514	28,849
In more than five years	-	-
	<u>28,849</u>	<u>51,184</u>
Lease payments recognised as an expense during the year	<u>22,335</u>	<u>22,335</u>

18 Related parties

The loans from the Trustees and other individuals included in Note 16 above are also related party transactions and therefore the Trust considers the following to be material transactions. Certain of the trustees took the decision to waive interest on these loans. The interest waived of £856 and calculated at 0.7% above base rate per annum (2020: £2,320) has been treated as a gift in kind.

Interest paid to Trustees in the year was £Nil (2020: £Nil)

Amounts owed by the Trust to trustees and related parties at 31 March 2021:

	2021	2020
	£	£
Mrs J Cator	75,000	75,000
Mr R Davies	24,500	24,500
Mr T Stewart	20,000	20,000
Mr J Caulcutt	5,000	5,000
Ms A Robinson	2,500	2,500
Mr J Holloway	1,000	1,000
Mr S Taggart	2,500	2,500
Mr T Keen	1,000	1,000
Mr H Cator	2,197,000	2,197,000

During the year, amounts totalling £146,096 (2020: £Nil) were waived by related parties on the above loans.

JUBILEE SAILING TRUST

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

19 Funds

Group and Trust

Restricted funds	01-Apr 2020	Incoming Resources	Deferred Income	Outgoing resources	Transfers	31-Mar 2021
	£	£	£	£	£	£
Ships maintenance fund	536,671	55,360	-	(133,293)	(375,057)	83,681
Assisted voyage fund	-	22,119	(22,119)	-	-	-
Pension deficit fund	11,000	-	-	-	-	11,000
	<u>547,671</u>	<u>77,479</u>	<u>(22,119)</u>	<u>(133,293)</u>	<u>(375,057)</u>	<u>94,681</u>

The movement in funds for the comparative period was:

Ships maintenance fund	536,621	40,400	-	(40,350)	-	536,671
Assisted voyage fund	-	187,107	(149,207)	(37,900)	-	-
Pension deficit fund	11,000	-	-	-	-	11,000
	<u>547,621</u>	<u>227,507</u>	<u>(149,207)</u>	<u>(78,250)</u>	<u>-</u>	<u>547,671</u>

The ships maintenance fund represents amounts received for the continued maintenance of either of the group's two tall ships.

The bursaries received in the assisted voyage fund enable the Trust to operate subsidised voyages and youth training activities. These bursaries are only used for subsidising the cost of voyages as specified by donors and remain as deposits in advance until released as voyage income.

The pension deficit fund represents contributions received towards payment of the Trust's pension deficit liability.

20 Analysis of net assets between funds

Group	Unrestricted Funds £	Restricted Funds £	Total £
Fixed assets	5,037,123	-	5,037,123
Current assets	418,950	94,681	513,631
Current liabilities	(2,995,706)	-	(2,995,706)
Long term liabilities	(2,936,644)	-	(2,936,644)
	<u>(476,277)</u>	<u>94,681</u>	<u>(381,596)</u>

The analysis of net assets for the comparative period was:

Group	Unrestricted Funds £	Restricted Funds £	Total £
Fixed assets	5,982,439	-	5,982,439
Current assets	484,657	547,671	1,032,328
Current liabilities	(3,152,782)	-	(3,152,782)
Long term liabilities	(3,103,444)	-	(3,103,444)
	<u>210,870</u>	<u>547,671</u>	<u>758,541</u>

JUBILEE SAILING TRUST

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

21 Pension Costs and Pension Deficit Costs

The total pension costs charged to the SOFA account amounted to £26,249 (2020: £35,641).

The costs include contributions at varying rates to the Merchant Navy Officer’s 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 Trust is unable to identify its share of the underlying assets and liabilities of 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.

As required under FRS 102, a provision has been made for the agreed contributions to the deficit and the provision at the year end amounted to £83,000 (2020: £125,000).

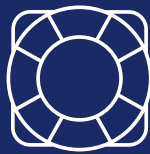


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