

THE THEODORE SALVESEN MEMORIAL TRUST

REPORT and ACCOUNTS

For the year ended 5 April 2025

CT:

THE THEODORE SALVESEN MEMORIAL TRUST

TRUSTEES' ANNUAL REPORT and ACCOUNTS

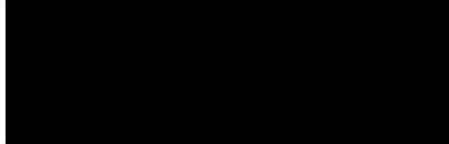
For the Year Ended 5 April 2025

Legal and Administrative Information

Trustees



Secretary and Registered Office



Independent Examiners

Chiene + Tait LLP (Trading as CT)
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

The Royal Bank of Scotland plc
36 St Andrews Square
Edinburgh
EH2 2AD

Investment Managers

Rathbones Investment Managers
10 George Street
Edinburgh
EH2 2PF

THE THEODORE SALVESEN MEMORIAL TRUST

TRUSTEES' ANNUAL REPORT and ACCOUNTS

For the Year Ended 5 April 2025

The Trustees submit their report and the accounts for the year ended 5 April 2025.

Objectives and activities

The main objective of the Trust continues to be the promotion of the welfare, dignity and efficiency of members and intending members of the British Merchant Navy.

Activities, achievements and future plans

Out of the Trust's total expenditure of £71,228 (2024: £78,147), £56,200 (2024: £63,326) was paid as grants and donations. The grants were awarded mainly to students intending to pursue careers in the merchant navy, fishing or the oil industry, to assist them in paying course fees. Donations were made to charities supporting current or former members of the British Merchant Navy.

The policy of making a block grant to the City of Glasgow College to fund student support and scholarships was deemed successful and continued for another year. Similar arrangements were made with the Scottish Maritime Academy, and these too were continued. A total of 52 students were supported during the year, either directly or indirectly (through the Colleges).

There were no fundraising activities and the Trustees plan to continue to spend the income of the Trust.

Grant making policy

The Trust invites applications for funding from students undertaking relevant courses. The criteria for awards are agreed by the Trustees and the grants are approved for payment by the Chairman against those criteria. Donations are also made by the Trustees to charities that satisfy the objectives of the Trust.

Financial review

Income received during the year amounted to £61,240 (2024: £66,688) which comprised of dividends and interest income.

Total expenditure in the year was £71,228 (2024: £78,147) leaving the net movement in funds for the year, after realised and unrealised gains on investments of a net loss £102,200 (2024: gain of £26,700).

Reserves policy

At the year end, the Trust held unrestricted reserves of £1,488,034 (2024: £1,590,234). As the Trust has no obligations to any beneficiaries, the Trustees feel that an appropriate level of reserves is needed only to cover administrative costs. These costs amount to less than £4,000 per annum and it is the policy of the Trust to maintain unrestricted funds not invested or held by the investment managers at this level. Income is accrued primarily from dividend income and these funds are collected by Rathbones and paid to the Trust's separate bank account once a quarter. These funds are used to make grants and result in the cash balance invariably being higher than the required reserves.

Investment policy

In accordance with the Trust Deed, the Trustees have the power to invest in such stocks, shares and other investments as they see fit. The investment objective is to maintain income in real terms while preserving the capital value of the fund, also in real terms. The Trustees continued to appoint Rathbones as professional investment managers whose are tasked with investing the assets of the Trust with a view to meeting this objective. Movements in investments can be seen at note 8.

Future plans

The key factors impacting financial markets were the awful war in Ukraine, inflation and higher interest rates. While this has created uncertainty for the economic outlook, the Trust has a large operational reserve available for grants and expects to maintain the annual budget for grant making in spite of any short-term underperformance of the investment portfolio.

THE THEODORE SALVESEN MEMORIAL TRUST

TRUSTEES' ANNUAL REPORT and ACCOUNTS (*continued*)

For the Year Ended 5 April 2025

Structure, Governance and Management

The Trust was created by [REDACTED] Master of Arts (Oxon), Master of Arts (Harvard), of Inveralmond, Cramond, Edinburgh, Shipowner, Leith and Others by Declaration of Trust dated 30 October 1942, registered 27 November 1942.

New Trustees are appointed by invitation of the existing Board of Trustees after due consideration of the skills required for managing the Trust. Each Trustee is given a set of the most recent accounts along with a copy of the Trust Deed of the charity and is fully briefed on the workings of the charity and what is expected of them. The Trustees take all of the decisions concerning the running of the Trust and delegate the day-to-day administration of those decisions to the Secretary.

All of the Trustees are volunteers. The Trustees are deemed to be the key management personnel.

Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust and are satisfied that systems are in place to mitigate their exposure to major risks. With regards to the charity's main risks, please refer to note 8.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts, comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Charity's constitution.

The Trustees 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.

On behalf of the Trustees

[REDACTED]

11 September 2025

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE
THE THEODORE SALVESEN MEMORIAL TRUST**

CT:

I report on the accounts of The Theodore Salvesen Memorial Trust for the year ended 5 April 2025 which are set out on pages 5 to 10.

This report is made to the trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the accounts on behalf of the trustees and to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the trustees, as a body, for my work or for this report.

Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

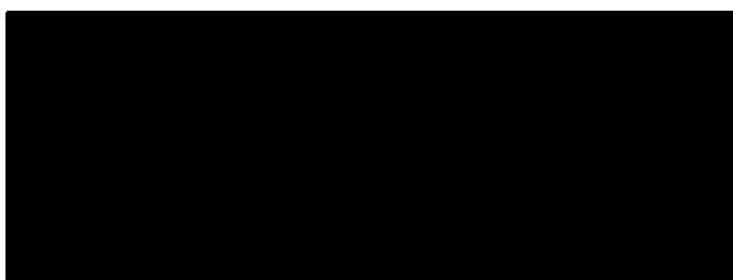
Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Regulations. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1)(a) of the Act and Regulation 4 of the Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Regulationshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



16 September 2025

THE THEODORE SALVESEN MEMORIAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

For the Year Ended 5 April 2025

	Note	Total Funds 2025 £	Total Funds 2024 £
Income and endowments from:			
Investments	2	61,240	66,688
Total income		<u>61,240</u>	<u>66,688</u>
Expenditure on:			
Raising funds:			
Investment management costs		10,829	10,728
Charitable activities	4	60,399	67,419
Total expenditure		<u>71,228</u>	<u>78,147</u>
Net gain/(loss) on investments		(92,212)	38,159
Net movement in funds		<u>(102,200)</u>	<u>26,700</u>
Reconciliation of funds:			
Total funds brought forward		1,590,234	1,563,534
Total funds carried forward		<u>1,488,034</u> =====	<u>1,590,234</u> =====

All incoming resources and resources expended derive from continuing activities.

All funds are unrestricted.

THE THEODORE SALVESEN MEMORIAL TRUST

BALANCE SHEET

As at 5 April 2025

	Note	2025 £	2024 £
Fixed assets			
Investments	8	1,396,822	1,526,190
Current assets			
Debtors	9	1,985	4,874
Cash at bank and in hand			
The Royal Bank of Scotland plc (2 accounts)		56,470	52,622
Rathbones Investment Management (2 accounts)		37,087	10,935
		95,542	68,431
Current liabilities			
Creditors amounts falling due within one year	10	(4,330)	(4,387)
Net current assets		91,212	64,044
Net assets		1,488,034	1,590,234
The funds of the charity:			
Unrestricted funds		1,488,034	1,590,234

Approved by the Trustees and signed on their behalf by: -




11 September 2025

THE THEODORE SALVESEN MEMORIAL TRUST

NOTES to the ACCOUNTS

For the Year Ended 5 April 2025

1. Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in pounds Sterling rounded to the nearest pound.

Going concern

The accounts have been prepared on a going concern basis. The trustees have assessed the ability to continue as a going concern and have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these accounts.

Income recognition

All income is recognised once the Trust has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure recognition

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to that expenditure.

All expenditure is accounted for on an accruals basis and all expenses are allocated to the applicable expenditure headings. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and secretary expenses.

Donations and grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such expenditure being recognised when the conditions have been fulfilled. If a grant is unclaimed by the recipient, it is not carried forward to future periods. In these circumstances, the applicant must reapply.

Costs of raising funds

The costs of raising funds consist of investment management fees.

Charitable activities

Costs of charitable include grants made and governance costs as detailed in note 4.

Taxation

The Trust is a registered charity and accordingly is exempt from taxation on its income and gains when they are applied for charitable purposes.

THE THEODORE SALVESEN MEMORIAL TRUST

NOTES to the ACCOUNTS *(continued)*

For the Year Ended 5 April 2025

1. Accounting Policies *(continued)*

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Funds structure

The unrestricted general fund comprises donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Financial instruments

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

2. Investment income	2025 £	2024 £
Investment income – UK equities and fixed interest	60,032	65,693
Interest received	1,208	995
	<u>61,240</u>	<u>66,688</u>
	=====	=====

3. Trustees' remuneration

Trustees, who are key management personnel, received no remuneration or other benefits from the Trust.

Expenses reimbursed to the secretary amounted to £47 (2024: £43). The secretary received an honorarium of £2,300 (2024: £2,300).

4. Expenditure on Charitable activities	2025 £	2024 £
Annual donations (see note 5)	10,000	17,000
Grants payable (see note 6)	46,200	46,326
Other	100	100
Governance and support costs (see note 7)	4,099	3,993
	<u>60,399</u>	<u>67,419</u>
	=====	=====

THE THEODORE SALVESEN MEMORIAL TRUST

NOTES to the ACCOUNTS *(continued)*

For the Year Ended 5 April 2025

5. Annual Donations	2025	2024
	£	£
Scottish Nautical Welfare Society	5,000	5,000
Sailors Society	-	5,000
Mission to Seafarers	5,000	7,000
	<u>10,000</u>	<u>17,000</u>
	=====	=====

6. Grants Payable	2025	2024
	£	£
Students of City of Glasgow College	33,000	33,000
Students of Scottish Maritime Academy	12,200	10,700
Other Colleges – direct payments	1,000	2,626
	<u>46,200</u>	<u>46,326</u>
	=====	=====

Grants helped (directly and indirectly) 51 (2024: directly and indirectly 52) students attending various colleges throughout the year.

7. Governance and support costs	2025	2024
	£	£
Independent Examination fee	1,752	1,650
Secretary's honorarium and expenses	2,347	2,343
	<u>4,099</u>	<u>3,993</u>
	=====	=====

8. Investments	2025	2024
	£	£
Market value at 5 April 2024	1,526,190	1,471,188
Purchased in year at cost	632,908	309,737
	<u>2,159,098</u>	<u>1,780,925</u>
Sale proceeds from disposals in year	(670,064)	(292,577)
Other movements	-	(317)
	<u>1,489,034</u>	<u>1,488,031</u>
Gain/(Loss) on sales in the year	11,914	(6,855)
	<u>1,500,948</u>	<u>1,481,176</u>
Unrealised gain/(loss) on revaluation	(104,126)	45,014
	<u>1,396,822</u>	<u>1,526,190</u>
	=====	=====

THE THEODORE SALVESEN MEMORIAL TRUST

NOTES to the ACCOUNTS (continued)

For the Year Ended 5 April 2025

8. Investments (continued)

	2025	2024
	£	£
The investments at market value comprised:		
UK equities	285,620	584,854
International equities	621,710	130,790
Fixed interest securities	369,308	228,936
Alternatives	120,184	581,610
	<u>1,396,822</u>	<u>1,526,190</u>
	=====	=====
Historical cost as at 5 April 2025	1,283,364	1,166,878
	=====	=====

All investments held are listed.

The main risk to the Trust from financial instruments lies in the combination of uncertain markets caused by the extraordinary monetary policy of negative interest rates in many parts of the world, as central banks attempt to reinvigorate their economies. The volatility of investment markets over the year has been extreme with regular daily index movements of 100 points.

The Trust's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

9. Debtors

	2025	2024
	£	£
Dividends due	1,985	4,874
	<u>=====</u>	<u>=====</u>

10. Creditors: Amounts falling due within one year

	2025	2024
	£	£
Accruals		
Independent examination	1,752	1,650
Investment management fees	2,578	2,737
	<u>4,330</u>	<u>4,387</u>
	=====	=====

