

REGISTERED COMPANY NUMBER: SC193204 (Scotland)
REGISTERED CHARITY NUMBER: SC029531

OCEAN YOUTH TRUST (SCOTLAND)
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2017

OCEAN YOUTH TRUST (SCOTLAND)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 4
Report of the Independent Auditors	5 to 6
Statement of Financial Activities	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Financial Statements	10 to 20
Detailed Statement of Financial Activities	21 to 22

OCEAN YOUTH TRUST (SCOTLAND)

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2017**

TRUSTEES

D J Anderson (Chairman)
M A McNeill (Treasurer)
G B Fisher
N S Fleming
S D M McGonigle
D C McKay
N J Pilbeam (resigned 14.12.16)
B Robertson
S A Young
G L O'Neil (appointed 5.11.16)
R H Philips (appointed 5.11.16)
H M Prince (appointed 5.11.16)

REGISTERED OFFICE

Victoria House
5 East Blackhall Street
GREENOCK
PA15 1HD

REGISTERED COMPANY NUMBER

SC193204 (Scotland)

REGISTERED CHARITY NUMBER

SC029531

AUDITORS

Cook & Co, Chartered Accountants
Statutory Auditor
Suite 525
Baltic Chambers
50 Wellington Street
GLASGOW
G2 6HJ

OCEAN YOUTH TRUST (SCOTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Ocean Youth Trust (Scotland) exists to inspire young people through the challenge of adventure under sail. Residential voyages aboard its fleet of sail training vessels provide a uniquely powerful and extremely effective environment for personal development for young people of diverse backgrounds and abilities.

ACHIEVEMENT AND PERFORMANCE

2016 was a very successful year for Ocean Youth Trust Scotland. The Trust inspired 576 young people (554 in 2015) who sailed on 56 youth voyages (54 in 2015) completing 555 RYA qualifications (502 in 2015).

The CashBack New Horizons continued to be a huge success in 2016 with 141 disadvantaged young people from 15 local authorities across Scotland completing the programme and gaining 564 SQA Core Skills qualifications.

Our wonderful volunteers contributed over 28,000 hours of voluntary work in a wide range of roles ashore and afloat. They gained 59 RYA qualifications and completed 42 Sea-Staff Assessments.

FINANCIAL REVIEW

PRINCIPAL FUNDING SOURCES

Ocean Youth Trust (Scotland) is very appreciative of the valuable donations we receive from a wide range of organisations and individuals, as well as generous and unstinting contributions of time and expertise. Without this valuable support, we would not be able to keep our sail training vessels in such good condition, and offer so many opportunities to young people from diverse communities and backgrounds. A big thank you to all who have helped us in many different ways.

The principal funding sources for the charity during the year were grants and donations from:

Our Patrons Curly and Barbara Mills
Association of Sail Training Organisations
Bank of Scotland Foundation
Les and Sue Batt
BBC Children In Need
The Crerar Hotels Trust
The Cross Trust
Hugh Fraser Foundation
Glasgow Airport Flightpath Fund
Inverclyde Council
The crews and sponsors of our sailing events - The Cumbrae Capers, and all participants in The Arran Sportive.
KPMG
The MacRobert Trust
The Nancie Massey Charitable Trust
Ocean Youth Trust Scotland Shore groups
The Robertson Trust
The Scottish Government through CashBack for Communities
The Clothworkers Foundation
RBS Skills and Opportunities Fund
The Souter Charitable Trust
The Stafford Trust
Trades House of Glasgow Commonweal Fund and STV Children's Appeal
Youthlink Scotland

FINANCIAL REVIEW
RESERVES POLICY

The Trust aims to maintain a level of unrestricted reserves so as to provide for three months operating costs (excluding depreciation) of the Charity. At £177,147 our General Reserves meet that objective. Depreciation is charged against assets already capitalised, and these reserves stand at £231,779. The Trust also has a designated Vessel Replacement Fund, which has increased from £408,000 to £467,000 in the year ended 31st March 2017. There are no restricted fund balances as at 31st March 2017.

FINANCIAL REVIEW

The Statement of Financial Activities on page 7 shows a surplus of Income over Expenditure for the year of £40,929 (period ended 31 March 2016: deficit of £24,314.) This improvement is down to last year's re-structure addressing our cost base, and a strong operational performance this year. We are fortunate in benefitting from the generosity of regular funders, and continue to work hard to attract new supporters.

Our total reserves stand at £875,926 (2016: £834,997) of which £231,779 (2016: £251,478) is represented by the value of our boats and other assets. The General Fund balance stands at £177,147 (2016: £175,519), and the Vessel Replacement Fund has increased from £408,000 to £467,000.

FUTURE PLANS

Building on the work of the Trust to date, a new 5 Year Strategy has been developed. The overall direction of travel for the Trust is not altering, and the Strategy will be kept under constant review. It sets out 5 key themes as priority areas for the Trust to work on.

We will continue to provide opportunities for close to 600 young people, supporting them with a range of qualifications ranging from SQA to RYA.

It is the intention to continue to invest in our fleet of vessels, maintaining them to the highest standard. We aim to continue operating Alba Venturer and Alba Explorer for our Youth Work, and Alba Volunteer will be supporting our volunteers with a programme of RYA training.

RISK MANAGEMENT

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

STRUCTURE, GOVERNANCE AND MANAGEMENT
GOVERNING DOCUMENT

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

RECRUITMENT AND INDUCTION OF TRUSTEES

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.

ORGANISATIONAL STRUCTURE

The charity is organised so that the directors meet regularly to arrange its affairs. The management of the organisation is delegated to the Chief Executive. We are immensely grateful to our staff, members, volunteers and supporters for their huge contribution towards the ongoing success of the Trust.

OCEAN YOUTH TRUST (SCOTLAND)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2017**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Ocean Youth Trust (Scotland) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Cook & Co, Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 26/9/17 and signed on its behalf by:



D J Anderson (Chairman) - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF OCEAN YOUTH TRUST (SCOTLAND)

We have audited the financial statements of Ocean Youth Trust (Scotland) for the year ended 31 March 2017 on pages seven to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company'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 charitable company's members and 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 charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page four, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 22 to the financial statements

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, 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 Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
OCEAN YOUTH TRUST (SCOTLAND)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

William Vernall

William Vernall BA CA (Senior Statutory Auditor)
for and on behalf of Cook & Co, Chartered Accountants
Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Suite 525
Baltic Chambers
50 Wellington Street
GLASGOW
G2 6HJ

Date: 26/9/17.....

OCEAN YOUTH TRUST (SCOTLAND)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017

					Year Ended 31.3.17	Period 1.11.14 to 31.3.16
	Notes	Designated £	Unrestricted £	Restricted £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	-	151,605	213,971	365,576	514,648
Charitable activities	5					
Education and personal development of young people		-	382,189	33,110	415,299	448,757
Other trading activities	3	-	76,958	-	76,958	103,647
Investment income	4	-	4,323	-	4,323	8,443
Other income	6	188	-	-	188	277,638
Total		188	615,075	247,081	862,344	1,353,133
EXPENDITURE ON						
Charitable activities	7					
Education and personal development of young people		-	497,453	304,093	801,546	1,341,884
Other	10	19,869	-	-	19,869	35,563
Total		19,869	497,453	304,093	821,415	1,377,447
NET INCOME/(EXPENDITURE)						
		(19,681)	117,622	(57,012)	40,929	(24,314)
Transfers between funds	20	58,982	(115,994)	57,012	-	-
Net movement in funds		39,301	1,628	-	40,929	(24,314)
RECONCILIATION OF FUNDS						
Total funds brought forward		659,478	175,519	-	834,997	859,311
TOTAL FUNDS CARRIED FORWARD		<u>698,779</u>	<u>177,147</u>	<u>-</u>	<u>875,926</u>	<u>834,997</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements


OCEAN YOUTH TRUST (SCOTLAND)

BALANCE SHEET
AT 31 MARCH 2017

		31.3.17 £	31.3.16 £
FIXED ASSETS	Notes		
Tangible assets	15	231,779	251,478
CURRENT ASSETS			
Stocks	16	16,200	-
Debtors	17	94,981	112,705
Cash at bank		<u>837,746</u>	<u>739,217</u>
		948,927	851,922
CREDITORS			
Amounts falling due within one year	18	(304,780)	(268,403)
NET CURRENT ASSETS		<u>644,147</u>	<u>583,519</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		875,926	834,997
NET ASSETS		<u>875,926</u>	<u>834,997</u>
FUNDS	20		
Unrestricted funds:			
General fund		177,147	175,519
Designated Assets Fund		231,779	251,478
Vessel Replacement Fund		<u>467,000</u>	<u>408,000</u>
		875,926	834,997
Restricted funds		-	-
TOTAL FUNDS		<u>875,926</u>	<u>834,997</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 26/9/17 and were signed on its behalf by:


D J Anderson (Chairman) - Trustee

The notes form part of these financial statements

OCEAN YOUTH TRUST (SCOTLAND)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

		Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Cash flows from operating activities:			
Cash generated from operations	Notes 24	<u>94,188</u>	<u>(180,747)</u>
Net cash provided by (used in) operating activities		<u>94,188</u>	<u>(180,747)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(590)	(27,006)
Sale of tangible fixed assets		608	414,000
Interest received		<u>4,323</u>	<u>8,443</u>
Net cash provided by (used in) investing activities		<u>4,341</u>	<u>395,437</u>
Change in cash and cash equivalents in the reporting period		98,529	214,690
Cash and cash equivalents at the beginning of the reporting period		<u>739,217</u>	<u>524,527</u>
Cash and cash equivalents at the end of the reporting period		<u>837,746</u>	<u>739,217</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in pounds sterling as that is the currency in which the charity's transactions are denominated.

This is the first set of financial statements prepared by Ocean Youth Trust (Scotland) in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The company transitioned from previously extant UK GAAP to FRS 102 as at 1 November 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 25 to the financial statements.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of these financial statements requires the trustees to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

GRANTS

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

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Vessels	- 15% on cost and 11% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

STOCKS

Stock represents a vessel donated to the charity, which is stated at the lower of the value of the donation and the net realisable value of the vessel.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES - continued

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Donations	118,389	68,911
Gift aid	9,159	11,159
Scottish Government NVOS Fund administered by Youthlink	17,957	34,725
ASTO	16,990	8,226
Other Grants	78,107	103,651
Young Start administered by Big Fund	-	50,000
ABS and Delivery Costs Fund	41,000	58,100
Scottish Government Cashback for Communities	79,175	169,760
BBC Children In Need	4,799	-
Scottish Council for Voluntary Organisations	-	10,116
	<u>365,576</u>	<u>514,648</u>

3. OTHER TRADING ACTIVITIES

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Fundraising events	28,562	35,929
Other income	48,396	67,718
	<u>76,958</u>	<u>103,647</u>

OCEAN YOUTH TRUST (SCOTLAND)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

4. INVESTMENT INCOME

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Deposit account interest	<u>4,323</u>	<u>8,443</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Donations	Education and personal development of young people	57,110	76,837
Voyage Fees	Education and personal development of young people	<u>358,189</u>	<u>371,920</u>
		<u>415,299</u>	<u>448,757</u>

6. OTHER INCOME

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Gain on sale of tangible fixed assets	<u>188</u>	<u>277,638</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8) £	Support costs (See note 9) £	Totals £
Education and personal development of young people	<u>709,018</u>	<u>92,528</u>	<u>801,546</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Staff costs	392,825	674,183
Grant Assisted Berths	49,044	36,090
Assisted Berth Scheme funded by Cashback for Communities	93,851	82,814
Volunteer Training	13,099	21,030
Vessels Maintenance and Operational Costs	<u>160,199</u>	<u>323,230</u>
	<u>709,018</u>	<u>1,137,347</u>

9. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Education and personal development of young people	<u>77,430</u>	<u>15,098</u>	<u>92,528</u>

Support costs, included in the above, are as follows:

Other

	Year Ended 31.3.17	Period 1.11.14 to 31.3.16
	Education and personal development of young people	Total activities
	£	£
Travel and Telephone Costs	11,209	24,233
Print, Postage and Stationery	2,015	1,649
Office Expenses	44,574	80,838
General Expenses	4,809	7,122
Fundraising Expenses	7,513	9,771
Marketing	967	16,941
Website Development	982	1,712
Development	4,344	16,315
Cadets Expenses	1,017	12,418
Restructuring costs	<u>-</u>	<u>18,481</u>
	<u>77,430</u>	<u>189,480</u>

Governance costs

	Year Ended 31.3.17	Period 1.11.14 to 31.3.16
	Education and personal development of young people	Total activities
	£	£
Wages	8,402	6,430
Auditors' remuneration	3,200	3,200
Auditors' remuneration for non audit work	1,300	2,250
Bank charges	<u>2,196</u>	<u>3,177</u>
	<u>15,098</u>	<u>15,057</u>

OCEAN YOUTH TRUST (SCOTLAND)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

10. OTHER

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Depreciation	<u>19,869</u>	<u>35,563</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Auditors' remuneration	3,200	3,200
Auditors' remuneration for non audit work	1,300	2,250
Depreciation - owned assets	19,869	35,563
Surplus on disposal of fixed asset	(188)	(277,638)
Trustees' remuneration	<u>66,025</u>	<u>167,013</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

During the year, two Trustees received remuneration under contracts of employment with the company (period ended 31 March 2016: four). No Trustee received remuneration in respect of their duties as Trustees.

TRUSTEES' EXPENSES

During the year, expenses totalling £554 were reimbursed to two trustees (period ended 31 March 2016: expenses totalling £215 were reimbursed to one trustee).

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

13. STAFF COSTS

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Wages and salaries	363,400	612,862
Social security costs	28,900	49,656
Other pension costs	<u>8,927</u>	<u>18,095</u>
	<u>401,227</u>	<u>680,613</u>

The average monthly number of employees during the year was 14.5 (period ended 31 March 2016: 18).

No employees received emoluments in excess of £60,000.

Remuneration and benefits received by key management personnel in the year totalled £123,540.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Designated £	Unrestricted £	Restricted £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	-	83,124	431,524	514,648
Charitable activities				
Education and personal development of young people	-	376,152	72,605	448,757
Other trading activities	-	103,647	-	103,647
Investment income	-	8,443	-	8,443
Other income	<u>277,638</u>	<u>-</u>	<u>-</u>	<u>277,638</u>
Total	<u>277,638</u>	<u>571,366</u>	<u>504,129</u>	<u>1,353,133</u>
EXPENDITURE ON				
Charitable activities				
Education and personal development of young people	-	837,755	504,129	1,341,884
Other	<u>35,563</u>	<u>-</u>	<u>-</u>	<u>35,563</u>
Total	<u>35,563</u>	<u>837,755</u>	<u>504,129</u>	<u>1,377,447</u>
NET INCOME/(EXPENDITURE)	242,075	(266,389)	-	(24,314)
Transfers between funds	<u>(218,994)</u>	<u>218,994</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Designated £	Unrestricted £	Restricted £	Total funds £
Net movement in funds	23,081	(47,395)	-	(24,314)
RECONCILIATION OF FUNDS				
Total funds brought forward	636,397	222,914	-	859,311
TOTAL FUNDS CARRIED FORWARD	<u>659,478</u>	<u>175,519</u>	<u>-</u>	<u>834,997</u>

15. TANGIBLE FIXED ASSETS

	Vessels £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2016	436,134	10,840	20,361	60,016	527,351
Additions	-	-	-	590	590
Disposals	-	-	(4,872)	-	(4,872)
At 31 March 2017	<u>436,134</u>	<u>10,840</u>	<u>15,489</u>	<u>60,606</u>	<u>523,069</u>
DEPRECIATION					
At 1 April 2016	212,321	8,481	16,147	38,924	275,873
Charge for year	2,433	1,689	949	14,798	19,869
Eliminated on disposal	-	-	(4,452)	-	(4,452)
At 31 March 2017	<u>214,754</u>	<u>10,170</u>	<u>12,644</u>	<u>53,722</u>	<u>291,290</u>
NET BOOK VALUE					
At 31 March 2017	<u>221,380</u>	<u>670</u>	<u>2,845</u>	<u>6,884</u>	<u>231,779</u>
At 31 March 2016	<u>223,813</u>	<u>2,359</u>	<u>4,214</u>	<u>21,092</u>	<u>251,478</u>

During the period ended 31 March 2016, the trustees reassessed the residual value of each vessel held in light of the large gain that arose on the sale of a vessel in that period. As a result of this review, the residual value of the two large vessels is considered to be greater than the net book value of that asset and as a result there was a £nil depreciation charge in the period ended 31 March 2016 and in the year ended 31 March 2017 for these vessels.

16. STOCKS

	31.3.17 £	31.3.16 £
Vessel held for resale	<u>16,200</u>	<u>-</u>

OCEAN YOUTH TRUST (SCOTLAND)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade debtors	35,659	35,122
Amounts held by support groups	6,898	5,719
VAT	12,621	12,744
Prepayments and accrued income	<u>39,803</u>	<u>59,120</u>
	<u>94,981</u>	<u>112,705</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17	31.3.16
	£	£
Trade creditors	35,690	35,053
Social security and other taxes	8,103	8,894
VISA	4,701	5,643
Pension Contributions Payable	1,571	1,857
Accrued expenses	7,256	3,500
Deferred income	98,142	62,254
Voyage Fee Creditor	<u>149,317</u>	<u>151,202</u>
	<u>304,780</u>	<u>268,403</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Designated	Unrestricted	Restricted	31.3.17 Total funds	31.3.16 Total funds
	£	£	£	£	£
Fixed assets	231,779	-	-	231,779	251,478
Current assets	467,000	481,927	-	948,927	851,922
Current liabilities	<u>-</u>	<u>(304,780)</u>	<u>-</u>	<u>(304,780)</u>	<u>(268,403)</u>
	<u>698,779</u>	<u>177,147</u>	<u>-</u>	<u>875,926</u>	<u>834,997</u>

OCEAN YOUTH TRUST (SCOTLAND)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

20. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	Transfers between funds £	At 31.3.17 £
Unrestricted funds				
General fund	175,519	117,622	(115,994)	177,147
Designated Assets Fund	251,478	(19,681)	(18)	231,779
Vessel Replacement Fund	<u>408,000</u>	<u>-</u>	<u>59,000</u>	<u>467,000</u>
	834,997	97,941	(57,012)	875,926
Restricted funds				
Refit Fund	-	(35,077)	35,077	-
Cashback for Communities Fund	<u>-</u>	<u>(21,935)</u>	<u>21,935</u>	<u>-</u>
	-	(57,012)	57,012	-
TOTAL FUNDS	<u>834,997</u>	<u>40,929</u>	<u>-</u>	<u>875,926</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	615,075	(497,453)	117,622
Designated Assets Fund	<u>188</u>	<u>(19,869)</u>	<u>(19,681)</u>
	615,263	(517,322)	97,941
Restricted funds			
ABS and Delivery Costs Fund	78,909	(78,909)	-
Volunteer Development Fund	17,957	(17,957)	-
ASTO	16,990	(16,990)	-
Salaries Fund	23,000	(23,000)	-
Refit Fund	31,050	(66,127)	(35,077)
Cashback for Communities Fund	<u>79,175</u>	<u>(101,110)</u>	<u>(21,935)</u>
	247,081	(304,093)	(57,012)
TOTAL FUNDS	<u>862,344</u>	<u>(821,415)</u>	<u>40,929</u>

20. MOVEMENT IN FUNDS - continued

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

The Vessel Replacement Fund represents the amount held in preparation for the replacement of a vessel in the early to mid 2020's.

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

ABS and Delivery Costs Fund comprises funds given for the purpose of providing financial assistance for places on voyages.

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

Salaries Fund comprises funds received specifically towards salaries.

Volunteer Development Fund comprises funds received to develop the use of volunteers.

Refit Fund comprises funds received to repair and maintain the trust's vessels.

Cashback for Communities Fund comprises funds received for the purpose of training and developing young people from deprived backgrounds.

TRANSFERS BETWEEN FUNDS

Transfers between the designated assets fund and unrestricted funds represent the net of fixed asset disposal proceeds and addition costs in the year.

In addition, the trustees have transferred a further £59,000 from unrestricted funds to the Vessel Replacement Fund in the year.

Transfers from general funds to the Refit Fund and the Cashback for Communities Fund have been made in order to remove deficits that have arisen on these funds due to the level of expenditure in the year.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

22. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL 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.

23. 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 March 2017 there were 268 members (2016: 212 members).

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017

24. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	40,929	(24,314)
Adjustments for:		
Depreciation charges	19,869	35,563
Profit on disposal of fixed assets	(188)	(277,638)
Interest received	(4,323)	(8,443)
Increase in stocks	(16,200)	-
Decrease in debtors	17,724	7,665
Increase in creditors	<u>36,377</u>	<u>86,420</u>
Net cash provided by (used in) operating activities	<u>94,188</u>	<u>(180,747)</u>

25. FIRST YEAR ADOPTION

Prior to 1 April 2016 Ocean Youth Trust (Scotland) prepared its financial statements under previously extant UK GAAP. From 1 April 2016, the charity presents its annual financial statements in accordance with FRS 102, the Statement of Recommended Practice (SORP) "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)" and the Companies Act 2006.

The comparative figures in respect of the period ended 31 March 2016 have been restated to reflect the charity's adoption of FRS 102 from the date of transition at 1 November 2014. The only adjustments made to the prior period's figures as a result of this are reclassifications between expenditure categories.

OCEAN YOUTH TRUST (SCOTLAND)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2017

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	118,389	68,911
Gift aid	9,159	11,159
Scottish Government NVOS Fund administered by Youthlink	17,957	34,725
ASTO	16,990	8,226
Other Grants	78,107	103,651
Young Start administered by Big Fund	-	50,000
ABS and Delivery Costs Fund	45,799	58,100
Scottish Government Cashback for Communities	79,175	169,760
Scottish Council for Voluntary Organisations	-	10,116
	<u>365,576</u>	<u>514,648</u>
Other trading activities		
Fundraising events	28,562	35,929
Other income	<u>48,396</u>	<u>67,718</u>
	76,958	103,647
Investment income		
Deposit account interest	4,323	8,443
Charitable activities		
Donations	57,110	76,837
Voyage Fees	<u>358,189</u>	<u>371,920</u>
	415,299	448,757
Other income		
Gain on sale of tangible fixed assets	<u>188</u>	<u>277,638</u>
Total incoming resources	<u>862,344</u>	<u>1,353,133</u>

This page does not form part of the statutory financial statements

OCEAN YOUTH TRUST (SCOTLAND)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2017

	Year Ended 31.3.17 £	Period 1.11.14 to 31.3.16 £
EXPENDITURE		
Charitable activities		
Wages	354,998	606,432
Social security	28,900	49,656
Pensions	8,927	18,095
Grant Assisted Berths	49,044	36,090
Volunteer Training	13,099	21,030
Vessels Maintenance and Operational Costs	<u>254,050</u>	<u>406,044</u>
	709,018	1,137,347
Other		
Depreciation of tangible fixed assets	19,869	35,563
Support costs		
Other		
Travel and Telephone Costs	11,209	24,233
Print, Postage and Stationery	2,015	1,649
Office Expenses	44,574	80,838
General Expenses	4,809	7,122
Fundraising Expenses	7,513	9,771
Marketing	967	16,941
Website Development	982	1,712
Development	4,344	16,315
Cadets Expenses	1,017	12,418
Restructuring costs	<u>-</u>	<u>18,481</u>
	77,430	189,480
Governance costs		
Wages	8,402	6,430
Auditors' remuneration	3,200	3,200
Auditors' remuneration for non audit work	1,300	2,250
Bank charges	<u>2,196</u>	<u>3,177</u>
	15,098	15,057
Total resources expended	821,415	1,377,447
Net income/(expenditure)	<u>40,929</u>	<u>(24,314)</u>

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