Charity Number: SC008336

THE THEODORE SALVESEN MEMORIAL TRUST

REPORT and ACCOUNTS

For the year ended 5 April 2026

THE THEODORE SALVESEN MEMORIAL TRUST

TRUSTEES' ANNUAL REPORT and ACCOUNTS

For the Year Ended 5 April 2026

Legal and Administrative Information

Trustees
John Christian Elliot (Chairman)
Alexander Michael Salvesen
Nigel Cowley Souter
Harold Douglas Ewen Salvesen
David Wallace Douglas Weir
Lisa Robinson

Secretary and Registered Office
Christopher Michael David Thomson
15 Hamilton Road
North Berwick
East Lothian
EH39 4NA

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 2026

The Trustees submit their report and the accounts for the year ended 5 April 2026.

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 £76,593 (2025: £71,228), £61,111 (2025: £56,200) 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 29 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 make awards in line with previous years.

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 £50,052 (2025: £61,240) which comprised of dividends and interest income.

Total expenditure in the year was £76,593 (2025: £71,228) leaving the net movement in funds for the year, after realised and unrealised gains on investments of a net gain of £130,240 (2025: loss of £102,200).

Reserves policy
At the year end, the Trust held unrestricted reserves of £1,618,274 (2025: £1,488,034). 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. 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
Financial markets were relatively benign during the year under review supported by reasonable economic and corporate growth. The Trust has a large operational reserve available for grants and expects to maintain its annual grant-making budget even in the case of any short-term underperformance of the investment portfolio.

Structure, Governance and Management
The Trust was created by Captain Harold K Salvesen, 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



John Christian Elliot

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE

THE THEODORE SALVESEN MEMORIAL TRUST

I report on the accounts of The Theodore Salvesen Memorial Trust for the year ended 5 April 2026 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 Regulations

   have 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.

Steven Smillie

Steven Smillie CA
For and on behalf of CT
Chartered Accountants and Independent Examiners
61 Dublin Street
Edinburgh
EH3 6NL

29 September 2026

THE THEODORE SALVESEN MEMORIAL TRUST

STATEMENT OF FINANCIAL ACTIVITES (including Income and Expenditure Account)

For the Year Ended 5 April 2026

	Note	Total Funds 2026 £	Total Funds 2025 £
Income and endowments from:			
Investments	2	50,052	61,240
Total income		50,052	61,240
Expenditure on:			
Raising funds:			
Investment management costs		11.091	10,829
Charitable activities	4	65,502	60,399
Total expenditure		76,593	71,228
Net gain/(loss) on investments		156,781	(92,212)
Net movement in funds		130,240	(102,200)
Reconciliation of funds:			
Total funds brought forward		1,488,034	1,590,234
Total funds carried forward		1,618,274	1,488,034

All incoming resources and resources expended derive from continuing activities.

All funds are unrestricted.

The notes on pages 7 to 10 form part of these accounts

THE THEODORE SALVESEN MEMORIAL TRUST

BALANCE SHEET

As at 5 April 2026

	Note	2026	2025
		£	£
Fixed assets			
Investments	8	1,507,875	1,396,822
Current assets			
Debtors	9	3,639	1,985
Cash at bank and in hand			
The Royal Bank of Scotland plc (2 accounts)		4,919	56,470
Rathbones Investment Management (3 accounts)		106,457	37,087
		115,015	95,542
Current liabilities			
Creditors amounts falling due within one year	10	(4,616)	(4,330)
Net current assets		110,399	91,212
Net assets		1,618,274	1,488,034
The funds of the charity:			
Unrestricted funds		1,618,274	1,488,034

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

Nigel Cowley Souter - Trustee

John Christian Elliot - Trustee

The notes on pages 7 to 10 form part of these accounts

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.

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

	2026 £	2025 £
Investment income – UK equities and fixed interest	49,324	60,032
Interest received	728	1,208
	50,052	61,240

3. Trustees' remuneration

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

During the year £49 (2025: £47) was reimbursed to the Secretary. The Secretary received an honorarium of £2,300 (2025: £2,300).

4. Expenditure on Charitable activities

	2026 £	2025 £
Annual donations (see note 5)	10,000	10,000
Grants payable (see note 6)	51,111	46,200
Other	200	100
Governance and support costs (see note 7)	4,191	4,099
	65,502	60,399

5. Annual Donations

	2026 £	2025 £
Scottish Nautical Welfare Society	5,000	5,000
Mission to Seafarers	5,000	5,000
	10,000	10,000

6. Grants Payable

	2026 £	2025 £
Students of City of Glasgow College	33,000	33,000
Students of Scottish Maritime Academy	18,111	12,200
Other Colleges – direct payments	-	1,000
	51,111	46,200

Grants helped (directly and indirectly) 29 (2025: directly and indirectly 51) students attending various colleges throughout the year.

7. Governance and support costs

	2026 £	2025 £
Independent Examination fee	1,842	1,752
Secretary's honorarium and postage expenses	2,349	2,347
	4,191	4,099

8. Investments

	2026 £	2025 £
Market value at 5 April 2025	1,396,822	1,526,190
Purchased in year at cost	710,958	632,908
	2,107,780	2,159,098
Sale proceeds from disposals in year	(756,686)	(670,064)
Other movements	-	-
	1,351,094	1,489,034
Gain/(Loss) on sales in the year	59,456	11,914
	1,410,550	1,500,948
Unrealised gain/(loss) on revaluation	97,325	(104,126)
Market value at 5 April 2026	1,507,875	1,396,822

8. Investments (continued)	2026 £	2025 £
The investments at market value comprised:		
UK equities	235,069	285,620
International equities	833,399	621,710
Fixed interest securities	305,535	369,308
Alternatives	133,872	120,184
	1,507,875	1,396,822
Historical cost as at 5 April 2026	1,309,068	1,283,364

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	2026 £	2025 £
Dividends due	3,639	1,985

10. Creditors: Amounts falling due within one year	2026 £	2025 £
Accruals		
Independent examination	1,843	1,752
Investment management fees	2,773	2,578
	4,616	4,330