

The Association of Sail Training Organisations

Limited by Guarantee

Trustees Report and Financial Statements

for the year ended 31 October 2015

Registered Charity Number 1083059
Registered Company Number 04084476



THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

CHARITY INFORMATION

Patron	HRH The Countess of Wessex GCVO
President	Rear Admiral J S Lang DL
Vice President for life	John H Hamilton OBE
Trustees	J E Stevens (Chairman) C N Back MBE C B Burton A J Butcher MBE J C Cheshire OBE R H Dadswell OBE T J James G R Mills P J Russell
Registered office	Unit 10, North Meadow Royal Clarence Yard Gosport Hampshire PO12 1BP
Registered charity number	1083059
Registered company number	04084476
Company secretary	L C Gross
Auditors	Blue Spire Limited Cawley Priors South Pallant Chichester West Sussex PO19 1SY
Bankers	The Co-operative Bank
Investment managers	Brewin Dolphin Ltd 12 Smithfield Street London EC1A 9BD Rathbones Investment Management Ltd Port of Liverpool Building Pier Head Liverpool L3 1NW
Solicitors	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD

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CHARITY INFORMATION

Full members

Adventures Offshore
Cat Zero
Challenge Wales
Cirdan Sailing Trust
Dauntsey's School
Discovery Sailing Project
Ellen MacArthur Cancer Trust
Excelsior Trust
Gordonstoun School
Island Trust
Jubilee Sailing Trust
Leila Sailing Trust (Full Members 7th January 2015)
Marine Society and Sea Cadets
Morning Star Trust
Ocean Youth Trust North
Ocean Youth Trust Scotland
Ocean Youth Trust South
Pioneer Sailing Trust
Rona Sailing Project
Swan Trust
Tall Ships Youth Trust
Trinity Sailing Foundation
Westward Quest

Associate members

Combined Cadet Force
East Coast Sail Trust
Gwennili Trust
island Youth Water Activities Centre (ceased 31st March 2015)
Little Brig Sailing Trust
Maybe Sailing
Pelican Adventure under Sail (Associate Members 7th January 2015)
Portsmouth Sail Training Trust (Associate Members 12th October 2015)
Sea Change Sailing Trust
UKSA

Honorary members

Sail Training International
RYA Sailability

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TRUSTEES' REPORT

The trustees have pleasure in presenting their annual report for the purposes of the Charities Act 2011 and Sections 415 to 419 of the Companies Act 2006, together with the accounts for the year ended 31 October 2015. The directors have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005, in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Association of Sail Training Organisations (ASTO) is a charity limited by guarantee (registered company number: 04084476), incorporated on 27 September 2000 under a memorandum and articles of association (as amended by special resolution 23 April 2009) and registered as a charity (registered charity number: 1083059) on 27 October 2000.

The governing document states that the board of directors shall consist of not less than 5 and not more than 15 persons. The directors are appointed either by the members at the AGM, or by the board in which case the director has to retire at the next AGM and may be reappointed by the members. One-third of the number of directors must retire from office (by time rotation) at each AGM but may be reappointed. The chairman is appointed by the members from the board for a period of up to 3 years and upon expiry of such a period may be reappointed.

Trustees, who are also the directors for the purpose of company law, who have served during the year, and since the year-end, are listed on the charity information page. None of the trustees has any beneficial interest in the company.

The board manages the charity on behalf of its members by holding not less than three board meetings each year in addition to the Annual General Meeting. The AGM will now take place on the same day as the annual conference, usually in January. Other meetings are held as required.

The rules and criteria for the different types of membership are contained in ASTOs 'Regulations and Guidelines' which have been drawn up under the provision of Article 67. Sail Training organisations seeking membership are closely vetted to ensure that they meet the criteria for membership.

Members of the company guarantee to contribute £1 each in the event of a winding up. A list of members is shown on the legal and administrative page.

Trustee induction and training

Most new trustees are already familiar with ASTO's role and activities. New trustees are briefed at the ASTO office by the Chairman and General Manager. The briefing covers trustees' obligations under charity and company law, the Charity Commission's guidance on Public Benefit, content of the Memorandum and Articles of Association, the committee and decision making process and the business plan and budget. New trustees are given a welcome pack with copies of these documents, the current Annual Report and Accounts, copies of the minutes of previous board meetings and the Charity Commission publications, "The Essential Trustee" and "The Hallmarks of an Effective Charity". Following the induction process, new trustees sign a declaration confirming that they are eligible to act as a trustee and where necessary ASTO conducts a Criminal Record check.

Assessment and Management of Risk

The trustees regularly review the major risks affecting or which might affect ASTO. We believe that these risks are mitigated by the prudent investment of ASTO's assets, the preparation and production of appropriate and audited accounts, the maintenance of suitable insurance, the obtaining of any necessary legal advice or other expert advice, and ASTO holds regular board and general meetings as prescribed by law. A risk register exists which identifies the major risks to which the charity is exposed and details the systems and procedures to manage these risks.

The trustees continue to monitor the standards of sea training safety of ASTO members by means of a Safety Self Certification which members have to complete each year, confirming that the vessels used comply with the relevant MCA Code of Practice and that their certification is in date. ASTOs General Manager carries out review visits to members on a routine basis to ensure that they continue to comply with the criteria for membership.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

The Objects for public benefit are:

- to promote the provision of opportunities for sea training under sail or power ("Sail Training").
- to provide instruction to young persons and to adults with special needs, in the principles of responsibility, resourcefulness, loyalty and team endeavour, and
- to advance education in the art of seamanship.

In furtherance of these objects ASTO has various powers, set out in the Memorandum of Association, amongst which are the following:

- to support and encourage Sail Training and adventure afloat generally and particularly by those otherwise unable to afford to do so by the provision of bursaries.
- to create public awareness of the opportunities available for Sail Training and adventure afloat by means of lectures, meetings, demonstrations, exhibitions, pamphlets, books and such other media as may be appropriate.
- to represent the interests and negotiate on behalf of bodies providing opportunities for Sail Training with Government departments and other appropriate bodies in all matters relating to Sail Training generally and particularly in relation to safety, classification of vessels, certification and proficiency of personnel.
- to act as a forum for all Sail Training organisations in the UK with similar objectives.

Grant making policy

ASTO makes bursary grants to young people up to the age of 25, and adults with disabilities. The Board of Directors considers the forecast income return in conjunction with the business plan for the following year in deciding the size of the bursary fund. Members are allocated a proportion of the total available fund on an equitable numerical basis, dependent on the number of young people or vulnerable adults they have taken to sea. The detailed distribution of grants to the final beneficiary is managed by the members. The grant allocations may also be used to defray the cost of course fees for instructors or leaders of any age to obtain necessary qualifications.

Volunteers

ASTO continues to rely on volunteers at board level to direct the affairs of the organisation. A small team of volunteers also assists with the organisation and running of the annual Small Ships' Races. ASTO are very grateful to the Cowes organising committee including Ken Grist, Bob Milner, Peter Grimaldi, Jill Kernick and Harry Allaway for their support of the Small Ships Races. We are greatly indebted to all of our volunteers for their time commitment during 2015 which we estimate is the equivalent of one full time employee.

The Public Benefit resulting from Sail Training

There is anecdotal evidence about the benefits that accrue from a Sail Training voyage, which is validated by academic research.

- an international study commissioned with the University of Edinburgh to assess the value of Sail Training found measurable improvements in social confidence and the ability to work with others, and that these benefits were sustained over time after the voyage had ended.
- a study carried out by the University of Sydney found that Sail Training succeeds in fostering networks and alliances which are the basis of the development of social capital. It also found that it achieves this in a shorter, more concentrated programme than other similar schemes.
- an international study into Sail Training conducted by the University of Otago in New Zealand reported that, "Sharing the pleasures, hardships and camaraderie that develop out of life at sea has a profound impact on strengthening character, fortitude and confidence. The importance of mutual respect, perseverance, responsibility and teamwork towards others and nature present a great sense of existence, self discovery and accomplishment."

ACHIEVEMENTS AND PERFORMANCE

All of our charitable activities are undertaken in furtherance of our charitable objects and for public benefit according to the guidance set out in the Charity Commission's general guidance on public benefit. The main strategies and activities for achieving these objects in 2015 were:

- the earmarking of £ 230,000 in bursaries to assist young people up to the age of 25 and adults with disabilities with their berth fees. The allocations may also be used to defray the cost of course fees for instructors or leaders of any age to obtain necessary qualifications. The bursary beneficiaries included a wide cross section

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

TRUSTEES' REPORT

of young people from all cultural, religious and social backgrounds, including many who are socially, physically or mentally disadvantaged.

- the administration of the Trinity House Career Development Bursary Scheme to defray the costs of members' staff and volunteers gaining the necessary qualifications to progress their Sail Training careers. In 2015, bursaries were awarded to 14 candidates.
- the organisation of the 12th Small Ships' Race in Cowes in October, which brought together some 175 young people from a wide range of backgrounds in the spirit of friendly competition. The race was made possible by the generous assistance of several Isle of Wight grant making trusts, yacht clubs including the Royal Yacht Squadron and Royal London Yacht Club, Cowes Yacht Haven, the High Sherriff and the Lord-Lieutenant.
- the organisation and funding of several Sail Training youth exchanges: The exchange between the UK and Australia, an exchange between the UK and Canada and an exchange between the UK and New Zealand. Both the Canadian and New Zealand exchange were made possible through funding from the James Myatt Trust.
- the organisation of an annual UK Sail Training Conference in Southampton in January to act as a forum for all UK stakeholders. The 2015 conference attracted over 120 Sail Trainers from all parts of the UK. The principal speaker was Marcus Baillie from the Adventure Activities Licensing Service. Topics of discussion included the Duke of Edinburgh awards, combining Sail Training with shorebased youthwork, a presentation about the new Coastguard setup and sharing good practice.
- The administration of bursaries awarded by STI specifically to allow people to take part in the Tall Ships Races. STI provided £5,320 which contributed towards 21 young people's berth fees on 6 ASTO member vessels.
- activity to create public awareness of the opportunities for Sail Training. This included an exhibition at the conference of the National Association of Head Teachers.
- Close cooperation with Sail Training International at the Tall Ships Races in Belfast, making the public aware of the benefits and opportunities for Sail Training.
- acting as a Disclosure and Barring Service (DBS) umbrella body to administer applications for vetting of members' potential staff and volunteers. In 2015 ASTO dealt with 310 applications for criminal record checks, representing a saving of about £1200 for members.
- continued improvement of the website and Facebook page to make it a central resource for information on Sail Training. This includes information of interest to youth organisations and funders, such as evidence of the effectiveness of Sail Training and testimonials from youth leaders. The Facebook page is regularly updated with members' news and berth availability. The website now also links to 'Spaces available now' on board ASTO's member vessels.
- The organisation of a reception to welcome the Australian Sail Training Ship Young Endeavour to the UK on her world tour. Due to generous sponsorship from Trinity House and Global Services Superyacht Supply the reception could be held at no cost to ASTO. HRH The Duchess of Kent, who had named the ship in 1987, was an honoured guest.
- The commissioning of research to find further evidence of the effectiveness of Sail Training. UCL and Giving Evidence have started on a systematic review of existing evidence into effective interventions. Results in early 2016 will inform whether further primary research will be undertaken. Sail Training International have part-funded the systematic review.
- further development of the literary estate of Hammond Innes. The agents PFD are continuing to secure book deals in the UK and abroad and ASTO continues to receive the royalties.
- the provision of online courses to members. These include courses on safeguarding, child protection, dealing with difficult behaviour and food hygiene and can be taken for very little cost. ASTO also offer the RYA PPR course at a reduced cost. 95 online courses were taken up by members in the year, and 80 PPR courses.
- continuing liaison with the MCA and the Royal Yachting Association (RYA). ASTO Chairman James Stevens is Chairman of the RYA Yachtmaster Qualification Panel; ASTO President John Lang and OYT South CEO Mark Todd are also panel members.
- continued liaison with the MCA regarding the awards which recognise the professionalism within Sail Training. The two awards are 'Best Potential Sail Training Skipper': to reward the mate or other staff member who shows the best potential, not just for command ability and seamanship but also for the capability of fulfilling the youth development aims of Sail Training; and 'Sail Training Vessels of the Year' to reward an operator for fulfilling both the Sail Training aspirations of ASTO and the seamanship and safety requirements of the MCA. The next awards will be presented at the conference in January 2016.
- providing UK national support for Sail Training International (STI). ASTO is a founding member of STI and the ASTO Chairman is the UK Country Representative on the STI Council. ASTO trustee, George Mills, is STI's Chief Vessel Safety Inspector and Jonathan Cheshire is an STI Trustee. Robbie Crow from OYT Scotland is Chairman of STI Youth. Lucy Gross is on the executive committee of the new STI Small Ships Forum. Ron Dadswell is a director of STI Group.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

TRUSTEES' REPORT

FINANCIAL REVIEW

Total incoming resources for the year ended 31 October 2015 were £308,799 (10 months to 31 October 2014: £257,608) and the charity's principal funding sources continued to be investment income, donations and grants. Total resources expended were £451,271 (2014: £407,697) with the majority of expenditure being in the form of grants, race costs and promotional costs in furtherance of the charity's objects. This gave rise to a deficit for the year of £142,472 (2014 deficit: £150,089) before a gain on investments of £69,657 (2014 loss: £58,228).

Reserves policy

As at 31 October 2015, the level of reserves available for the charity's use (i.e. in unrestricted funds and not represented by fixed assets) was £8,841,226 (2014: £8,907,226) inclusive of investments totalling £8,801,092 (2014: £8,890,507) leaving remaining free reserves at £40,134 (2014: £16,719).

The Association is heavily dependent on the income generated by its investments and therefore the trustees consider it is necessary to hold all of these investments within the charity in order to be able to generate income to fund the Association's activities. The trustees believe this level of investment is necessary to generate income to fund the Association's activities for the indefinite future.

Investment policy

The investment strategy of the trustees is a prudent one with the aim to maximise income whilst maintaining the value of investments in real terms. Each year the trustees withdraw from the portfolio an amount approximately equal to investment income received for the continued provision of the Hammond Innes bursaries and to cover some administrative expenses.

PLANS FOR THE FUTURE

Strategies and activities for achieving the objects of the charity in 2016 include:

- continuing with research to further the evidence of the beneficial impact Sail Training has on young people.
- Assisting with the development of soft skills guidance for members.
- the annual Cowes Small Ships Race in October which is a favourite on the Sail Training calendar and is growing in recognition year on year.
- further development of the Sail Training brand to increase awareness of the opportunities available.
- further promotion of Sail Training at education conferences around the UK.
- Investigating the options to formalise sea staff training.
- collaboration with STI on promoting Sail Training at the Tall Ships Regatta starting in Blyth.
- A Small Ships Race from Dartmouth to Gosport to celebrate 150 years of the Royal Dart Yacht Club.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
 - observe the methods and principles in the Charities SORP 2005;
 - 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;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.
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THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

TRUSTEES' REPORT

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 financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

APPOINTMENT OF AUDITORS

The charity's auditors, Blue Spire Limited, have expressed their willingness to stand for reappointment and a resolution proposing their reappointment will be put forward at the annual general meeting of the charity.

SMALL COMPANIES PROVISIONS

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the trustees and signed on their behalf.



J E Stevens
Trustee

Date

22/1/16

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

INDEPENDENT AUDITORS' REPORT

Independent auditors' report to the members of The Association of Sail Training Organisations

We have audited the financial statements of The Association of Sail Training Organisations for the year ended 31 October 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, 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.

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.

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 Trustees' Report 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 October 2015, 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 (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

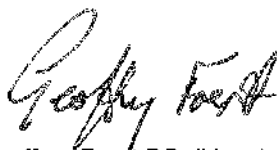
FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 OCTOBER 2015

INDEPENDENT AUDITORS' REPORT

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 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Geoffrey Frost BSc(Hons) FCA, Senior Statutory Auditor
For and on behalf of Blue Spire Limited, Statutory Auditors

Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Date 22 January 2015

Blue Spire Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
Voluntary Income	1	25,332	32,438	57,770	45,785
Investment income	2	246,169	-	246,169	205,779
Incoming resources from charitable activities	3	3,450	1,410	4,860	6,044
Total incoming resources		<u>274,951</u>	<u>33,848</u>	<u>308,799</u>	<u>257,608</u>
RESOURCES EXPENDED					
<i>Cost of generating funds</i>					
Investment management costs		55,645	-	55,645	54,331
Charitable activities	4	350,262	39,199	389,461	346,668
Governance costs	7	6,165	-	6,165	6,698
Total resources expended		<u>412,072</u>	<u>39,199</u>	<u>451,271</u>	<u>407,697</u>
Net Income/(expenditure)		(137,121)	(5,351)	(142,472)	(150,089)
TRANSFERS					
Gross transfers between funds	16	1,000	(1,000)	-	-
Net incoming resources before other recognised gains and losses		(136,121)	(6,351)	(142,472)	(150,089)
OTHER RECOGNISED GAINS/LOSSES					
Unrealised profit/(loss) on investments	12	9,586	-	9,586	(72,134)
Realised profit/(loss) on investments	12	60,071	-	60,071	13,906
Total other recognised gains/losses		<u>69,657</u>	<u>-</u>	<u>69,657</u>	<u>(58,228)</u>
Net movement in funds		(66,464)	(6,351)	(72,815)	(208,317)
RECONCILIATION OF FUNDS					
Total funds brought forward	16	8,961,030	31,660	8,992,690	9,201,007
Total funds carried forward	16	<u>8,894,566</u>	<u>25,309</u>	<u>8,919,875</u>	<u>8,992,690</u>

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.
All of the above results are derived from continuing activities.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

BALANCE SHEET AS AT 31 OCTOBER 2015

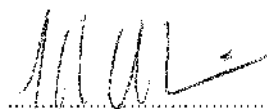
	Note	31 October 2015		31 October 2014	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11	53,340		53,804	
Investments	12	<u>8,801,092</u>		<u>8,890,507</u>	
			8,854,432		8,944,311
CURRENT ASSETS					
Debtors	13	-		4,368	
Cash at hand and in bank		<u>69,327</u>		<u>50,333</u>	
Total current assets		<u>69,327</u>		<u>54,701</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	14	<u>3,884</u>		<u>6,322</u>	
Net current assets/(liabilities)			65,443		48,379
Net assets/(liabilities)			<u><u>8,919,875</u></u>		<u><u>8,992,690</u></u>
THE FUNDS OF THE CHARITY					
Restricted funds	16		25,309		31,660
Unrestricted funds	16		8,894,566		8,961,030
Total charity funds			<u><u>8,919,875</u></u>		<u><u>8,992,690</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 10 to 19 were approved and authorised for issue by the trustees on and signed on their behalf by:



J E Stevens
Trustee



J G Cheshire OBE
Trustee

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

ACCOUNTING POLICIES

Scope and basis of the financial statements

The financial statements have been prepared under the historical cost convention as modified for the revaluation of investment assets and in accordance with applicable accounting standards, Companies Act 2006, the Statement of Recommended Practice "Accounting and Reporting by Charities" published in March 2005 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt once the amount can be measured with reasonable certainty. Income is deferred only where the donor has imposed restrictions on the resources which amount to pre-conditions for use, for example the receipt in advance of a grant for expenditure in a future accounting period.

Where incoming resources are receivable subject to the satisfaction of conditions which are outside of the charity's control, entitlement to the incoming resources will only exist once those conditions have been satisfied and such income is therefore recognised when the relevant conditions have been satisfied.

Where incoming resources are receivable under a contract or constitute performance-related grants, income will be recognised according to the degree of completion of the contract or the extent to which performance has been achieved.

Resources expended

Resources expended are included in the Statement of Financial Activities (SoFA) on an accruals basis and are recognised at the point a legal or constructive obligation arises.

Grants payable are awarded in furtherance of the charity's objects and are recognised in the financial statements where a legal or constructive obligation exists.

The majority of costs are directly attributable to specific activities but certain shared costs are apportioned to activities in furtherance of the charity's objects. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs comprise the costs associated with the governance arrangements of the charity and include audit fees, legal advice (if any) for trustees, costs associated with the constitutional and statutory requirements and any costs associated with the strategic as opposed to the day-to-day management of the charity's assets.

Pension costs

The charity operates a defined contribution pension scheme. Contributions to the scheme are charged to the statement of financial activities on a payable basis.

Fixed assets

Fixed assets are stated at cost and depreciation is provided at rates calculated to write-off the cost of each asset over its expected useful life, less any estimated residual value as follows:

Computer equipment	33% straight line
Fixtures and fittings	15% straight line
Leasehold land and buildings	2% straight line (over the period of the lease)

Fixed asset investments

Investments held as fixed assets are revalued at the market price at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Investment income is recorded in the Statement of Financial Activities on a received basis.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds that the trustees have specifically designated the purpose for which they can be applied.

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by donors or raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

NOTES TO THE FINANCIAL STATEMENTS

1. Voluntary income

	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
Donations and grants	11,986	32,438	44,424	37,586
Royalties	6,696	-	6,696	6,199
Sponsorship	5,000	-	5,000	500
Membership	1,650	-	1,650	1,500
	<u>25,332</u>	<u>32,438</u>	<u>57,770</u>	<u>45,785</u>

2. Investment income

	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
Bank interest	96	-	96	69
Interest and dividends from investment holdings	246,073	-	246,073	205,710
	<u>246,169</u>	<u>-</u>	<u>246,169</u>	<u>205,779</u>

3. Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
UK Sail Training Conference fees	2,510	-	2,510	2,500
Training	940	-	940	1,110
Other income	-	-	-	54
Small Ships Race	-	1,410	1,410	2,380
	<u>3,450</u>	<u>1,410</u>	<u>4,860</u>	<u>6,044</u>

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

NOTES TO THE FINANCIAL STATEMENTS

4. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
Hammond Innes grants	229,783	-	229,783	218,831
Trinity House grants	-	28,156	28,156	20,638
STI Trainee grants	-	5,320	5,320	4,380
ASTO Trainee grants	700	575	1,275	-
Other grants	7,758	-	7,758	6,932
<i>Total grants</i>	<u>238,241</u>	<u>34,051</u>	<u>272,292</u>	<u>250,781</u>
Race and event costs	12,740	3,448	16,188	12,215
Instruction and training	739	-	739	656
Support costs (see note 5)	98,542	1,700	100,242	83,016
<i>Other charitable activities</i>	<u>112,021</u>	<u>5,148</u>	<u>117,169</u>	<u>95,887</u>
	<u>350,262</u>	<u>39,199</u>	<u>389,461</u>	<u>346,668</u>

5. Support costs

	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
Wages and salaries (see note 8)	69,446	-	69,446	56,082
Insurance	1,953	-	1,953	2,053
Office costs	3,695	-	3,695	2,709
Travel and subsistence	3,161	-	3,161	4,501
Promotional materials and exhibitions	6,220	1,700	7,920	4,098
Sail training research	10,975	-	10,975	-
Bank charges	263	-	263	221
Repairs and maintenance	304	-	304	-
Postage and stationery	953	-	953	916
Advertising and marketing	338	-	338	10,655
Miscellaneous expenditure	162	-	162	677
Depreciation	1,072	-	1,072	1,104
	<u>98,542</u>	<u>1,700</u>	<u>100,242</u>	<u>83,016</u>

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

NOTES TO THE FINANCIAL STATEMENTS

6. Analysis of grants

	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
<i>Hammond Innes - to provide opportunities to young people and those with disabilities</i>				
Adventures Offshore	1,934	-	1,934	1,949
Cirdan Sailing Trust	10,303	-	10,303	9,962
Dauntsey's School	3,311	-	3,311	3,660
Discovery Sailing Project	3,459	-	3,459	3,334
East Coast Sail Trust	672	-	672	704
Excelsior Trust	806	-	806	-
Gordonstoun School	6,992	-	6,992	8,473
Island Trust	9,618	-	9,618	10,244
Jubilee Sailing Trust	42,534	-	42,534	34,205
Rona Sailing Project	20,066	-	20,066	19,133
Challenge Wales	3,009	-	3,009	1,912
Morning Star Trust	3,479	-	3,479	4,887
Ocean Youth Trust North	5,880	-	5,880	6,591
Ocean Youth Trust Scotland	10,968	-	10,968	12,995
Ocean Youth Trust South	6,210	-	6,210	6,018
Marine Society and Sea Cadets	29,292	-	29,292	29,274
Prince's Trust	-	-	-	3,464
Swan Trust	2,472	-	2,472	1,399
Tall Ships Youth Trust	42,614	-	42,614	38,642
Trinity Sailing Foundation	5,847	-	5,847	4,881
UKSA	134	-	134	594
Westward Quest	991	-	991	1,060
Ellen MacArthur Cancer Trust	4,806	-	4,806	3,462
Pioneer Sailing Trust	2,546	-	2,546	2,831
Gwennili Trust	2,069	-	2,069	1,630
Cat Zero	3,422	-	3,422	2,083
Island Youth Water Activities Centre	72	-	72	493
Sea Change Sailing Trust	2,549	-	2,549	2,033
Maybe Sailing	2,972	-	2,972	2,918
Leila Sailing Trust	756	-	756	-
	<u>229,783</u>	<u>-</u>	<u>229,783</u>	<u>218,831</u>
Trinity House - grants to fund training for individuals	-	28,156	28,156	20,638
STI Trainee	-	5,320	5,320	4,380
Other - to foster international exchanges	7,758	-	7,758	6,932
	<u>7,758</u>	<u>33,476</u>	<u>41,234</u>	<u>31,950</u>
	<u>237,541</u>	<u>33,476</u>	<u>271,017</u>	<u>250,781</u>

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

NOTES TO THE FINANCIAL STATEMENTS

7. Governance costs

	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
Auditors remuneration - current year/period	3,840	-	3,840	3,978
Auditors remuneration - prior period	(198)	-	(198)	-
Other accountancy fees	-	-	-	-
Trustees' travel expenses	2,523	-	2,523	2,720
	<u>6,165</u>	<u>-</u>	<u>6,165</u>	<u>6,698</u>

8. Wages and salary cost

	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
Gross wages	60,482	49,173
Employer's national insurance costs (inclusive of employer national insurance allowance)	4,126	2,975
Employer's pension contributions	4,839	3,934
	<u>69,447</u>	<u>56,082</u>

There were no employees with emoluments (excluding employer pension costs) above £60,000 in this or the preceding year

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

Administration of charitable activities	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

The number of employees to whom pension contributions are accruing:

Administration of charitable activities	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

9. Net income/(expenditure) is stated after charging

	Unrestricted Funds £	Restricted Funds £	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
Auditors remuneration - current year/period	3,840	-	3,840	3,978
Auditors remuneration - prior period	(198)	-	(198)	-
Depreciation	1,072	-	1,072	1,104
	<u>1,072</u>	<u>-</u>	<u>1,072</u>	<u>1,104</u>

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

NOTES TO THE FINANCIAL STATEMENTS

10. Related party transactions

None of the trustees received any remuneration during the year under review (10 month period 2014: £nil). £2,523 (10 month period 2014: £2,720) was reimbursed to or paid on behalf of Five (2014: Six) trustees during the period under review.

11. Tangible fixed assets

	Leasehold property £	Office equipment £	Total £
<i>Cost</i>			
At 1 November 2014	61,211	8,742	69,953
Additions	-	608	608
Disposals	-	(1,583)	(1,583)
At 31 October 2015	<u>61,211</u>	<u>7,767</u>	<u>68,978</u>
<i>Depreciation</i>			
Accumulated at 1 November 2014	7,900	8,249	16,149
Charge for the year	836	236	1,072
On disposals	-	(1,583)	(1,583)
At 31 October 2015	<u>8,736</u>	<u>6,902</u>	<u>15,638</u>
Net book value at 31 October 2015	<u>52,475</u>	<u>865</u>	<u>53,340</u>
Net book value at 31 October 2014	<u>53,311</u>	<u>493</u>	<u>53,804</u>

12. Fixed assets investments

	Brewin Dolphin £	Rathbones £	Cash £	31 October 2015 Total Funds £	31 October 2014 Total Funds £
<i>Reconciliation of movement on investments</i>					
Carrying (market) value brought forward	6,744,489	2,111,634	34,384	8,890,507	9,107,357
Additions at cost	768,393	328,262	-	1,096,655	1,030,946
Disposals at carrying value	(905,728)	(349,868)	-	(1,255,396)	(1,140,154)
Gain/(Loss) on revaluation	39,768	(30,182)	-	9,586	(72,134)
Net increase/(decrease) in cash	-	-	59,740	59,740	(35,508)
Carrying (market) value carried forward	<u>6,646,922</u>	<u>2,060,046</u>	<u>94,124</u>	<u>8,801,092</u>	<u>8,890,507</u>
<i>Gains/(losses) on investments</i>					
Unrealised (from above)	39,768	(30,182)	-	9,586	(72,134)
Realised on disposal of fixed asset investments	106,077	(46,006)	-	60,071	13,906
	<u>145,845</u>	<u>(76,188)</u>	<u>-</u>	<u>69,657</u>	<u>(58,228)</u>
<i>The investments above are analysed as follows:</i>					
UK investments	3,985,146	1,138,607	94,124	5,217,877	5,158,137
Overseas investments	2,661,776	921,439	-	3,583,215	3,732,370
	<u>6,646,922</u>	<u>2,060,046</u>	<u>94,124</u>	<u>8,801,092</u>	<u>8,890,507</u>

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

NOTES TO THE FINANCIAL STATEMENTS

13. Debtors

	31 October 2015 Total Funds £	31 October 2014 Total Funds £
Accrued income	-	4,368
	<u>-</u>	<u>4,368</u>

14. Creditors: amounts falling due within one year

	31 October 2015 Total Funds £	31 October 2014 Total Funds £
Accrued expenses	3,840	6,072
Deferred income	-	250
Other creditors	44	-
	<u>3,884</u>	<u>6,322</u>

15. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	31 October 2015 Total Funds £	31 October 2014 Total Funds £
Tangible fixed assets	53,340	-	53,340	53,804
Fixed asset investments	8,801,092	-	8,801,092	8,890,507
Current assets	44,018	25,309	69,327	50,333
Current liabilities	(3,884)	-	(3,884)	(6,322)
	<u>8,894,566</u>	<u>25,309</u>	<u>8,919,875</u>	<u>8,988,322</u>

16. Analysis of net movement in funds

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Gains and (losses) on investments £	Total funds carried forward £
<i>Restricted funds</i>						
Trinity House Bursary	25,035	21,000	(28,156)	-	-	17,879
Cowes Small Ships Race	6,625	4,670	(5,723)	(1,000)	-	4,572
Other SSRs	-	858	-	-	-	858
Trainee Bursary Fund	-	7,320	(5,320)	-	-	2,000
James Myatt Trust	-	-	-	-	-	-
<i>Total restricted funds</i>	<u>31,660</u>	<u>33,848</u>	<u>(39,199)</u>	<u>(1,000)</u>	<u>-</u>	<u>25,309</u>
<i>Unrestricted funds</i>						
General fund	8,961,030	274,951	(412,072)	1,000	69,657	8,894,566
<i>Total unrestricted funds</i>	<u>8,961,030</u>	<u>274,951</u>	<u>(412,072)</u>	<u>1,000</u>	<u>69,657</u>	<u>8,894,566</u>
Total funds	<u>8,992,690</u>	<u>308,799</u>	<u>(451,271)</u>	<u>-</u>	<u>69,657</u>	<u>8,919,875</u>

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

NOTES TO THE FINANCIAL STATEMENTS

17. Description of restricted funds

Trinity House Bursary	Funds received to provide grants under the Trinity House Career Development Scheme, providing training for Sail Training staff and volunteers.
Cowes Small Ships Race	Funds received to organise and run annual small ships races at Cowes.
Other SSRs	Funds received to organise the other Small Ships Races.
Trainee Bursary Fund	Funds received to provide bursaries for young people to enable them to participate in sail training events.
James Myatt Trust	Funds received to cover the cost of Sail Training exchanges to and from Canada, and to and from New Zealand.

18. Analysis of transfers between funds

	General Funds £	Restricted Funds £
Transfer from Cowes Small Ships Race fund to general funds for overhead costs incurred	1,000	(1,000)
	<u>1,000</u>	<u>(1,000)</u>

19. Legal status

The Association of Sail Training Organisations is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is £1.

20. Tax status

The Association of Sail Training Organisations is a registered charity and is eligible for the exemptions available to charities on their charitable activities. No charge to taxation therefore arises.

21. Pension scheme

The charity operates defined contribution pension scheme for its employees. The total payable for the year under review was £4,839 (10 month period 2014: £3,934). There were no amounts outstanding at the end of the current period or comparative financial year.

22. Commitments under operating lease

	Year to 31 October 2015 Total Funds £	10 months to 31 October 2014 Total Funds £
At 31 October the charity had annual commitments under a non-cancellable operating lease as follows:		
Operating lease which expires in:		
- In two to five years	487	-
	<u>487</u>	<u>-</u>