

The Association of Sail Training Organisations

Limited by Guarantee

Trustees Report

and Financial Statements

for the year ended 31 October 2018

Registered Charity Number 1083059

Registered Company Number 04084476



THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

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THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

CHARITY INFORMATION

Patron	HRH The Countess of Wessex GCVO
President	Rear Admiral J S Lang
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 (resigned 26 January 2018) R H Dadswell OBE (resigned 26 January 2018) K L E French (resigned 12 October 2018) T J James H R Maywood (appointed 12 October 2018) G R Mills P J Russell M Todd (appointed 12 October 2018)
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 Priory South Pallant Chichester West Sussex PO19 1SY
Bankers	The Co-operative Bank
Investment managers	Brewin Dolphin Ltd (until end March 2018) 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

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

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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
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
Sea Change Sailing Trust
Swan Trust
Tall Ships Youth Trust
Trinity Sailing Foundation
Westward Quest

Associate members

Adventure under Sail (Pelican)
Boleh Trust (Associate members on 23/03/2018)
Combined Cadet Force
East Coast Sail Trust
Gwennili Trust
Little Brig Sailing Trust
Maybe Sailing
Portsmouth Sail Training Trust
Sea Sanctuary
UKSA

Honorary members

Sail Training International
RYA Sailability

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

TRUSTEES' REPORT

The trustees have pleasure in presenting their annual report, incorporating the directors' 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 2018. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) 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 takes 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.

Arrangements for setting pay

The pay and remuneration of the charity's key management personnel is set by the trustees, with rates and increases applied by reference to pay scales in similar organisations.

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 the holding of 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 Compliance Declaration 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. ASTO's General Manager carries out review visits to members on a routine basis to ensure that they continue to comply with the criteria for membership.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

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 member organisations to benefit 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 for their support. We would also like to thank the Morning Star Trust, and members of the Medway Yacht Club for their support in running the Chatham to Gosport Small Ships Race. A small team of volunteers helped man the Sail on Board stands in Liverpool and Sunderland, which aimed to make visitors to Tall Ships festivals aware of the opportunities for going to sea. We are greatly indebted to all of our volunteers for their time commitment during 2018 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."
- ASTO's own Theory of Change and measurement framework shows that Sail Training has a positive effect on people from all backgrounds.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

TRUSTEES' REPORT

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 2018 were:

- the awarding of £ 275,000 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 of young people from all cultural, religious and social backgrounds, including many who are socially, physically or mentally disadvantaged
- additional bursaries of £11,500 paid to member organisations for taking part in surveys. These bursaries were paid for by a generous individual donation
- 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 2018, bursaries were awarded to 12 candidates
- the organisation of the Small Ships' Race in Cowes in October, which brought together around 190 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 and the Lord-Lieutenant of the Isle of Wight
- the organisation of the Chatham to Gosport Small Ships Race. 5 vessels took part giving around 40 young people their first experience of overnight sailing
- the organisation and funding of several Sail Training youth exchanges: The exchange between the UK and Australia and the exchange between the UK and Canada. The Canadian exchange was made possible through funding from the James Myatt Trust
- the organisation of the annual UK Sail Training Conference in Southampton in January to act as a forum for all UK stakeholders. The 2018 conference attracted over 130 Sail Trainers from all parts of the UK. The principal speaker was John Pottle from the Royal Institute of Navigation. Topics of discussion included Sail Training partnerships, environmental initiatives and the General Data Protection Regulations
- the administration of bursaries awarded by STI specifically to allow people to take part in the Tall Ships Regatta and Races. STI provided £6,570 which contributed towards 17 young people's berth fees
- activity to create public awareness of the opportunities for Sail Training, including running the Sail on Board stand at Tall Ships events. Volunteers from the STI Youth Council and members of OYT North engaged with the public to promote the benefits of Sail Training
- organising a reception to raise awareness of Sail Training on board TS Royalist during the Tall Ships Races in Sunderland. Invited guests included local youth organisations. The reception was co-hosted by ASTO, OYT North and Maybe Sailing. Lucy Gross also did the public Parade of Sail commentary in Liverpool and Sunderland, an opportunity to speak to thousands of people about Sail Training
- acting as a Disclosure and Barring Service (DBS) umbrella body to administer applications for vetting of members' potential staff and volunteers. In 2018 ASTO dealt with 530 applications for criminal record checks, representing a saving of about £2,650 for members
- continued improvement of the website and Facebook page to make it a central resource for information on Sail Training. Improvements this year included a monthly email newsletter to subscribers, outlining current voyage availability
- further development of research into Sail Training. Members were encouraged to use the surveys developed for the Theory of Change. During 2018, 5 member organisations used the surveys with a total 550 surveys completed, which will contribute to the body of work assessing the impact of Sail Training
- the gathering of demographic data of those taking part in Sail Training. The 'berth day return' form for gathering information about the numbers of people taken to sea has been updated to include more information about their background and the types of groups worked with
- 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. 59 online courses and 37 PPR courses were taken up by members in the year
- continuing liaison with the Maritime and Coastguard Agency (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

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TRUSTEES' REPORT

the youth development aims of Sail Training; and 'Sail Training Vessel 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 2019

- 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 Lucy Gross is on the executive committee of the STI Small Ships Forum
- support to the UK representative for the STI Youth committee, Jack Dignan from OYT South.

FINANCIAL REVIEW

Total incoming resources for the year ended 31 October 2018 were £354,687 (year to 31 October 2017: £393,196) and the charity's principal funding sources continued to be investment income, donations and grants. Total resources expended were £530,484 (2017: £500,308) 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 £175,797 (2017 deficit: £107,112) before a loss on investments of £146,023 (2017 gain: £721,870).

Reserves policy

As at 31 October 2018, the charity's total reserves amounted to £10,182,640 of which £70,772 is restricted for purposes as set out in notes 17 and 18. The level of reserves available for the charity's use (i.e. in unrestricted funds and not represented by fixed assets) was £10,061,190 (2017: £10,329,253) inclusive of investments totalling £10,112,165 (2017: £10,291,989).

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. In discussion with the investment managers the trustees have approved a risk profile for the management of the investments which is suitable for a portfolio invested for the long term and which is in line with that adopted by other charities with similar investment objectives.

During the year under review the charity's investments generated £287,659 which was sufficient to provide the Hammond Innes bursaries of £275,000. In addition the portfolio value shrank from £10,291,989 to £10,112,165 in the year to 31 October 2018.

FUNDRAISING STANDARDS INFORMATION

The charity does not solicit funds from the general public nor does it engage any third parties to act on its behalf in raising funds for the charity. As such the charity is not bound by any scheme for regulating fundraising.

PLANS FOR THE FUTURE

Strategies and activities for achieving the objects of the charity in 2019 include:

Further encouraging members to measure their outcomes and improve good practice

- creating new funding opportunities for members for specific outcomes
- collating outcomes and research findings in one easy to read publication
- collaborating with other sailing organisations (RYA, Sailability etc) to further promote the benefits of sailing
- 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.

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TRUSTEES' REPORT

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 2015 (FRS 102);
- 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 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

25/11/2019

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the financial statements of The Association of Sail Training Organisations (the 'charitable company') for the year ended 31 October 2018 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2018, 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
 - the directors' report has been prepared in accordance with applicable legal requirements.
-

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

INDEPENDENT AUDITORS' REPORT

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

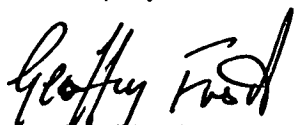
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.



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

7 February 2019

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	1	13,171	48,047	61,218	80,982
Investments	2	287,659	-	287,659	305,581
Charitable activities	3	4,070	1,740	5,810	6,633
Total		304,900	49,787	354,687	393,196
EXPENDITURE ON:					
Raising funds - Investment management costs	4	36,256	-	36,256	60,525
Charitable activities	5	391,480	102,748	494,228	439,783
Total		427,736	102,748	530,484	500,308
Net gains/(losses) on investment assets		(146,023)	-	(146,023)	721,870
Net Income/(expenditure)		(268,859)	(52,961)	(321,820)	614,758
Transfers between funds	17	(421)	421	-	-
Net movement in funds		(269,280)	(52,540)	(321,820)	614,758
RECONCILIATION OF FUNDS					
Total funds brought forward	17	10,381,148	123,312	10,504,460	9,889,702
Total funds carried forward	17	10,111,868	70,772	10,182,640	10,504,460

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 2018

BALANCE SHEET AS AT 31 OCTOBER 2018

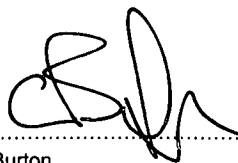
	Note	2018		2017	
		£	£	£	£
FIXED ASSETS					
Tangible assets	12	50,678		51,895	
Investments	13	<u>10,112,165</u>		<u>10,291,989</u>	
			10,162,843		10,343,884
CURRENT ASSETS					
Debtors	14	3,757		-	
Cash at hand and in bank		<u>54,279</u>		<u>164,592</u>	
Total current assets		<u>58,036</u>		<u>164,592</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	15	<u>38,239</u>		<u>4,016</u>	
Net current assets/(liabilities)			19,797		160,576
Net assets/(liabilities)			<u><u>10,182,640</u></u>		<u><u>10,504,460</u></u>
THE FUNDS OF THE CHARITY					
Restricted funds	17		70,772		123,312
Designated Funds			50,678		51,895
Fair Value Reserve			1,451,598		2,651,791
General Funds			<u>8,609,592</u>		<u>7,677,462</u>
Unrestricted funds	17		<u>10,111,868</u>		<u>10,381,148</u>
Total charity funds			<u><u>10,182,640</u></u>		<u><u>10,504,460</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 10 to 22 were approved and authorised for issue by the trustees on 25/1/2019 and signed on their behalf by:



J E Stevens
Trustee



C B Burton
Trustee

The Association of Sail Training Organisations
Registered Charity Number 1083059
Registered Company Number 04084476

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

The Association of Sail Training Organisations is an incorporated charity, limited by guarantee, incorporated in England with the company number 04084476. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Statement of cash flows

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a statement of cash flows on the grounds that it is applying FRS 102 Section 1A.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and cash deposits. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- costs of raising funds; which includes the costs of organising events and investment management fees
- expenditure on charitable activities; which includes grants made to beneficiaries and costs incurred to support those activities

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Charity.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

ACCOUNTING POLICIES

Resources expended (continued)

Support cost allocation

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in Note 6.

Employee benefits

When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

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.

VAT

The Charity is not registered for VAT and is unable to recover VAT incurred. On this basis costs are recorded inclusive of VAT within the SOFA.

Taxation

The charity is considered to pass the tests set out in sections 466 to 493 Corporation Tax Act 2010 (CTA 2010), as such no income tax is payable on the charity's activities.

Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computer equipment	33⅓% 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 are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. In addition it includes cash at bank and in hand and cash balances within the investment portfolio available for investment transaction purposes.

Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

ACCOUNTING POLICIES

Fund accounting

Unrestricted funds 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.

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

Further details of each fund are disclosed in Note 18.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Donations and grants	3,936	48,047	51,983	38,494	34,250	72,744
Royalties	6,535	-	6,535	5,588	-	5,588
Sponsorship	1,000	-	1,000	1,000	-	1,000
Membership	1,700	-	1,700	1,650	-	1,650
Legacies	-	-	-	-	-	-
	<u>13,171</u>	<u>48,047</u>	<u>61,218</u>	<u>46,732</u>	<u>34,250</u>	<u>80,982</u>

2. Income from investments

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Bank interest	-	-	-	5	-	5
Income from investment holdings	287,659	-	287,659	305,576	-	305,576
	<u>287,659</u>	<u>-</u>	<u>287,659</u>	<u>305,581</u>	<u>-</u>	<u>305,581</u>

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
UK Sail Training Conference fees	3,180	-	3,180	2,860	-	2,860
Training	890	-	890	880	-	880
Other income	-	-	-	773	-	773
Small Ships Race	-	1,740	1,740	500	1,620	2,120
	<u>4,070</u>	<u>1,740</u>	<u>5,810</u>	<u>5,013</u>	<u>1,620</u>	<u>6,633</u>

4. Raising funds - Investment management fees

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Investment management fees	36,256	-	36,256	60,525	-	60,525
	<u>36,256</u>	<u>-</u>	<u>36,256</u>	<u>60,525</u>	<u>-</u>	<u>60,525</u>

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

NOTES TO THE FINANCIAL STATEMENTS

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Hammond Innes grants (see note 7)	275,000	-	275,000	240,000	-	240,000
Additional bursary awards (see note 7)	-	45,582	45,582	-	29,428	29,428
Trinity House grants	-	38,938	38,938	-	30,649	30,649
STI Trainee grants	-	6,570	6,570	-	6,500	6,500
ASTO Trainee grants	-	500	500	-	-	-
Other grants	2,133	3,757	5,890	6,067	-	6,067
Total grants	277,133	95,347	372,480	246,067	66,577	312,644
Race and event costs	8,813	7,301	16,114	6,636	4,540	11,176
Instruction and training	1,081	-	1,081	3,166	-	3,166
Support costs (see note 6)	98,867	100	98,967	105,419	1,000	106,419
Governance costs (see note 8)	5,586	-	5,586	6,378	-	6,378
Other charitable activities	114,347	7,401	121,748	121,599	5,540	127,139
	391,480	102,748	494,228	367,666	72,117	439,783

6. Support costs

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Wages and salaries (see note 9)	73,008	-	73,008	71,516	-	71,516
Insurance	2,133	-	2,133	2,064	-	2,064
Office costs	4,125	-	4,125	3,176	-	3,176
Travel and subsistence	3,099	-	3,099	2,538	-	2,538
Promotional materials and exhibitions	2,552	-	2,552	421	-	421
Sail training research	8,435	-	8,435	18,380	1,000	19,380
Bank charges	276	-	276	286	-	286
Repairs and maintenance	281	-	281	2,577	-	2,577
Postage and stationery	725	-	725	705	-	705
Advertising and marketing	2,768	100	2,868	406	-	406
Miscellaneous expenditure	248	-	248	1,046	-	1,046
Depreciation	1,217	-	1,217	1,342	-	1,342
Loss on disposal of fixed assets	-	-	-	962	-	962
	98,867	100	98,967	105,419	1,000	106,419

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

NOTES TO THE FINANCIAL STATEMENTS

7. Analysis of grants

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Grants to institutions						
Adventure Under Sail	3,299	-	3,299	4,577	-	4,577
Adventures Offshore	5,458	500	5,958	2,939	-	2,939
Cat Zero	2,256	-	2,256	2,258	-	2,258
Challenge Wales	4,038	-	4,038	2,831	-	2,831
Cirdan Sailing Trust	14,197	-	14,197	9,447	4,400	13,847
Combined Cadet Force	8,912	-	8,912	7,785	-	7,785
Dauntsey's School	5,197	-	5,197	3,308	-	3,308
Discovery Sailing Project	5,520	-	5,520	3,950	-	3,950
East Coast Sail Trust	1,145	-	1,145	485	-	485
Ellen MacArthur Cancer Trust	7,709	-	7,709	6,354	-	6,354
Excelsior Trust	2,348	2,000	4,348	2,189	-	2,189
Gordonstoun School	7,001	-	7,001	8,255	-	8,255
Gwennili Trust	2,123	-	2,123	2,593	-	2,593
Island Trust	10,849	9,583	20,432	9,897	13,196	23,093
Jubilee Sailing Trust	22,825	-	22,825	23,763	-	23,763
Leila Sailing Trust	1,636	-	1,636	1,635	-	1,635
Little Brig	88	-	88	92	-	92
Marine Society and Sea Cadets	46,540	-	46,540	35,603	-	35,603
Maybe Sailing	11,654	-	11,654	6,712	-	6,712
Morning Star Trust	4,078	-	4,078	4,270	-	4,270
Ocean Youth Trust North	6,024	15,083	21,107	5,793	7,332	13,125
Ocean Youth Trust Scotland	16,908	18,416	35,324	12,455	1,500	13,955
Ocean Youth Trust South	8,385	-	8,385	7,678	3,000	10,678
Pioneer Sailing Trust	3,074	-	3,074	2,296	-	2,296
Portsmouth Sail Training Trust	-	-	-	612	-	612
Rona Sailing Project	25,842	-	25,842	17,909	-	17,909
Sea Sanctuary	186	-	186	415	-	-
Sea Change Sailing Trust	3,021	-	3,021	2,543	-	2,543
Swan Trust	1,875	-	1,875	2,431	-	2,431
Tall Ships Youth Trust	37,517	-	37,517	42,533	-	42,533
Trinity Sailing Foundation	4,547	-	4,547	4,808	-	4,808
UKSA	593	-	593	942	-	942
Westward Quest	155	-	155	642	-	642
	<u>275,000</u>	<u>45,582</u>	<u>320,582</u>	<u>240,000</u>	<u>29,428</u>	<u>269,013</u>
	*1	*2		*1	*2	
Grants to individuals						
Trinity House *3	-	38,938	38,938	-	30,649	30,649
STI Trainee	-	6,570	6,570	-	6,500	6,500
ASTO Trainee grants	-	500	500	-	-	-
Other *4	2,133	3,757	5,890	6,067	-	6,067
	<u>2,133</u>	<u>49,765</u>	<u>51,898</u>	<u>6,067</u>	<u>37,149</u>	<u>43,216</u>
	<u>277,133</u>	<u>95,347</u>	<u>372,480</u>	<u>246,067</u>	<u>66,577</u>	<u>312,229</u>

*1 Hammond Innes

*2 Additional bursary awards

*3 Trinity House

*4 Other

Grants to provide opportunities for young people and those with disabilities

Grants to enable young people to experience the teamwork, communication and leadership required in managing a sailing yacht. Awarded for providing additional demographic information on those taking part in Sail Training.

Grants to fund training for individuals

To foster international exchanges

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

NOTES TO THE FINANCIAL STATEMENTS

8. Governance costs

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Auditors remuneration - current year	3,840	-	3,840	3,840	-	3,840
Trustees' travel expenses	1,746	-	1,746	2,538	-	2,538
	<u>5,586</u>	<u>-</u>	<u>5,586</u>	<u>6,378</u>	<u>-</u>	<u>6,378</u>

9. Wages and salary cost

	2018 Total Funds £	2017 Total Funds £
Gross wages	64,285	63,025
Employer's national insurance costs (inclusive of employer national insurance allowance)	3,580	3,449
Employer's pension contributions	5,143	5,042
	<u>73,008</u>	<u>71,516</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>

10. Auditors' remuneration

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	Unrestricted Funds £	Restricted Funds £	2017 Total Funds £
Auditors' remuneration - audit	<u>3,840</u>	<u>-</u>	<u>3,840</u>	<u>3,840</u>	<u>-</u>	<u>3,840</u>

11. Related party transactions

None of the trustees received any remuneration during the year under review (2017: £nil). £1,746 (2017: £2,538) was reimbursed to or paid on behalf of the trustees listed on page 1 during the period under review.

No donations (2017: £nil) were received from the charity's trustees in the year under review.

The charity's two (2017: two) key management personnel received remuneration as detailed in note 9 and £1,776 (2017: £1,577) was reimbursed to or paid on behalf of the charity's key management personnel during the year under review for travel and subsistence. In addition, fees were paid to the husband of a member of key management personnel totalling £480 (2017: £nil) for photography. A further £190 (£110) was paid to the son of a member of key management personnel and in the comparative year £1,172 was paid to the partner of a member of key management personnel for office enhancements.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

NOTES TO THE FINANCIAL STATEMENTS

12. Tangible fixed assets

	Leasehold property £	Office equipment £	Total £
<i>Cost</i>			
At 1 November 2017	61,293	6,779	68,072
Additions	-	-	-
Disposals	-	-	-
At 31 October 2018	61,293	6,779	68,072
<i>Depreciation</i>			
Accumulated at 1 November 2017	10,169	6,008	16,177
Charge for the year	836	381	1,217
On disposals	-	-	-
At 31 October 2018	11,005	6,389	17,394
Net book value at 31 October 2018	50,288	390	50,678
Net book value at 31 October 2017	51,124	771	51,895

13. Fixed assets investments

	Brewin Dolphin £	Rathbones £	Cash £	2018 Total Funds £	2017 Total Funds £
<i>Reconciliation of movement on investments</i>					
Carrying (market) value brought forward	7,641,290	2,473,630	177,069	10,291,989	9,621,824
Additions at cost	200,549	3,667,295	-	3,867,844	1,744,815
Disposals at carrying value	(548,836)	(3,546,371)	-	(4,095,207)	(1,911,168)
Transfer between managers	(7,293,003)	7,293,003	-	-	-
Gain/(Loss) on revaluation	-	(194,292)	-	(194,292)	761,350
Net increase/(decrease) in cash	-	-	241,831	241,831	75,168
Carrying (market) value carried forward	-	9,693,265	418,900	10,112,165	10,291,989
<i>Gains/(losses) on investments</i>					
Unrealised (from above)	-	(194,292)	-	(194,292)	761,350
Realised on disposal of fixed asset investments	48,269	-	-	48,269	(39,480)
	48,269	(194,292)	-	(146,023)	721,870
<i>The investments above are analysed as follows:</i>					
Listed investments *1	-	9,693,265	-	9,693,265	10,114,920
Cash or cash equivalents	-	-	418,900	418,900	177,069
	-	9,693,265	418,900	10,112,165	10,291,989

*1 Listed investments including pooled investment vehicles which invest in listed investments.

14. Debtors

	2018 Total Funds £	2017 Total Funds £
Accrued income receivable within one year	3,757	-
	3,757	-

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

NOTES TO THE FINANCIAL STATEMENTS

15. Creditors: amounts falling due within one year

	2018 Total Funds £	2017 Total Funds £
Accrued expenses	37,922	3,840
Other creditors	317	176
	<u>38,239</u>	<u>4,016</u>

16. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
Tangible fixed assets	50,678	-	50,678	51,895
Fixed asset investments	10,112,165	-	10,112,165	10,291,989
Current assets	(12,736)	70,772	58,036	164,592
Current liabilities	(38,239)	-	(38,239)	(4,016)
	<u>10,111,868</u>	<u>70,772</u>	<u>10,182,640</u>	<u>10,504,460</u>

17. 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	12,469	37,340	(40,313)	1,035	-	10,531
Cowes Small Ships Race	5,764	2,120	(6,026)	60	-	1,918
Trainee Bursary Fund	505	6,570	(7,070)	-	-	5
Young Persons' Bursary Fund	104,574	-	(45,582)	(674)	-	58,318
Canada exchange	-	3,757	(3,757)	-	-	-
<i>Total restricted funds</i>	<u>123,312</u>	<u>49,787</u>	<u>(102,748)</u>	<u>421</u>	<u>-</u>	<u>70,772</u>
<i>Unrestricted funds</i>						
<i>Designated funds</i>						
Fixed asset reserve	51,895	-	(1,217)	-	-	50,678
	<u>51,895</u>	<u>-</u>	<u>(1,217)</u>	<u>-</u>	<u>-</u>	<u>50,678</u>
Fair Value Reserve	2,651,791	-	-	-	(1,200,193)	1,451,598
General Fund	7,677,462	304,900	(426,519)	(421)	1,054,170	8,609,592
Unrestricted funds	<u>10,329,253</u>	<u>304,900</u>	<u>(426,519)</u>	<u>(421)</u>	<u>(146,023)</u>	<u>10,061,190</u>
<i>Total unrestricted funds</i>	<u>10,381,148</u>	<u>304,900</u>	<u>(427,736)</u>	<u>(421)</u>	<u>(146,023)</u>	<u>10,111,868</u>
<i>Total funds</i>	<u>10,504,460</u>	<u>354,687</u>	<u>(530,484)</u>	<u>-</u>	<u>(146,023)</u>	<u>10,182,640</u>

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

NOTES TO THE FINANCIAL STATEMENTS

18. Description of 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.
Trainee Bursary Fund	Funds received to provide bursaries for young people to enable them to participate in sail training events.
Young Persons' Bursary Fund	Funds received to provide bursaries for young people to experience the teamwork, communication and leadership required in managing a sailing yacht.
Canada exchange	Funds received to support an exchange programme between the UK and Canada for young sailors.
Fixed Asset Reserve	Designated funds representing the net book value of fixed assets.
Fair Value Reserve	Representing the variance between cost and fair value of the charity's investment assets.

19. Pension scheme

The charity operates defined contribution pension scheme for its employees. The total payable for the year under review was £5,143 (2017: £5,042). There were no amounts outstanding at the end of the current period or comparative financial year.

20. Commitments under operating lease

	2018 Total Funds £	2017 Total Funds £
At 31 October the charity had total minimum lease payments under a non-cancellable operating lease as follows:		
Not later than one year	487	487
Later than one year not later than five years	244	731
	<u>731</u>	<u>1,218</u>

During the year under review lease payments recognised as an expense totalled £487.

THE ASSOCIATION OF SAIL TRAINING ORGANISATIONS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

NOTES TO THE FINANCIAL STATEMENTS

22. Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2018 Total Funds £	2017 Total Funds £
<i>Financial assets</i>		
Measured at fair value through net income/(expenditure):		
Fixed asset investments	10,112,165	10,291,989
	<u>10,112,165</u>	<u>10,291,989</u>

The income, expense, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	2017 Total Funds £	2016 Total Funds £
<i>Income and expense</i>		
Financial assets measured at fair value through net income/(expenditure)		
Investment income	287,659	305,576
Investment management fees	(36,256)	(60,525)
	<u>251,403</u>	<u>245,051</u>
<i>Net gains and losses (including changes in fair value)</i>		
Financial assets measured at fair value through net income/(expenditure)		
Unrealised gains/(losses) on investments	(194,292)	761,350
Realised gains/(losses) on investments	48,269	(39,480)
	<u>(146,023)</u>	<u>721,870</u>

Fixed asset investments are held at fair value with valuations obtained using closing mid-market price.