

*Company No. SC193204*  
*Charity No. SC029531*

# **Ocean Youth Trust (Scotland)**

**Financial Statements**  
*Year Ended 31 October 2009*

## **Ocean Youth Trust (Scotland)**

### **Contents of the Financial Statements *for the year ended 31 October 2009***

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## **Ocean Youth Trust (Scotland)**

**Charity Information for the year ended 31 October 2009**

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### ***Directors***

S.J. Fraser (Chairman)  
S. Simpson (Vice Chairman)  
G.B. Fisher  
K.A. Forbes  
J. Parfitt  
S. McColl  
P. Collins  
N.I. Campbell  
I.M. Bruce  
J.R. Laidlaw  
I.M. Macleod

### ***Company Secretary***

S.M. Wilson

### ***Registered Office***

191 West George Street  
Glasgow  
G2 2LJ

### ***Auditors***

Cook & Co.  
Chartered Accountants  
Registered Auditors  
Suite 525  
Baltic Chambers  
50 Wellington Street  
Glasgow  
G2 6HJ

### ***Bankers***

Bank of Scotland  
235 Sauchiehall Street  
Glasgow  
G2 3EY

## **Ocean Youth Trust (Scotland)**

### **Report of the Directors for the year ended 31 October 2009**

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The directors present their report and accounts for the year ended 31 October 2009.

#### **Structure, Governance and Management**

##### **Governing Document**

The charity is constituted as a company limited by guarantee (No. SC193204), and is therefore governed by a memorandum and articles of association and is a recognised Scottish Charity (No. SC029531).

##### **Organisational Structure**

The charity is organised so that the directors meet regularly to arrange its affairs. The management of the vessels is administered by the Chief Executive and skippers employed by Ocean Youth Trust (Scotland). We are immensely grateful to our members, volunteers and supporters for their huge contribution towards the ongoing success of the Trust.

##### **Directors and Trustees**

During the financial year the directors and trustees who served are as follows:

S.J. Fraser	Chairman
S. Simpson	Vice Chairman
P. Collins	Treasurer
G.B. Fisher	
K.A. Forbes	
J. Parfitt	
S. McColl	
N.I. Campbell	
I.M. Bruce	
J.R. Laidlaw	
I.M. Macleod	

J. Parfitt, K. Forbes and G.B Fisher will retire at the next Annual General Meeting and will not offer themselves for re-election.

##### **Recruitment and Induction of Directors**

Ocean Youth Trust (Scotland) actively seeks to recruit new Trustees who will have certain skills and abilities that will enable the organisation to work towards the achievement of its aims. Potential new Trustees are primarily sourced through contacts given and recommendations made by existing Trustees.

All new Trustees receive a thorough induction including a tour of the Trust's Vessels and the opportunity to meet with all of the staff. They are given previous copies of the Trust meeting minutes and other associated information with which they can familiarise themselves.

##### **Risk Management**

The directors actively review the major risks faced by the Charity on a regular basis – financial, operational and business. From the review the directors continue to update and establish procedures to mitigate the risks identified as a result of this review.

##### **Objectives and Activities**

OYT Scotland provides opportunities for young people from all backgrounds to learn more about themselves, others and society. Supporting young people aged 12 – 24, the Trust provides residential educational opportunities to young people from a wide background of abilities and circumstances. These experiences are provided principally by professionally qualified volunteers supported by professional staff. The Trust provides "Adventure under Sail" through its fleet of purpose built sailing vessels.

## **Ocean Youth Trust (Scotland)**

### **Report of the Directors for the year ended 31 October 2009**

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#### **Statement of Directors' Responsibilities**

Company law requires the directors 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 its incoming resources and application of resources, including its surplus or deficit for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

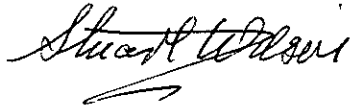
#### **Statement as to Disclosure of Information to Auditors**

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

#### **On behalf of the Board**

SM Wilson  
Secretary



Dated: 19 February 2010

## **Ocean Youth Trust (Scotland)**

### **Report of the Independent Auditors to the Directors of Ocean Youth Trust (Scotland)**

*for the year ended 31 October 2009*

We have audited the financial statements of Ocean Youth Trust (Scotland) for the year ended 31 October 2009 on pages 6 to 13 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), under the historical cost convention and the accounting policies set out therein

This report is made solely to the charity's members as a body, in accordance with Sections 495 & 496 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the members and the charity's trustees those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of Directors and Auditors**

As described on page 4, the charity's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the Report of the Directors is consistent with the financial statements.

In addition we report to you if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charity is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available to Small Entities, in the circumstances set out in Note 19 to the financial statements.


#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31 October 2009 and of its deficit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors is consistent with the financial statements.



James N Gibson MA CA (Senior Statutory Auditor)  
For and on behalf of  
Cook & Co.  
Chartered Accountants & Registered Auditors  
50 Wellington Street  
Glasgow, G2 6HJ

10 February 2010

## Ocean Youth Trust (Scotland)

### Income and Expenditure Account and Statement of Financial Activities

for the year ended 31 October 2009

	Notes	Unrestricted Funds		Restr. Funds	2009	2008
		General	Designated		Total	Total
		£	£	£	£	£
<b>Incoming Resources</b>						
<i>From Generated Funds</i>						
Donations		77,513	-	72,341	149,854	65,619
Other Income		41,003	-	-	41,003	316,241
<i>From Charitable Activities</i>						
Grants	2	-	-	139,399	139,399	171,484
Voyage Fees		447,793	-	14,900	462,693	248,202
<i>From Investment Income</i>						
Bank interest		1,621	-	-	1,621	12,461
<b>Total Incoming Resources</b>		<b>567,930</b>	<b>-</b>	<b>226,640</b>	<b>794,570</b>	<b>814,007</b>
<b>Resources Expended</b>						
<i>Charitable Expenditure</i>						
Charitable Activities	3	512,658	54,067	252,975	819,700	703,927
Governance Costs	7	12,458	-	-	12,458	11,459
Other Resources Expended	8	-	3,697	43,189	46,886	47,527
<b>Total resources expended</b>		<b>525,116</b>	<b>57,764</b>	<b>296,164</b>	<b>879,044</b>	<b>762,913</b>
<b>Surplus/(deficit) for the year and net incoming/(outgoing) resources before transfers</b>						
		42,814	(57,764)	(69,524)	(84,474)	51,094
Transfers		64,775	470,160	(534,935)	-	-
<b>Net movement in funds for the year</b>		<b>107,589</b>	<b>412,396</b>	<b>(604,459)</b>	<b>(84,474)</b>	<b>51,094</b>
Balance brought forward		(76,279)	223,663	708,185	855,569	804,475
<b>Closing balance at 31 October 2009</b>		<b>31,310</b>	<b>636,059</b>	<b>103,726</b>	<b>771,095</b>	<b>855,569</b>
Comprising:-						
<i>Unrestricted Funds</i>						
General	17	31,310	-	-	31,310	(76,279)
Vessel Replacement Fund	17	-	90,033	-	90,033	144,100
Designated Assets	17	-	546,026	-	546,026	79,563
<i>Restricted Funds</i>						
New Boat Fund	18	-	-	71,674	71,674	625,677
Development Fund	18	-	-	-	-	18,405
Skippers Fund	18	-	-	32,052	32,052	64,103
		<b>31,310</b>	<b>636,059</b>	<b>103,726</b>	<b>771,095</b>	<b>855,569</b>

The notes on pages 8 to 13 form part of these financial statements.

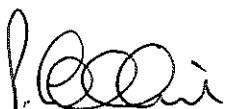
## Ocean Youth Trust (Scotland)

### Balance Sheet at 31 October 2009

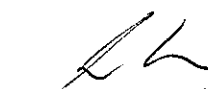
	Notes	2009		2008	
		£	£	£	£
<b>Fixed Assets</b>	<b>10</b>		546,026		591,138
<b>Current Assets</b>					
Debtors	11	103,680		169,488	
Cash at bank and in hand		211,121		259,032	
		<u>314,801</u>		<u>428,520</u>	
<b>Creditors: Amounts falling due within one year</b>	<b>12</b>	<u>89,732</u>		<u>164,089</u>	
<b>Net Current Assets</b>			<b>225,069</b>		<b>264,431</b>
<b>Net Assets</b>			<u><u>771,095</u></u>		<u><u>855,569</u></u>
<b>Represented by:</b>					
<b>Unrestricted Funds</b>					
General	17		31,310		(76,279)
Designated	17		636,059		223,663
Restricted	18		103,726		708,185
			<u><u>771,095</u></u>		<u><u>855,569</u></u>

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

#### On behalf of the Board



P Collins, Hon Treasurer



Simon J Fraser, Chairman

Approved by the Board on 10 February 2010

The notes on pages 8 to 13 form part of these financial statements.



# Ocean Youth Trust (Scotland)

## Notes To The Financial Statements for the year ended 31 October 2009

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### 1. Accounting Policies

#### *Accounting Convention*

The financial statements have been prepared under the Financial Reporting Standard for Smaller Entities (effective April 2008), the historical cost convention and under the guidelines laid down in the Statement of Recommended Practice - Accounting and Reporting by Charities (2005).

#### *Income*

Grant income, donations and bank interest are accounted for when received. Voyage fees are accounted for on an accruals basis.

#### *Grants*

Revenue grants are recognised in the Statement of Financial Activities so as to match them with the expenditure toward which they are intended to contribute.

#### *Capital grants*

Capital grants received to fund the purchase of fixed assets are retained in a restricted fund and once the asset is purchased or completed depreciation is charged against that fund.

#### *Expenditure*

Expenditure is accounted for on an accruals basis.

#### *Tangible Fixed Assets*

Fixed assets are stated at cost. Depreciation is provided at the following annual rate in order to write off each asset over its estimated useful life:-

Vessels	15 years straight line
Other equipment	25% reducing balance
Office equipment	25% reducing balance

#### *Statement of Financial Activities*

For the purpose of the Statement of Financial Activities as shown on page 6, funds are defined as follows:

**Unrestricted** funds comprise grants and other income received for the objects of the charity without further specified purpose and are available as general funds.

**Designated** funds represent unrestricted funds that have been earmarked by the directors for particular purposes.

**Restricted** funds comprise grants, donations and other income received for spending on specified purposes as laid down by the donors.

## Ocean Youth Trust (Scotland)

Notes to the Financial Statements for the year ended 31 October 2009

### 2. Income from Charitable Activities

	<i>Unrestricted Funds</i>		<i>Restricted</i>	<b>2009</b>	<b>2008</b>
	<i>General</i>	<i>Designated Funds</i>	<i>Funds</i>	£	£
<b>Grants Received</b>					
SGUVS	-	-	36,340	<b>36,340</b>	35,840
ASTO	-	-	31,458	<b>31,458</b>	23,513
Awards For All	-	-	-	-	19,900
SGNVOSF	-	-	58,601	<b>58,601</b>	74,231
Big Lottery	-	-	6,000	<b>6,000</b>	12,000
Robertson Trust	-	-	-	-	6,000
Greendale Foundation	-	-	7,000	<b>7,000</b>	-
	-	-	<b>139,399</b>	<b>139,399</b>	<b>171,484</b>

### 3. Charitable Activities

	<b>Staff Costs</b>	<b>Direct Costs</b>	<b>Support Costs</b>	<b>2009 Total</b>	<b>2008 Total</b>
	£	£	£	£	£
<i>Activity</i>					
The advancement of the education of the youth of the United Kingdom and Northern Ireland in the art of seamanship and	350,897	383,224	85,579	<b>819,700</b>	703,927
	<b>350,897</b>	<b>383,224</b>	<b>85,579</b>	<b>819,700</b>	<b>703,927</b>
	<i>(Note 4)</i>	<i>(Note 5)</i>	<i>(Note 6)</i>		
<i>Of which</i>					
Relating to unrestricted funds	<b>224,133</b>	<b>224,724</b>	<b>63,801</b>	<b>512,658</b>	<b>426,265</b>
Relating to designated funds	-	<b>54,067</b>	-	<b>54,067</b>	<b>57,828</b>
Relating to restricted funds	<b>126,764</b>	<b>104,433</b>	<b>21,778</b>	<b>252,975</b>	<b>219,834</b>

### 4. Staff Costs

	<b>2009</b>	<b>2008</b>
	£	£
Gross salaries	322,165	236,130
Employer's NIC	28,604	19,695
Pension costs	3,426	5,667
	<b>354,195</b>	<b>261,492</b>
Allocated as follows:		
Charitable activities	350,897	258,194
Governance costs	3,298	3,298
	<b>354,195</b>	<b>261,492</b>

The average number of employees was 14 (2008 - 12).  
No employee received remuneration of £60,000 or more.

## Ocean Youth Trust (Scotland)

### Notes to the Financial Statements for the year ended 31 October 2009

#### 5. Direct Costs

	<i>Unrestricted Funds</i>		<i>Restricted</i>	2009	2008
	General	Designated	Funds	£	£
Grant Assisted Berths	22,097	-	46,358	68,455	40,788
Training and Events	35,065	-	14,143	49,208	37,452
Vessels Maintenance and Operational Costs	153,811	54,067	43,932	251,810	257,074
Bad Debts	13,751	-	-	13,751	3,703
	<b>224,724</b>	<b>54,067</b>	<b>104,433</b>	<b>383,224</b>	<b>339,017</b>

#### 6. Support Costs

	<i>Unrestricted Funds</i>		<i>Restricted</i>	2009	2008
	General	Designated	Funds	Total	Total
	£	£	£	£	£
Travel and Telephone Costs	4,639	-	18,705	23,344	17,705
Printing Postage and Stationery	6,287	-	-	6,287	3,304
Office Expenses	35,270	-	-	35,270	20,469
General Expenses	2,326	-	-	2,326	1,958
Marketing and Clothing	15,279	-	-	15,279	20,665
Database Development	-	-	(750)	(750)	37,665
Website Development	-	-	-	-	4,950
Development	-	-	3,823	3,823	-
	<b>63,801</b>	<b>-</b>	<b>21,778</b>	<b>85,579</b>	<b>106,716</b>

#### 7. Governance Costs

	<i>Unrestricted Funds</i>		<i>Restricted</i>	2009	2008
	General	Designated	Funds	Total	Total
	£	£	£	£	£
Salaries	3,298	-	-	3,298	3,298
Legal and Professional Costs	2,525	-	-	2,525	1,050
Auditors' Remuneration	2,700	-	-	2,700	2,513
Auditors Remuneration for non audit work	3,300	-	-	3,300	4,337
Bank Charges	635	-	-	635	261
	<b>12,458</b>	<b>-</b>	<b>-</b>	<b>12,458</b>	<b>11,459</b>

#### 8. Other Resources Expended

	<i>Unrestricted Funds</i>		<i>Restricted</i>	2009	2008
	General	Designat.	Funds	Total	Total
	£	£	£	£	£
Depreciation (Note 9)	-	3,697	43,189	46,886	47,527

## Ocean Youth Trust (Scotland)

### Notes to the Financial Statements for the year ended 31 October 2009

#### 9. Deficit

	2009	2008
	£	£
<b>The deficit (2008 surplus) is stated after charging:-</b>		
Depreciation of fixed assets	46,886	47,527
Auditors' remuneration		
Audit Work	2,700	2,513
Non Audit Work	3,300	4,337

#### 10. Fixed Assets

	Motor Vehicles	Vessels	Other Equipment	Office Equipment	Total
			£	£	£
<b>Cost</b>					
As at 1 November 2008	7,167	649,634	11,451	11,299	679,551
Additions	-	-	354	1,420	1,774
<b>At 31 October 2009</b>	<b>7,167</b>	<b>649,634</b>	<b>11,805</b>	<b>12,719</b>	<b>681,325</b>
<b>Depreciation</b>					
As at 1 November 2008	1,792	71,510	9,322	5,789	88,413
Charge for year	1,344	43,189	621	1,732	46,886
<b>At 31 October 2009</b>	<b>3,136</b>	<b>114,699</b>	<b>9,943</b>	<b>7,521</b>	<b>135,299</b>
<b>Net Book Value</b>					
At 31 October 2009	4,031	534,935	1,862	5,198	546,026
At 31 October 2008	5,375	578,124	2,129	5,510	591,138

#### 11. Debtors: Amounts falling due within one year

	2009	2008
	£	£
Trade Debtors	72,623	129,955
Amounts Held By Support Groups	10,260	26,420
Prepayments and Accrued Income	14,108	-
VAT	6,689	13,113
	<b>103,680</b>	<b>169,488</b>

# Ocean Youth Trust (Scotland)

## Notes to the Financial Statements for the year ended 31 October 2009

### 12. Creditors: Amounts falling due within one year

	2009	2008
	£	£
Trade Creditors	33,011	33,120
Accruals	5,597	18,100
VISA	5,064	8,101
PAYE/NIC	8,041	28
Deferred Income	18,313	32,963
Voyage Fee Creditor	18,822	71,777
Pension Liability	884	-
	<u>89,732</u>	<u>164,089</u>

### 13. Liability of Members

The company is limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1. At 31 October 2009, there were 317 members.

### 14. Analysis of Net Assets by Funds

	<i>Unrestricted</i>		<i>Restricted</i>	<b>Total</b>
	<b>General</b>	<b>Designated</b>		
	£	£	£	£
<b>Fixed Assets</b>	-	54,280	491,746	<b>546,026</b>
<b>Current Assets</b>				
Debtors	103,680	-	-	<b>103,680</b>
Cash at bank and in hand	17,362	581,779	(388,020)	<b>211,121</b>
<b>Creditors &lt; 1 year</b>				
Trade Creditors	(33,011)	-	-	<b>(33,011)</b>
Accruals	(5,597)	-	-	<b>(5,597)</b>
VISA	(5,064)	-	-	<b>(5,064)</b>
PAYE/NIC	(8,041)	-	-	<b>(8,041)</b>
Deferred Income	(18,313)	-	-	<b>-</b>
Voyage Fee Creditor	(18,822)	-	-	<b>(18,822)</b>
Pension Liability	(884)	-	-	<b>(884)</b>
<b>Net Assets</b>	<b>31,310</b>	<b>636,059</b>	<b>103,726</b>	<b>789,408</b>

### 15. Directors' /trustees' Remuneration and Expenses

No directors received reimbursement for any expenses during the year.

### 16. Taxation

No liability to UK Corporation Tax arises in light of the company's charitable status.

## Ocean Youth Trust (Scotland)

### Notes to the Financial Statements for the year ended 31 October 2009

#### 17. Unrestricted Funds

	Balance at 01.11.08 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.10.2009 £
General Fund	(76,279)	567,930	(525,116)	64,775	31,310
<i>Designated Funds</i>					
Vessel Replacement Fund	144,100	-	(54,067)	-	90,033
Designated Assets Fund	79,563	-	(3,697)	470,160	546,026
<b>Total Unrestricted Funds</b>	<b>147,384</b>	<b>567,930</b>	<b>(582,880)</b>	<b>534,935</b>	<b>667,369</b>

#### *Explanation of funds*

The **General Fund** encompasses all income and expenditure relating to the primary focus activities & administration of the Charity, other than those for which funding is restricted.

The **Vessel Replacement Fund** relates to all funds set aside by the Trust to cover any expenditure related to either the purchase of any additions to the fleet or the costs involved in maintaining the fleet.

The **Designated Assets Fund** represents the net book value of the Trust's assets, other than those whose use is restricted.

#### 18. Restricted Funds

	Balance at 01.11.08 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.10.09 £
New Boat Fund	625,677	71,876	(90,944)	(534,935)	71,674
Development Fund	18,405	123,306	(141,711)	-	-
Skippers' Fund	64,103	-	(32,051)	-	32,052
ASTO	-	31,458	(31,458)	-	-
	<b>708,185</b>	<b>226,640</b>	<b>(296,164)</b>	<b>(534,935)</b>	<b>103,726</b>

#### *Explanation of funds*

**New Boat Fund** comprises donations received during the current and previous years together with income tax recovered on those donations to fund the purchase of new vessels.

**Development Fund** comprises funds to help develop the trust's activities with young people.

**Skippers' Fund** comprises funds given specifically to fund Skippers' salaries and expenses.

**ASTO** represents funds given for assisted berths and training and development of staff.

#### 19. APB Ethical Standard - Provisions Available for Smaller Entities

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.