SAIL TRAINING INTERNATIONAL

England & Wales · Charity number 1096846

Details

Status	Registered
Legal form	Charitable company
Company number	04686048
Registered	2003-04-04
Register	View on the Charity Commission register

Contact

Address	Sail Training International Unit 9 Cooperage Green Royal Clarence Yard Weevil Lane Gosport Hampshir
Phone	02392586367
Email	office@sailtraininginternational.org
Website	www.sailtraininginternational.org

Activities

Objects: TO EDUCATE YOUNG PERSONS OF ALL NATIONALITIES IN SEAMANSHIP AND NAVIGATION THROUGH SAIL TRAINING, SO AS TO DEVELOP THEIR PHYSICAL MENTAL AND SPIRITUAL CAPACITIES, SO THAT THEY MAY GROW TO FULL MATURITY AS INDIVIDUALS AND MEMBERS OF SOCIETY, AND THAT THEIR CONDITIONS OF LIFE MAY BE IMPROVED.

Activities: The development and education of young people of all nationalities, religions, cultures and social background through sail training and the promotion of international understanding and friendship. Sail Training International is the worldwide voice of sail training and the medium by which member national sail training organisations plan and execute international projects, programmes and activities.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Amateur Sport, Environment/conservation/heritage, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** INTERNATIONAL
- Australia
- Belgium
- Bulgaria
- Canada
- Czech Republic
- Denmark
- France
- Latvia
- Netherlands
- New Zealand
- Norway
- Portugal
- South Africa
- Sweden
- Switzerland
- Turkey
- United States

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£980,501	£941,243	£823,675	6
2024-03-31	£381,234	£438,023	-	-
2023-03-31	£326,604	£401,086	-	-
2022-03-31	£864,253	£675,136	£440,137	6
2021-03-31	£497,951	£698,399	-	-

Trustees

Name	Role	Appointed
James George	Chair	2024-11-22
Jack Michael Dignan		2023-11-18
Jill Kathryn Hughes		2019-09-04
LENA Weweler		2013-06-25
Lucy Gross Mudie		2024-02-07
Murray Henstock		2014-11-17
Philip Cotton		2024-09-18
Richard Anthony Warner		2026-01-22

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SAIL TRAINING INTERNATIONAL

England & Wales - Charity number 1096846

Accounts

REGISTERED COMPANY NUMBER: 04686048 (England and Wales)
REGISTERED CHARITY NUMBER: 1096846

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

FOR

SAIL TRAINING INTERNATIONAL

TC Group
Suite 4
2nd Floor
New Kings Court
Eastleigh
SO53 3LG

SAIL TRAINING INTERNATIONAL

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FOR THE YEAR ENDED 31 MARCH 2025

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2025

Registered Company number
04686048 (England and Wales)

Registered Charity number
1096846

Registered office
Unit 9 Cooperage Green
Royal Clarence Yard
Weevil Lane
Gosport
Hampshire
PO12 1FY

Trustees
J C Cheshire (UK) – Resigned (20.11.24)
E Corwin (Norway)
D F Galpin (UK)
M C Henstock (Australia)
J K Hughes (USA)
R Mimbacas (Spain) – Resigned (29.10.24)
A P Van Ommen (Netherlands) – Resigned (20.11.24)
L Weweler (Germany)
L C Gross Mudie (UK)
J M Dignan(UK)
P J Cotton (UK) - (Appointed 18.9.24)
J A George (UK) - (Appointed 22.11.24)

Chief executive officer
A James (UK)

Company Secretary
A James (UK)

Auditors
TC Group
Suite 4
2nd Floor
New Kings Court
Eastleigh
SO53 3LG

REFERENCE AND ADMINISTRATIVE DETAILS
Solicitors
Paris Smith
1 London Road
Southampton
Hampshire
SO15 2AE

Bankers
Lloyds TSB plc
20 High Street
Gosport
Hampshire
PO12 1DE

The Trustees are pleased to report a successful 2024 season with the Tall Ships Races being held in the Baltic Sea having been cancelled in 2021 due to the pandemic and financial improvement for the Charity. Below is their report together with the Financial Statements for the period ended 31 March 2025.

1. Objectives and Public Benefit

The objectives of the Charity are to enable young people of all nationalities, cultures and faiths to develop their physical, mental, and spiritual capacity, through sail training, and embrace a healthier lifestyle so that they may grow to full maturity as individuals and useful members of society. In 2024 public benefit included a life-changing adventure for some 4,500 crew members, educational and cultural experiences for around 2.8 million visitors to our events, and financial support to over 500 young people.

This has been achieved through our principal activities:

(a) the promotion and organisation of Tall Ships Races and other regattas and events in all parts of the world.

(b) assistance to young people for their participation in sail training activities including the facilitation of funds received for distribution and by providing assistance to those otherwise unable to afford to do so.

(c) acting as a forum for promoting co-operation between the National Sail Training Organisations who are the Members of the Charity and other organisations throughout the world involved in sail training or having similar objectives.

(d) representing the interests of such organisations with international organisations, government departments and other appropriate bodies in all matters relating to sail training generally and particularly in relation to safety of participants, classification of vessels, certification and best practice and the proficiency of personnel.

(e) carrying out, commissioning, or supporting research, surveys, studies, or other work relating to the benefits of sail training for the development of young people and publishing the results of such research and other ancillary written or other materials; and

(f) the provision of support and encouragement for sail training generally.

In setting our policy for achieving our objectives our Trustees give serious consideration to the Charity Commission's general guidance on public benefit.

'Sail training' in this context means more than teaching people to sail. It describes the use of adventurous activities at sea to help young people develop confidence, trust in others, tolerance, and teamwork. It also, on board ship and in port, brings together people from many different nationalities, cultures, and faiths to promote international friendship and understanding. A typical sail training experience for a trainee would be for a duration of one week and would encompass activities such as watch duty, steering, line handling, climbing the mast, hoisting the sails, learning navigation skills, maintenance of the vessel and knot tying.

Our activities are planned to enable young people to experience the benefits of sail training in particular by:

- Creating opportunities through events run by the Charity's trading subsidiary.
- Promoting and supporting other sail training opportunities
- Providing bursary funding to young people
- Encouraging host cities to support sail training.
- Creating awareness of sail training with the public

2. Events and Related Activities

The Charity, through its trading subsidiary, continues to promote and organise Tall Ships Races and Regattas with the emphasis on the participation of young people of all nationalities.

Each year the involvement of tall ships from all over the world in our events provides the most visible example of the practical fulfilment of our objectives in three complementary ways:

- They create opportunities for young people to experience sailing on a tall ship and the personal development such an experience can offer,
- They generate funds both for the participating Tall Ships and for the Charity to use for bursary funding or research, and
- They foster best practice for sail trainers and promote sail training generally through exposure of the participating tall ships to the public when berthed in the race host ports.

Event in 2024

Each year our trading subsidiary organises the Tall Ships Races. The sea area for these rotates annually through 4 sea areas and the number of host ports involved is usually 4 or 5 but in 2024 it was extended to 6 ports for the first time.

The Tall Ships Races 2024 took place in the Baltic Sea and visited six ports in Finland (Helsinki and Turku), Aland Islands (Mariehamn), Lithuania (Klaipeda) , Estonia (Tallinn) and Poland (Szczecin).

Directly through the event the following was achieved:
- Over 4,500 crew and trainees participated in the event.
- Over 500 trainees received a bursary from either Sail Training International or the host ports.
- 67 vessels took part in the event from 16 different countries.
- Approximately 2.8 million visitors viewed the Tall Ships in the six host ports.

Current Events and Plans

One event has been scheduled for 2025, the Tall Ships Races 2025 which will be a 5 port event.

It is anticipated that in excess of 800 trainees will have a received a bursary from either Sail Training International or the host ports to participate in this event.

The Tall Ships Races 2025 will take place in the English Channel and North Sea and will visit five ports starting in Le Havre in France followed by Dunkirk in France, Aberdeen in Scotland, Kristiansand in Norway and finishing in Esbjerg in Denmark.

In addition to the 2025 event, we are also pleased to announce that five ports have been contracted for 2026 and we currently have three 2027 ports for the Tall Ships Races.

We will place greater emphasis on aligning Sail Training International's operations with a meaningful environmental strategy. This strategy will help us better understand our role in educating trainees about their responsibilities as custodians of the oceans and the planet, and the part we all play in addressing climate.

Fundraising

The Charity does not employ dedicated fundraising staff. Hitherto the principal source of income is that generated by the subsidiaries through races and regattas.

The Trustees are currently reviewing the skills matrix of existing Trustees and will look to appoint a new Trustee with experience in both philanthropic donations and sponsorship.

Yet again, we must record our thanks to the Royal Navy of Oman for its generous annual grant of €50,000 to our restricted funds for support to individual trainees and sail training operators. Now in its 14th year the scheme has helped hundreds of young people since it was launched.

3. Support for individuals and sail training operators

In addition to operating Tall Ships Races and other events the Charity utilises its own funds to provide direct assistance to young people who might otherwise not be able to participate in and benefit from sail training.

STI Bursary Schemes

Our **Host Port Bursary** scheme, whereby host ports commit in their contracts with us to provide funding for young people in their area to sail on board Tall Ships participating on our races, continues to provide a high number of

local young trainees. Each host port finds its own way to meet their commitment to the scheme and we estimate that in an average year the Host Port bursary programme as a whole has an equivalent bursary value in excess of 300,000 Euros.

Sultanate of Oman Bursary Scheme

The Charity is privileged to have enjoyed long term support from the Sultanate of Oman, which has operated a Tall Ship of its own for many years. The Sultanate has for the past 14 years funded a dedicated bursary scheme administered by the Charity with a worldwide reach. In 2025 it will be the 15th anniversary of the scheme and the Sultanate has committed to support the bursary scheme for a further 5 years To mark this occasion 20 trainees from 19 nationalities have been selected to take part in the Glory of the Seas voyage onboard Shabab Oman. At the end of the voyage, STI representatives will attend the Sultan Qaboos Trophy presentation in Muscat and also sign a new 5 year Bursary agreement with the Royal Navy of Oman.

Canada Legacy Fund

Three projects were selected in 2023 to take place in 2024 with financial support from the Canada Legacy Fund. Bytown Brigantine received $15,000 CAN to develop and execute a project called Resilient Youth : Sailing into Leadership for 20 young marginalised people.

Nova Scotia Sea School received $10,000 CAN for their Youth Leadership Programme which delivered eight ocean based adventures in partnership with Immigrant Services of Nova Scotia.

ISPA Japan were awarded $10,000 CAN for their Young Mariners Programme, which supported young people to develop leadership, co-operative and self-sufficiency skills on a seven-day voyage.

Youth Development Fund

The Youth Development Fund was launched in 2019 to encourage the development of more effective Sail Training programmes for young people from disadvantaged social backgrounds. Its purpose is to support organisations – preferably non-profit – to deliver Sail Training programmes that will reach young people from a mixture of backgrounds, particularly those who have been disadvantaged.

The Youth Development Fund supported three projects in 2024. It is funded from the Royal Navy of Oman bursary scheme, offering £25,000 to support these projects fostering youth development.

The Cidran Sailing Trust were awarded £10,000 for their Voyages to Recovery Project which supports young people living with psychosis and struggle to engage with conventional therapies.

The Disabled Sailors Association were awarded £5,000 for their Sail Training Scheme which supported young, disabled sailors to achieve Royal Yacht qualifications.

World Ocean School were awarded £10,000 for their Tall Ship Immersive Community Learning programme, a week long sail training voyage for 10-14 year olds.

These funds appear under restricted funds within the Charity's accounts.

4. Promotion of Sail Training Worldwide:

International Conferences:

An important element of the Charity's activities is to host an international conference each year at which our members can interact with Tall Ships operators, sail trainers, port authorities and other maritime organisations. The Charity organises workshops and seminars on many aspects of sail training to encourage best practice and safety, as well as sharing the benefits of different approaches and methods for the development of young people in a sail training environment.

The Conference also provides the opportunity for all Trustees, subsidiary Board Members and Committees to hold their own meetings and meetings with volunteers and other groups to increase awareness of the issues that impact on the achievement of our objectives.

The Sail Training International annual conference was held in A Coruna in November and was deemed a great

success with over two hundred delegates in attendance. As at the 2023 Conference a number of sessions were run as workshops, which encouraged constructive discussions amongst stakeholders and was well received. The general feedback was that STI is listening to stakeholders and is becoming a more collaborative organisation.

5. Research

Operators of Tall Ships in general have no doubts concerning the benefits that accrue to young people from a sail training voyage. However, it is important for those benefits to be validated by independent observers and academic research.

The activities of the Charity therefore include participation in, and some funding for, research projects. Through its members and the Tall Ships participating in its events, the Charity is well placed to assist in gathering data for such projects.

The last year has seen some exciting developments in the world of sail training research with our research library to continue to grow and the launch of the Sail Training International Research Fund, a £10,000 fund aimed at furthering knowledge of the positive effects of sail training.

6. Financial Review

The consolidated income of the charity and its wholly owned trading subsidiary amounted to £980,501 (2024: £1,361,834). Both Income and expenditure returned to a one event level thus significantly different from 2024 when two events took place. Expenditure during the period amounted to £941,243 (2024: £989,642). At the consolidated level this resulted in an increase in reserves of £39,258 (2024:372,192). Reserves at the year-end stood at £823,678 (2024: £784,419).

The unrestricted reserves amounted to £767,001 at year end which meets both the first and second level criteria established in the reserves policy (see below) and commences addressing the third level. Overall, our trading activities had a surplus of £262,861 (2024: £581,856).

Our principal source of trading income during the period comes from Host Port fees drawn from long term contracts for our events.

The Trustees regard the results achieved as very positive and further builds on the good recovery from the global pandemic.

Enthusiasm among the sail training community for our events remains strong. Host ports have already been contracted for the next two years and the Trustees and Chief Executive can look ahead to Tall Ships Races and other events planned for the next few years and to identify opportunities which may become available and any major operational and strategic challenges that may arise.

These events include Races in the North Sea and Western Approaches. We are encouraged by the ongoing support for our events from host ports which continue to consider our events to be a worthwhile economic proposition for them and their communities as well as promoting the involvement of young people in sail training.

Post year end activity

There have been no post balance sheet events that require disclosure in the financial statements in accordance with the Charity SORP.

The Tall Ships Races 2025 is on plan both operationally and financially.

Sponsorship

Sail Training International continue to operate without direct sponsorship. The Trustees have the long term ambition to secure additional income streams of which sponsorship is one.

Risk Management and Reserves

The Trustees review the risks faced by the Charity and its subsidiaries annually by carrying out a risk mapping exercise for both the Charity and its subsidiaries in accordance with the recommendations of the Charity Commission. The main risk to the Charity is the ongoing profitably of its subsidiaries which, via gift aid, provide its

main source of income. To alleviate this risk the Trustees, monitor the performance of the trading subsidiary on a regular basis including regular reports to the Trustees on all key events being organised by the subsidiaries. The prime risk identified for the trading subsidiary is the potential failure to contract host ports for future events. This risk is addressed by seeking to contract ports as far in advance as possible of each event and adjusting the Race Series to reflect the relevant ports once contracted.

By their very nature the Tall Ships Races take place in international waters and could be subject to political and other events outside our control. The Boards of the trading subsidiary and the Trustees therefore consider political and strategic risks when making decisions to organise events (particularly in new sea areas) and keep such issues under careful review on a regular basis.

Both Boards review the risk register throughout the year and the Chair of Trustees, Chair of Subsidiary and CEO complete a full analysis and evaluation of risks annually.

The Trustees have recently reviewed the Charity's reserves policy and have looked at some of the factors that determine our requirements for achieving and maintaining certain levels of 'free' reserves.

It has been agreed that reserve requirements should continue to be monitored with reference to three levels:

1. minimum level to cover the cost of 'winding up' the organization in the event of all funding coming to an end (this would include the cost of redundancies, lease commitments, and meeting short term liabilities). As of 31 March 2025 this level stood at £80,000.

2. intermediate level to allow for the continuation of 'core' activities for a 9-month period in the event of significant reductions in funding. As of 31 March 2025 this level stood at £270,000 and

3. higher level to provide an endowment to fund bursary support for young people, research to further the aims of the Charity, and special projects to pilot different ways of promoting the personal development of young people and fostering international friendship and understanding. Achieving this level is a longer-term strategy (5-10 years).

For the purposes of 2 above, 'free' reserves are taken to include unrestricted funds and restricted funds to the extent that they support 'core' project activities and do not contravene funders' restrictions.

The Trustees will prioritise maintaining the unrestricted reserves over the next financial year and modestly contribute to the level 3 criteria set out above.

The Trustees are always mindful of the fact that the Charity operates in a changing environment which is sensitive to shifts in international relations and economic success in different cities and regions.

With this in mind they will review annually the need to designate funds to cover short term reductions in funding, necessary changes to operational activities or organisational infrastructure and the transition to new funding arrangements which have an impact on short term cash flow.

The Trustees review the policy on a yearly basis to ensure that an appropriate level of reserves is maintained within the Charity, in accordance with Charity Commission guidelines.

Investment Powers and Policy

Under its constitution, the Charity has the power to make any investment which the Trustees see fit. The Trustees, having regard to the risk and liquidity requirements of organising races and events and to the reserves policy, have operated a prudent policy of keeping balances in a range of mainly short-term instruments selected to generate the best returns, consistent with security.

7. STRUCTURE, GOVERNANCE AND MANAGEMENT

As a result of the re-organisation implemented in 2015 the structure of the Group is as follows:

Sail Training International / the Charity

Sail Training International is a company limited by guarantee governed by its Memorandum and Articles of Association dated 4 March 2003 as amended in 2005. It is registered as a charity with the Charity Commission

Charity Number 1096846.

The **Members** of Sail Training International are the national or representative sail training organisations of:

Australia and New Zealand, Belgium, Bermuda, Canada, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Japan, Latvia, Netherlands, Norway, Poland, Portugal, South Africa, Spain, Sweden, United Kingdom, and United States of America.

At the 2022 AGM the members approved the application from Abravela to be a probationary member representing Brazil.

At the 2024 AGM the members passed a resolution to suspend those members or probationary members who had not attended any meetings in the past 3 years. On that basis the members voted unanimously to suspend members representing Lithuania, Greece and Czech Republic. Status will be reviewed at the next AGM.
In light of the continuing Russian invasion of Ukraine the membership voted to maintain the suspension of Russian membership.

The **Trustees** are responsible for strategy and policymaking They are accountable for the Charity's activities and for ensuring that they are consistent with its charitable objectives. They are also responsible for managing the Charity's affairs and in this capacity appoint the Chief Executive and the directors of subsidiary companies. The Trustees receive no remuneration for their services.

The **Chairman** of the Trustees is directly elected by the Members for a three-year term but is eligible for re-election.

All **Trustees** are also elected by the Member organisations and the longest serving of them (being one third of the current number) are required to resign each year at the Annual General meeting but are entitled to seek re-election. The Trustees also have power under the Articles of Association to appoint new Trustees at any time in the year to fill a vacancy, but any person so appointed must then be formally re-appointed by the Members at the next Annual General Meeting.

The Trustees appoint the Boards of Directors of the trading subsidiaries and set the terms of reference for other Committees and working groups.

At the November 2023 AGM Jonathan Cheshire, the Chair of Trustees informed the Membership he would not be seeking re-election at the end of his current tenure (November 2024). During the year a selection process was undertaken by the Trustees and the nominated candidate James George was put before the membership at the November 2024 AGM. The membership voted in favour of James George becoming the new Chair of STI.

During the year Raul Mimbacas stood down as a Trustee and Paul Van Ommen did not wish to seek re-election at the November 2024 AGM. Lucy Grodie and Phil Cotton had been appointed as Trustees since the last AGM and therefore were subject to re-appointment by the Members at the AGM which was passed unanimously. Einar Corwin and Lena Weweler both sought re-election as Trustees at the November 2024 AGM and were unanimously approved by the Membership.

On the 2nd of October 2024 Einar Corwin stood down as Chair and resigned from the Board of the subsidiary company Tall Ships Races International Limited and Jan Van der Burg an existing director was duly appointed as the new Chair of the subsidiary company. This decision was ratified by the Trustees at the November 2024 meeting as was the appointment of Jack Dignan to the subsidiary Board as a director.

In this context the Trustees and the Chief Executive regularly consider the nature of the skills required by the Charity and review the skillsets of existing appointees, both as Trustees and as Directors of the subsidiaries, having regard to those who may be retiring in the near future. The reconstruction of the Group in 2015 was also an opportunity to ensure that the trading subsidiaries have Board Members suitable for their ongoing activities.

The Members are notified of the experience and skills requirements for new Trustees and can put forward candidates. They are also, prior to the next Annual General Meeting, provided with information on all Trustees who are seeking re-appointment or re-election at such meeting.

Many of the candidates for appointment as a Trustee will have a pre-existing connection with or knowledge of sail training but candidates are only put forward after the Trustees and the Company Secretary are satisfied that they understand their responsibilities and duties as a Trustee of a UK Charity. New Trustees are provided with

such information as they require with the process and topics being tailored to each individual's background experience and knowledge. Trustees and Directors have access to the Company Secretary and from time to time receive additional training through attendance at workshops and seminars at International Conferences.

Many of the Trustees and Directors are active in, and provide advice and assistance to, the National Sail Training Organisations (NSTOs), who are Members of the Charity, and other organisations within the sail training world.

The **Chief Executive** is responsible for the day-to-day management of the organisation's staff and co-ordinating the activities and achievement of the business plan and budget approved by the Trustees. He is in regular contact with the Chairs of the Charity and its subsidiaries concerning contractual and regulatory matters and attends all Trustees meetings and meetings of the subsidiary boards.

The Charity has established rules for the better management and governance of the organisation, known as the 'Red Book'. This was extensively reviewed and updated in 2022 and is reviewed from time to time to maintain its relevance.

Committees, Working Groups and Volunteers

The **International Council** comprises a representative of each Member and other individuals, up to a third of the total International Council, who are nominated by the Trustees for their expertise and experience and must be approved by the International Council. Trustees are also entitled to attend such meetings but have no vote. The purpose of the International Council is to act as an advisory body to the Trustees and contribute to policies and projects for implementation by the Charity and the trading subsidiary.

The **Ships' Council** was created as an advisory group and is open to all Ship Operators who are involved with our events. The aspects considered by the Council include regulatory, operational and safety matters and other issues and future plans for the participation of Tall Ships in our events. A representative of the Trustees attends its meetings and reports back to the Trustees and the International Council.

The **Youth Council** assists the Trustees to identify and take account of the views of young people, already active in the sail training world, in developing strategies and activities for the future. Each of the Members is entitled to nominate a representative and a Trustee is responsible for liaison between the Trustees and STI Youth Council. The current Chair of STI Youth Council is a Trustee and reports directly to each International Council meeting.

The **Port Advisory Group** and the **Host Port Seminar** (held annually during the Tall Ships Races and hosted by one of that year's host ports) acts as conduit for the Charity and its trading company to receive input on its activities and events from this important stakeholder group. All members of the above Committees and Working Groups are volunteers. In addition, the Trading Companies rely upon a dedicated cadre of volunteers to help deliver their events.

All members of the above Committees and Workings Groups are volunteers. In addition, the Trading Companies rely upon a dedicated cadre of volunteers to help deliver their events.

Subsidiary Companies

The Charity has three wholly owned subsidiaries which are separate trading companies to carry out different activities and which through Gift Aid pass all surplus income to the Charity to assist in enabling it to fulfil its objectives.

The Chief Executive is a director of each trading subsidiary and, with the other Directors, responsible for managing their activities.

The remuneration for the CEO and other key employees is set by the Trustees having taken account of market forces, the current cost of living and other relevant indices. A majority of the directors of the trading subsidiary are unpaid volunteers.

Tall Ships Races International Limited is responsible for staff and office infrastructure, the provision of financial and other services, managing publicity activities and materials, and organising the majority of the Tall Ships Races and seminars. It has particular responsibility for the race organisation and appoints a Race Committee for each race series to provide advice on maritime and safety issues. Its objectives are set by the Trustees of the Charity.

Tall Ships International Limited is responsible for other races and events the charity organises or is involved with worldwide that involve North America, including consultancy contracts. As there are no events under contract that fall into this category the company remains effectively dormant.

Sail on Board is currently a dormant company.

8. FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and financial statements for each financial period in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for ensuring that such financial statements give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Trustees are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are aware of the Charity Commission's Governance Code and are reviewing the Charity's governance in light of the code.

So far as the Trustees are aware:

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

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

Signed by order of the Trustees.

Registered Office:
Unit 9 Cooperage Green
Weevil Lane
Gosport
Hampshire
PO12 1FY

.....
A James
Company Secretary

Approved by the Trustees on 17/9/25 2025.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL

Opinion

We have audited the financial statements of Sail Training International (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and related 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 (United Kingdom Generally Accepted Accounting Practice) 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 Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the 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 Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group's and of the parent charitable company's and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the Group's and of the parent charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Gillespie FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
Suite 4
2nd Floor
New Kings Court
Eastleigh
SO53 3LG

Date: 15 October 2025

SAIL TRAINING INTERNATIONAL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 MARCH 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
INCOME FROM:					
Donations and legacies	4	**4,708**	**41,880**	**46,588**	52,506
Charitable activities	5	**788,090**	**-**	**788,090**	1,164,778
Other trading activities	6	**85,158**	**-**	**85,158**	102,419
Investment income	7	**60,665**	**-**	**60,665**	42,131
Total		**938,621**	**41,880**	**980,501**	1,361,834
EXPENDITURE ON CHARITIABLE ACTIVITIES:	8				
Tall Ships Races		**597,661**	**-**	**597,661**	649,198
Charity operating costs		**141,256**	**-**	**141,256**	150,915
Conference		**71,075**	**-**	**71,075**	65,135
Project costs		**31,117**	**38,907**	**70,024**	53,484
Bursary costs		**-**	**26,130**	**26,130**	29,300
Governance		**28,329**	**-**	**28,329**	35,297
Unrealised movements on foreign exchange on reserves		**-**	**6,643**	**6,643**	1,755
Receptions		**125**	**-**	**125**	4,558
Total		**869,563**	**71,680**	**941,243**	989,642
NET INCOME/(EXPENDITURE)		**69,058**	**(29,800)**	**39,258**	372,192
RECONCILIATION OF FUNDS					
Total funds brought forward		**698,333**	**86,086**	**784,419**	412,227
Total funds carried forward		**767,392**	**56,286**	**823,678**	784,419

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on page 17 form part of these financial statements.

SAIL TRAINING INTERNATIONAL

CONSOLIDATED BALANCE SHEET
31 MARCH 2025

	Note	Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds
		£	£	£	£
FIXED ASSETS					
Intangible assets	12	**4,127**	**-**	**4,127**	5,767
Tangible assets	13	**15,254**	**-**	**15,254**	19,469
		19,381	**-**	**19,381**	25,236
CURRENT ASSETS					
Debtors	15	**48,713**	**41,880**	**90,593**	163,829
Cash at bank and in hand		**1,767,260**	**36,760**	**1,804,020**	1,923,814
		1,815,973	**78,640**	**1,894,613**	2,087,643
CREDITORS	16	**(787,553)**	**(21,966)**	**(809,519)**	(798,861)
NET CURRENT ASSETS		**1,028,420**	**56,674**	**1,085,094**	1,288,782
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,047,801**	**56,674**	**1,104,475**	1,314,018
Creditors: amount falling due more than one year	17	**(280,800)**	**-**	**(280,800)**	(529,599)
NET ASSETS		**767,001**	**56,674**	**823,675**	784,419
FUNDS	19				
Unrestricted funds				**767,001**	698,333
Restricted funds				**56,674**	86,086
TOTAL FUNDS				**823,675**	784,419

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 17/9/25 ..... and were signed on its behalf by:

.....
A James - CEO

SAIL TRAINING INTERNATIONAL

CHARITY BALANCE SHEET
31 MARCH 2025

	Note	Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds
		£	£	£	£
FIXED ASSETS					
Intangible assets	12	**4,127**	**-**	**4,127**	5,767
Tangible assets	13	**15,254**	**-**	**15,254**	19469
Investments	14	**3**	**-**	**3**	3
		19,384	**-**	**19,384**	25,239
CURRENT ASSETS					
Debtors	15	**10,402**	**41,880**	**52,282**	68,872
Cash at bank and in hand		**541,725**	**36,760**	**578,485**	164,023
		552,127	**78,640**	**630,767**	232,895
CREDITORS	16	**(77,591)**	**(21,966)**	**(99,557)**	(65,788)
NET CURRENT ASSETS		**474,536**	**56,674**	**531,210**	167,107
TOTAL ASSETS LESS CURRENT LIABILITIES		**493,920**	**56,674**	**550,594**	192,346
NET ASSETS		**493,920**	**56,674**	**550,594**	192,346
FUNDS	19				
Unrestricted funds				**493,920**	106,260
Restricted funds				**56,674**	86,086
TOTAL FUNDS				**550,594**	192,346

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 17/9/25 and were signed on its behalf by:

.....
A James - CEO

SAIL TRAINING INTERNATIONAL

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	20	**(110,510)**	408,891
Cash flow from investing activities			
Purchase of intangible fixed assets		**(4,697)**	-
Purchase of tangible fixed assets		**(4,587)**	(19,163)
Net cash provided by investing activities		**(9,284)**	(19,163)
Cash flows from financing activities		**-**	-
Net cash provided by financing activities		**-**	-
Change in cash and cash equivalents in the year		**(119,794)**	389,728
Cash and cash equivalents at the beginning of the year		**1,923,814**	1,534,086
Cash and cash equivalents at the end of the year	21	**1,804,020**	1,923,814

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sail Training International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation
The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statement of the Charity and its subsidiary undertakings. The result of the subsidiaries is consolidated on a line by line basis. Intercompany transactions and balances between group companies are eliminated in full.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

Going concern
The directors have considered all available information regarding current and future factors that could impact the Charity and its subsidiaries and have concluded it is appropriate to prepare the financial statements on a going concern basis.

During 2024 the subsidiary company ran the Tall Ships Races in the Baltic Sea which addressed the final backlog from the pandemic. The event helped deliver a significant surplus in the subsidiary of £260k which will further assist the rebuilding of the reserves.

The reduced cost base has been maintained through 2024 and ensures the organisation remains lean but maintains the required expertise and bandwidth to deliver world class events.

Looking ahead the position for the Charity and its subsidiary over the next five years looks positive. It is expected that four out of the next five years will generate a surplus with the exception being 2027 when a small deficit is anticipated due to a smaller Tall Ships Races. Over the five year period a surplus of £100k will be generated. The Charity will continue to work towards attaining the level 3 of the reserves policy.

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.

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 costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

1. ACCOUNTING POLICIES - continued

Income
All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The Group organises annual races from ports and one off races and other events in other parts of the world. The host ports for each annual race in Europe contract with the group up to four years before the races takes place and makes annual payment on account. The Group is engaged in planning and marketing activities throughout the four year period for each race. Accordingly the Group recognises as income part of the port fees received in each of the years leading up to the race, the balance being taken in the year the race is held.

The Group organises races and events in other geographical areas which generally have a shorter lead time. To recognise the larger initial costs involved in these one-off races or events the company takes to income an amount to cover its costs in each year prior to the race, the balance being taken in the year of the race.

The Group seeks sponsorship income for its races and events. Where such income is received it is recognises in the year of the race or event to which it relates.

The Group organises an annual conference. Income is received from delegates attending the conference and from organisation sponsoring the conference. All such income is taken in the year that the conference takes place.

Any income from donation received by the charity is recognised in the period in which they are received. The value of services provided by volunteers is not incorporated in these accounts as the economic benefit cannot be measured reliably.

Distribution of Gift Aid from the subsidiary to the parent charity are recognised in the parent charity's own financial statement when they are approved by the directors of the subsidiary.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the services.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Head Office.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

1. ACCOUNTING POLICIES - continued

Grants payable are charged in the year when the offer is made. Grants offered subject to conditions which have not been met at the year end are accrued as expenditure and held within liabilities.

Allocated overheads
Certain salaries and overheads for the Charity are paid by Tall Ships Races International Limited, which makes an overhead allocation charge to the Charity and each trading subsidiary. This charge is based upon time costs spent in relation to the activities of the Charity and each trading subsidiary.

Taxation
The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets
Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

-An internally generated intangible asset arising from development is recognised only when all of the following have been demonstrated:
- technical feasibility of completing the intangible so that it is available for use or sale
- intention to complete the development to use it or sell it
- the ability to use the intangible asset
- how the intangible asset will generate probable future economic benefits
- availability of adequate technical, financial and other resources to complete the development.
- the ability to measure reliably the expenditure attribute to the intangible assets during its development

The amount initially recognised for internally generated assets is the sum of the expenditure incurred from the date when the intangible assets meets the recognition criteria listed above. Where no internally generated intangible assets can be recognised, development expenditure is recognised in profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer software 5 years straight line years

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use.

Tangible fixed assets
Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.
Depreciation is provided on the following bases:

Fixtures and fittings - 3-5 years straight line
Computer equipment - 3-5 years straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Investments
Investments in subsidiaries are valued at cost less provision for impairment.

Foreign currencies
Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

Pension costs and other post-retirement benefits
The Group operates a defined contribution pension scheme. Contributions payable to the Group pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating Leases: the group as a lessee
Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

Financial instruments
The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Short term debtors and creditors are measured at the transaction price. Other financial instruments, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1. ACCOUNTING POLICIES - continued

Cash at bank and in hand
Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and, the amounts reported for revenues and expenses during the year. However, the nature of estimation, means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Payment for Tall Ship Races & Regatta events is typically received several years in advance of the races taking place. Management have reviewed the pattern of activity and costs incurred relative to the date of a race, based on historical data, in order to determine the most appropriate basis for recognising revenue. Revenue is recognised in the accounts in line with the pattern of the costs incurred.

Trade debtor balances outstanding at the year end are significant and relate to events taking place several years in the future. As a result, the recovery of these debts can be protracted. Management assess the recoverability of debts on a regular basis.

3. Legal Status of the charity

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

4. DONATIONS AND LEGACIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	4,708	41,880	**46,588**	52,506
Total 2024	2,449	50,057	52,506	

5. CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Tall Ships Races	788,089	-	**788,089**	1,164,778
Total 2024	1,164,778	-	1,164,778	

6. OTHER TRADING ACTIVITIES

	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025	Total funds 2024
	£	£	£	£
Annual conference	75,584	-	**75,584**	99,347
Other income	9,574	-	**9,574**	3,072
	85,158	-	**85,158**	102,419
Total 2024	102,419	-	102,419	

7. INVESTMENT INCOME

	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025	Total funds 2024
	£	£	£	£
Bank interest	60,655	-	**60,655**	42,131
Total 2024	42,131	-	42,131	

8. CHARITABLE ACTIVITY COSTS

	Activities undertaken directly 2025	Grants funding of activities 2025	Support Costs 2025	Total funds 2025	Total funds 2024
	£	£	£	£	£
Tall Ships Races	556,338	-	41,323	**597,661**	649,198
Charity trading costs	104,639	-	36,617	**141,256**	150,915
Conferences	71,075	-	-	**71,075**	65,135
Project Costs	70,025	-	-	**70,025**	53,484
Bursary costs	26,130	-	-	**26,130**	29,300
Governance costs	28,329	-	-	**28,329**	35,297
Unrealised foreign exchange movements	-	-	6,643	**6,643**	1,755
Receptions	125	-	-	**125**	4,558
	856,661	-	84,583	**941,244**	989,642
Total 2024	891,829	-	97,813	989,642	

Charity salary costs are included within the charity operating costs category of which £5,077 (2024 - £5,931) relates directly to the organisation of the conference.

TSRIL salary costs are included within the Tall Ships Races category of which £22,682 (2024 – £26,701) relates directly to the organisation of the conference.

9. NET EXPENDITURE

This is stated after charging:

	2025	2024
	£	£
Deprecation of tangible fixed assets	**15,139**	12,104
Auditor's remuneration – audit	**16,750**	14,050
Auditor's remuneration – other services	**1,000**	850
Operating leases rentals	**8,500**	19,500

10. TRUSTEES' REMUNERATION AND BENEFITS

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

Trustees' expenses

During the year ended 31 March 2025, expenses totalling £7,291 were reimbursed or paid directly to Trustees (2024 - £7,248).

11. STAFF COST

	Group 2025	Group 2024	Company 2025	Company 2024
	£	£	£	£
Wages and Salaries	**309,343**	310,517	**79,844**	75,799
Social security cost	**28,002**	32,473	**9,039**	8,507
Pension costs	**23,997**	22,419	**7,251**	6,740
	361,342	365,409	**96,134**	91,046

The average monthly number of employees during the year was as follows:

	Group 2024	Group 2024	Company 2024	Company 2024
	No.	No.	No.	No.
Charitable activities	**4**	5	**-**	-
Administration	**2**	2	**1**	1
	6	7	**1**	1

The number of employees whose employee benefits (excluding employer pension cost) exceeded £60,000 was:

	Group 2025	Group 2024
	No.	No.
In the band £80,001 - £90,000	**2**	2

The executive management personnel of the parent charity and the Group comprises Trustees, company directors, the Chief Operating Officer and the Commercial Director. The salary costs of the executive management personnel for the year ended 31 March 2025 were £156,678 (2024 - £162,968).

12. INTANGIBLE ASSETS
GROUP AND COMPANY

	Computer software £
COST	
At 1 April 2024	**37,750**
Additions	**4,587**
Disposals	**(37,750)**
At 31 March 2025	**4,587**
AMORTISATION	
At 1 April 2024	**31,983**
Charge for year	**6,227**
Eliminated on disposal	**(37,750)**
At 31 March 2025	**460**
NET BOOK VALUE	
At 31 March 2025	**4,127**
At 31 March 2024	**5,767**

13. TANGIBLE FIXED ASSETS
GROUP AND COMPANY

	Office equipment £	Computer equipment £	Totals £
COST			
At 1 April 2024	14,005	9,364	**23,369**
Additions	-	4,697	**4,697**
Disposals	-	(958)	**(958)**
At 31 March 2025	14,005	13,103	**27,108**
DEPRECIATION			
At 1 April 2024	1,110	2,790	**3,900**
Charge for year	4,589	4,323	**8,912**
Eliminated on disposal	-	(958)	**(958)**
At 31 March 2025	5,699	6,155	**11,854**
NET BOOK VALUE			
At 31 March 2025	8,306	6,948	**15,254**
At 31 March 2024	12,895	6,574	19,469

14. FIXED ASSET INVESTMENTS (Charity only)

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2024 and 31 March 2025	3
NET BOOK VALUE	
At 31 March 2025	3
At 31 March 2024	3

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade debtors	3,273	53,239	-	-
Other debtors	23,613	33,119	3,402	2,981
Prepayment and accrued income	63,707	77,471	48,880	65,891
	90,593	163,829	52,282	68,872

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade creditors	42,907	49,819	32,027	30,472
Amounts owed to group undertakings	-	-	51,577	8,158
Corporation Tax	-	5,387	-	-
Other creditors	8,069	9,520	2,452	3,280
VAT	-	4,691	-	-
Accruals and deferred income	758,543	729,444	13,501	23,878
	809,519	798,861	99,557	65,788

17. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	Group 2025 £	Group 2024 £
Deferred income	280,800	529,599

18. OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Not later than 1 year	8,500	8,500	8,500	8,500
Later than 1 year and not later than 5 years	5,667	14,167	5,667	14,167
	14,167	22,667	14,167	22,667

19. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	Transfer between funds £	**At 31.3.25 £**
Unrestricted funds				
General funds	683,168	96,631	(24,389)	**755,410**
Designated funds	15,165	(27,574)	24,000	**11,591**
	698,333	69,057	(389)	**767,001**
Restricted funds				
Sultan of Oman bursary fund	13,020	(2,884)	-	**10,136**
Canadian Legacy fund	65,905	(19,367)	-	**46,538**
Marlow Navigation fund	5,500	(5,525)	25	**-**
Willem Kok fund	1,661	(2,025)	364	**-**
	86,086	(29,801)	389	**56,674**
Total of funds	784,419	39,256	-	**823,675**

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

	Incoming resources £	Resources Expended £	**Movement in funds £**
Unrestricted funds			
General funds	935,078	(838,447)	**96,631**
Designated funds	3,542	(31,116)	**(27,574)**
	938,620	(869,563)	**69,057**
Restricted funds			
Sultan of Oman bursary fund	41,879	(44,763)	**(2,884)**
Canadian Legacy fund	-	(19,367)	**(19,367)**
Marlow Navigation fund	-	(5,525)	**(5,525)**
Willem Kok fund	-	(2,025)	**(2,025)**
	41,879	(71,680)	**(29,801)**
Total Funds	980,499	(941,243)	**39,256**

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds – prior year

	At 1.4.23 £	Net movement in funds £	Transfer between funds £	At 31.3.24 £
Unrestricted funds				
General funds	306,626	404,489	(27,947)	**683,168**
Designated funds	-	(12,782)	27,947	**15,165**
	306,626	391,707	-	**698,333**
Restricted funds				
Sultan of Oman bursary fund	20,512	(7,465)	(27)	**13,020**
Ross MacDonald fund	3,911	(3,938)	27	**-**
Canadian Legacy fund	81,178	(15,273)	-	**65,905**
Marlow Navigation fund	-	5,500	-	**5,500**
Willem Kok fund	-	1,661	-	**1,661**
	105,601	(19,515)	-	**86,086**
Total of funds	412,227	372,192	-	**784,419**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources Expended £	Movement in funds £
Unrestricted funds			
General funds	1,309,593	(905,104)	**404,489**
Designated funds	2,184	(14,966)	**(12,782)**
	1,311,777	(920,070)	**391,707**
Restricted funds			
Sultan of Oman bursary fund	42,896	(50,361)	**(7,465)**
Ross MacDonald fund	-	(3,938)	**(3,938)**
Canadian Legacy fund	-	(15,273)	**(15,273)**
Marlow Navigation fund	5,500	-	**5,500**
Willem Kok fund	1,661	-	**1,661**
	50,057	(69,572)	**(19,515)**
Total Funds	1,361,834	(989,642)	**372,192**

Sultan of Oman bursary fund
Support and assist the participation of young people in race events organised by Sail Training International.

Ross MacDonald fund
To be spent in the advancement of Sail Training International on specific items jointly agreed between Sail Training International and Ross MacDonald. This fund was fully spent in the current year.

Canadian Legacy fund
Support and assist the participation of young Canadians in Sail Training.

Marlow Navigation fund
To be spent allowing disadvantaged people to participate in a sail training voyage.

Willem Kok fund
Support and assist the participation of young people in race events organised by Sail Training International.

20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2025 £	Group 2024 £
Net (expenditure)/income for the year (as per the statement of financial activities)	**39,259**	372,192
Adjustment for:		
Depreciation charges	**15,139**	12,104
(Increase)/decrease in debtors	**73,233**	30,176
(Decrease)/increase in creditors < 1year	**10,659**	(294,737)
Increase/(decrease) in creditors > 1 year	**(248,800)**	289,156
Bank interest income	**-**	-
Net cash used in operating activities	**(110,510)**	408,891

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2025 £	Group 2024 £
Cash in hand	**1,804,020**	1,923,814

22. CASHFLOW RECONCILIATION

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash in hand	1,923,814	(119,794)	**1,804,020**

23. PENSION COMMITMENTS

The Group operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contribution payable by the Company to the fund and amounted to £22,398 (2024 - £35,888). There was no outstanding contribution (2024: Nil) payable to the fund at the balance sheet date.

24. RELATED PARTY DISCLOSURES

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Group balances within the parent company can be seen within Note 16.

Trustee expenses and key management personnel can be seen within Note 10 and 11 respectively.

25. PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the charity:

Names	Company number	Holding	Included in consolidation
Tall Ships Races International Limited	04894646	100%	Yes
Tall Ships International Limited	05025229	100%	Yes
Sail On Board Limited	10501077	100%	Yes

Unit 9 Cooperage Green, Royal Clarence Yard, Weevil Lane, Gosport, Hampshire, PO12 1FY is the registered office for the above subsidiaries.

The financial result of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/ Surplus for the year £	Net Assets £
Tall Ships Races International Limited	794,718	531,857	262,861	273,082
Tall Ships International Limited	-	-	-	1

SAIL TRAINING INTERNATIONAL

England & Wales - Charity number 1096846

Accounts

REGISTERED COMPANY NUMBER: 04686048 (England and Wales)
REGISTERED CHARITY NUMBER: 1096846

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

FOR

SAIL TRAINING INTERNATIONAL

TC Group
1st Floor
Ocean Village Innovation Centre
Ocean Way
Southampton
Hampshire
SO14 3JZ

SAIL TRAINING INTERNATIONAL

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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Report of the Independent Auditors	4 to 7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 21
Detailed Statement of Financial Activities	22 to 23

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04686048 (England and Wales)

Registered Charity number

1096846

Registered office

Unit 9 Cooperage Green
Royal Clarence Yard
Weevil Lane
Gosport
Hampshire
PO12 1FY

Trustees

J C Cheshire (UK)
E Corwin (Norway)
D F Galpin (UK)
M C Henstock (Australia)
J K Hughes (USA)
R Mimbacas (Spain)
A P Van Ommen (Netherlands)
L K Westerberg (Sweden) (resigned 18.11.23)
L Weweler (Germany)
Mrs L C Gross Mudie (UK) (appointed 7.2.24)
J M Dignan (UK)

Chief executive officer

A James

Company Secretary

A James

Auditors

TC Group
1st Floor
Ocean Village Innovation Centre
Ocean Way
Southampton
Hampshire
SO14 3JZ

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors
Paris Smith
1 London Road
Southampton
Hampshire
SO15 2AE

Bankers
Lloyds TSB plc
20 High Street
Gosport
Hampshire
PO12 1DE

AUDITORS

The auditors, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 13/11/24 and signed on its behalf by:

.....
J C Cheshire - Trustee

Opinion
We have audited the financial statements of Sail Training International (the 'charitable company') for the year ended 31 March 2024 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 (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 March 2024 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 Auditors' 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
In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2024

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

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

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

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

In so far as the trustees are aware:

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

Matters on which we are required to report by exception
In the light of the 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 Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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.

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company in the context of the sector and countries in which it operates and determined that the most significant frameworks which are directly relevant so specific assertions in the financial statements are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes, legal correspondence, and discussions with those charged with governance.

We assess the susceptibility of the company financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

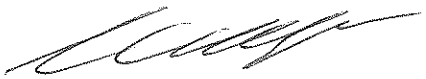
Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulation identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Gillespie FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
1st Floor
Ocean Village Innovation Centre
Ocean Way
Southampton
Hampshire
SO14 3JZ

Date: 18 / 11 / 2024

SAIL TRAINING INTERNATIONAL

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	2,424	50,057	52,481	43,725
Other trading activities	4	175,856	-	175,856	158,357
Investment income	5	-	-	-	1
Gift Aid	6	152,897	-	152,897	124,521
Total		331,177	50,057	381,234	326,604
EXPENDITURE ON					
Charitable activities	7				
Charity operating costs		253,053	-	253,053	183,693
Conference costs		65,134	-	65,134	90,916
Project costs		14,966	38,518	53,484	84,436
Bursary costs		1	29,299	29,300	20,820
Governance		35,297	-	35,297	19,079
Unrealised foreign exchange movement on reserves		-	1,755	1,755	2,142
Total		368,451	69,572	438,023	401,086
NET INCOME/(EXPENDITURE)		(37,274)	(19,515)	(56,789)	(74,482)
RECONCILIATION OF FUNDS					
Total funds brought forward		143,534	105,601	249,135	323,617
TOTAL FUNDS CARRIED FORWARD		106,260	86,086	192,346	249,135

The notes form part of these financial statements

SAIL TRAINING INTERNATIONAL

BALANCE SHEET
31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Intangible assets	11	5,767	-	5,767	13,281
Tangible assets	12	19,469	-	19,469	4,896
Investments	13	3	-	3	3
		25,239	-	25,239	18,180
CURRENT ASSETS					
Debtors	14	20,476	48,396	68,872	2,986
Cash at bank		106,973	57,050	164,023	280,215
		127,449	105,446	232,895	283,201
CREDITORS					
Amounts falling due within one year	15	(46,428)	(19,360)	(65,788)	(52,246)
NET CURRENT ASSETS		81,021	86,086	167,107	230,955
TOTAL ASSETS LESS CURRENT LIABILITIES		106,260	86,086	192,346	249,135
NET ASSETS		106,260	86,086	192,346	249,135
FUNDS	17				
Unrestricted funds				106,260	143,534
Restricted funds				86,086	105,601
TOTAL FUNDS				192,346	249,135

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

The financial statements were approved by the Board of Trustees and authorised for issue on 13/11/24 and were signed on its behalf by:

J C Cheshire - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019), the Financial Reporting Standard applicable in. the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sail Training International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern
The directors have considered all available information regarding current and future factors that could impact the Charity and its subsidiaries and have concluded it is appropriate to prepare the financial statements on a going concern basis.

During 2023 the subsidiary company ran two tall ships events which addressed the backlog from the pandemic. These two events have delivered a significant surplus in the subsidiary and facilitated the rebuilding of the reserves.

The reduced cost base has been maintained through 2023 and ensures the organisation remains flexible as we emerge from these uncertain times.

Looking ahead the position for the Charity and its subsidiary over the next five years looks positive. It is expected that 2024 will be a breakeven year and that the subsequent five years will generate a surplus. In addition, from 2025 to 2030 level 3 of the reserves policy will be applicable which will facilitate an investment in a combination of bursaries and infrastructure to the tune of £250k over the five-year period.

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.

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 costs 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.

Designated funds are unrestricted funds earmarked for a particular project. Designation has an administrative purpose only and does not legally restrict the trustees' discretion to apply the fund. These funds should be accounted for within unrestricted funds.

Investment income, gains and losses are allocated to the appropriate fund.

Income
All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

continued...

1. ACCOUNTING POLICIES - continued

Income
The Charity organises an annual conference. Income is received from delegates attending the conference and from organisations sponsoring the conference. All such income is taken in the year that the conference takes place.

Any income from donations received by the charity is recognised in the period in which they are received.

The value of services provided by volunteers is not incorporated in these accounts as the economic benefit cannot be measured reliably.

Distributions of Gift Aid from the subsidiary to the parent charity are recognised in the parent charity's own financial statements when they are approved by the directors of the subsidiary.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Head Office.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made. Grants offered subject to conditions which have not been met at the year end are accrued as expenditure and held within liabilities.

Allocated overheads
Certain salaries and overheads for the Charity are paid by Tall Ships Races International Limited, which makes an overhead allocation charge to the Charity and each trading subsidiary. This charge is based upon time costs spent in relation to the activities of the Charity and each trading subsidiary.

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Taxation

continued...

1. ACCOUNTING POLICIES - continued

Expenditure
The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains recieved within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets
Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

An internally generated intangible asset arising from development is recognised only when all of the following have been demonstrated:
- technical feasibility of completing the intangible so that it is available for use or sale
- intention to complete the development to use it or sell it
- the ability to use the intangible asset
- how the intangible asset will generate probable future economic benefits
- availability of adequate technical, financial and other resources to complete the development.
- the ability to measure reliably the expenditure attribute to the intangible assets during its development

The amount initially recognised for internally generated assets is the sum of the expenditure incurred from the date when the intangible assets meets the recognition criteria listed above. Where no internally generated intangible assets can be recognised, development expenditure is recognised in profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer software 5 years straight line years

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use.

Tangible fixed assets
Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.
Depreciation is provided on the following bases:

Fixtures and fittings - 5 years straight line

continued...

1. ACCOUNTING POLICIES - continued

Tangible fixed assets
Computer equipment - 3-5 years straight line

A review for impairment of a fixed asset is carried out if events or changes in.circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Investments
Investments in subsidiaries are valued at cost less provision for impairment.

Foreign currencies
Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains.and losses are recognised in the Consolidated Statement of Financial Activities.

Pension costs and other post-retirement benefits
The Charity operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating leases: the charity as a lessee
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Financial instruments
The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Short term debtors and creditors are measured at the transaction price. Other financial instruments, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Cash at bank and in hand
Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

continued...

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and, the amounts reported for revenues and expenses during the year. However, the nature of estimation, means that actual outcomes could differ from those estimates.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	52,481	43,725

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Annual conference	99,347	127,830
Other income	76,509	30,527
	175,856	158,357

5. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest	-	1

6. GIFT AID

	2024	2023
	£	£
Gift aid	152,897	124,521

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs	Totals
	£	£	£
Charity operating costs	107,316	145,737	253,053
Conference costs	65,134	-	65,134
Project costs	53,484	-	53,484
Bursary costs	29,300	-	29,300
Governance	35,297	-	35,297
Unrealised foreign exchange movement on reserves	-	1,755	1,755
	290,531	147,492	438,023

Salary costs are included within the charity operating costs category of which £5,931 (2023 - £34,337) relates directly to the organisation of the conference.

Charity consultancy costs are included within the charity operating costs category of which £7,032 relates directly to the organisation of the conference.

continued...

8. NET INCOME/(EXPENDITURE)

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

	2024	2023
	£	£
Depreciation - owned assets	4,590	3,799
Computer software amortisation	7,514	7,550
Auditors' remuneration - audit	9,000	8,400
Operating lease rentals	19,500	20,000

9. TRUSTEES' REMUNERATION AND BENEFITS

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

Trustees' expenses

During the year ended 31 March 2024, expenses totalling £7,248(2023 - £6,459) were reimbursed or paid directly to Trustees.

10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	75,799	31,738
Social security costs	8,507	2,881
Other pension costs	6,740	2,654
	91,046	37,273

The average monthly number of employees during the year was as follows:

	2024	2023
Staff numbers	1	1

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£80,001 - £90,000	1	-

Key management personnel salary totalled £84,306 in the year (2023 - £34,619).

continued...

11. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 April 2023 and 31 March 2024	37,750
AMORTISATION	
At 1 April 2023	24,469
Charge for year	7,514
At 31 March 2024	31,983
NET BOOK VALUE	
At 31 March 2024	5,767
At 31 March 2023	13,281

12. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Totals £
COST			
At 1 April 2023	607	11,642	12,249
Additions	14,005	5,158	19,163
Disposals	(607)	(7,436)	(8,043)
At 31 March 2024	14,005	9,364	23,369
DEPRECIATION			
At 1 April 2023	500	6,853	7,353
Charge for year	1,217	3,373	4,590
Eliminated on disposal	(607)	(7,436)	(8,043)
At 31 March 2024	1,110	2,790	3,900
NET BOOK VALUE			
At 31 March 2024	12,895	6,574	19,469
At 31 March 2023	107	4,789	4,896

continued...

13. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
MARKET VALUE	
At 1 April 2023 and 31 March 2024	3
NET BOOK VALUE	
At 31 March 2024	3
At 31 March 2023	3

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Tall Ships Races International Limited
Registered office: UK
Nature of business: Organisation of Tall Ships Races

Class of share:	% holding
Ordinary	100

	2024 £	2023 £
Aggregate capital and reserves	592,074	163,093
Profit for the year	581,853	171,093

Tall Ships International Limited
Registered office: UK
Nature of business: Dormant

Class of share:	% holding
Ordinary	100

	2024 £	2023 £
Aggregate capital and reserves	1	1

Sail On Board Limited
Registered office: UK
Nature of business: Dormant

Class of share:	% holding
Ordinary	100

	2024 £	2023 £
Aggregate capital and reserves	1	1

All subsidiary undertakings are registered at Unit 9 Cooperage Green, Royal Clarence Yard, Weevil Lane, Gosport, Hampshire, PO12 1FY.

All subsidiaries are included within the consolidated financial statements.

continued...

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other debtors	2,981	443
Accrued income	48,396	-
Prepayments	17,495	2,543
	68,872	2,986

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	30,472	33,190
Amounts owed to group undertakings	8,158	8,051
Social security and other taxes	3,280	-
Accruals and deferred income	23,878	11,005
	65,788	52,246

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	8,500	16,667
Between one and five years	14,167	-
	22,667	16,667

17. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	Transfers between funds	At 31.3.24
	£	£	£	£
Unrestricted funds				
General fund	143,534	(24,492)	(27,947)	91,095
Designated	-	(12,782)	27,947	15,165
	143,534	(37,274)	-	106,260
Restricted funds				
Sultan of Oman bursary fund	20,512	(7,465)	(27)	13,020
Ross MacDonald fund	3,911	(3,938)	27	-
Canadian Legacy fund	81,178	(15,273)	-	65,905
Marlow Navigation fund	-	5,500	-	5,500
Willem Kok fund	-	1,661	-	1,661
	105,601	(19,515)	-	86,086
TOTAL FUNDS	249,135	(56,789)	-	192,346

continued...

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	328,993	(353,485)	(24,492)
Designated	2,184	(14,966)	(12,782)
	331,177	(368,451)	(37,274)
Restricted funds			
Sultan of Oman bursary fund	42,896	(50,361)	(7,465)
Ross MacDonald fund	-	(3,938)	(3,938)
Canadian Legacy fund	-	(15,273)	(15,273)
Marlow Navigation fund	5,500	-	5,500
Willem Kok fund	1,661	-	1,661
	50,057	(69,572)	(19,515)
TOTAL FUNDS	381,234	(438,023)	(56,789)

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	162,516	(18,982)	-	143,534
Restricted funds				
Sultan of Oman bursary fund	36,387	(15,675)	(200)	20,512
Ross MacDonald fund	3,911	-	-	3,911
Aalborg Kommune fund	1,027	(1,027)	-	-
Canadian Legacy fund	113,976	(32,798)	-	81,178
Burnett fund	5,800	(6,000)	200	-
	161,101	(55,500)	-	105,601
TOTAL FUNDS	323,617	(74,482)	-	249,135

continued...

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	283,459	(302,441)	(18,982)
Restricted funds			
Sultan of Oman bursary fund	43,145	(58,820)	(15,675)
Aalborg Kommune fund	-	(1,027)	(1,027)
Canadian Legacy fund	-	(32,798)	(32,798)
Burnett fund	-	(6,000)	(6,000)
	43,145	(98,645)	(55,500)
TOTAL FUNDS	326,604	(401,086)	(74,482)

Sultan of Oman bursary fund
Support and assist the participation of young people in race events organised by Sail Training International.

Ross MacDonald fund
To be spent in the advancement of Sail Training International on specific items jointly agreed between STI and Ross MacDonald. This fund was fully spent in the current year.

Aalborg Kommune fund
To be spent assisting the Sail Training International Youth Council activities promoting and delivering Sail Training. This fund was fully spent in the prior year.

Canadian Legacy fund
Support and assist the participation of young Canadians in Sail Training.

Burnett fund
Support people with a disability of any age to participate in a sail training voyage.This fund was fully spent in the current year.

Marlow Navigation fund
To be spent allowing disadvantaged people to participate in a sail training voyage.

Willem Kok fund
Support and assist the participation of young people in race events organised by Sail Training International.

continued...

18. RELATED PARTY DISCLOSURES

The charity is exempt from disclosing related party transactions in the form of donations from the subsidiary by virtue of Charities SORP: 9.18.

19. LEGAL STATUS OF THE CHARITY

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

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	52,481	43,725
Other trading activities		
Annual conference	99,347	127,830
Other income	76,509	30,527
	175,856	158,357
Investment income		
Bank interest	-	1
Gift Aid		
Gift aid	152,897	124,521
Total incoming resources	381,234	326,604
EXPENDITURE		
Charitable activities		
Wages	75,799	31,738
Social security	8,507	2,881
Pensions	6,740	2,654
Consultancy	10,446	3,896
Bank charges	3,247	2,600
Legal and professional	8,548	1,602
Audit and accounts	9,000	8,400
Subscriptions	351	391
Employment costs	546	546
Travel, accommodation and subsistence	9,297	25,477
Bursary costs	29,299	20,590
Project costs	53,484	84,231
Marketing	7,775	7,586
Conference costs	65,134	90,916
Receptions	1,371	-
Recharge	987	-
	290,531	283,508
Support costs		
Management		
Postage and stationery	140	101
Office costs	28,654	15,327
	28,794	15,428

SAIL TRAINING INTERNATIONAL

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Management		
Finance		
Movements on foreign exchange	4,455	3,864
Overhead allocation	102,139	86,925
Depreciation of tangible fixed assets	12,104	11,361
	118,698	102,150
Total resources expended	438,023	401,086
Net expenditure	(56,789)	(74,482)

SAIL TRAINING INTERNATIONAL

England & Wales - Charity number 1096846

Accounts

REGISTERED COMPANY NUMBER: 04686048 (England and Wales)
REGISTERED CHARITY NUMBER: 1096846

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

FOR

SAIL TRAINING INTERNATIONAL

TC Group
1st Floor
Ocean Village Innovation Centre
Ocean Way
Southampton
Hampshire
SO14 3JZ

SAIL TRAINING INTERNATIONAL

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FOR THE YEAR ENDED 31 MARCH 2023

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SAIL TRAINING INTERNATIONAL

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2023

Registered Company number
04686048 (England and Wales)

Registered Charity number
1096846

Registered office
Charles House
Mumby Road, Gosport Marina
Gosport
Hampshire
PO12 1AH

Trustees
J C Cheshire (UK)
E Corwin (Norway)
D F Galpin (UK)
M C Henstock (Australia)
J K Hughes (USA)
R Mimbacas (Spain)
A P Van Ommen (Netherlands)
L K Westerberg (Sweden)
L Weweler (Germany)
A M Ledwidge-O'Brien (Ireland) (resigned 4.10.22)

Chief operating officer
A James (UK)

Company Secretary
A James (UK)

Auditors
TC Group
1st Floor
Ocean Village Innovation Centre
Ocean Way
Southampton
Hampshire
SO14 3JZ

REFERENCE AND ADMINISTRATIVE DETAILS
Solicitors
Paris Smith
1 London Road
Southampton
Hampshire
SO15 2AE

Bankers
Lloyds TSB plc
20 High Street
Gosport
Hampshire
PO12 1DE

CAF Bank Limited
25 Kings Hill
West Malling
Kent
ME19 4JQ

The Trustees are pleased to present their report together with the Financial Statements of the Charity for the period ended 31 March 2023.

1. Objectives and Public Benefit

The objects of the Charity are to enable young people of all nationalities to develop their physical, mental, and spiritual capacity, through sail training, and embrace a healthier lifestyle so that they may grow to full maturity as individuals and useful members of society.

The principal activities through which it seeks to do so are:

(a) the promotion and organisation of Tall Ships Races and other regattas and events in all parts of the world.

(b) assistance to young people for their participation in sail training activities including the provision of grants and bursaries (directly and indirectly) and by providing assistance to those otherwise unable to afford to do so.

(c) acting as a forum for promoting co-operation between the National Sail Training Organisations who are the Members of the Charity and other organisations throughout the world involved in sail training or having similar objectives.

(d) representing the interests of such organisations with international organisations, government departments and other appropriate bodies in all matters relating to sail training generally and particularly in relation to safety of personnel

(e) carrying out, commissioning, or supporting research, surveys, studies, or other work relating to the benefits of sail training for the development of young people and publishing the results of such research and other ancillary written or other materials; and

(f) the provision of support and encouragement for sail training generally.

In setting our policy for achieving our objectives our Trustees give serious consideration to the Charity Commission's general guidance on public benefit.

'Sail training' in this context means more than teaching people to sail. It describes the use of adventurous activities at sea to help young people develop confidence, trust in others, tolerance, and teamwork. It also, on board ship and in port, brings together people from many different nationalities, cultures, and faiths to promote international friendship and understanding.

Our activities are planned to enable young people to experience the benefits of sail training in particular by:

- Creating opportunities through events run by the Charity's trading subsidiary.
- Promoting and supporting other sail training opportunities
- Providing bursary funding to young people
- Encouraging host cities to support sail training.
- Creating awareness of sail training with the public

2. Events and Related Activities

The Charity, through its trading subsidiary, continues to promote and organise Tall Ships Races and Regattas with the emphasis on the participation of young people of all nationalities.

Each year the involvement of tall ships from all over the world in our events provides the most visible example of the practical fulfilment of our objectives in three complementary ways:

- They create opportunities for young people to experience sailing on a tall ship and the personal development such an experience can offer,

- They generate funds both for the participating Tall Ships and for the Charity to use for bursary funding or research, and

- They foster best practice for sail trainers and promote sail training generally through exposure of the participating tall ships to the public when berthed in the race host ports.

Events in 2022

Each year our trading subsidiary organises the Tall Ships Races. The sea area for these rotates annually and the number of host ports involved is usually 4 or 5. 2022 marked the return of the Tall Ships Races after the cancellations and postponements in 2020 and 2021 due to the global pandemic.

The Tall Ships Races took place in the North Sea and visited four ports in Denmark (Aalborg and Esbjerg), Netherlands (Harlingen) and Belgium (Antwerp).

Directly through the event the following was achieved :

- Over 2,000 trainees from an impressive total of 41 countries participated in the event.
- Over 500 trainees received a bursary from either Sail Training International or the host ports.
- 40 vessels took part in the event from 13 different countries.
- Approximately 2.25 million visitors viewed the Tall Ships in the four host ports.

Current Events and Plans

Two events have been scheduled for 2023, the Tall Ships Races 2023 and the Magellan Elcano (originally scheduled as the Tall Ships Races 2020).

The Tall Ships Races 2023 will take place in the North Sea and will visit five ports starting in Den Helder in the Netherlands followed by Hartlepool in the UK , Fredrikstad in Norway , Lerwick in the Shetland Islands and finishing in Arendal in Norway. We are excited to be visiting four previous host ports and welcoming Arendal as a new host port.

The Magellan Elcano is the rearranged Tall Ships Races 2020. We will visit four ports starting in Falmouth in the UK followed by A Coruna in Spain, Lisbon in Portugal and finishing in Cadiz in Spain. We are really pleased that we will be finally able to deliver this event and are grateful to the support and cooperation of the four host ports.

In addition to the 2023 event, we are also pleased to announce that six ports will be hosts to the Tall Ships Races in 2024 in the Baltic Sea and that five host ports have been selected for both 2025 and 2026 Tall Ships Races.

Fundraising

The Charity does not employ dedicated fundraising staff. Hitherto the principal source of income is that generated by the subsidiaries through races and regattas.

As we emerge out of the pandemic and prevailing economic conditions the Trustees will recommence seeking both philanthropic donations and sponsorship.

The Royal Navy of Oman made its usual annual grant of €50,000 to our restricted funds for support to individual trainees and sail training operators.

3. Support for individuals and sail training operators

In addition to operating Tall Ships Races and other events the Charity utilises its own funds to provide direct assistance to young people who might otherwise not be able to participate in and benefit from sail training.

STI Bursary Schemes

Our **Host Port Bursary** scheme, whereby host ports commit in their contracts with us to provide funding for young people in their area to sail on board Tall Ships participating on our races, continues to provide a high number of local young trainees. Each host port finds its own way to meet their commitment to the scheme

and we estimate that in an average year the Host Port bursary programme as a whole has an equivalent bursary value in excess of 300,000 Euros.

Sultanate of Oman Bursary Scheme

The Charity is privileged to have enjoyed long term support from the Sultanate of Oman, which has operated a Tall Ship of its own for many years. The Sultanate has for the past 11 years funded a dedicated bursary scheme administered by the Charity with a worldwide reach. In 2020 the Sultanate of Oman committed to support the bursary scheme for a further 5 years.

John E Burnett Bursary Fund

The John E. Burnett Bursary was launched for the first time in 2021, providing £10,000 in funding for disabled people of any age to take part in a Sail Training voyage. The bursary was set up following the kind support of the estate of John E. Burnett, a supporter of access to Sail Training. The funds were fully spent in 2022 giving 23 trainees a sail training experience.

Canada Legacy Fund

Two projects were selected in 2022 to take place in 2023 with financial support from the Canada Legacy Fund.

Bytown Brigantine received $12,500 CAN to develop and execute a 5-week programme Sailing for Life for 20 young people, including at risk young people. The program develops interpersonal, leadership and employability skills as well as traditional sailing skills.

Tall Ships Expeditions Canada received $12,500 CAN for the project Forgotten Shore 2023: Maritime Quebec. The project is youth led, exploring remote seascapes and shorelines of maritime Quebec. The project focusses on encouraging youth to have meaningful conversations with their fellow trainees, experiencing the power and fragility of nature and celebrating the diversity of Canada.

Youth Development Fund

The Youth Development Fund was launched in 2019 to encourage the development of more effective Sail Training programmes for young people from disadvantaged social backgrounds. Its purpose is to support organisations – preferably non-profit – to deliver Sail Training programmes that will reach young people from a mixture of backgrounds, particularly those who have been disadvantaged.

The Youth Development Fund supported four projects in 2022 utilising the Royal Navy of Oman bursary scheme and offered £19,000 to support these projects fostering youth development. The Four successful applications were from Seas your future, Catzero Youth Development, Sailing Tectona and Tall Ships Youth Trust.
In addition, five projects were approved for 2023. The funding will be £25,000 and the successful applicants are West Indies Sail Heritage Foundation, Challenge Wales, Ocean Youth Trust Scotland, Morvargh Sailing Project, and Ellen MacArthur Cancer Trust.

These funds appear under restricted funds within the Charity's accounts.

4. Promotion of sail training worldwide:

International Conferences:

An important element of the Charity's activities is to host an international conference each year at which our members can interact with Tall Ships operators, sail trainers, port authorities and other maritime organisations. The Charity organises workshops and seminars on many aspects of sail training to encourage best practice and safety, as well as sharing the benefits of different approaches and methods for the development of young people in a sail training environment.
The Conference also provides the opportunity for all Trustees, subsidiary Board Members and Committees to hold their own meetings and meetings with volunteers and other groups to increase awareness of the issues that impact on the achievement of our objectives.

In 2022 the International Conference returned to a live event after the previous two virtual conferences and was held in November in Las Palmas, Gran Canaria. Over 200 delegates attended representing 27 different countries.

Our return to in-person events in 2022 saw an increase in media content and coverage across the year. Alongside the increase in content and coverage, we also saw higher engagement rates from users when compared to 2022 and our last active event year of 2019. During the races we were also able to capture a large amount of new video content which has substantially expanded our content library. This has already been used to support Host Port activities and has seen further growth in our marketing and communications activities in 2023 to date.

5. Research

Operators of Tall Ships in general have no doubts concerning the benefits that accrue to young people from a sail training voyage. However, it is important for those benefits to be validated by independent observers and academic research.

The activities of the Charity therefore include participation in, and some funding for, research projects. Through its members and the Tall Ships participating in its events, the Charity is well placed to assist in gathering data for such projects.

In 2022 work commenced on constructing a library of research papers.

6. Financial review

The consolidated income of the charity and its wholly owned trading subsidiary amounted to £831,690 (2022: £864,253). Income was maintained at a similar level as 2021 with the majority of income coming from the 2022 Tall Ships Races. Expenditure during the period amounted to £859,600 (2022: £675,136). At the consolidated level this resulted in a decrease in reserves of £27,910 (2022: increase in reserves £189,117). Reserves at the year-end stood at £412,227 (2022: £440,137).

The unrestricted reserves amounted to £306,626 at year end which would meet the first criteria established in the reserves policy (see below) and partially the second level.

Overall, our trading activities had a surplus of £27,590 (2022: £300,916).

Our principal source of trading income during the period comes from Host Port fees drawn from long term contracts for our events.

The Trustees regard the results achieved as very positive as we emerge from the global pandemic.
Enthusiasm among the sail training community for our events remains strong. Host ports have already been contracted for the next three years and the Trustees and Chief Executive can look ahead to Tall Ships Races and other events planned for the next few years and to identify opportunities which may become available and any major operational and strategic challenges that may arise.

These events include Races in the North Sea, the Iberian Sea, and the Baltic Sea. We are encouraged by the ongoing support for our events from host ports which continue to consider our events to be a worthwhile economic proposition for them and their communities as well as promoting the involvement of young people in sail training.

Post year end activity

There have been no post balance sheet events that require disclosure in the financial statements in accordance with the Charity SORP.

The two events for 2023 have been completed successfully both operationally and financially. The 2023 Tall Ships Race had five ports two in the UK (Hartlepool and Lerwick, two in Norway (Fredrikstad and Arendal) and one in the Netherlands (Den Helder). The Magellan Elcano which was the rearranged Tall Ships Races 2020contracted had two ports from Spain (A Coruna and Cadiz) one from the UK (Falmouth) and one from Portugal (Lisbon).

Sponsorship

Our sponsorship agreement with SCF Sovcomflot, a large Russian shipping company, was suspended towards the end of 2021 due to the global pandemic and the uncertainty surrounding running the planned Far East Regatta. As part of the suspension process a reconciliation of income and costs was completed.
After the Russian invasion of Ukraine, the communication with SCF Sovcomflot has been non-existent. The assumption going forward is the sponsorship agreement has been terminated.

Risk Management and Reserves

The Trustees review the risks faced by the Charity and its subsidiaries annually by carrying out a risk mapping exercise for both the Charity and its subsidiaries in accordance with the recommendations of the Charity Commission. The main risk to the Charity is the ongoing profitably of its subsidiaries which, via gift aid, provide its main source of income. To alleviate this risk the Trustees, monitor the performance of the trading subsidiary on a regular basis including regular reports to the Trustees on all key events being organised by the subsidiaries. The prime risk identified for the trading subsidiary is the potential failure to contract host ports and sponsors for future events. This risk is addressed by seeking to contract ports as far in advance as possible of each event and adjusting the Race Series to reflect the relevant ports once contracted.

By their very nature the Tall Ships Races take place in international waters and could be subject to political and other events outside our control. The Boards of the trading subsidiary and the Trustees therefore consider political and strategic risks when making decisions to organise events (particularly in new sea areas) and keep such issues under careful review on a regular basis. The ramifications of the pandemic, the war in Ukraine, and the need to postpone the planned events have brought to reality this identified risk.

The Trustees have recently reviewed the Charity's reserves policy and have looked at some of the factors that determine our requirements for achieving and maintaining certain levels of 'free' reserves. It has been agreed that reserve requirements should continue to be monitored with reference to three levels:

1. minimum level to cover the cost of 'winding up' the organization in the event of all funding coming to an end (this would include the cost of redundancies, lease commitments, and meeting short term liabilities).

2. intermediate level to allow for the continuation of 'core' activities for a 6–9-month period in the event of significant reductions in funding, and

3. higher level to provide an endowment to fund bursary support for young people, research to further the aims of the Charity, and special projects to pilot different ways of promoting the personal development of young people and fostering international friendship and understanding. Achieving this level is a longer-term strategy (5-10 years).

For the purposes of 2 above, 'free' reserves are taken to include unrestricted funds and restricted funds to the extent that they support 'core' project activities and do not contravene funders' restrictions.

The Trustees will prioritise rebuilding the unrestricted reserves over the next financial year to meet as a minimum the first two criteria set out above.

The Trustees are always mindful of the fact that the Charity operates in a changing environment which is sensitive to shifts in international relations and economic success in different cities and regions.

With this and the effects of the Covid outbreak in mind they will review annually the need to designate funds to cover short term reductions in funding, necessary changes to operational activities or organisational infrastructure and the transition to new funding arrangements which have an impact on short term cash flow.

The Trustees review the policy on a yearly basis to ensure that an appropriate level of reserves is maintained within the Charity, in accordance with Charity Commission guidelines.

Investment Powers and Policy

Under its constitution, the Charity has the power to make any investment which the Trustees see fit. The

Trustees, having regard to the risk and liquidity requirements of organising races and events and to the reserves policy, have operated a prudent policy of keeping balances in a range of mainly short-term instruments selected to generate the best returns, consistent with security.

7. Structure, governance and management

As a result of the re-organisation implemented in 2015 the structure of the Group is as follows:

Sail Training International / the Charity

Sail Training International is a company limited by guarantee governed by its Memorandum and Articles of Association dated 4 March 2003 as amended in 2005. It is registered as a charity with the Charity Commission with Charity Number 1096846.

The **Members** of Sail Training International are the national or representative sail training organisations of:

Australia and New Zealand, Belgium, Bermuda, Canada, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Netherlands, Norway, Poland, Portugal, South Africa, Spain, Sweden, United Kingdom, and United States of America.

At the 2022 AGM the members approved the application from Abravela to be a probationary member representing Brazil.

In light of the Russian invasion of Ukraine the membership voted to suspend Russia as a member.

The **Trustees** are responsible for policy making and are accountable for the Charity's activities and for ensuring that they are consistent with its charitable objectives. They are also responsible for managing the Charity's affairs and in this capacity appoint the Chief Executive and the directors of subsidiary companies. The Trustees receive no remuneration for their services.

The **Chairman** of the Trustees is directly elected by the Members for a three-year term but is eligible for re-election.

All **Trustees** are also elected by the Member organisations and the longest serving of them (being one third of the then current number) are required to resign each year at the Annual General meeting but are entitled to seek re-election. The Trustees also have power under the Articles of Association to appoint new Trustees at any time in the year to fill a vacancy, but any person so appointed must then be formally re-appointed by the Members at the next Annual General Meeting.

The Trustees also appoint the Boards of Directors of the trading subsidiary and set the terms of reference for other Committees and working groups. During the year Aoife Ledwidge-O'Brien stood down as a Trustee on the 4th of October 2022. During the year Magda Makowska stood down as a Director of the subsidiary company Tall Ships Races Limited on the 30th of September 2022.

In this context the Trustees and the Chief Executive regularly consider the nature of the skills required by the Charity and review the skillsets of existing appointees, both as Trustees and as Directors of the subsidiaries, having regard to those who may be retiring in the near future. The reconstruction of the Group in 2015 was also an opportunity to ensure that the trading subsidiary have Board Members suitable for the ongoing activities.

The Members are notified of the experience and skills requirements for new Trustees and can put forward candidates. They are also, prior to the next Annual General Meeting, provided with information on all Trustees who are seeking re-appointment or re-election at such meeting.

Many of the candidates for appointment as a Trustee will have a pre-existing connection with or knowledge of sail training but candidates are only put forward after the Trustees and the Company Secretary are satisfied that they understand their responsibilities and duties as a Trustee of a UK Charity. New Trustees are provided with such information as they require with the process and topics being tailored to each individual's background experience and knowledge. Trustees and Directors have access to the Company Secretary and from time to time receive additional training through attendance at workshops and seminars at International

Conferences.

Many of the Trustees and Directors are active in, and provide advice and assistance to, the National Sail Training Organisations (NSTOs), who are Members of the Charity, and other organisations within the sail training world.

The **Chief Executive** is responsible for the day-to-day management of the organisation's staff and co-ordinating the activities and achievement of the business plan and budget approved by the Trustees. He is in regular contact with the Chairs of the Charity and its subsidiaries concerning contractual and regulatory matters and attends all Trustees meetings and meetings of the subsidiary boards.

The Charity has established rules for the better management and governance of the organisation, known as the 'Red Book'. This was extensively reviewed and updated in 2022 and a new version agreed by the Members at the AGM in November 2022.

Committees, Working Groups and Volunteers

The **International Council** comprises a representative of each Member and other individuals, up to a third of the total International Council, who are nominated by the Trustees for their expertise and experience and must be approved by the International Council. Trustees are also entitled to attend such meetings but have no vote. The purpose of the International Council is to act as an advisory body to the Trustees and contribute to policies and projects for implementation by the Charity and the trading subsidiary.

The **Ships' Council** was created as an advisory group and is open to all Tall Ship Operators who are involved with our events. The aspects considered by the Council include regulatory, operational and safety matters and other issues and future plans for the participation of Tall Ships in our events. A representative of the Trustees attends its meetings and reports back to the Trustees and the International Council.

The **Youth Council** assists the Trustees to identify and take account of the views of young people, already active in the sail training world, in developing strategies and activities for the future. Each of the Members is entitled to nominate a representative and a Trustee is responsible for liaison between the Trustees and STI Youth Council. The Chair of STI Youth Council reports directly to each International Council meeting.

The **Port Advisory Group** and the **Host Port Seminar** (held annually during the Tall Ships Races and hosted by one of that year's host ports) acts as conduit for the Charity and its trading company to receive input on its activities and events from this important stakeholder group.

All members of the above Committees and Working Groups are volunteers. In addition, the Trading Companies rely upon a dedicated cadre of volunteers to help deliver their events.

Subsidiary Companies

The Charity has three wholly owned subsidiaries which are separate trading companies to carry out different activities and which through Gift Aid pass all surplus income to the Charity to assist in enabling it to fulfil its objectives.

The Chief Executive Is a director of each trading subsidiary and, with the other Directors, responsible for managing their activities.

The remuneration for the CEO and other key employees is set by the Trustees having taken account of market forces, the current Cost of Living and other relevant indices. A majority of the directors of the trading subsidiary are unpaid volunteers.

Tall Ships Races International Limited is responsible for staff and office infrastructure, the provision of financial and other services, managing publicity activities and materials, and organising the majority of the Tall Ships Races and seminars. It has particular responsibility for the race organisation and appoints a Race Committee for each race series to provide advice on maritime and safety issues. Its objectives are set by the Trustees of the Charity.

Tall Ships International Limited is responsible for other races and events the charity organises or is involved with worldwide that involve North America, including consultancy contracts. As there are no events under contract that fall into this category the company was made dormant during the year.
Sail on Board is currently a dormant company.

8. Financial statements

The Trustees are responsible for preparing the Trustees' Report and financial statements for each financial period in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for ensuring that such financial statements give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are aware of the Charity Commission's Governance Code and are reviewing the Charity's governance in light of the code.

So far as the Trustees are aware:

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

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

Signed by order of the Trustees.

Registered Office:
Charles House
Gosport Marina
Mumby Road
Gosport
Hampshire
PO12 1AH

X .....
Alan James
Company secretary

Approved by the Trustees on X 26/10/.....2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL

Opinion

We have audited the financial statements of Sail Training International (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and related 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 (United Kingdom Generally Accepted Accounting Practice) 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 Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the 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 Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group's and of the parent charitable company's and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the Group's and of the parent charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Gillespie FCCA (Senior Statutory Auditor)
for and on behalf of TC Group
1st Floor
Ocean Village Innovation Centre
Ocean Way
Southampton
Hampshire
SO14 3JZ

Date: 31/10/2023

SAIL TRAINING INTERNATIONAL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED
31 MARCH 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:					
Donations and legacies		**580**	**43,145**	**43,725**	56,588
Charitable activities	4	**653,630**	**-**	**653,630**	695,451
Other trading activities	5	**133,969**	**-**	**133,969**	112,084
Investment income	6	**366**	**-**	**366**	130
Total		**788,545**	**43,145**	**831,690**	864,253
EXPENDITURE ON CHARITIABLE ACTIVITIES:	7				
Tall Ships Races		**541,952**	**-**	**541,952**	528,308
Charity operating costs		**96,767**	**-**	**96,767**	64,672
Conference		**90,916**	**-**	**90,916**	433
Project costs		**8,753**	**75,683**	**84,436**	25,000
Bursary costs		**-**	**20,820**	**20,820**	41,525
Governance		**19,079**	**-**	**19,079**	11,574
Unrealised movements on foreign exchange on reserves		**-**	**2,142**	**2,142**	2,215
Receptions		**3,488**	**-**	**3,488**	1,409
Total		**760,955**	**98,645**	**859,600**	675,136
NET INCOME/(EXPENDITURE)		**27,590**	**(55,500)**	**(27,910)**	189,117
RECONCILIATION OF FUNDS					
Total funds brought forward		**279,036**	**161,101**	**440,137**	251,020
Total funds carried forward		**306,626**	**105,601**	**412,227**	440,137

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on page 10 form part of these financial statements.

SAIL TRAINING INTERNATIONAL

CONSOLIDATED BALANCE SHEET
31 MARCH 2023

	Note	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total Funds As restated £
FIXED ASSETS					
Intangible assets	11	**13,281**	-	**13,281**	20,831
Tangible assets	12	**4,896**	-	**4,896**	4,489
		18,177	-	**18,177**	25,320
CURRENT ASSETS					
Debtors	14	**194,005**	-	**194,005**	119,270
Cash at bank and in hand		**1,394,473**	**139,613**	**1,534,086**	1,679,498
		1,588,478	**139,613**	**1,728,091**	1,798,768
CREDITORS	15	**(1,059,586)**	**(34,012)**	**(1,093,598)**	(708,558)
NET CURRENT ASSETS		**528,892**	**105,601**	**634,493**	1,090,210
TOTAL ASSETS LESS CURRENT LIABILITIES		**547,069**	**105,601**	**652,670**	1,115,530
Creditors: amount falling due more than one year	16	**(240,443)**	-	**(240,443)**	(675,393)
NET ASSETS		**306,626**	**105,601**	**412,227**	440,137
FUNDS	18				
Unrestricted funds				**306,626**	279,036
Restricted funds				**105,601**	161,101
TOTAL FUNDS				**412,227**	440,137

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26/10/2023 and were signed on its behalf by:

J C Cheshire - Chairman

SAIL TRAINING INTERNATIONAL

CHARITY BALANCE SHEET
31 MARCH 2023

	Note	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total Funds As restated £
FIXED ASSETS					
Intangible assets	11	**13,281**	-	**13,281**	20,831
Tangible assets	12	**4,896**	-	**4,896**	4,489
Investments	13	**3**	-	**3**	3
		18,180	-	**18,180**	25,323
CURRENT ASSETS					
Debtors	14	**2,986**	-	**2,986**	475
Cash at bank and in hand		**140,602**	**139,613**	**280,215**	337,975
		143,588	**139,613**	**283,201**	338,450
CREDITORS	15	**(18,234)**	**(34,012)**	**(52,246)**	(40,156)
NET CURRENT ASSETS		**125,354**	**105,601**	**230,955**	298,294
TOTAL ASSETS LESS CURRENT LIABILITIES		**143,534**	**105,601**	**249,135**	323,617
NET ASSETS		**143,534**	**105,601**	**249,135**	323,617
FUNDS	18				
Unrestricted funds				**143,534**	162,516
Restricted funds				**105,601**	161,101
TOTAL FUNDS				**249,135**	323,617

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements

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

The financial statements were approved by the Board of Trustees and authorised for issue on 26/10/2023 and were signed on its behalf by:

JC Cheshire - Chairman

SAIL TRAINING INTERNATIONAL

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	19	**(141,572)**	341,107
Cash flow from investing activities			
Dividends, interest and rents from investments		**366**	130
Purchase of tangible fixed assets		**(4,206)**	-
Net cash provided by investing activities		**(3,840)**	130
Cash flows from financing activities		-	-
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		**(145,412)**	341,237
Cash and cash equivalents at the beginning of the year		**1,679,498**	1,338,261
Cash and cash equivalents at the end of the year	20	**1,534,086**	1,679,498

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sail Training International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation
The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statement of the Charity and its subsidiary undertakings. The result of the subsidiaries is consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

Going concern
The directors have considered all available information regarding current and future factors that could impact the Charity and have concluded it is appropriate to prepare the financial statement on a going concern basis.

Post the global pandemic the Charity and its subsidiaries have restructured the cost base in such a way that it can be far more flexible in these uncertain times. As demonstrated in this year's financial statements the charity and its subsidiary can generate a surplus from organising one Tall ships race and a Conference.

During the year the subsidiary company successfully returned to organising the Tall Ships Race which generated a healthy surplus enabling the Gift Aid payment to the Charity.

The Charity hosted an in-person Conference in November 2022 the first since 2019 and received a degree of sponsorship from Gran Canaria municipality and the tourism board.

Looking ahead the position for the Charity and its subsidiary over the next four years looks positive. It is expected a surplus will be generated each year and that the reserves can be rebuilt to the level set out in the reserves policy and charitable activities can be funded.

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.

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 costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

1. ACCOUNTING POLICIES - continued

Income
All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the services.

The Group organises annual races from European ports and one off races and other events in other parts of the world. The host ports for each annual race in Europe contract with the group up to four years before the races takes place and makes annual payment on account. The Group is engaged in planning and marketing activities throughout the four year period for each race. Accordingly the Group recognises as income part of the port fees received in each of the years leading up to the race, the balance being taken in the year the race is held.

The Group organises races and events in other geographical areas which generally have a shorter lead time. To recognise the larger initial costs involved in these one-off races or events the company takes to income an amount to cover its costs in each year prior to the race, the balance being taken in the year of the race.

The Group seeks sponsorship income for its races and events. Where such income is received it is recognises in the year of the race or event to which it relates.

The Group organises an annual conference. Income is received from delegates attending the conference and from organisation sponsoring the conference. All such income is taken in the uear that the conference takes place.

Any income from donation received by the charity is recognised in the period in which they are received. The value of services provided by volunteers is not incorporated in these accounts as the economic benefit cannot be measured reliably.

Distribution of Gift Aid from the subsidiary to the parent charity are recognised in the parent charity's own financial statement when they are approved by the directors of the subsidiary.

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Head Office.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made. Grants offered subject to conditions which have not been met at the year end are accrued as expenditure and held within liabilities.

1. ACCOUNTING POLICIES - continued

Allocated overheads
Certain salaries and overheads for the Charity are paid by Tall Ships Races International Limited, which makes an overhead allocation charge to the Charity and each trading subsidiary. This charge is based upon time costs spent in relation to the activities of the Charity and each trading subsidiary.

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Taxation
The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets
Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.
Depreciation is provided on the following bases:

Fixtures and fittings	- 5 years straight line
Computer equipment	- 3-5 years straight line

Investments
Investments in subsidiaries are valued at cost less provision for impairment.

Financial instruments
The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Short term debtors and creditors are measured at the transaction price. Other financial instruments, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Debtors
Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. ACCOUNTING POLICIES - continued

Cash at bank and in hand
Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Operating Leases: the group as a lessee
Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

Foreign currencies
Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

Pension costs and other post-retirement benefits
The Group operates a defined contribution pension scheme. Contributions payable to the Group pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and, the amounts reported for revenues and expenses during the year. However, the nature of estimation, means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Payment for Tall Ship Races & Regatta events is typically received several years in advance of the races taking place. Management have reviewed the pattern of activity and costs incurred relative to the date of a race, based on historical data, in order to determine the most appropriate basis for recognising revenue. Revenue is recognised in the accounts in line with the pattern of the costs incurred.

Trade debtor balances outstanding at the year end are significant and relate to events taking place several years in the future. As a result, the recovery of these debts can be protracted. Management assess the recoverability of debts on a regular basis.

3. Legal Status of the charity

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

4. CHARITABLE ACTIVITIES

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£	£
Tall Ships Races	653,630	-	**653,630**	695,451
Total 2022	695,451	-	695,451	

5. OTHER TRADING ACTIVITIES

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£	£
Annual conference	127,830	-	**127,830**	109,027
Other income	6,139	-	**6,139**	3,057
	133,969	-	**133,969**	112,084
Total 2022	112,084	-	112,084	

6. INVESTMENT INCOME

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£	£
Bank interest	366	-	**366**	130
Total 2022	130	-	130	

7. CHARITABLE ACTIVITY COSTS

	Activities undertaken directly 2023	Grants funding of activities 2023	Support Costs 2023	Total funds 2023	Total funds 2022
	£	£	£	£	£
Tall Ships Races	493,615	-	48,337	**541,952**	528,308
Charity trading costs	68,692	-	28,075	**96,767**	64,672
Conferences	90,916	-	-	**90,916**	433
Project Costs	40,231	44,000	205	**84,436**	25,000
Bursary costs	20,590	-	230	**20,820**	41,525
Governance costs	19,079	-	-	**19,079**	11,574
Unrealised movements on foreign exchange	-	-	2,142	**2,142**	2,215
Receptions	3,488	-	-	**3,488**	1,409
	736,611	44,000	78,989	**859,600**	675,136
Total 2022	583,998	25,000	66,138	675,136	

Charity salary costs are included within the charity operating costs category of which £2,798 (2022 - £678) relates directly to the organisation of the conference.

TSRIL salary costs are included within the Tall Ships Races category of which £31,539 (2022 – £13,511) relates directly to the organisation of the conference.

8. NET EXPENDITURE

This is stated after charging:

	2023	2022
	£	£
Deprecation of tangible fixed assets	**11,349**	11,986
Auditor's remuneration – audit	**16,200**	10,550
Auditor's remuneration – other services	**1,000**	5,450
Operating leases rentals	**20,000**	21,726

9. TRUSTEES' REMUNERATION AND BENEFITS

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

Trustees' expenses

During the year ended 31 March 2023, expenses totalling £6,459 were reimbursed or paid directly to Trustees (2022 - £125).

10. STAFF COST

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
Wages and Salaries	**288,985**	313,074	**31,738**	33,345
Social security cost	**24,377**	25,641	**2,881**	4,928
Pension costs	**17,964**	24,633	**2,654**	3,067
	331,326	363,348	**37,273**	41,340

The average monthly number of employees during the year was as follows:

	Group 2023	Group 2022	Company 2023	Company 2022
	No.	No.	No.	No.
Charitable activities	**4**	4	**-**	-
Administration	**2**	2	**1**	1
	6	6	**1**	1

The number of employees whose employee benefits (excluding employer pension cost) exceeded £60,000 was:

	Group 2023	Group 2022
	No.	No.
In the band £60,001 - £70,000	**2**	2

The executive management personnel of the parent charity and the Group comprises Trustees, company directors, the Chief Operating Officer and the Commercial Director. The salary costs of the executive management personnel for the year ended 31 March 2023 were £157,463 (2022 - £146,275).

11. INTANGIBLE ASSETS

GROUP

	Computer software £
COST	
At 1 April 2022 and 31 March 2023 (as restated)	37,750
AMORTISATION	
At 1 April 2022 (as restated)	16,919
Charge for year	7,550
At 31 March 2023	24,469
NET BOOK VALUE	
At 31 March 2023	13,281
At 31 March 2022 (as restated)	20,831

COMPANY

	Computer software £
COST	
At 1 April 2022 and 31 March 2023 (as restated)	37,750
AMORTISATION	
At 1 April 2022 (as restated)	16,919
Charge for year	7,550
At 31 March 2023	24,469
NET BOOK VALUE	
At 31 March 2023	13,281
At 31 March 2022 (as restated)	20,831

In the prior year computer software costs were included within tangible fixed assets. During the year, these costs were reclassed to intangible fixed assets to better represent their nature.

12. TANGIBLE FIXED ASSETS

GROUP

	Office equipment £	Computer equipment £	**Totals £**
COST			
At 1 April 2022 (as restated)	4,760	9,689	**14,449**
Additions	-	4,206	**4,206**
Disposals	(4,153)	(2,253)	**(6,406)**
At 31 March 2023	607	11,642	**12,249**
DEPRECIATION			
At 1 April 2022 (as restated)	4,268	5,692	**9,960**
Charge for year	385	3,414	**3,799**
Eliminated on disposal	(4,153)	(2,253)	**(6,406)**
At 31 March 2023	500	6,853	**7,353**
NET BOOK VALUE			
At 31 March 2023	107	4,789	**4,896**
At 31 March 2022 (as restated)	492	3,997	**4,489**

COMPANY

	Office equipment £	Computer equipment £	**Totals £**
COST			
At 1 April 2022 (as restated)	4,760	9,689	**14,449**
Additions	-	4,206	**4,206**
Disposals	(4,153)	(2,253)	**(6,406)**
At 31 March 2023	607	11,642	**12,249**
DEPRECIATION			
At 1 April 2022 (as restated)	4,268	5,692	**9,960**
Charge for year	385	3,414	**3,799**
Eliminated on disposal	(4,153)	(2,253)	**(6,406)**
At 31 March 2023	500	6,853	**7,353**
NET BOOK VALUE			
At 31 March 2023	107	4,789	**4,896**
At 31 March 2022 (as restated)	492	3,997	**4,489**

In the prior year computer software costs were included within tangible fixed assets. During the year, these costs were reclassed to intangible fixed assets to better represent their nature.

13. FIXED ASSET INVESTMENTS (Charity only)

	Shares in group undertakings £
MARKET VALUE	
At 1 April 2022 and 31 March 2023	3
NET BOOK VALUE	
At 31 March 2023	3
At 31 March 2022	3

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	165,823	72,567	-	-
Other debtors	5,897	5,691	443	173
Prepayment	22,285	41,012	2,543	302
	194,005	119,270	2,986	475

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade creditors	58,480	67,385	33,190	16,746
Amounts owed to group undertakings	-	-	8,051	7,145
Corporation Tax	5,387	7,889	-	-
Other creditors	-	3,554	-	-
Accruals and deferred income	1,029,731	629,730	11,005	16,265
	1,093,598	708,558	52,246	40,156

16. CREDITORS: AMOUNTS FALLING DUE ADTER ONE YEAR

	Group 2023 £	Group 2022 £
Deferred income	240,443	675,393

17. OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Not later than 1 year	16,667	20,000	16,667	20,000
Later than 1 year and not later than 5 years	-	16,667	-	16,667
	16,667	36,667	16,667	36,667

18. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfer between funds £	At 31.3.23 £
Unrestricted funds				
General funds	279,036	27,590	-	**306,626**
Restricted funds				
Sultan of Oman fund	36,387	(15,675)	(200)	**20,512**
Ross MacDonald fund	3,911	-	-	**3,911**
Aalborg Commune fund	1,027	(1,027)	-	**-**
Canadian Legacy fund	113,976	(32,798)	-	**81,178**
Burnett fund	5,800	(6,000)	200	**-**
	161,101	(55,500)	-	**105,601**
Total of funds	440,137	(27,910)	-	**412,227**

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

	Incoming resources £	Resources Expended £	Movement in funds £
Unrestricted funds			
General funds	788,545	(760,955)	**27,590**
Restricted funds			
Sultan of Oman fund	43,145	(58,820)	**(15,675)**
Aalborg Kommune fund	-	(1,027)	**(1,027)**
Canadian Legacy fund	-	(32,798)	**(32,798)**
Burnett fund	-	(6,000)	**(6,000)**
	43,145	(98,645)	**(55,500)**
Total Funds	831,690	(859,600)	**(27,910)**

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds – prior year

	At 1.4.21 £	Net movement in funds £	Transfer between funds £	At 31.3.22 £
Unrestricted funds				
General funds	53,243	217,186	8,607	279,036
Restricted funds				
Sultan of Oman fund	58,041	(21,654)	-	36,387
Ross MacDonald fund	3,911	-	-	3,911
Aalborg Commune fund	1,027	-	-	1,027
Canadian Legacy fund	116,191	(2,215)	-	113,976
STAG fund	8,607	-	(8,607)	-
Burnett fund	10,000	(4,200)	-	5,800
	197,777	(28,069)	(8,607)	161,101
Total of funds	251,020	189,117	-	440,137

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources Expended £	**Movement in funds £**
Unrestricted funds			
General funds	823,582	(606,396)	**217,186**
Restricted funds			
Sultan of Oman fund	40,671	(62,325)	**(21,654)**
Canadian Legacy fund	-	(2,215)	**(2,215)**
Burnett fund	-	(4200)	**(4,200)**
	40,671	(68,740)	**(28,069)**
Total Funds	864,253	(675,136)	**189,117**

Sultan of Oman bursary fund
Support and assist the participation of young people in race events organised by Sail Training International.

Ross MacDonald fund
To be spent in the advancement of Sail Training International on specific items jointly agreed between STI and Ross MacDonald.

Aalborg Kommune fund
To be spent assisting the Sail Training International Youth Council activities promoting and delivering Sail Training.

Canadian Legacy fund
Support and assist the participation of young Canadians in Sail Training

STAG fund
To be spent assisting the Sail Training International Youth Council activities and promoting and delivering Sail Training.

Burnet bursary fund
Support people with a disability of any age to participate in a sail training voyage.

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 £
Net (expenditure)/income for the year (as per the statement of financial activities)	**(27,910)**	189,117
Adjustment for:		
Depreciation charges	**11,349**	11,986
Loss on the sale of fixed assets	-	70
(Increase)/decrease in debtors	**(74,735)**	132,024
(Decrease)/increase in creditors < 1year	**385,040**	5,825
Decrease in creditors > 1 year	**(434,950)**	-
Bank interest income	**(366)**	(130)
Unrealised forex movements	-	2,215
Net cash used in operating activities	(141,572)	341,107

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash in hand	**1,534,086**	1,679,498

21. CASHFLOW RECONCILIATION

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash in hand	1,679,498	(145,412)	**1,534,086**

22. PENSION COMMITMENTS

The Group operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contribution payable by the Company to the fund and amounted to £19,245 (£24,521). There was no outstanding contribution (2022: Nil) payable to the fund at the balance sheet date.

23. RELATED PARTY DISCLOSURES

Sail Training Association Germany made an unrestricted donation during the year of £Nil (2022: £1,664). Sail Training Association Germany is a related party due to the directorship of L Weweler in both charities.

24. PRINCIPAL SUBSIDIARIES

The following were subsidiary undertakings of the charity:

Names	Company number	Holding	Included in consolidation
Tall Ships Races International Limited	04894646	100%	Yes
Tall Ships International Limited	05025229	100%	Yes
Sail On Board Limited	10501077	100%	Yes

The financial result of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/ Surplus for the year £	Net Assets £
Tall Ships Races International Limited	655,474	484,381	171,093	163,093
Tall Ships International Limited	-	-	-	1

SAIL TRAINING INTERNATIONAL

England & Wales - Charity number 1096846

Accounts

Registered number: 04686048
Charity number: 1096846

SAIL TRAINING INTERNATIONAL

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)

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SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees

J Cheshire (UK), Chairman
E Corwin (Norway)
D Galpin (UK)
M Henstock (Australia)
J Hughes (USA)
A Ledwidge-O'Brien (Ireland)
R MacDonald (UK) (resigned 31 March 2022)
R Mimbacas (Spain)
P Van Ommen (Netherlands)
L Westerberg (Sweden)
L Weweler (Germany)

Company registered number

04686048

Charity registered number

1096846

Registered office

Charles House, Gosport Marina, Mumby Road, Gosport, Hampshire, PO12 1AA

Company secretary

A James (UK)

Chief executive officer

G Brown (UK) - resigned 30 April 2021
A James (UK) - appointed Chief Operating Officer 30 April 2021

Independent auditors

James Cowper Kreston
Chartered Accountants and Statutory Auditors
9th Floor
The White Building
1-4 Cumberland Place
Southampton
Hampshire
SO15 2NP

Bankers

Lloyds TSB plc, 20 High Street, Gosport, Hampshire, PO12 1DE

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Paris Smith, 1 London Road, Southampton, SO15 2AE

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees are pleased to present their report together with the Financial Statements of the Charity for the period ended 31 March 2022.

The year has again been very difficult for the Charity and its trading subsidiaries due to the global pandemic, which required all our planned events for a second year to be cancelled or postponed. The Charity has continually assessed the impact of the pandemic and updated its financial forecasts and projections accordingly throughout the year and subsequent to the year end. The forecasts have been rigorously stress-tested in house and supported by external financial advice on going-concern status.

The support of the Charity's stakeholders throughout this period, particularly the 2021 host ports, has been key to navigating through this difficult period.

Agreement was reached with the ports for the 2021 Tall Ships Race to mutually cancel the event. As part of the negotiation these ports were granted automatic inclusion in the Tall Ships Race 2024 at a discounted host port fee. This allowed us to recognise the full port income for the Tall Ships Race 2021 without incurring some of the race costs and was a major factor in the improved financial results in the year.

1. Objectives and Public Benefit

The objects of the Charity are to enable young people of all nationalities to develop their physical, mental, and spiritual capacity, through sail training, and embrace a healthier lifestyle so that they may grow to full maturity as individuals and useful members of society.

The principal activities through which it seeks to do so are:

(a) the promotion and organisation of Tall Ships Races and other regattas and events in all parts of the world.

(b) assistance to young people for their participation in sail training activities including the provision of grants and bursaries (directly and indirectly) and by providing assistance to those otherwise unable to afford to do so.

(c) acting as a forum for promoting co-operation between the National Sail Training Organisations who are the Members of the Charity and other organisations throughout the world involved in sail training or having similar objectives.

(d) representing the interests of such organisations with international organisations, government departments and other appropriate bodies in all matters relating to sail training generally and particularly in relation to safety of participants, classification of vessels, certification and best practice and the proficiency of personnel.

(e) carrying out, commissioning, or supporting research, surveys, studies, or other work relating to the benefits of sail training for the development of young people and publishing the results of such research and other ancillary written or other materials; and

(f) the provision of support and encouragement for sail training generally.

In setting our policy for achieving our objectives our Trustees give serious consideration to the Charity Commission's general guidance on public benefit.

'Sail training' in this context means more than teaching people to sail. It describes the use of adventurous activities at sea to help young people develop confidence, trust in others, tolerance, and teamwork. It also, on board ship and in port, brings together people from many different nationalities, cultures, and faiths to promote international friendship and understanding.

Our activities are planned to enable young people to experience the benefits of sail training in particular by:

- Creating opportunities through events run by the Charity's trading subsidiaries
- Promoting and supporting other sail training opportunities
- Providing bursary funding to young people
- Encouraging host cities to support sail training
- Creating awareness of sail training with the public

2. Events and Related Activities

The Charity, through its trading subsidiaries, continues to promote and organise Tall Ships Races and Regattas with the emphasis on the participation of young people of all nationalities.
Each year the involvement of Tall Ships from all over the world in our events provides the most visible example of the practical fulfilment of our objectives in three complementary ways:

- They create opportunities for young people to experience sailing on a Tall Ship and the personal development such an experience can offer,
- They generate funds both for the participating Tall Ships and for the Charity to use for bursary funding or research, and
- They foster best practice for sail trainers and promote sail training generally through exposure of the participating tall ships to the public when berthed in the race host ports.

Events in 2021

The two planned events for 2020 the Tall Ships Race 2020 (Magellan Elcano) and the Far East Regatta 2020 were both postponed to 2021 to run after the planned Tall Ships Race 2021 in agreement with all related parties. Unfortunately, due to the restrictions imposed by the global pandemic it was not possible for any of the three events to proceed in 2021.

This decision was taken in partnership with the participating ports and sponsors.

Fundraising

The Charity does not employ dedicated fundraising staff. Hitherto the principal source of income is that generated by the subsidiaries through races and regattas. However, the loss of all trading income during the pandemic highlighted our over-dependence on a single funding stream. Trustees have therefore started to approach philanthropic sources for donations direct to the Charity.

Applications to several foundations have produced some results. In particular, the Beaulieu Beaufort Foundation made a grant of £10,000 received in June 2021, which was crucial in supporting our liquidity while negotiations with the host ports were under way. Other general donations contributed nearly £5,000, and the Royal Navy of Oman made its usual annual grant of €50,000 to our restricted funds for support to individual trainees and sail training operators.

3. Support for individuals and sail training operators

In addition to operating Tall Ships Races and other events the Charity utilises its own funds to provide direct assistance to young people who might otherwise not be able to participate in and benefit from sail training.

STI Bursary Schemes

Our Host Port Bursary scheme whereby host ports commit in their contracts with us to provide funding for young people in their area to sail on board Tall Ships participating on our races, continues to provide a high number of local young trainees. Each host port finds its own way to meet their commitment to the scheme and we estimate that in an average year the Host Port bursary programme as a whole has an equivalent bursary value in excess of Euros 750,000 (Euros 378,000).

John E Burnett Bursary Fund

The John E. Burnett Bursary was launched for the first time in 2021, providing £10,000 in funding for disabled people of any age to take part in a Sail Training voyage. The bursary was be set up following the kind support of the estate of John E. Burnett, a supporter of access to Sail Training. The funds have been fully spent giving 14 trainees a sail training experience.

Rendez-Vous 2017 Legacy Fund

The Canada Legacy Fund was not utilised in 2021 as the decisions on funding projects was delayed due to the Covid pandemic.

Two projects have been approved and will proceed in 2022 with financial support from the Canada Legacy Fund.

Bytown Brigantine has received $15,000CAN to develop and execute a 5-week programme for 20 young people. The program will develop interpersonal, leadership and employability skills as well as traditional sailing skills.

Nova Scotia Sea School has received $10,000CAN. The 'Back to Sea' project is meant to serve as a COVID recovery response and effort to engage with and mobilize vulnerable youth to participate in Sea School programs in 2022. This project will have 3 key elements that include: 1) Partnership development with youth service agencies; 2) Direct programming for onboarding new participants, leadership development and youth employment and 3) Training and resource development for instructional staff on mental health, healthy boundaries and responses.

Youth Development Fund

The Youth Development Fund was launched in 2019 to encourage the development of more effective Sail Training programmes for young people from disadvantaged social backgrounds. Its purpose is to support organisations – preferably non-profit – to deliver Sail Training programmes that will reach young people from ? mixture of backgrounds, particularly those who have been disadvantaged.

The Youth Development Fund returned in 2021 using funding from the Royal Navy of Oman and offered £25,000 in funding to support several projects fostering youth development. We received 20 high quality applications and were delighted to award funding to Portugal's NSTO Aporvela, UK Sail Training organisations CatZero, Offshore and Ocean Youth Trust South, and Italian not-for-profit organisation Vela Tradizionale.
These funds appear under restricted funds within the Charity's accounts.

4. Promotion of Sail Training Worldwide

International Conferences:

An important element of the Charity's activities is to host an international conference each year at which our members can interact with Tall Ships operators, sail trainers, port authorities and other maritime organisations. The Charity organises workshops and seminars on many aspects of sail training to encourage best practice and safety, as well as sharing the benefits of different approaches and methods for the development of young people in a sail training environment.

The Conference also provides the opportunity for all Trustees, subsidiary Board Members and Committees to hold their own meetings and meetings with volunteers and other groups to increase awareness of the issues that impact on the achievement of our objectives.

During 2021 there was no possibility to hold an in-person conference, but both the Charity and the Youth Council held virtual conferences that proved both popular and successful.

5. Research

Operators of Tall Ships in general have no doubts concerning the benefits that accrue to young people from a sail training voyage. However, it is important for those benefits to be validated by independent observers and academic research.

The activities of the Charity therefore include participation in, and some funding for, research projects. Through its members and the Tall Ships participating in its events, the Charity is well placed to assist in gathering data for such projects.

Drawing on the success of the first round, applications for the STI Research Grant Fund increased three-fold in 2019 and the successful applicants University of Otago and Grand Banks filed their respective Research reports in 2020.

Due to the Pandemic no new grants were authorised during 2021.

6. FINANCIAL REVIEW

The consolidated income of the charity and its wholly owned trading subsidiaries amounted to £864,253 (2021: £497,951). Income increased considerably year over year due to reaching agreement with the 2021 host ports on the cancellation of TSR2021 which allowed the income to be recognised. Expenditure during the period amounted to £675,136 (2021: £698,399). At the consolidated level this resulted in an increase in reserves of £189,117 (2021: reduction in reserves £200,448). Reserves at the year-end stood at £440,137 (2021: £251,020).

The unrestricted reserves amounted to £279,036 at year end which would meet the first criteria established in the reserves policy and partially the second level.

Overall, our trading activities had a surplus of £300,916 (2021: £67,346 deficit).

Our principal source of trading income during the period comes, as in prior years, from sponsorship income and Host Port fees drawn from long term contracts for our events. This income was maintained even though no events took place through reaching agreements with both host port cities and main sponsor. The cost base reduction in 2020 improved the 2021 financial results.

Considering the cancellation of the events and the reduction in the cost base the Trustees regard the results achieved as the best that could be achieved in the second year impacted by the global pandemic.

Enthusiasm among the sail training community for our events remains strong. The Trustees and Chief Executive can look ahead to Tall Ships Races and other events planned for the next few years and to identify opportunities which may become available and any major operational and strategic challenges that may arise.

These events include Races in the North Sea, the Iberian Sea, and the Baltic Sea. We are encouraged by the ongoing support for our events from host ports which continue to consider our events to be a worthwhile economic proposition for them and their communities as well as promoting the involvement of young people in sail training.

Post Balance Sheet Events

The planned 2022 Tall Ships Race has gone ahead successfully with the fleet being welcomed by large crowds in all the four ports. The host ports were Aalborg and Esbjerg in Denmark and the Belgian port of Antwerp and Harlingen in the Netherlands.

Looking further ahead two events will take place in 2023. The 2023 Tall Ships Race has five ports contracted and agreement has been reached with the postponed 2020 Tall Ships Race (Magellan Elcano) ports of A Coruna, Lisbon and Cadiz with the addition of Falmouth.

Sponsorship

Our relationship with SCF Sovcomflot, a large Russian shipping company, has been suspended.

After it was mutually agreed the 2021 Far East Regatta could not proceed due to the Covid pandemic SCF proposed suspending the sponsorship agreement until March 2023 with an ambition of running the Far East Regatta in September 2023 coinciding with the Eastern Economic Forum and SCF's 50th anniversary. As part of this sponsorship suspension a reconciliation of income and costs was completed. This agreement was in place prior to the Russian invasion of Ukraine. Dialogue with SCF subsequently has been minimal.

Risk Management and Reserves

The Trustees review the risks faced by the Charity and its subsidiaries annually by carrying out a risk mapping exercise for both the Charity and its subsidiaries in accordance with the recommendations of the Charity Commission. The main risk to the Charity is the ongoing profitably of its subsidiaries which, via gift aid, provide its main source of income. To alleviate this risk the Trustees, monitor the performance of the trading subsidiaries on a regular basis including regular reports to the Trustees on all key events being organised by the subsidiaries. The prime risk identified for the trading subsidiaries is the potential failure to contract host ports and sponsors for future events. This risk is addressed by seeking to contract ports as far in advance as possible of each event and adjusting the Race Series to reflect the relevant ports once contracted.

By their very nature the Tall Ships Races take place in international waters and could be subject to political and other events outside our control. The Boards of the trading subsidiaries and the Trustees therefore consider political and strategic risks when making decisions to organise events (particularly in new sea areas) and keep such issues under careful review on a regular basis. The ramifications of the pandemic and the need to postpone the planned events has brought to reality this identified risk.

The Trustees have recently reviewed the Charity's reserves policy and have looked at some of the factors that determine our requirements for achieving and maintaining certain levels of 'free' reserves. It has been agreed that reserve requirements should continue to be monitored with reference to three levels:

1. minimum level to cover the cost of 'winding up' the organization in the event of all funding coming to an end (this would include the cost of redundancies, lease commitments, and meeting short term liabilities).
2. intermediate level to allow for the continuation of 'core' activities for a 6–9-month period in the event of significant reductions in funding and
3. higher level to provide an endowment to fund bursary support for young people, research to further the aims of the Charity, and special projects to pilot different ways of promoting the personal development of young people and fostering international friendship and understanding. Achieving this level is a longer-term strategy (5-10 years).

For the purposes of 2 above, 'free' reserves are taken to include unrestricted funds and restricted funds to the extent that they support 'core' project activities and do not contravene funders' restrictions.

The Trustees will prioritise rebuilding the unrestricted reserves over the next 2 years to meet as a minimum the first two criteria set out above.

The Trustees are always mindful of the fact that the Charity operates in a changing environment which is sensitive to shifts in international relations and economic success in different cities and regions.

With this and the effects of the Covid outbreak in mind they will review annually the need to designate funds to cover short term reductions in funding, necessary changes to operational activities or organisational infrastructure and the transition to new funding arrangements which have an impact on short term cash flow.

The Trustees review the policy on a yearly basis to ensure that an appropriate level of reserves is maintained within the Charity, in accordance with Charity Commission guidelines.

Investment Powers and Policy

Under its constitution, the Charity has the power to make any investment which the Trustees see fit. The Trustees, having regard to the risk and liquidity requirements of organising races and events and to the reserves policy, have operated a prudent policy of keeping balances in a range of mainly short-term instruments selected to generate the best returns, consistent with security.

7. STRUCTURE, GOVERNANCE AND MANAGEMENT

As a result of the re-organisation implemented in 2015 the structure of the Group is as follows:

Sail Training International / the Charity

Sail Training International is a company limited by guarantee governed by its Memorandum and Articles of Association dated 4 March 2003 as amended in 2005. It is registered as a charity with the Charity Commission with Charity Number 1096846.

The **Members** of Sail Training International are the national or representative sail training organisations of: Australia, Belgium, Bermuda, Canada, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, India, Ireland, Italy, Japan, Latvia, Lithuania, Netherlands, New Zealand, Norway, Poland, Portugal, South Africa, Spain, Sweden, United Kingdom and United States of America.

In light of the Russian invasion of Ukraine the membership voted to suspend Russia as a member.

The **Trustees** are responsible for policy making and are accountable for the Charity's activities and for ensuring that they are consistent with its charitable objectives. They are also responsible for managing the Charity's affairs and in this capacity appoint the Chief Executive and the directors of subsidiary companies. The Trustees receive no remuneration for their services.

The **Chairman** of the Trustees is directly elected by the Members for a three-year term but is eligible for re-election.

All **Trustees** are also elected by the Member organisations and the longest serving of them (being one third of the then current number) are required to resign each year at the Annual General meeting but are entitled to seek re-election. The Trustees also have power under the Articles of Association to appoint new Trustees at any time in the year to fill a vacancy, but any person so appointed must then be formally re-appointed by the Members at the next Annual General Meeting.

The Trustees also appoint the Boards of Directors of the trading subsidiaries and set the terms of reference for other Committees and working groups. During the year there was no change in either the Trustee Board or the subsidiary Boards of Directors.

In this context the Trustees and the Chief Executive regularly consider the nature of the skills required by the Charity and review the skillsets of existing appointees, both as Trustees and as Directors of the subsidiaries, having regard to those who may be retiring in the near future. The reconstruction of the Group in 2015 was also an opportunity to ensure that the trading subsidiaries have Board Members suitable for the ongoing activities.

The Members are notified of the experience and skills requirements for new Trustees and can put forward candidates. They are also, prior to the next Annual General Meeting, provided with information on all Trustees who are seeking re-appointment or re-election at such meeting.

Many of the candidates for appointment as a Trustee will have a pre-existing connection with or knowledge of sail training but candidates are only put forward after the Trustees and the Company Secretary are satisfied that they understand their responsibilities and duties as a Trustee of a UK Charity. New Trustees are provided with such information as they require with the process and topics being tailored to each individual's background experience and knowledge. Trustees and Directors have access to the Company Secretary and from time to time receive additional training through attendance at workshops and seminars at International Conferences.

Many of the Trustees and Directors are active in and provide advice and assistance to the National Sail Training Organisation (NSTO), who are Members of the Charity, and other organisations within the sail training world.

The **Chief Executive** is responsible for the day-to-day management of the organisation's staff and co-ordinating the activities and achievement of the business plan and budget approved by the Trustees. He is in regular contact with the Chairs of the Charity and its subsidiaries concerning contractual and regulatory matters and attends all Trustees meetings and meetings of the subsidiary boards.

The Charity has established rules for the better management and governance of the organisation, known as the 'Red Book'. This was extensively reviewed and updated during the year and a new version agreed by the Members.

Committees, Working Groups and Volunteers

The **International Council** comprises a representative of each Member and other individuals, up to a third of the total International Council, who are nominated by the Trustees for their expertise and experience and must be approved by the International Council. Trustees are also entitled to attend such meetings but have no vote. The purpose of the International Council is to act as an advisory body to the Trustees and contribute to policies and projects for implementation by the Charity and the trading subsidiaries.

The **Ships' Council** was created as an advisory group and is open to all Tall Ship Operators who are involved with our events. The aspects considered by the Council include regulatory, operational and safety matters and other issues and future plans for the participation of Tall Ships in our events. A representative of the Trustees attends its meetings and reports back to the Trustees and the International Council.

The **Youth Council** assists the Trustees to identify and take account of the views of young people, already active in the sail training world, in developing strategies and activities for the future. Each of the Members is entitled to nominate a representative and a Trustee is responsible for liaison between the Trustees and STI Youth Council. The Chair of STI Youth Council reports directly to each International Council meeting.

The **Port Advisory Group** acts as conduit for the Charity and its trading company to receive input on its activities and events from this important stakeholder group.

All members of the above Committees and Working Groups are volunteers. In addition, the Trading Companies rely upon a dedicated cadre of volunteers to help deliver their events.

Subsidiary Companies

The Charity has three wholly owned subsidiaries which are separate trading companies to carry out different activities and which through Gift Aid pass all surplus income to the Charity to assist in enabling it to fulfil its objectives.

The Chief Executive Is a director of each trading subsidiary and, with the other Directors, responsible for managing their activities.

The remuneration for the CEO and other key employees is set by the Trustees having taken account of the ACEVO survey of executive pay awards, the current Cost of Living and other relevant indices. A majority of the directors of the trading subsidiaries are unpaid volunteers.

Tall Ships Races International Limited is responsible for staff and office infrastructure, the provision of financial and other services, managing publicity activities and materials, and organising the majority of the Tall Ships Races and seminars. It has particular responsibility for the race organisation and appoints a Race Committee for each race series to provide advice on maritime and safety issues. Its objectives are set by the Trustees of the Charity.

Tall Ships International Limited is responsible for other races and events the charity organises or is involved with worldwide that involve North America, including consultancy contracts. As there are no events under contract that fall into this category the company has been dormant throughout the year.

Sail on Board is currently a dormant company.

8. FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and financial statements for each financial period in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for ensuring that such financial statements give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are aware of the Charity Commission's Governance Code and are reviewing the Charity's governance in light of the code.

So far as the Trustees are aware:

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

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

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....
A James
Company Secretary
Date: 27/9/22

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL

Opinion

We have audited the financial statements of Sail Training International (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL (CONTINUED)

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims:
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

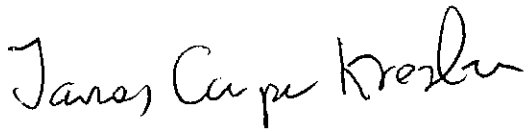
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' 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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL (CONTINUED)



Michael Bath BSc FCA DChA (Senior Statutory Auditor)
for and on behalf of
James Cowper Kreston
Chartered Accountants and Statutory Auditors
9th Floor
The White Building
1-4 Cumberland Place
Southampton
Hampshire
SO15 2NP

Date: 6 October 2022

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations	4	**15,917**	**40,671**	**56,588**	61,496
Charitable activities	5	**695,451**	**-**	**695,451**	386,623
Other trading activities	6	**112,084**	**-**	**112,084**	5,498
Investments	7	**130**	**-**	**130**	540
Other income	8	**-**	**-**	**-**	43,794
Total income		**823,582**	**40,671**	**864,253**	497,951
Expenditure on:					
Charitable activities	10	**606,396**	**68,740**	**675,136**	698,399
Total expenditure		**606,396**	**68,740**	**675,136**	698,399
Net income/(expenditure)		**217,186**	**(28,069)**	**189,117**	(200,448)
Transfers between funds	21	**8,607**	**(8,607)**	**-**	-
Net movement in funds		**225,793**	**(36,676)**	**189,117**	(200,448)
Reconciliation of funds:					
Total funds brought forward		**53,243**	**197,777**	**251,020**	451,468
Net movement in funds		**225,793**	**(36,676)**	**189,117**	(200,448)
Total funds carried forward		**279,036**	**161,101**	**440,137**	251,020

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 38 form part of these financial statements.

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04686048

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	16		**25,320**		37,376
Current assets					
Debtors	18	**119,270**		251,294	
Cash at bank and in hand		**1,679,498**		1,338,261	
		1,798,768		1,589,555	
Current liabilities	19	**(708,558)**		(950,511)	
Net current assets			**1,090,210**		639,044
Total assets less current liabilities			**1,115,530**		676,420
Creditors: amounts falling due after more than one year	20		**(675,393)**		(425,400)
Total net assets			**440,137**		251,020
Charity funds					
Restricted funds	21		**161,101**		197,777
Unrestricted funds	21		**279,036**		53,243
Total funds			**440,137**		251,020

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
J Cheshire
Chairman
Date: 27/9/22

The notes on pages 18 to 38 form part of these financial statements.

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04686048

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	16		**25,320**		37,376
Investments	17		**3**		3
			25,323		37,379
Current assets					
Debtors	18	**475**		468	
Cash at bank and in hand		**337,975**		252,992	
		338,450		253,460	
Current liabilities	19	**(40,156)**		(55,423)	
Net current assets			**298,294**		198,037
Total net assets			**323,617**		235,416
Charity funds					
Restricted funds	21		**161,096**		197,777
Unrestricted funds	21		**162,521**		37,639
Total funds			**323,617**		235,416

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
J Cheshire
Chairman

Date: 27/9/22

The notes on pages 18 to 38 form part of these financial statements.

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	23	**341,107**	115,248
Cash flows from investing activities			
Dividends, interests and rents from investments		**130**	540
Purchase of tangible fixed assets		**-**	(7,436)
Net cash provided by/(used in) investing activities		**130**	**(6,896)**
Cash flows from financing activities			
Net cash provided by financing activities		**-**	**-**
Change in cash and cash equivalents in the year		**341,237**	**108,352**
Cash and cash equivalents at the beginning of the year		**1,338,261**	1,229,909
Cash and cash equivalents at the end of the year	24	**1,679,498**	1,338,261

The notes on pages 18 to 38 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sail Training International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Basis of consolidation

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

1.3 Going concern

The directors have considered the impact of the global Covid-19 pandemic on the ability of the Company to continue trading for the foreseeable future. The effect of the pandemic has resulted in all events in both the 2020 and 2021 financial period being either cancelled or postponed.

The Company has continually assessed the impact of the pandemic and updated its financial forecasts and projections accordingly throughout the financial year. The financial forecasts, which take into account the charity's high fixed cost base and also the fact that host ports typically confirm their participation 3 to 4 years before the date of a race, have been stress-tested in house coupled with receiving external financial advice regarding going concern status.

The support of the Company's stakeholders throughout this period, particularly the 2021 Tall Ships host ports, has been key to navigating through this difficult period.

Based on this review and taken together with existing financing facilities the directors believe that the financial statements have been prepared appropriately using the going concern basis.

1. Accounting policies (continued)

1.4 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 Group 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 Group for particular purposes. The costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

1.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

The Group organises annual races from European ports and one off races and other events in other parts of the world. The host ports for each annual race in Europe contract with the Group up to four years before the race takes place and make annual payments on account. The Group is engaged in planning and marketing activities throughout the four year period for each race. Accordingly the Group recognises as income part of the port fees received in each of the years leading up to the race, the balance being taken in the year the race is held.

The Group organises races and events in other geographical areas which generally have a shorter lead time. To recognise the larger initial costs involved in these one-off races or events the company takes to income an amount to cover its costs in each year prior to the race, the balance being taken in the year of the race.

The Group seeks sponsorship income for its races and events. Where such income is received it is recognised in the year of the race or event to which it relates.

The Group organises an annual conference. Income is received from delegates attending the conference and from organisations sponsoring the conference. All such income is taken in the year that the conference takes place.

Any income from donations received by the charity is recognised in the period in which they are received.

The value of services provided by volunteers is not incorporated in these accounts as the economic benefit cannot be measured reliably.

Distributions of Gift Aid from the subsidiary to the parent charity are recognised in the parent charity's own financial statements when they are approved by the directors of the subsidiary.

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of exenditure on the objects of the charity and include project management carried out at Head Office.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made. Grants offered subject to conditions which have not been met at the year end are accrued as expenditure and held within liabilities.

1.7 Allocated overheads

All salaries and overheads for the Charity are paid by Tall Ships Races International Limited, which makes an overhead allocation charge to the Charity and each trading subsidiary. This charge is based upon time costs spent in relation to the activities of the Charity and each trading subsidiary.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

1. Accounting policies (continued)

1.9 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Office equipment	- 5 years straight line
Computer equipment	- 3 years straight line

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 Financial instruments

The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Short term debtors and creditors are measured at the transaction price. Other financial instruments, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.15 Operating leases: the Group as a lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (continued)

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

1.17 Pensions

Defined Contribution Scheme

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Critical accounting estimates and assumptions:

Payment for regatta events is typically received several years in advance of the races taking place. Management have reviewed the pattern of activity and costs incurred relative to the date of a race, based on historical data, in order to determine the most appropriate basis for recognising revenue. Revenue is recognised in the accounts in line with the pattern of the costs incurred by the company relative to the period of each race on the following basis:

In the year of the race	65% of contracted income
One year before the race	25% of contracted income
Two years before the race	5% of contracted income
Three years before the race	5% of contracted income

Where payment is only received two years in advance of a race, 10% is recognised in that year.

3. Legal status of the charity

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

4. Income from donations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	15,917	40,671	**56,588**	61,496
Total 2021	2,814	58,682	61,496	

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Organisation of Tall Ships Races	695,436	**695,436**	386,623
Recharged costs	15	**15**	-
	695,451	**695,451**	386,623
Total 2021	386,623	386,623	

6. Income from generating funds

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	3,057	**3,057**	5,498
Sponsorship income	109,027	**109,027**	-
	112,084	**112,084**	5,498
Total 2021	5,498	5,498	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	130	130	540
Total 2021	540	540	

8. Other income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
CJRS income	-	-	43,794
Total 2021	43,794	43,794	

9. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Grants to institutions	25,000	25,000	25,000

Further information on grants made to institutions is given as part of the Trustees' report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Tall Ships Races	528,308	-	**528,308**	540,427
Charity trading expenses	64,672	-	**64,672**	101,865
Conference	433	-	**433**	189
Project costs	-	25,000	**25,000**	25,240
Bursary costs	-	41,525	**41,525**	11,328
Governance costs	11,574	-	**11,574**	19,350
Unrealised movements on foreign exchange on reserves	-	2,215	**2,215**	-
Receptions	1,409	-	**1,409**	-
	606,396	68,740	**675,136**	698,399
Total 2021	661,831	36,568	698,399	

11. Analysis of expenditure on charitable activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Organisation of Tall Ships Races	480,964	-	47,344	**528,308**	540,427
Charity trading costs	45,878	-	18,794	**64,672**	101,865
Annual conference	433	-	-	**433**	189
Project costs	-	25,000	-	**25,000**	25,240
Bursary costs	41,525	-	-	**41,525**	11,328
Governance costs	11,574	-	-	**11,574**	19,350
Unrealised movements on foreign exchange on reserves	2,215	-	-	**2,215**	-
Receptions	1,409	-	-	**1,409**	-
	583,998	25,000	66,138	**675,136**	698,399
Total 2021	614,226	-	84,173	698,399	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Analysis of expenditure on charitable activities (continued)

Analysis of support costs

	Tall Ships Races 2022 £	Charity trading activities 2022 £	Total funds 2022 £	Total funds 2021 £
Office costs	34,450	14,292	**48,742**	60,104
Depreciation	-	11,986	**11,986**	12,929
Exchange losses / (gains)	4,319	(7,637)	**(3,318)**	(735)
Postage, printing and communications	8,575	153	**8,728**	11,875
	47,344	18,794	**66,138**	84,173
Total 2021	58,125	26,048	84,173	

12. Governance costs

	2022 £	2021 £
Legal and professional fees	**1,862**	388
Audit fees	**5,349**	4,000
Other accounting fees	**2,675**	2,000
Staff and support costs	**1,557**	12,213
Travel and subsistence	**125**	-
Training	**-**	749
	11,568	19,350

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

13. Net expenditure

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	**11,986**	12,929
Auditors' remuneration - audit	**10,550**	8,031
Auditors' remuneration - other services	**5,450**	4,015
Operating lease rentals	**21,726**	21,726

14. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	**313,074**	435,574	**33,345**	67,947
Social security costs	**25,641**	37,379	**4,928**	6,200
Defined contribution pension scheme costs	**24,633**	37,164	**3,067**	6,119
	363,348	510,117	**41,340**	80,266

The above staff costs include £6,118 (2021 £7,947) incurred in respect of staff medical cover.

During the year 1 person (2021: 4 people) were made redundant, the redundancy payment included within wages and salaries totalled £9,635 (2021: £50,216).

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Charitable activities	**4**	6	**-**	-
Administration	**2**	3	**1**	1
	6	9	**1**	1

14. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	2	1

The executive management personnel of the parent charity and the Group comprise Trustees, company directors, the Chief Operating Officer and the Commercial Director. The salary costs of the executive management personnel for the year ended 31 March 2022 were £146,275 (2021: £207,495).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £125 were reimbursed or paid directly to 1 Trustee (2021 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

16. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2021	**4,760**	**50,125**	**54,885**
Disposals	**-**	**(2,686)**	**(2,686)**
At 31 March 2022	**4,760**	**47,439**	**52,199**
Depreciation			
At 1 April 2021	**3,327**	**14,182**	**17,509**
Charge for the year	**941**	**11,045**	**11,986**
On disposals	**-**	**(2,616)**	**(2,616)**
At 31 March 2022	**4,268**	**22,611**	**26,879**
Net book value			
At 31 March 2022	**492**	**24,828**	**25,320**
At 31 March 2021	1,433	35,943	37,376

16. Tangible fixed assets (continued)

Company

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2021	4,760	50,125	54,885
Disposals	-	(2,686)	(2,686)
At 31 March 2022	4,760	47,439	52,199
Depreciation			
At 1 April 2021	3,327	14,182	17,509
Charge for the year	941	11,045	11,986
On disposals	-	(2,616)	(2,616)
At 31 March 2022	4,268	22,611	26,879
Net book value			
At 31 March 2022	492	24,828	25,320
At 31 March 2021	1,433	35,943	37,376

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17. Fixed asset investments (Charity only)

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2021	3
At 31 March 2022	3
Net book value	
At 31 March 2022	3
At 31 March 2021	3

18. Debtors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	**Company 2022 £**	Company 2021 £
Due within one year				
Trade debtors	**72,567**	222,615	**-**	-
Other debtors	**5,691**	15,929	**173**	210
Prepayments and accrued income	**41,012**	12,750	**302**	258
	119,270	251,294	**475**	468

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	**Company 2022 £**	Company 2021 £
Trade creditors	**67,385**	47,120	**16,746**	21,495
Amounts owed to group undertakings	**-**	-	**7,145**	6,079
Corporation tax	**7,889**	-	**-**	-
Other taxation and social security	**-**	26,822	**-**	-
Other creditors	**3,554**	-	**-**	-
Accruals and deferred income	**629,730**	876,569	**16,265**	27,849
	708,558	950,511	**40,156**	55,423

20. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £
Deferred income	**675,393**	425,400

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

21. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds	53,243	823,582	(606,396)	8,607	279,036
Restricted funds					
Sultan of Oman bursary fund	58,041	40,671	(62,325)	-	36,387
Ross MacDonald fund	3,911	-	-	-	3,911
Aalborg Commune fund	1,027	-	-	-	1,027
Canadian Legacy fund	116,191	-	(2,215)	-	113,976
STAG fund	8,607	-	-	(8,607)	-
Burnett fund	10,000	-	(4,200)	-	5,800
	197,777	40,671	(68,740)	(8,607)	161,101
Total of funds	251,020	864,253	(675,136)	-	440,137

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
General Funds	266,860	439,269	(661,831)	8,945	53,243
Restricted funds					
Sultan of Oman bursary fund	47,628	44,358	(25,000)	(8,945)	58,041
Ross MacDonald fund	3,911	-	-	-	3,911
Aalborg Commune fund	1,267	-	(240)	-	1,027
Canadian Legacy fund	127,519	-	(11,328)	-	116,191
STAG fund	4,283	4,324	-	-	8,607
Burnett fund	-	10,000	-	-	10,000
	184,608	58,682	(36,568)	(8,945)	197,777
Total of funds	451,468	497,951	(698,399)	-	251,020

Restricted funds

Sultan of Oman bursary fund
Support and assist the participation of young people in race events organised by Sail Training International.

Ross MacDonald fund
To be spent in the advancement of sail training on specific items jointly agreed between STI and Ross MacDonald.

Aalborg Kommune fund
To be spent assisting the Sail Training International Youth Council activities promoting and delivering Sail Training.

Canadian Legacy fund
Support and assist the participation of young Canadians in Sail Training.

STAG fund
To be spent assisting the Sail Training International Youth Council activities promoting and delivering Sail Training.

Burnet bursary fund
Support people with a disability of any age to participate in a sail training voyage.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	25,320	-	**25,320**
Current assets	1,613,622	185,146	**1,798,768**
Creditors due within one year	(684,513)	(24,045)	**(708,558)**
Creditors due in more than one year	(675,393)	-	**(675,393)**
Total	279,036	161,101	**440,137**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	37,376	-	37,376
Current assets	1,391,778	197,777	1,589,555
Creditors due within one year	(950,511)	-	(950,511)
Creditors due in more than one year	(425,400)	-	(425,400)
Total	53,243	197,777	251,020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**189,117**	(200,448)
Adjustments for:		
Depreciation charges	**11,986**	12,901
Loss on the sale of fixed assets	**70**	136
Decrease in debtors	**132,024**	17,657
Increase in creditors	**5,825**	285,542
Bank interest income	**(130)**	(540)
Unrealised forex movements	**2,215**	-
Net cash provided by operating activities	**341,107**	115,248

24. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	**1,679,498**	1,338,261

25. Cashflow reconciliation

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	**1,338,261**	**341,237**	**1,679,498**

26. Pension commitments

The Group operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £24,521 (2021: £37,164). There were no outstanding contributions (2021: £Nil) payable to the fund at the balance sheet date.

27. Operating lease commitments

At 31 March 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	**Company 2022** £	Company 2021 £
Not later than 1 year	**20,000**	20,000	**20,000**	20,000
Later than 1 year and not later than 5 years	**16,667**	36,667	**16,667**	36,667
	36,667	56,667	**36,667**	56,667

28. Related party transactions

Ross MacDonald, a trustee, made a donation in 2008 to the charity of £10,000 for the provision of bursaries to young people. As at 31 March 2022, £3,911 (2021: £3,911) of this donation remained unspent and is included within restricted reserves.

Sail Training Association Germany made an unrestricted donation during the year of £1,664 (2021: £nil). Sail Training Association Germany is a related party due to the directorship of L Weweler in both charities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

29. Principal subsidiaries

The following were subsidiary undertakings of the Charity:

Names	Company number	Holding	Included in consolidation
Tall Ships Races International Limited	04894646	100%	Yes
Tall Ships International Limited	05025229	100%	Yes
Sail On Board Limited	10501077	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Tall Ships Races International Limited	805,897	(258,251)	300,916	116,521
Tall Ships International Limited	-	-	-	1
Sail On Board Limited	-	-	-	1

SAIL TRAINING INTERNATIONAL

England & Wales - Charity number 1096846

Accounts

Registered number: 04686048
Charity number: 1096846

SAIL TRAINING INTERNATIONAL

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)

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SAIL TRAINING INTERNATIONAL

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2021

Trustees

J Cheshire (UK), Chairman
E Corwin (Norway)
D Galpin (UK)
M Henstock (Australia)
J Hughes (USA)
A Ledwidge-O'Brien (Ireland)
R MacDonald (UK)
R Mimbacas (Spain)
P Van Ommen (Netherlands)
L Westerberg (Sweden)
L Weweler (Germany)

Company registered number

04686048

Charity registered number

1096846

Registered office

Charles House, Gosport Marina, Mumby Road, Gosport, Hampshire, PO12 1AA

Company secretary

A James (UK)

Chief operating officer

G Brown (UK) - resigned 30 April 2021
A James (UK) - appointed 30 April 2021

Independent auditors

James Cowper Kreston
Chartered accountants
9th Floor
The White Building
1-4 Cumberland Place
Southampton
Hampshire
SO15 2NP

Bankers

Lloyds TSB plc, 20 High Street, Gosport, Hampshire, PO12 1DE

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Solicitors

Paris Smith, 1 London Road, Southampton, SO15 2AE

SAIL TRAINING INTERNATIONAL

(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are pleased to present their report together with the Financial Statements of the Charity for the period ended 31 March 2021.

The year has been very difficult for the Charity and its trading subsidiaries due to the global pandemic requiring all our planned events for 2020 to be cancelled or postponed. We have effectively lost an entire year's income which has resulted in the reserves being severely depleted. During the year the Charity sought external professional advice on going concern status. We are pleased to state both the Charity and the trading subsidiaries have remained going concerns throughout the period. It was deemed necessary to report the cancellation of our events as a serious incident to the Charity Commission.

Post year end it became evident that our three planned events for 2021 two of which had been postponed from 2020 would not be able to proceed due to the ongoing impact of the pandemic. Through successful collaboration with our contracting ports and our primary sponsor SCF the charity and its trading subsidiaries remain a going concern.

1. Objectives and Public Benefit

The objects of the Charity are to enable young people of all nationalities to develop their physical, mental, and spiritual capacity, through sail training, and embrace a healthier lifestyle so that they may grow to full maturity as individuals and useful members of society.

The principal activities through which it seeks to do so are:

(a) the promotion and organisation of Tall Ships races and other regattas and events in all parts of the world.
(b) assistance to young people for their participation in sail training activities including the provision of grants and bursaries (directly and indirectly) and by providing assistance to those otherwise unable to afford to do so.
(c) acting as a forum for promoting co-operation between the National Sail Training Organisations who are the Members of the Charity and other organisations throughout the world involved in sail training or having similar objectives.
(d) representing the interests of such organisations with international organisations, government departments and other appropriate bodies in all matters relating to sail training generally and particularly in relation to safety of participants, classification of vessels, certification and best practice and the proficiency of personnel.
(e) carrying out, commissioning, or supporting research, surveys, studies, or other work relating to the benefits of sail training for the development of young people and publishing the results of such research and other ancillary written or other materials; and
(f) the provision of support and encouragement for sail training generally.

In setting our policy for achieving our objectives our Trustees give serious consideration to the Charity Commission's general guidance on public benefit.

'Sail training' in this context means more than teaching people to sail. It describes the use of adventurous activities at sea to help young people develop confidence, trust in others, tolerance, and teamwork. It also, on board ship and in port, brings together people from many different nationalities, cultures, and faiths to promote international friendship and understanding.

Our activities are planned to enable young people to experience the benefits of sail training in particular by:

- Creating opportunities through events run by the Charity's trading subsidiaries
- Promoting and supporting other sail training opportunities
- Providing bursary funding to young people
- Encouraging host cities to support sail training
- Creating awareness of sail training with the public

2. Events and Related Activities

The Charity, through its trading subsidiaries, continues to promote and organise Tall Ships Races and Regattas with the emphasis on the participation of young people of all nationalities.

Each year the involvement of Tall Ships from all over the world in our events provides the most visible example of the practical fulfilment of our objectives in three complementary ways:

- They create opportunities for young people to experience sailing on a Tall Ship and the personal development such an experience can offer,
- They generate funds both for the participating Tall Ships and for the Charity to use for bursary funding or research, and
- They foster best practice for sail trainers and promote sail training generally through exposure of the participating tall ships to the public when berthed in the race host ports.

Events in 2020

It was not possible to run any of the planned events in 2020 due to the restrictions imposed by the global pandemic. The two planned events TSR2020 and the SCF White Sails of Peace Regatta were postponed until 2021. This decision was taken in partnership with the participating ports and sponsors.

Fundraising

The Charity does not employ dedicated fundraising staff. The principal source of income is that generated by the subsidiaries through races and regattas.

The last year has seen an increased focus on fundraising and developing new streams of income and facilitation. We were able to create the infrastructure for fundraising through a range of digital channels and legacy donations. Additionally, applications to several foundations have been made for one off donations one of which to the Beaulieu Beaufort Foundation was successful and a one-off payment of £10,000 was received in June 2021.

These measures and initiatives have helped us to raise over £7,000 across various channels and have provided a solid foundation for extending and building upon in coming years.

In addition to the above the following donations were received:

€50,000 per annum for bursaries from the Sultanate of Oman.

£10,000 One off donation from estate of John E Burnett with the purpose of granting bursaries to disabled people of any age to take part in a Sail Training voyage.

3. Bursaries

In addition to operating Tall Ships Races and other events the Charity utilises its own funds to provide direct assistance to young people who might otherwise not be able to participate in and benefit from sail training.

STI Bursary Schemes

Our Host Port Bursary scheme whereby host ports commit in their contracts with us to provide funding for young people in their area to sail on board Tall Ships participating on our races, continues to provide a high number of local young trainees. Each host port finds its own way to meet their commitment to the scheme and we estimate that in an average year the Host Port bursary programme as a whole has an equivalent bursary value in excess of Euros 750,000 (Euros 378,000).

Sultanate of Oman Bursary Scheme

The Charity is privileged to have enjoyed long term support from the Sultanate of Oman, which has operated a Tall Ship of its own for many years. The Sultanate has for the past 9 years funded a dedicated bursary scheme administered by the Charity with a worldwide reach. During 2020 the Sultanate of Oman committed to support the bursary scheme for a further 5 years.

Rendez-Vous 2017 Legacy Fund

The Canada Legacy Fund once again provided $20,000CAN to support organisations (preferably non-profit) to help deliver youth sail training programmes to young Canadians. Recipients of the fund in 2021 were Brigs Youth Sail Training and EcoMaris.

Brigs Youth Sail Training's Set Sail for Success project has received $5,000CAN from the Canada Legacy Fund. The programme will see the organisation partner with CityKidz Hamilton, a charity dedicated to improving the lives of children growing up with the challenges of poverty. The project will see participants take part in a four-weekend programme onboard TS Playfair.

Eco Maris form Montreal have been awarded $10,000CAN for their Native River project. The goal of the program is to offer professional sailing internships to young people from different indigenous communities of Québec. During the programme, participants will take part in all aspects of sailing and use their experiences to develop a range of transferable life skills. Following the conclusion of the expedition, there will be a follow up throughout the year to continue support and help the development of skills learned whilst on board.

Adventure Under Sail were also awarded a further $5,000CAN to continue support for their 2019/20 Canada Legacy Fund Bordeaux and Quebec exchange programme.

John E Burnett Bursary Fund

The John E. Burnett Bursary was launched for the first time in 2021, providing £10,000 in funding for disabled people of any age to take part in a Sail Training voyage. The bursary was able to be set up following the kind support of the estate of John E. Burnett, a supporter of access to Sail Training.

These funds appear under restricted funds within the Charity's accounts.

4. Promotion of Sail Training Worldwide

International Conferences

An important element of the Charity's activities is to host an international conference each year at which our members can interact with Tall Ships operators, sail trainers, port authorities and other maritime organisations. The Charity organises workshops and seminars on many aspects of sail training to encourage best practice and safety, as well as sharing the benefits of different approaches and methods for the development of young people in a sail training environment.

The Conference also provides the opportunity for all Trustees, subsidiary Board Members and Committees to hold their own meetings and meetings with volunteers and other groups to increase awareness of the issues that impact on the achievement of our objectives.

During 2020 there was no possibility to hold an in-person conference, but both the Charity and the Youth Council held virtual conferences that proved both popular and successful. The Youth Council conference attracted just under 400 participants from 33 countries across all seven continents.

Youth Development Fund

The Youth Development Fund was launched in 2019 to encourage the development of more effective Sail Training programmes for young people from disadvantaged social backgrounds. Its purpose is to support organisations – preferably non-profit – to deliver Sail Training programmes that will reach young people from a mixture of backgrounds, particularly those who have been disadvantaged.

The Youth Development Fund returned in 2021 using funding from the Royal Navy of Oman and offered £25,000 in funding to support several projects fostering youth development. We received 20 high quality applications and were delighted to award funding to Portugal's NSTO Aporvela, UK Sail Training organisations CatZero, Offshore and Ocean Youth Trust South, and Italian not-for-profit organisation Vela Tradizionale.

5. Research STI is funding currently

Operators of Tall Ships in general have no doubts concerning the benefits that accrue to young people from a sail training voyage. However, it is important for those benefits to be validated by independent observers and academic research.

The activities of the Charity therefore include participation in, and some funding for, research projects. Through its members and the Tall Ships participating in its events, the Charity is well placed to assist in gathering data for such projects.

Drawing on the success of the first round, applications for the STI Research Grant Fund increased three-fold in 2019 and the successful applicants University of Otago and Grand Banks filed their respective Research reports in 2020.

Due to the Pandemic no new grants were authorised during 2020.

6. FINANCIAL REVIEW

The consolidated income of the charity and its wholly owned trading subsidiaries amounted to £497,951 (2020: £964,807). Income was reduced considerably year over year due to the postponement of the 2 events which limited the revenue that could be recognised. Expenditure during the period amounted to £698,399 (2020: £1,235,438). At the consolidated level this resulted in a reduction in reserves of £200,448 (2020: reduction in reserves £270,631). Reserves at the year-end stood at £251,020 (2020: £451,468).

The unrestricted reserves amounted to £53,243 at year end which would not meet any of the criteria established in the reserves policy.

Overall, our trading activities had a deficit of £83,155 (2020: £102,518 surplus).

Our principal source of trading income during the period comes, as in prior years, from sponsorship income and Host Port fees drawn from long term contracts for our events. This income decreased considerably due to the postponement of the two planned events for the year. To partially offset the reduction in income a cost reduction plan was implemented which resulted in the redundancy of four members of the permanent staff.

Considering the postponement of the events and the reduction in the cost base the Trustees regard the results achieved as satisfactory.

Enthusiasm among the sail training community for our events remains strong. The Trustees and Chief Executive can look ahead to Tall Ships Races and other events planned for the next few years and to identify opportunities which may become available and any major operational and strategic challenges that may arise.

These events include Races in the North Sea, the Iberian Sea, and the Baltic Sea along with a Regatta in the Far East. We are encouraged by the ongoing support for our events from host ports which continue to consider our events to be a worthwhile economic proposition for them and their communities as well as promoting the involvement of young people in sail training.

Post Balance Sheet Events

The two postponed events from 2020 were due to take place in 2021 alongside the Tall Ships Race 2021. Unfortunately, due to the ongoing restrictions imposed by the global pandemic none of the three events were able to go ahead. Regarding the two 2020 events, we are still in discussion with the relevant ports and sponsor on how they wish to proceed regarding a further postponement or cancellation. Regarding the Tall Ships Race 2021 we were able to reach agreement with the five participating ports on mutually cancelling the event. A key element of that cancellation was that we could retain the port fee for the event. In return for this the ports were given automatic host port status for when the Tall Ships Races return to the Baltic in 2024 and a discounted host port fee.

This agreement has secured both the Charity and the Subsidiaries going concern status for the year ending March 2021.

The Trustees' strategic plans include devoting resources via its subsidiary trading company to increase sponsorship income for its events and thereby increase the Gift Aid income to the Charity.

Sponsorship

Our relationship with SCF Sovcomflot, a large Russian shipping company, continues to be successful. They have sponsored 3 events to date (Black Sea Tall Ships Regatta in 2014 and 2016 and the Far East Tall Ships Regatta 2018 centred on Vladivostok). A second edition of this event was contracted to take place in 2020 with plans to visit ports in South Korea, Japan as well as Vladivostok but due to the pandemic has been postponed until 2021.

The Trustees have reviewed the longer-term viability of the Charity in the light of the Gift Aid income from its trading subsidiaries. This in turn is dependent upon the prospective host port fee income and contracted sponsorship income relating to events. Though recognising that sponsorship income is uncertain and volatile, the Trustees are confident in securing adequate income for the next three years.

Risk Management and Reserves

The Trustees review the risks faced by the Charity and its subsidiaries annually by carrying out a risk mapping exercise for both the Charity and its subsidiaries in accordance with the recommendations of the Charity Commission. The main risk to the Charity is the ongoing profitably of its subsidiaries which, via gift aid, provide its main source of income. To alleviate this risk the Trustees, monitor the performance of the trading subsidiaries on a regular basis including regular reports to the Trustees and CEO on all key events being organised by the subsidiaries. The prime risk identified for the trading subsidiaries is the potential failure to contract host ports and sponsors for future events. This risk is addressed by seeking to contract ports as far in advance as possible of each event and adjusting the Race Series to reflect the relevant ports once contracted.

By their very nature the Tall Ships Races take place in international waters and could be subject to political and other events outside our control. The Boards of the trading subsidiaries and the Trustees therefore consider political and strategic risks when making decisions to organise events (particularly in new sea areas) and keep such issues under careful review on a regular basis. The ramifications of the pandemic and the need to postpone the planned events has brought to reality this identified risk.

The Trustees have recently reviewed the Charity's reserves policy, and in particular have looked at some of the factors that determine our requirements for achieving and maintaining certain levels of 'free' reserves. It has been agreed that reserve requirements should continue to be monitored with reference to three levels:

1. minimum level to cover the cost of 'winding up' the organization in the event of all funding coming to an end (this would include the cost of redundancies, lease commitments, and meeting short term liabilities);
2. intermediate level to allow for the continuation of 'core' activities for a 6–9-month period in the event of significant reductions in funding; and

3. higher level to provide an endowment to fund bursary support for young people, research to further the aims of the Charity, and special projects to pilot different ways of promoting the personal development of young people and fostering international friendship and understanding. Achieving this level is a longer-term strategy (5-10 years).

For the purposes of 2 above, 'free' reserves are taken to include unrestricted funds and restricted funds to the extent that they support 'core' project activities and do not contravene funders' restrictions.

The Trustees will prioritise rebuilding the unrestricted reserves over the next 2 years to meet as a minimum the first criteria set above.

The Trustees are always mindful of the fact that the Charity operates in a changing environment which is sensitive to shifts in international relations and economic success in different cities and regions.

With this and the effects of the Covid outbreak in mind they will review annually the need to designate funds to cover short term reductions in funding, necessary changes to operational activities or organisational infrastructure and the transition to new funding arrangements which have an impact on short term cash flow.

The Trustees review the policy on a yearly basis to ensure that an appropriate level of reserves is maintained within the Charity, in accordance with Charity Commission guidelines.

Investment Powers and Policy

Under its constitution, the Charity has the power to make any investment which the Trustees see fit. The Trustees, having regard to the risk and liquidity requirements of organising races and events and to the reserves policy, have operated a prudent policy of keeping balances in a range of mainly short-term instruments selected to generate the best returns, consistent with security.

7. STRUCTURE, GOVERNANCE AND MANAGEMENT

As a result of the re-organisation implemented in 2015 the structure of the Group is as follows:

Sail Training International / the Charity

Sail Training International is a company limited by guarantee governed by its Memorandum and Articles of Association dated 4 March 2003 as amended in 2005. It is registered as a charity with the Charity Commission with Charity Number 1096846.

The **Members** of Sail Training International are the national or representative sail training organisations of:

Australia, Belgium, Bermuda, Canada, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, India, Ireland, Italy, Japan, Latvia, Lithuania, Netherlands, New Zealand, Norway, Poland, Portugal, Russia, South Africa, Spain, Sweden, United Kingdom and United States of America.

The **Trustees** are responsible for policy making and are accountable for the Charity's activities and for ensuring that they are consistent with its charitable objectives. They are also responsible for managing the Charity's affairs and in this capacity appoint the Chief Executive and the directors of subsidiary companies. The Trustees receive no remuneration for their services.

The **Chairman** of the Trustees is directly elected by the Members for a three-year term but is eligible for re-election.

All **Trustees** are also elected by the Member organisations and the longest serving of them (being one third of the then current number) are required to resign each year at the Annual General meeting but are entitled to seek re-election. The Trustees also have power under the Articles of Association to appoint new Trustees at any time in the year to fill a vacancy, but any person so appointed must then be formally re-appointed by the Members at the next Annual General Meeting.

The Trustees also appoint the Boards of Directors of the trading subsidiaries and set the terms of reference for other Committees and working groups. During the year there was no change in either the Trustee Board or the subsidiary Board of directors.

In this context the Trustees and the Chief Executive regularly consider the nature of the skills required by the Charity and review the skillsets of existing appointees, both as Trustees and as Directors of the subsidiaries, having regard to those who may be retiring in the near future. The reconstruction of the Group in 2015 was also an opportunity to ensure that the trading subsidiaries have Board Members suitable for the ongoing activities.

The Members are notified of the experience and skills requirements for new Trustees and can put forward candidates. They are also, prior to the next Annual General Meeting, provided with information on all Trustees who are seeking re-appointment or re-election at such meeting.

Many of the candidates for appointment as a Trustee will have a pre-existing connection with or knowledge of sail training but candidates are only put forward after the Trustees and the Company Secretary are satisfied that they understand their responsibilities and duties as a Trustee of a UK Charity. New Trustees are provided with such information as they require with the process and topics being tailored to each individual's background experience and knowledge. Trustees and Directors have access to the Company Secretary and from time to time receive additional training through attendance at workshops and seminars at International Conferences.

Many of the Trustees and Directors are active in and provide advice and assistance to the National Sail Training Organisation (NSTO), who are Members of the Charity, and other organisations within the sail training world.

The Chief Executive is responsible for the day-to-day management of the organisation's staff and co-ordinating the activities and achievement of the business plan and budget approved by the Trustees. He is in regular contact with the Chairs of the Charity and its subsidiaries concerning contractual and regulatory matters and attends all Trustees meetings and meetings of the subsidiary boards.

Committees, Working Groups and Volunteers

The **International Council** comprises a representative of each Member and other individuals, up to a third of the total International Council, who are nominated by the Trustees for their expertise and experience and must be approved by the International Council. Trustees are also entitled to attend such meetings but have no vote. The purpose of the International Council is to act as an advisory body to the Trustees and contribute to policies and projects for implementation by the Charity and the trading subsidiaries.

The **Ships' Council** was created as an advisory group and is open to all Tall Ship Operators who are involved with our events. The aspects considered by the Council include regulatory, operational and safety matters and other issues and future plans for the participation of Tall Ships in our events. A representative of the Trustees attends its meetings and reports back to the Trustees and the International Council.
The Youth Council assists the Trustees to identify and take account of the views of young people, already active in the sail training world, in developing strategies and activities for the future. Each of the Members is entitled to nominate a representative and a Trustee is responsible for liaison between the Trustees and STI Youth Council. The Chair of STI Youth Council reports directly to each International Council meeting.

The Port Advisory Group acts as conduit for the Charity and its trading company to receive input on its activities and events from this important stakeholder group.

All members of the above Committees and Working Groups are volunteers. In addition, the Trading Companies rely upon a dedicated cadre of volunteers to help deliver their events.

Subsidiary Companies

The Charity has three wholly owned subsidiaries which are separate trading companies to carry out different activities and which through Gift Aid pass all surplus income to the Charity to assist in enabling it to fulfil its objectives.

The Chief Executive Is a director of each trading subsidiary and, with the other Directors, responsible for managing their activities.

The remuneration for the CEO and other key employees is set by the Trustees having taken account of the ACEVO survey of executive pay awards, the current Cost of Living and other relevant indices. A majority of the directors of the trading subsidiaries are unpaid volunteers.

Tall Ships Races International Limited is responsible for staff and office infrastructure, the provision of financial and other services, managing publicity activities and materials, and organising the majority of the Tall Ships Races and seminars. It has particular responsibility for the race organisation and appoints a Race Committee for each race series to provide advice on maritime and safety issues. Its objectives are set by the Trustees of the Charity.

Tall Ships International Limited is responsible for other races and events the charity organises or is involved with worldwide that involve North America, including consultancy contracts. As there are no events under contract that fall into this category the company was made dormant during the year.

Sail on Board is currently a dormant company.

8. FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and financial statements for each financial period in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for ensuring that such financial statements give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are aware of the Charity Commission's Governance Code and are reviewing the Charity's governance in light of the code.

So far as the Trustees are aware:

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

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

Approved by order of the members of the board of Trustees on 10/11/21
and signed on their behalf by:

.....

A James
Company Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL

Opinion

We have audited the financial statements of Sail Training International (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL (CONTINUED)

Auditors' 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 Auditors' 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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 Auditors' 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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAIL TRAINING INTERNATIONAL (CONTINUED)

Michael Farwell MA FCA DChA (Senior Statutory Auditor)

for and on behalf of
James Cowper Kreston

Chartered accountants

9th Floor

The White Building

1-4 Cumberland Place

Southampton

Hampshire

SO15 2NP

Date: 1/12/2021

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations	4	**2,814**	**58,682**	**61,496**	48,783
Charitable activities	5	**386,623**	**-**	**386,623**	717,039
Other trading activities	6	**5,498**	**-**	**5,498**	194,123
Investments	7	**540**	**-**	**540**	4,862
Other income	8	**43,794**	**-**	**43,794**	-
Total income		**439,269**	**58,682**	**497,951**	964,807
Expenditure on:					
Raising funds		**-**	**-**	**-**	23,334
Charitable activities	9	**661,831**	**36,568**	**698,399**	1,212,104
Total expenditure		**661,831**	**36,568**	**698,399**	1,235,438
Net (expenditure)/income		**(222,562)**	**22,114**	**(200,448)**	(270,631)
Transfers between funds	19	**8,945**	**(8,945)**	**-**	-
Net movement in funds		**(213,617)**	**13,169**	**(200,448)**	(270,631)
Reconciliation of funds:					
Total funds brought forward		**266,860**	**184,608**	**451,468**	722,099
Net movement in funds		**(213,617)**	**13,169**	**(200,448)**	(270,631)
Total funds carried forward		**53,243**	**197,777**	**251,020**	451,468

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 36 form part of these financial statements.

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04686048

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	14		**37,376**		42,977
Current assets					
Debtors	16	**251,294**		268,951	
Cash at bank and in hand		**1,338,261**		1,229,909	
		1,589,555		1,498,860	
Current liabilities	17	**(950,511)**		(290,264)	
Net current assets			**639,044**		1,208,596
Total assets less current liabilities			**676,420**		1,251,573
Creditors: amounts falling due after more than one year	18		**(425,400)**		(800,105)
Total net assets			**251,020**		451,468
Charity funds					
Restricted funds	19		**197,777**		184,608
Unrestricted funds	19		**53,243**		266,860
Total funds			**251,020**		451,468

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....

J Cheshire
Chairman

Date: 29/11/21

SAIL TRAINING INTERNATIONAL

(A Company Limited by Guarantee)
REGISTERED NUMBER: 04686048

CHARITY BALANCE SHEET
AS AT 31 MARCH 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	14		**37,376**		42,977
Investments	15		**3**		3
			37,379		42,980
Current assets					
Debtors	16	**468**		46,288	
Cash at bank and in hand		**252,992**		595,321	
		253,460		641,609	
Current liabilities	17	**(55,423)**		(316,161)	
Net current assets			**198,037**		325,448
Total net assets			**235,416**		368,428
Charity funds					
Restricted funds	19		**197,777**		184,608
Unrestricted funds	19		**37,639**		183,820
Total funds			**235,416**		368,428

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....
J Cheshire
Chairman

Date: 29/11/21

The notes on pages 18 to 36 form part of these financial statements.

SAIL TRAINING INTERNATIONAL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	**115,652**	(215,569)
Cash flows from investing activities		
Loss on disposal of tangible fixed assets	**136**	-
Purchase of tangible fixed assets	**(7,436)**	(40,003)
Net cash used in investing activities	**(7,300)**	**(40,003)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	-
Change in cash and cash equivalents in the year	**108,352**	**(255,572)**
Cash and cash equivalents at the beginning of the year	**1,229,909**	1,485,481
Cash and cash equivalents at the end of the year	**1,338,261**	1,229,909

The notes on pages 18 to 36 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sail Training International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 Basis of consolidation

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

1.3 Going concern

The directors have considered the impact of the global Covid-19 pandemic on the ability of the Company to continue trading for the foreseeable future. The effect of the pandemic has resulted in all events in this accounting year being postponed and subsequently the postponement of the planned 2021 events.

The Company has continually assessed the impact of the pandemic and updated its financial forecasts and projections accordingly up to the date of signing the financial statements. The financial forecasts have been rigorously stress-tested in house coupled with receiving external financial advice which has been sought throughout the period regarding going concern status.

The support of the Company's stakeholders throughout this period up to the point of signing the financial statements has been key to navigating through this difficult period.

Based on this review and taken together with existing financing facilities the directors believe that the financial statements have been prepared appropriately on the going concern basis.

1. Accounting policies (continued)

1.4 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 Group 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 Group for particular purposes. The costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

1.5 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The Group organises annual races from European ports and one off races and other events in other parts of the world. The host ports for each annual race in Europe contract with the Group up to four years before the race takes place and make annual payments on account. The Group is engaged in planning and marketing activities throughout the four year period for each race. Accordingly the Group recognises as income part of the port fees received in each of the years leading up to the race, the balance being taken in the year the race is held.

The Group organises races and events in other geographical areas which generally have a shorter lead time. To recognise the larger initial costs involved in these one-off races or events the company takes to income an amount to cover its costs in each year prior to the race, the balance being taken in the year of the race.

The Group seeks sponsorship income for its races and events. Where such income is received it is recognised in the year of the race or event to which it relates.

The Group organises an annual conference. Income is received from delegates attending the conference and from organisations sponsoring the conference. All such income is taken in the year that the conference takes place.

Any income from donations received by the charity is recognised in the period in which they are received.

The value of services provided by volunteers is not incorporated in these accounts as the economic benefit cannot be measured reliably.

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of exenditure on the objects of the charity and include project management carried out at Head Office.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

1.7 Allocated overheads

All salaries and overheads for the Charity are paid by Tall Ships Races International Limited, which makes an overhead allocation charge to the Charity and each trading subsidiary. This charge is based upon time costs spent in relation to the activities of the Charity and each trading subsidiary.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.9 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The subsidiary companies are liable to corporation tax to the extent that their profits are not gifted to the Charity.

1. Accounting policies (continued)

1.10 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Office equipment	- 5 years straight line
Computer equipment	- 3 years straight line

1.11 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.12 Financial instruments

The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Short term debtors and creditors are measured at the transaction price. Other financial instruments, including loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1. Accounting policies (continued)

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.15 Operating leases: the Group as a lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

1.17 Pensions

Defined Contribution Scheme

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Revenue recognition and deferred income

The Group recognises revenue in line with its accounting policy detailed at note 1.5 and where income relates to more than one financial period, it is spread across those periods. Any difference between amounts received and costs incurred is classed as deferred income and the balance is released in the year in which the associated event occurs.

3. Legal status of the charity

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

4. Income from donations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	2,814	58,682	**61,496**	48,783
Total 2020	500	48,283	48,783	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Organisation of Tall Ships Races	386,623	**386,623**	646,719
Annual conference	-	-	69,621
Recharged costs	-	-	699
	386,623	**386,623**	717,039
Total 2020	717,039	717,039	

6. Income from generating funds

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	5,498	**5,498**	3,245
Sponsorship income	-	-	190,878
	5,498	**5,498**	194,123
Total 2020	194,123	194,123	

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	540	**540**	4,862
Total 2020	4,862	4,862	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

8. Other income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
CJRS income	43,794	**43,794**	-

9. Analysis of expenditure on charitable activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Organisation of Tall Ships Races	482,302	58,125	**540,427**	699,716
Charity operating costs	75,817	26,048	**101,865**	284,497
Annual Conference	189	-	**189**	47,887
Project costs	25,240	-	**25,240**	59,565
Bursary costs	11,328	-	**11,328**	71,700
Governance costs	19,350	-	**19,350**	48,739
	614,226	84,173	**698,399**	1,212,104
Total 2020	1,101,547	110,557	1,212,104	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of expenditure on charitable activities (continued)

Analysis of support costs

	Tall Ships Races 2021 £	Charity trading activities 2021 £	Governance 2021 £	Total funds 2021 £	Total funds 2020 £
Office costs	45,615	14,489	-	**60,104**	68,831
Depreciation	-	12,929	-	**12,929**	12,837
Exchange losses / (gains)	661	(1,396)	-	**(735)**	10,791
Postage, printing and communications	11,849	26	-	**11,875**	18,098
	58,125	26,048	-	**84,173**	110,557
Total 2020	49,360	57,720	3,477	110,557	

10. Governance costs

	2021 £	2020 £
Legal and professional fees	**388**	3,952
Audit fees	**4,000**	8,000
Other accounting fees	**2,000**	4,000
IT costs	**-**	1,077
Staff and support costs	**12,213**	31,710
Training	**749**	-
	19,350	48,739

11. Net expenditure

This is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	**12,929**	12,834
Auditors' remuneration - audit	**8,031**	8,000
Auditors' remuneration - other services	**4,015**	4,000
Operating lease rentals	**21,726**	24,674

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12. Staff costs

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	**435,574**	448,770	**67,947**	157,364
Social security costs	**37,379**	54,007	**6,200**	14,350
Defined contribution pension scheme costs	**37,164**	61,387	**6,119**	14,164
	510,117	564,164	**80,266**	185,878

The above staff costs include £7,947 (2020: £10,390) incurred in respect of staff medical cover.

During the year 4 people were made redundant, the redundancy payment included within wages and salaries totalled £50,216.

There were no staff costs incurred by the charity in the prior year as they were all recharged.

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Charitable activities	**6**	9	**-**	-
Administration	**3**	3	**1**	-
	9	12	**1**	

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	**1**	1
In the band £70,001 - £80,000	**-**	1

The executive management personnel of the parent charity and the Group comprise Trustees, company directors, the Chief Executive Officer, Head of Race Directorate, and the Commercial Director. The salary costs of the executive management personnel for the year ended 31 March 2021 were £207,495 (2020: £205,767).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totalling £NIL were reimbursed or paid directly to Trustee (2020 - £6,479 to 9 Trustees).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

14. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2020	22,332	48,635	70,967
Additions	-	7,436	7,436
Disposals	(17,572)	(5,946)	(23,518)
At 31 March 2021	4,760	50,125	54,885
Depreciation			
At 1 April 2020	19,470	8,520	27,990
Charge for the year	1,429	11,472	12,901
On disposals	(17,572)	(5,810)	(23,382)
At 31 March 2021	3,327	14,182	17,509
Net book value			
At 31 March 2021	1,433	35,943	37,376
At 31 March 2020	2,862	40,115	42,977

14. Tangible fixed assets (continued)

Charity

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2020	**22,332**	**48,635**	**70,967**
Additions	**-**	**7,436**	**7,436**
Disposals	**(17,572)**	**(5,946)**	**(23,518)**
At 31 March 2021	**4,760**	**50,125**	**54,885**
Depreciation			
At 1 April 2020	**19,470**	**8,520**	**27,990**
Charge for the year	**1,429**	**11,472**	**12,901**
On disposals	**(17,572)**	**(5,810)**	**(23,382)**
At 31 March 2021	**3,327**	**14,182**	**17,509**
Net book value			
At 31 March 2021	**1,433**	**35,943**	**37,376**
At 31 March 2020	2,862	40,115	42,977

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15. Fixed asset investments (Charity only)

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2020	3
At 31 March 2021	3
Net book value	
At 31 March 2021	3
At 31 March 2020	3

16. Debtors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	**222,615**	176,373	**-**	-
Other debtors	**15,929**	15,940	**210**	2,288
Prepayments and accrued income	**12,750**	76,638	**258**	44,000
	251,294	268,951	**468**	46,288

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

17. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	**47,120**	42,734	**21,495**	14,894
Amounts owed to group undertakings	**-**	-	**6,079**	264,666
Corporation tax	**-**	19,478	**-**	-
Other taxation and social security	**26,822**	12,783	**-**	-
Accruals and deferred income	**876,569**	215,269	**27,849**	36,601
	950,511	290,264	**55,423**	316,161

18. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £
Accruals and deferred income	**425,400**	800,105

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

19. Statement of funds

Statement of funds - 2021

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
General Funds	**266,860**	**439,269**	**(661,831)**	**8,945**	**53,243**
Restricted funds					
Sultan of Oman bursary fund	**47,628**	**44,358**	**(25,000)**	**(8,945)**	**58,041**
Ross MacDonald fund	**3,911**	**-**	**-**	**-**	**3,911**
Aalborg Commune fund	**1,267**	**-**	**(240)**	**-**	**1,027**
Canadian Legacy fund	**127,519**	**-**	**(11,328)**	**-**	**116,191**
STAG fund	**4,283**	**4,324**	**-**	**-**	**8,607**
Burnett fund	**-**	**10,000**	**-**	**-**	**10,000**
	184,608	**58,682**	**(36,568)**	**(8,945)**	**197,777**
Total of funds	**451,468**	**497,951**	**(698,399)**	**-**	**251,020**

Statement of funds - 2020

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
Unrestricted funds				
General Funds	536,531	916,524	(1,186,195)	266,860
Restricted funds				
Sultan of Oman bursary fund	37,779	44,000	(34,151)	47,628
Ross MacDonald fund	3,911	-	-	3,911
Aalborg Commune fund	2,545	-	(1,278)	1,267
Canadian Legacy fund	141,333	-	(13,814)	127,519
STAG fund	-	4,283	-	4,283
	185,568	48,283	(49,243)	184,608

19. Statement of funds (continued)

Total of funds	722,099	48,283	(1,235,438)	451,468

Restricted funds

Sultan of Oman bursary fund
Support and assist the participation of young people in race events organised by Sail Training International.

Ross MacDonald fund
To be spent in the advancement of sail training on specific items jointly agreed between STI and Ross MacDonald.

Aalborg Kommune fund
To be spent assisting the Sail Training International Youth Council activities promoting and delivering Sail Training.

Canadian Legacy fund
Support and assist the participation of young Canadians in Sail Training.

STAG fund
To be spent assisting the Sail Training International Youth Council activities promoting and delivering Sail Training.

20. Analysis of net assets between funds

Analysis of net assets between funds - 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	37,376	-	**37,376**
Current assets	1,391,778	197,777	**1,589,555**
Creditors due within one year	(950,511)	-	**(950,511)**
Creditors due in more than one year	(425,400)	-	**(425,400)**
Total	53,243	197,777	**251,020**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	42,977	-	42,977
Current assets	1,314,252	184,608	1,498,860
Creditors due within one year	(290,264)	-	(290,264)
Creditors due in more than one year	(800,105)	-	(800,105)
Total	266,860	184,608	451,468

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net expenditure for the year (as per Statement of Financial Activities)	**(200,448)**	(270,631)
Adjustments for:		
Depreciation charges	**12,901**	12,834
(Increase) in debtors	**17,657**	(37,216)
Increase in creditors	**305,020**	79,444
Net cash provided by/(used in) operating activities	**135,130**	(215,569)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

22. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	**1,338,261**	1,229,909

23. Cashflow reconciliation

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	**1,229,909**	**108,352**	**1,338,261**

24. Pension commitments

The Group operate a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £37,164 (2020: £45,623). There were no outstanding contributions (2020: £Nil) payable to the fund at the balance sheet date.

25. Operating lease commitments

At 31 March 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	**20,000**	20,000	**20,000**	20,000
Later than 1 year and not later than 5 years	**36,667**	56,667	**36,667**	56,667
	56,667	76,667	**56,667**	76,667

26. Related party transactions

Ross MacDonald, a trustee, made a donation in 2008 to the charity of £10,000 for the provision of bursaries to young people. As at 31 March 2021, £3,911 (2020: £3,911) of this donation remained unspent and is included within restricted reserves.

27. Principal subsidiaries

The following were subsidiary undertakings of the Charity:

Names	Company number	Holding	Included in consolidation
Tall Ships Races International Limited	04894646	100%	Yes
Tall Ships International Limited	05025229	100%	Yes
Sail On Board Limited	10501077	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Tall Ships Races International Limited	386,623	(454,059)	(67,436)	15,605
Tall Ships International Limited	-	-	-	1
Sail On Board Limited	-	-	-	1