

COMPANY REGISTRATION NUMBER 04430355

TALL SHIPS RACES (EUROPE) LIMITED
FINANCIAL STATEMENTS
30 NOVEMBER 2009



TALL SHIPS RACES (EUROPE) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2009

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditor's report to the shareholders	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

TALL SHIPS RACES (EUROPE) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	P Bishop G E Brown R H Dadswell B Heppener C Samuelsson (Chairman) K Western
Company secretary	K Robinson
Registered office	5 Mumby Road Gosport Hampshire PO12 1AA
Auditor	Shipleys LLP Chartered Accountants & Statutory Auditor 10 Orange Street Haymarket London WC2H 7DQ
Bankers	Lloyds TSB plc 20 High Street Gosport Hampshire PO12 1DE CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	DMH Stallard LLP Solicitors 6 New Street Square New Fetter Lane London EC4A 3BF

TALL SHIPS RACES (EUROPE) LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 NOVEMBER 2009

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 November 2009

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the organisation and management of The Tall Ships Races

DIRECTORS

The directors who served the company during the year were as follows

P Bishop
G E Brown
R H Dadswell
B Heppener
C Samuelsson (Chairman)
K Western

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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 company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

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

TALL SHIPS RACES (EUROPE) LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 NOVEMBER 2009

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
5 Mumby Road
Gosport
Hampshire
PO12 1AA

Signed by order of the directors

A handwritten signature in black ink, appearing to be 'K Robinson', with a long horizontal flourish extending to the right.

K ROBINSON
Company Secretary

Approved by the directors on *15 February 2010*

TALL SHIPS RACES (EUROPE) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TALL SHIPS RACES (EUROPE) LIMITED

YEAR ENDED 30 NOVEMBER 2009

We have audited the financial statements of Tall Ships Races (Europe) Limited for the year ended 30 November 2009 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 (APB's) Ethical Standards for Auditors.

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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 November 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

TALL SHIPS RACES (EUROPE) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TALL SHIPS RACES (EUROPE) LIMITED *(continued)*

YEAR ENDED 30 NOVEMBER 2009

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 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



GUY FISHER (Senior Statutory Auditor)

For and on behalf of
SHIPLEYS LLP
Chartered Accountants
& Statutory Auditor

10 Orange Street
Haymarket
London
WC2H 7DQ

26 FEBRUARY 2010

TALL SHIPS RACES (EUROPE) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 NOVEMBER 2009

	Note	2009 £	2008 £
TURNOVER		731,083	541,578
Cost of sales		(57,567)	(35,326)
GROSS PROFIT		673,516	506,252
Administrative expenses		(331,640)	(279,149)
OPERATING PROFIT	2	341,876	227,103
Interest receivable		1,067	11,225
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		342,943	238,328
Tax on profit on ordinary activities		—	—
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		342,943	238,328
Gift Aid	3	(342,943)	(238,328)
RETAINED PROFIT FOR THE FINANCIAL YEAR		—	—

The notes on pages 8 to 10 form part of these financial statements.

TALL SHIPS RACES (EUROPE) LIMITED

BALANCE SHEET

30 NOVEMBER 2009

	Note	2009 £	£	2008 £	£
CURRENT ASSETS					
Debtors	4	415,943		418,427	
Cash at bank and in hand		716,391		254,344	
		<u>1,132,334</u>		<u>672,771</u>	
CREDITORS: Amounts falling due within one year	5	<u>(736,533)</u>		<u>(396,020)</u>	
NET CURRENT ASSETS			395,801		276,751
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>395,801</u>		<u>276,751</u>
CREDITORS: Amounts falling due after more than one year	6		<u>(395,800)</u>		<u>(276,750)</u>
			<u>1</u>		<u>1</u>
CAPITAL AND RESERVES					
Called-up equity share capital	8		1		1
SHAREHOLDERS' FUNDS			<u>1</u>		<u>1</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the directors and authorised for issue on 15 FEBRUARY 2010 and are signed on their behalf by



R H DADSWELL

Company Registration Number 04430355

The notes on pages 8 to 10 form part of these financial statements.

TALL SHIPS RACES (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Cash flow statement

The company has taken advantage of the exemption in Financial reporting Standard Number 1 'Cash Flow Statements' from the requirement to produce a cash flow statement on the grounds that it is a small company

Income policy

The company organises an annual race based on European ports. The host ports for each event contract with the company up to four years before the race takes place and make annual payments on account. The company is engaged in planning and marketing activity throughout the four year period for each race. Accordingly the company recognises as income part of the port fees received in each of the three years prior to the year of the race, the balance being taken in the year the race is held.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Gift aid payments

All profits of the company are paid to the ultimate parent company, Sail Training International, a registered Charity, by way of gift aid payment.

TALL SHIPS RACES (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2009

2. OPERATING PROFIT

Operating profit is stated after crediting

	2009 £	2008 £
Directors' remuneration	—	—
Net profit on foreign currency translation	<u>(11,950)</u>	<u>(45,443)</u>

All salaries and overheads for the company are paid by the immediate parent company which makes an overhead allocation charge to Tall Ships Races (Europe) Limited. This charge is based upon estimates of time and costs spent in relation to the activities of the immediate parent, the ultimate parent company and each trading subsidiary. In 2009, the allocation of overheads was £296,869 (2008 £271,860).

3. GIFT AID PAYMENTS

	2009 £	2008 £
Gift aid payment to charity	<u>342,943</u>	<u>238,328</u>

4. DEBTORS

	2009 £	2008 £
Trade debtors	180,768	220,899
Amounts owed by group undertakings	231,512	195,992
Other debtors	3,663	1,536
	<u>415,943</u>	<u>418,427</u>

5. CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Amounts owed to group undertakings	434,969	10,551
Other taxation	7,706	—
Other creditors	293,858	385,469
	<u>736,533</u>	<u>396,020</u>

Included within other creditors is deferred income of £288,784 relating to the 2010 race (2008 £360,580 relating to the 2009 race).

TALL SHIPS RACES (EUROPE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 NOVEMBER 2009

6. CREDITORS: Amounts falling due after more than one year

	2009	2008
	£	£
Other creditors	<u>395,800</u>	<u>276,750</u>

The other creditors represent deferred income relating to the 2010, 2011, 2012 and 2013 races (2008 relating to the 2009, 2010, 2011 and 2012 races)

7. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Sail Training International Group Limited. No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities.

8. SHARE CAPITAL

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

9. ULTIMATE PARENT COMPANY

The ultimate parent undertaking is Sail Training International, a company registered in England and Wales and a Charity registered with the Charities Commission. The financial statements for the parent are publicly available from 5 Mumby Road, Gosport, Hampshire, PO12 1AA.