



Royal Institute of Navigation

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020**

TABLE OF CONTENTS

1	ROYAL INSTITUTE OF NAVIGATION REFERENCE DETAILS	3
2	OBJECTIVES AND ACTIVITIES	3
2.1	INSTITUTE OBJECTIVES	3
2.2	STRATEGY	3
2.3	THE MAIN ACTIVITIES FOR THE YEAR.....	4
3	ACHIEVEMENTS AND IMPACT	6
3.1	ENABLING INSIGHTS AND PROMOTING KNOWLEDGE	6
3.2	GROWTH AND DEVELOPMENT	8
3.3	INCLUSIVITY AND DIVERSITY	8
4	FINANCIAL REVIEW	9
4.1	PERFORMANCE.....	9
4.2	INVESTMENT AND RESERVES POLICY	9
4.2.1	RESERVES	9
4.2.2	RESERVES POLICY	10
4.2.3	INVESTMENTS.....	10
4.2.4	INVESTMENT POLICY.....	10
4.3	FUTURE PERFORMANCE	10
5	STRUCTURE, GOVERNANCE AND MANAGEMENT	11
5.1	GOVERNING DOCUMENTS.....	11
5.2	RECRUITMENT AND APPOINTMENT OF NEW TRUSTEES.....	11
5.3	INDUCTION AND TRAINING OF TRUSTEES.....	11
5.4	ORGANISATION AND DECISION-MAKING STRUCTURE.....	11
5.5	MANAGEMENT & STRUCTURE.....	12
5.6	RELATIONSHIP WITH OTHER ORGANISATIONS.....	12
5.7	RISK MANAGEMENT	12
6	REFERENCE AND ADMINISTRATIVE DETAILS.....	12
6.1	CHARITY TRUSTEES.....	12
6.2	DIRECTOR	13
6.3	RELEVANT ORGANISATIONS.....	13
6.3.1	BANKERS	13
6.3.2	SOLICITORS.....	13
6.3.3	AUDITORS	13
7	STATEMENT OF TRUSTEES' RESPONSIBILITIES.....	13
8	DECLARATIONS	14
9	INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL INSTITUTE OF NAVIGATION	15
10	STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020	17
11	BALANCE SHEET	18
12	STATEMENT OF CASH FLOWS.....	19
13	NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020	20

I ROYAL INSTITUTE OF NAVIGATION REFERENCE DETAILS

Charity name:	The Royal Institute of Navigation
Charity registration number	1117254
Address	1 Kensington Gore, London, SW7 2AT

2 OBJECTIVES AND ACTIVITIES

2.1 INSTITUTE OBJECTIVES

The Institute's objects, as set out in its Royal Charter, are to unite in one body those interested in navigation; to advance the art, science and practice of navigation; and to promote knowledge in navigation and its associated sciences, including positioning, timing, tracking and conduct of a journey, whether on, in, over or under land, sea, air or space.

In 2019, the Institute's Council undertook a 5-year strategy review, which included a review of whether the objects needed to be updated. The conclusion, which has been re-confirmed by Council in 2020, is that they remain relevant and appropriate today; a testament to the original authors.

2.2 STRATEGY

The Institute's Council approved a 5-year strategy which was launched at the July 2019 Annual Meeting. Council reviewed progress at a strategy workshop held in October 2020. This meeting also presented an opportunity for Council to review the strategy in light of the ongoing COVID-19 pandemic. The output of the strategy workshop was subsequently reviewed at Council in December. At this meeting it was concluded that the Institute's vision remains appropriate.



Figure 1 Royal Institute of Navigation Vision 2019-2024

The vision is seen as being particularly apposite in that it captures several important aspects of the Institute's work and ambition. This includes the breadth of the Institute's work, which spans technology research through to navigation guidance for users. The Institute also embraces science and research across the wider community, including animal navigation, cognition and human factors. The Institute strives to be, and to be seen to be, open, inclusive and welcoming to all.



Figure 2 Royal Institute of Navigation Strategy Summary 2019-2024

The strategy to implement the vision is summarised in three “pillars” as shown in Figure 2 above. In late 2020 the second “pillar” was intentionally broadened from professional engineering registration to progressive knowledge and skills development. This change reflects a wider ambition: not only as a professional body but also as a partner for life-long learning and development.

Support for the strategy has been very strong among members and beyond. Council has prioritised and committed resources to implementation plans and goals to deliver the strategy and vision. The Institute’s Committees have aligned with the strategy priorities, a process which has also helped to encourage broader participation in Committee meetings. The Institute’s risk register has been reviewed to enable key risks impacting strategy delivery to be tracked and mitigated.

2.3 THE MAIN ACTIVITIES FOR THE YEAR

Since its foundation in 1947, the Institute has successfully evolved to enable it to add value and continue to deliver its purposes. 2020 presented an unexpected need to evolve quickly to a virtual organisation in response to the global COVID-19 pandemic. The Institute not only fared well through these required changes but, in some areas, was able to do more than would have been possible in a “normal” year. This achievement was facilitated by a wide range of factors, including the active support and encouragement of the Institute’s members; the adaptability, positivity and flexibility of the Institute’s volunteers working hand-in-hand with the headquarters team; and recent investment in moving to flexible cloud-based IT infrastructure.

From mid-March there were no further in-person events through 2020. Fortunately, the Institute had identified a webinar platform in late 2019 and started trials in January 2020. The Institute’s first webinar, entitled GPS Basics and presented by the Director, John Pottle, was broadcast on 5 February 2020. This was followed by a second, on professional registration, in mid-February. With restrictions looming in early March 2020 the Institute quickly decided to pivot a planned in-person training on 18 March to virtual only. The result was not only successful technical delivery and positive delegate feedback, but also wider participation than would have been possible face-to-face.

This, then, set the scene for the rest of 2020 in terms of events, all of which were delivered virtually from mid-March 2020, with the vast majority achieving wider participation as a result. All Institute events are open to all, not only to members. Events are promoted widely using the full range of traditional, online and social media platforms.

Other Institute activities continued with regular virtual meetings for most Branches and Special Interest Groups. Publications continued with only a slight temporary interruption in print copies of the Journal of Navigation but otherwise in line with plans. Online interaction naturally increased and more focus was placed on structured, regular information sharing and moderation of social media, including new accounts for the Cognitive Navigation Special Interest Group and the Journal of Navigation.

Membership renewals take place mid-year and the Institute put in place improved communications and additional payment methods to make things as easy as possible for members. The unflinching loyalty of members and corporates to the Institute has been fantastic to witness, with renewals at least in line with previous years. A number of members experiencing temporary financial distress as a result of the pandemic were extended financial assistance in retaining their membership of the Institute. The costs of this were partially offset by other members who very generously offered donations in addition to their annual membership renewal.

Financially, the Institute managed by reducing variable costs for events and in other areas such as meetings and travel. The financial outlook was regularly re-forecast in light of changing circumstances and, throughout the year, the outlook and, indeed, result was broadly in line with budget in terms of overall balance. The Institute did not reduce nor furlough any staff, and did not receive any assistance from government schemes linked to the pandemic.

Overall, 2020 was a year whose course was not as initially planned but where the Institute benefited from its fundamental and underlying strengths in many areas. Financially the Institute managed well. Impact overall was arguably above expectations, particularly so in terms of reach for events over the year.

3 ACHIEVEMENTS AND IMPACT

The Royal Institute of Navigation's work aims to bring diverse disciplines together to stimulate insights and knowledge sharing towards a more navigable world.

Navigation and timing are critical to the world we all inhabit. We believe that the work of the wider navigation community enables societal benefit including support to national grand challenges¹ and also the United Nations' Sustainable Development Goals². To achieve this requires collaboration and understanding across science, technology and practice.

From a UK and international policy perspective, the vulnerabilities of space-based positioning, navigation and timing represent nationally recognised risks which, if realised, offer potential for material societal disruption and associated economic impact^{3,4}. In 2018/9 the Institute and many individual members were involved with implementing the recommendations from a 2018 Blackett report highlighting critical dependencies on global satellite navigation systems⁵.

At the very end of 2019 the UK Government's Cabinet Office decided to develop a UK PNT Strategy. A PNT Strategy Group was formed, which in turn set up several working groups to review technology, requirements, legislation and skills. The Institute was again well represented. At the end of 2020 a draft UK PNT Strategy has been written and is out for consultation. The Institute wrote to the Minister for The Cabinet Office on 11 December⁶ strongly supporting in particular the structured governance approach envisaged in the draft strategy, and emphasising the importance of clear ownership within Her Majesty's Government.

3.1 ENABLING INSIGHTS AND PROMOTING KNOWLEDGE

The Institute's strategy to enable insights from bringing diverse disciplines together is summarised in section 2.2 above. This work comprises the core of the Institute's role as a Learned Society. Some examples of activities in this area in 2020 are included below:

1. Early in 2020, while in-person meetings were still possible, four talks organised by the Institute's Branches took place covering topics as diverse as air ambulance navigation, history of navigation and space applications of global satellite navigation systems. Two visits were also completed: to the Traffic Scotland National Control Centre and HMS Queen Elizabeth, the Royal Navy's new aircraft carrier.
2. From mid-March 2020 Branch and Special Interest Group talks took place virtually. 18 separate webinars were arranged, some with multiple speakers. One webinar included a whole afternoon of talks with multiple speakers covering history of navigation topics. Overall, the webinars reflect the breadth of the Institute's work, from contact tracing using smartphone proximity sensing through to submarine navigation and navigation tips for trans-oceanic sailing passages. Because of the virtual format, the numbers participating in these talks was almost universally more than would have been possible in person, with most attracting over 100 registrants and, in some cases, much more than this.
3. A key part of the Institute's work is providing practical information and advice to leisure navigators. The Small Craft Group completed work on a comprehensive electronic navigation booklet "Electronic Navigation Systems – Guidance for safe use on leisure vessels"⁷. The booklet provides advice and guidance for safe use of electronic systems and represents a collaborative effort from four charities, a government agency and the national governing body of boating in the UK, as well as many individual contributors. The Institute would like to thank all of them. The booklet is available as a free download⁷.
4. The Small Craft Group organised an Electronic Navigation conference at the Royal Lympington Yacht Club in January 2020. The event was focused on developing skills, knowledge and awareness in all aspects of

¹ <https://www.gov.uk/government/publications/industrial-strategy-the-grand-challenges/industrial-strategy-the-grand-challenges>

² <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

³ <https://www.gov.uk/government/publications/the-economic-impact-on-the-uk-of-a-disruption-to-gnss>

⁴ https://www.rti.org/sites/default/files/gps_finalreport618.pdf?utm_campaign=SSSES_SSES_ALL_Aware2019&utm_source=Press%20Release&utm_medium=Website&utm_content=GPSreport

⁵ <https://www.gov.uk/government/publications/satellite-derived-time-and-position-blackett-review>

⁶ https://cdn.ymaws.com/rin.org.uk/resource/resmgr/files/letter_from_president_royal_.pdf

⁷ <https://rin.org.uk/ENav>

small craft navigation. This proved to be the only fee-based in-person event run by the Institute in 2020. It was over-subscribed and feedback from delegates was overwhelmingly positive.

5. A one-day training event on securing positioning and timing was organised, with support from the UK Space Agency. This was pivoted online at the last minute, with the sponsorship enabling the event to be offered on a free-to-attend basis. Feedback was positive with many suggestions for further training, which is now planned into early 2021.
6. The *Journal of Navigation* was printed over six editions during the year with all papers being available online. All editions of the *Journal of Navigation*, now in its 72nd year, are digitally archived and available to those with RIN membership or a subscription via Cambridge University Press, the publisher. Prof. Ana Basiri, the Editor-in-Chief of the *Journal of Navigation*, worked with the Technical Committee and Editors to improve quality of accepted papers. Production outsourcing to Cambridge University Press was completed satisfactorily. The Technical Committee began a review of the Open Access policy of the *Journal* (implemented in early 2021).
7. The Institute published six issues of *Navigation News*, the magazine for all RIN members and associate members. The Institute moved to recyclable packaging for *Navigation News*: many members prefer to receive this publication in paper magazine form, although issues are also available online to logged-in Institute members and associates. In 2020 *Navigation News* continued to receive very positive feedback, a credit to the *Navigation News* editor Clare Stead.

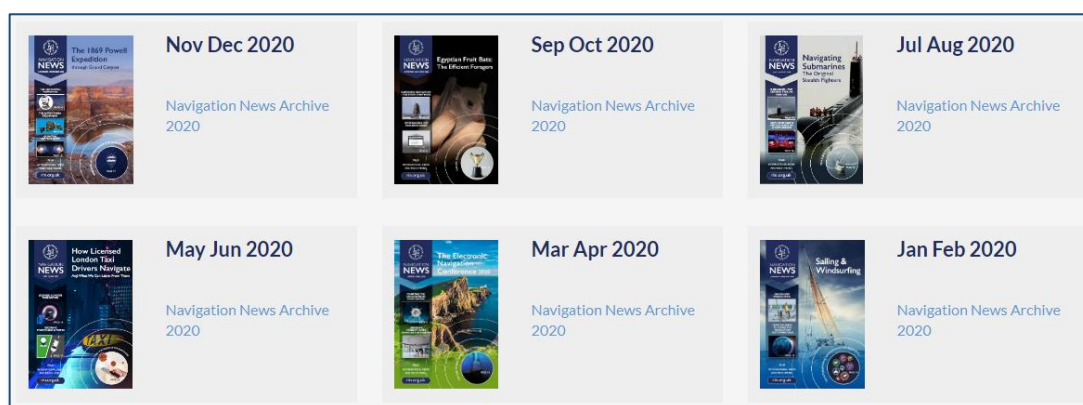


Figure 3 *Navigation News* is sent to all members with an electronic archive maintained on the Institute's website.

8. The Institute continued to review and seek to improve digital communications so as to keep in touch and share knowledge. Social media platforms used are Twitter, LinkedIn and Facebook. The Institute's YouTube channel expanded considerably in 2020, including acting as a platform to share webinar content. The website continued to be iterated with the objective (and challenges!) of balancing the needs of a wide variety of visitors.
9. Notwithstanding the foregoing, a range of events had been planned but were unfortunately cancelled or postponed because of the pandemic. Those postponed include the Baska GNSS conference and two Weather and Sailing conferences, one in the UK and one in Ireland. The General Aviation Navigation Group had to cancel the annual Top Nav aviation navigation competition and also was unable to exhibit at multiple General Aviation air shows as these were cancelled. Two visits were cancelled: to the Northern Lighthouse Board's Oban Depot and Bletchley Park.

3.2 GROWTH AND DEVELOPMENT

During 2020 the Institute built up online content, partly from specific training sessions which were recorded and partly from educational webinars. This content has reached a wider audience than in previous years, with over 10,000 views on the Institute's You Tube channel alone. These resources have also received very positive feedback from those looking to improve their knowledge and those who are new to positioning, navigation, timing and related sectors. In addition, the Institute has a growing selection of guidance information for practical navigators, the most recent example being the electronic navigation booklet described in the previous section of this report.

Also during 2020 the Institute has started to develop a more structured approach to continuing professional development (CPD). This has been partly driven by the annual CPD recording and reflection requirement for Institute members who are professionally registered engineers. However, moving into 2021 the Institute is now consciously seeking to offer life-long learning and development opportunities in more structured ways, building on the initial successes and experiences of 2020.

As a professional body, the Institute found that many aspiring registrants needed more time to complete the required process, mainly due to disruption from the events of 2020. As such the level of new registrations and transfers did not grow in comparison to prior year's registrations and transfers. The Institute added five additional mentors in 2020 and many of these are now engaging with aspiring registrants. The Institute remains a Professional Affiliate of the Engineering Council and maintains a Registration Agreement with the Royal Aeronautical Society. These arrangements continue to work well for all parties. The Membership and Fellowship Committee provides oversight of the Institute's role as a Professional Body, reporting to Council. Several improvement actions have been voluntarily put in train by the Institute to ensure good practices in relation to professional engineering registration are being followed.

3.3 INCLUSIVITY AND DIVERSITY

Inclusivity and diversity are directly reflected in the Institute's vision and putting these into practice continues to be a priority. Council actively encourages diverse participation in all areas of the Institute's work. In July, Council agreed that Martin Foulger, one of the Institute's Vice Presidents, would take a lead role in championing equality, diversity and inclusion (EDI).

Benchmarking the Institute's activities and key metrics with other similar organisations was attempted in the second half of 2020. This exercise revealed that the Institute is not alone among peers in having membership demographics which do not at all reflect society as a whole. At the same time, major differences in demographics even within the Institute's groups were identified. For example, scientific groups such as animal navigation and cognitive navigation have a higher proportion of women and younger researchers than practical navigation groups within the Institute, which have a higher age profile.

The question of what "represents success" in the Institute in these areas remains under review at the end of 2020. What is completely clear, however, is the unanimous desire of Council and across the Institute to have a fair and inclusive culture and operations where all may feel and be welcome and welcomed. An EDI team is meeting as a sub-group of Council in early 2021 to continue to provide focus on this key strategy area.

The Institute's Younger Members' Group, which was established in 2019, continues to operate with an active Committee and participation in several Institute talks and virtual meetings through the year. The Group reports to the Membership & Fellowship Committee, which the Group's chair has joined. The ongoing pandemic disrupted many younger people's undergraduate study and research work in 2020. The plans to arrange several in-person Younger Members' Group meetings and related events, such as careers evenings, were frustrated as a result.

During 2020 a review of membership grades and, in particular, accessibility of membership to younger and new members, was started. This work, managed by a sub-group of the Membership & Fellowship Committee, has recommended that a new Associate Member grade be introduced with a more accessible tiered pricing structure; and that student membership subscriptions be reduced. As we move into 2021 the governing documents and related arrangements are being reviewed to enable these changes to be put before the membership at the 2021 Annual General Meeting.

4 FINANCIAL REVIEW

4.1 PERFORMANCE

The Institute's income from charitable activities is significantly reduced compared to the prior year. The reasons are summarised below. However, the Institute was also able to control variable expenditure with a resulting manageable outcome overall for the year.

Event income was very low, the only in-person paid event being an electronic navigation conference in January 2020. Income from investments was reduced by 23% compared to budget due to reduced dividends in 2020. After much in-year fluctuation in investment fund valuation, and much active management by the Institute's investment managers, the 31 December valuation shows a reduced portfolio book valuation of £23.4k over the year. Subscription rates were not increased in 2020, further impacting income vs. budget in the second half year.

The Institute would like to recognise the very generous and continued support of Trinity House towards our joint objectives of sharing knowledge to improve navigation and safety at sea. Trinity House supported the Institute through two grants in 2020, including a second one-off grant in support of the electronic navigation booklet for small craft mariners. The Institute also received a grant from the UK Space Agency in support of resilient positioning and timing training for the March 2020 event. Donations amounting to £14.2k were received as restricted funds for the Professor David Last Tribute Fund, which will be applied over multiple years to support student participation in navigation conferences.

Expenses were well controlled with variable costs being reduced across the board where possible, most notably in relation to event costs but also travel, governance costs (due to virtual meetings) and marketing costs (due to event time being freed up enabling more work to be done in-house).

The Institute did not furlough staff or restructure its employee base in 2020, nor was it in a position to benefit from any pandemic-related government money.

Overall, the result for the year before investment gains/losses is a surplus of £13.9k.

Including the reduction in book value of investments at 31 December the net movement in funds is a deficit of £9.5k for the year.

In view of the disruption and challenges presented during 2020 this is felt by the Trustees to be a satisfactory result, with the Institute being managed well and, as a result, managing well through a difficult year.

During 2020, the management team continued to improve financial management and reporting. In particular, the processes for reconciliation between the Association Management System, Your-Membership, and the accounting system, Quick Books Online was further improved.

The Institute's Financial Management Handbook was reviewed by the Audit and Risk Committee during the year. This Handbook contains the policies and processes for financial management and control.

No losses due to frauds occurred during the year.

The Institute's Council has reviewed the going concern status of the Institute and has concluded that the Institute remains a going concern, current pandemic-related risks notwithstanding.

4.2 INVESTMENT AND RESERVES POLICY

The Institute's investment and reserves policy was reviewed and approved on 12 June 2019. The Audit and Risk Committee considered whether to amend this policy in 2020 and decided not to make any changes. Council supported this position, noting in particular the uncertainty pertaining during 2020.

4.2.1 RESERVES

The details of how the reserves are split between free, designated and restricted reserves is included in the balance sheet and notes to the financial statements. The free reserves are in line with the reserves policy.

4.2.2 RESERVES POLICY

The reserves policy is that the Institute aims to hold sufficient unrestricted reserves, excluding designated funds (see previous paragraph) to allow the Institute to operate for at least nine months and up to twelve months without reliance on any subscription or other income.

4.2.3 INVESTMENTS

The Institute's investment portfolio is managed by Smith & Williamson. Each Audit and Risk Committee meeting received a report of investment performance.

4.2.4 INVESTMENT POLICY

The investment policy is to preserve the value of the Institute's reserves in real terms (relative to the Consumer Price Index) while delivering a reasonable overall total return and sufficient liquidity to fund cash flow shortfalls and any unbudgeted commitments.

The investment objective is to generate a return of inflation plus 3% per annum over the long term, after expenses. This should allow the Institute to draw an income of 3% while preserving the real value of the capital.

4.3 FUTURE PERFORMANCE

The Institute's Council reviewed the strategy implementation progress at a workshop in October 2020, as reported in section 2.2 above. Plans have been developed and prioritised to continue to deliver the strategy through 2021. The 2021 budget has been aligned to enable delivery of these plans.

In view of the Pandemic restrictions, which remain ongoing at the time of writing, the Institute has made plans for 2021 on the basis that all events until mid-year will be held virtually. A view on second-half 2021 events will be taken when possible. The Institute would very much like to add in-person events when it is again safe to do so. However, for prudence and planning purposes the Institute will continue to plan to enable flexibility and to protect itself from risks in the event of ongoing or further restrictions.

Notwithstanding the Pandemic-related restrictions there remain many reasons for optimism within the Institute. The loyalty and active support of members is of particular note; more people are engaging with the Institute than ever before; the value of the Institute is seen by many other organisations who are increasingly seeking to collaborate or engage in areas of mutual interest.

Academic publishing is evolving to Open Access and the Institute has implemented Transformative Journal status for the Journal of Navigation from January 2021. The aim is to maintain attractiveness of the Journal for all authors while steadily increasing the number of Open Access papers. At the same time actions are ongoing to further improve the Impact Factor.

In relation to the investment landscape, the Institute can tolerate short- and medium-term volatility in asset values. Investment managers Smith & Williamson will continue to report regularly to the Audit & Risk Committee.

In terms of fundraising, the Institute actively seeks funding from supporters with similar objectives, from corporate partnerships, sponsorships and for project-based funding. Such support must never compromise the Institute's independence.

5 STRUCTURE, GOVERNANCE AND MANAGEMENT

5.1 GOVERNING DOCUMENTS

The Institute is a company incorporated by Royal Charter. It was registered as a charity on 14 December 2006. On 31 December 2006, the undertaking, assets and liabilities of the unincorporated association known as The Royal Institute of Navigation (Charity number 251512) were transferred to The Royal Institute of Navigation, a company incorporated under a Royal Charter (Charity number 1117254).

The governing documents are:

1. The Royal Charter dated 14 November 2006.
2. The By-laws annexed to the Royal Charter, last updated on 3 November 2017.
3. The Members' Rules, which were last updated on 18 July 2018.

Copies of these documents are available on the Institute's website.⁸

Council completed a governance review in the second half of 2020. Overall, this concluded no major areas of concern exist, with a couple of minor actions in relation to governance improvements being tracked moving into 2021.

5.2 RECRUITMENT AND APPOINTMENT OF NEW TRUSTEES

The management of the affairs, business and property of the Institute is vested in the Council.

The Council of the Institute consists of the Officers and not more than nine other Members; they are elected by the Members in the manner provided for in the By-laws and the Members' Rules. Individuals may be co-opted onto the Council in addition to the elected members. However, only the elected Members of the Council are also the Charity Trustees.

Any Fellow, Associate Fellow or Member of the Institute is eligible for election to the Council and can put forward their name for election. A reminder of this procedure is published every year in *Navigation News*, the Institute's magazine, a copy of which is sent to every Fellow, Associate Fellow and Member of the Institute.

At the Annual General Meeting, an election is held to fill any vacancy for officers and members of the Council. The 2020 Annual General Meeting was held on 30 June 2020.

5.3 INDUCTION AND TRAINING OF TRUSTEES

Each new trustee is briefed by the President or Director shortly after election to the Council and is required to disclose their position in relation to any potential conflicts of interest and financial transactions involving related parties.

5.4 ORGANISATION AND DECISION-MAKING STRUCTURE

The Council is responsible for all strategic decisions relating to the Institute and for the overall direction and management.

The Officers of the Institute are the President, two Vice-Presidents, the Treasurer, and not more than three other designated Members who are currently chairs of the three standing committees of the Institute:

1. Audit and Risk Committee
2. Membership and Fellowship Committee
3. Technical Committee

Each committee is charged with responsibility for oversight of parts of the management of the Institute and for making appropriate recommendations to the Council, including those of a strategic nature. The terms of reference of the three standing committees are reviewed annually.

⁸ <https://rin.org.uk/page/RoyalCharterByLaws>

Council added a Remuneration Committee as an ad-hoc Committee in 2020.

5.5 MANAGEMENT & STRUCTURE

Subject to direction and control from the Council, the Director is responsible for the overall management of the day-to-day affairs of the Institute.

The head-office team, a combination of employees and contractors, has contributed strongly to the performance summarised in this Report and their contribution is hereby recognised, with many thanks. Many members give freely of their time to support the objectives of the Institute, covering many activities and events through the year. The contribution of each and every volunteer is invaluable and is also hereby recognised, again with many thanks.

5.6 RELATIONSHIP WITH OTHER ORGANISATIONS

The Institute is a member of the European Group of Institutes of Navigation (EUGIN) and the International Association of Institutes of Navigation (IAIN). Neither organisation has any direct impact on the operating policies of the Institute. As at 31 December 2020 John Pottle, the Institute's Director, is also President of IAIN and Simon Gaskin, a Fellow of the Institute and member of Council, is Secretary General of IAIN.

Where appropriate, the Institute joins with other organisations concerned with navigation if doing so enhances its ability to pursue its objectives.

5.7 RISK MANAGEMENT

A risk register is maintained and regularly reviewed by the Audit and Risk Committee and Council. A review of the risk register, to align with the new strategy, was completed in 2020. The currently approved risk register covers the following categories: Strategic – Reputational, Insights, Professional Engineering, Diversity, Resources; Operational – Regulatory and Legal, Financial, Resources. For each identified risk, the probability and impact are assessed quantitatively and the mitigation steps are recorded. The systems or procedures to manage identified risks are established by the Trustees.

6 REFERENCE AND ADMINISTRATIVE DETAILS

6.1 CHARITY TRUSTEES

The following were Trustees on 31 December 2020:

President and Chairman of the Board of Trustees	Terry Moore
Vice Presidents:	Alan Grant
	Martin Foulger
Hon. Treasurer	Mike Hadley
Chair of Technical Committee	Bob Cockshott
Chair of Membership & Fellowship Committee:	Adam Egeland-Jensen
Chair of Audit & Risk Committee	Phil Butlin
Other trustees:	Martin Bransby
	Simon Gaskin
	Paul Hanna
	Kate Jeffery
	Collette Jeffrey
	Washington Ochieng
	Robert Orr
	Andrew Sage
	Andy Proctor

With the exception of Martin Foulger, the Trustees were as above during the first part of the year to 30 June 2020 when the Institute held its Annual General Meeting. Martin Foulger was directly elected to Vice President having previously held the position of Corporate Ex-Officio member of Council for just over three years.

6.2 DIRECTOR

John Pottle was Director of the Institute throughout 2020 and continues in this role.

6.3 RELEVANT ORGANISATIONS

6.3.1 BANKERS

Handelsbanken
125 Kensington High St
Kensington
London W8 5SF

6.3.2 SOLICITORS

Child & Child
9 Motcomb Street
London SW1X 8LE

6.3.3 AUDITORS

Knox Cropper LLP
65 Leadenhall Street
London
EC3A 2AD

7 STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimate that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

8 DECLARATIONS

The Trustees declare that they have approved the Trustees' report above.
Signed on behalf of the charity's trustees



Terry Moore
President



John Pottle
Director

9 INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROYAL INSTITUTE OF NAVIGATION

Opinion

We have audited the financial statements of The Royal Institute of Navigation (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources 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 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) 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 charity'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 11 and 12, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

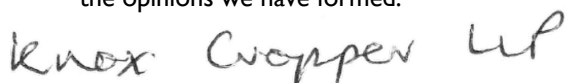
We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for> . This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.



16 July 2021

Knox Cropper LLP, Statutory Auditor
65 Leadenhall Street
London
EC3A 2AD

Knox Cropper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

10 STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2020 Total Funds £	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2019 Total Funds £
Income and Endowments From:									
Donations and Legacies	4	31,135	-	14,171	45,306	23,046	25,000	-	48,046
Charitable Activities	5	299,640	-	-	299,640	416,910	-	-	416,910
Other Trading Activities	6	11	-	-	11	201	-	-	201
Investments	7	46,100	-	-	46,100	50,639	-	-	50,639
Total		376,886	-	14,171	391,057	490,796	25,000	-	515,796
Expenditure On:									
Raising Funds	8	68,850	-	-	68,850	67,836	-	-	67,836
Charitable Activities	9								
Membership		130,124	-	-	130,124	127,235	-	-	127,235
Conferences		74,284	-	-	74,284	200,011	-	9,239	209,250
Publications		100,557	-	-	100,557	104,759	-	-	104,759
Other		3,299	-	-	3,299	5,302	-	-	5,302
Total		377,114	-	-	377,114	505,143	-	9,239	514,382
Net Income/Expenditure before gains/(losses)		(228)	-	14,171	13,943	(14,347)	25,000	(9,239)	1,414
Net Gains/(Losses) on Investments	13	(5,951)	(17,515)	-	(23,466)	51,707	71,416	-	123,123
Net Income/(Expenditure)		(6,179)	(17,515)	14,171	(9,523)	37,360	96,416	(9,239)	124,537
Gross Transfers		8,703	(8,703)	-	-	12,197	(12,197)	-	-
Net Movement in Funds		2,524	(26,218)	14,171	(9,523)	49,557	84,219	(9,239)	124,537
Reconciliation of Funds:									
Total Funds Brought Forward		530,577	1,570,415	6,109	2,107,101	481,020	1,486,196	15,348	1,982,564
Total Funds Carried Forward		533,101	1,544,197	20,280	2,097,578	530,577	1,570,415	6,109	2,107,101

II BALANCE SHEET

	Notes	2020 £	2019 £
Fixed Assets:			
Intangible Assets	12	-	3,280
Investments	13	1,934,883	1,970,064
Total Fixed Assets		<u>1,934,883</u>	<u>1,973,344</u>
Current Assets:			
Debtors	14	98,920	94,301
Cash at Bank and in Hand		227,554	185,124
Total Current Assets		<u>326,474</u>	<u>279,425</u>
Liabilities:			
Creditors: Amounts due within one year	15	163,779	145,668
Net Current Assets		<u>162,695</u>	<u>133,757</u>
Total Assets Less Liabilities		<u>2,097,578</u>	<u>2,107,101</u>
The Funds of the Charity:			
Restricted Funds	18	20,280	6,109
Designated Funds	19	1,544,197	1,570,415
Unrestricted funds		533,101	530,577
Total Charity Funds		<u>2,097,578</u>	<u>2,107,101</u>

Approved by the Trustees on April 2021 and signed on their behalf by



M. Hadley, Honorary Treasurer

The notes on pages 20 to 27 form an integral part of these financial statements

I2 STATEMENT OF CASH FLOWS

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by (used in) operating activities	A	(15,385)	47,211
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment disposal proceeds		877,781	693,782
Investment additions		(800,554)	(1,594,435)
Investment income		46,100	50,639
Purchase of intangible fixed assets		-	(6,391)
Net cash provided by (used in) investing activities		123,327	(856,405)
Change in cash and cash equivalents in the reporting period		107,942	(809,194)
Cash and cash equivalents at the beginning of the reporting period		203,129	1,012,323
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	B	311,071	203,129

NOTES TO THE CASH FLOW STATEMENT

	2020 £	2019 £
A Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the statement of financial activities)	(9,523)	124,537
Adjustments for:		
(Gain)/Loss on Investments	23,466	(123,123)
Amortisation charges	3,280	7,020
Investment income	(46,100)	(50,639)
(Increase)/decrease in debtors	(4,619)	94,504
Increase/(decrease) in creditors	18,111	(5,088)
Net cash provided by (used in) operating activities	(15,385)	47,211
B Analysis of cash and cash equivalents		
Cash at bank	227,554	185,124
Cash held by investment managers	83,517	18,005
Total cash and cash equivalent	311,071	203,129

13 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 STATUS

The Royal Institute of Navigation is a Company incorporated by Royal Charter, granted on 14th November 2006. It is a registered Charity (No 1117254) and is a public benefit entity.

2 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Financial Reporting Standard 102 and the Charities SORP (FRS 102 second edition) and in compliance with the Charities Act 2011.

a Going Concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that, even if the current pandemic were to continue beyond 2021, there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

b Incoming Resources

Annual subscriptions are payable on 1st July each year and are accounted for on an accruals basis.

Gift aid on subscriptions is recognised on the same basis as the subscriptions to which the tax refunds relate.

Conference and publications income represent the net receivable value of goods, excluding VAT.

Grants are accounted for when receivable or when received, whichever is the earlier.

c Legacy Income

Legacies are recognised when the charity is entitled to the legacy, the executors have established that there are sufficient assets in the estate after settlement of the liabilities to pay the legacy and any conditions attached to the legacy are either within the control of the charity or have been met.

Investment income and all other income is recognised on a receipts basis. No value is placed on donations received in the form of gifts where the value is not quantifiable.

d Resources Expended

(i) Allocation

The Institute allocates resources expended under the categories required by the SORP. Expenses that cannot be directly attributed to one of these categories are allocated as follows:

	Basis of allocations between categories
Staff costs	Estimated time spent on each activity
Support costs	Estimated expenditure and time spent on each activity

(ii) Equipment costs include repairs, maintenance and depreciation.

(iii) Finance costs include bank and credit charges and exchange rate adjustments.

(iv) Resources expended are recognised on an accruals basis.

e Pension Costs

The Institute operates a defined contribution pension scheme, the assets of which are held separately in an independently administered fund. The pension cost charges represent contributions payable by the Institute to the scheme in the period. Any difference between amounts charged in the statements of financial activities and paid to the pension is shown in the balance sheet as a liability or asset.

f Taxation

The Institute is registered as a charity and as such tax exemption applies to the income arising from and expended on its charitable activities.

g Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate at the date of the transaction. All differences are taken to the statement of financial activities.

h Intangible Assets

Intangible fixed assets, consisting of website and database development costs are stated at cost less accumulated amortisation and any accumulated impairment losses. Cost includes the original purchase price and costs directly attributable to bringing the asset to its working condition for its intended use. Intangible fixed assets are subject to review for impairment when there is an indication of a reduction in their carrying value. They are reviewed annually and any impairment is recognised in the year in which it occurs and amortisation is calculated using the straight-line method to allocate the cost over its expected useful life of two years.

i Tangible fixed assets

Office equipment including IT equipment, is capitalised and written off over its expected useful life as follows:

Cost over £2,000: straight line over 3 years.

Items that cost less than £2,000 are written off in the year of purchase.

j Investments

Investments held as fixed assets are stated in the balance sheet at their open market value as at the balance sheet date. Any resulting unrealised gain or loss is taken to the fund to which it relates and is shown on the statement of financial activities together with realised gains or losses arising from the sale of investments in the year.

k Stock

No account is taken of the insured value of library stocks. The costs involved in valuing such assets would outweigh any potential benefit of showing the assets in the financial statements. Stocks of merchandise for resale are written off in the year of purchase on the basis of immateriality.

l Operating Leases

Charges relating to operating leases are recognised in the statement of financial activities as they fall due.

m Branches and Special Interest Groups

All income and expenditure, and assets and liabilities of branches and Special Interest Groups are included within these financial statements.

n Unrestricted Funds

Unrestricted funds are those general funds received and utilised in furtherance of the objects of the Institute.

o Restricted Funds

Restricted funds are those funds which are subject to specified use, as laid down by the donor, or have been generated through a specific fundraising appeal.

p Designated Funds

Designated funds are monies set aside out of the general funds and designated for specific purposes by the trustees and in line with the wishes of the benefactor. Details of these funds are given in note 20.

3. NET INCOMING RESOURCES AFTER	2020	2019
	£	£
Operating Lease Costs	28,064	28,064
Amortisation of Intangible Fixed Assets	3,280	7,020
Audit Fee	4,750	4,142
4. DONATIONS AND LEGACIES		
Grants Received	29,600	22,600
Professor D Last	14,171	-
Donations under Gift Aid	1,535	446
Legacy	-	25,000
	<u>45,306</u>	<u>48,046</u>
Current year restricted donations comprised the Professor D Last donation of £14,171 (2019 - £nil).		
5. CHARITABLE ACTIVITIES		
Members' Annual Subscriptions	217,453	226,397
Gift Aid	16,349	15,887
Conference Income	-	105,537
Journal Income	59,085	59,297
Navigation News	3,553	6,162
Special Interest Groups and Branches	3,200	3,630
	<u>299,640</u>	<u>416,910</u>
6. OTHER TRADING ACTIVITIES	2020	2019
	£	£
Sales of Merchandise	11	201
	<u>11</u>	<u>201</u>
7. INVESTMENTS		
Investment Income	45,788	47,589
Bank Deposit Interest	312	3,050
	<u>46,100</u>	<u>50,639</u>
8. EXPENDITURE ON RAISING FUNDS		
Investment managers fees	12,503	3,566
Cost of Goods for Resale	-	-
AGM and Annual Reception	7,496	9,958
Staff Costs	30,424	30,043
Support Costs	18,427	24,269
	<u>68,850</u>	<u>67,836</u>

9. EXPENDITURE ON CHARITABLE ACTIVITIES	Undertaken Directly	Support Costs	2020 £	Undertaken Directly	Support Costs	2019 £
Membership						
Costs of Collecting Subscriptions	3,676			4,008		
Special Interest Groups & Branches	17,250			10,099		
Competitions				527		
Participation in International Activities				781		
Awards, Presentations & Donations	440			470		
Promotion	2,086			8,237		
	23,452	106,672	130,124	24,122	103,113	127,235
Conferences						
Conferences	14,853	59,431	74,284	140,369	68,881	209,250
Publications						
Journal Costs	7,426			11,091		
Navigation News	44,884			44,933		
	52,310	48,247	100,557	56,024	48,735	104,759
Other						
Other Costs	235	3,064	3,299	2,283	3,019	5,302
	90,850	217,414	308,264	222,798	223,748	446,546

Attendance at shows and website improvements promote safety in the relevant modes of transport, and also offer recruitment opportunities.

	2020	2019
	£	£
10. SUPPORT COSTS		
Professional registration fees	1,192	751
Meetings' Expenses	165	2,087
Occupancy Costs	26,261	23,680
Printing, including photocopier lease	5,067	5,482
Office Expenses	11,307	30,208
Other Finance Costs/income	969	1,763
Accountancy	24,192	23,777
Governance Costs	4,556	9,329
Staff Costs	192,555	180,983
	<u>266,264</u>	<u>278,060</u>
Allocated to:		
Expenditure on Raising Funds	48,851	54,312
Charitable activities	217,413	223,748
	<u>266,264</u>	<u>278,060</u>

11. STAFF COSTS

Salaries and Wages	166,828	155,427
Employer's National Insurance Contributions	14,049	13,914
Pension Contributions (Note 18)	11,166	10,388
Staff Welfare and Recruitment	512	1,254
	<u>192,555</u>	<u>180,983</u>

One employee received emoluments, including taxable benefits, exceeding £60,000 p.a. (2019: 1)
The total emoluments received by Senior Management Personnel were £126,908. (2019: £119,457).

The average number of employees during the year to 31st December 2020 was 4 (2019: 4).

	31 Dec	31 Dec
	2020	2019
12. INTANGIBLE ASSETS		
Cost:		
As at 1 st January	11,910	5,519
Additions	-	6,391
As at 31 st December	<u>11,910</u>	<u>11,910</u>
Accumulated Amortisation:		
As at 1 st January	8,630	1,610
Amortisation for the year	3,280	7,020
As at 31 st December	<u>11,910</u>	<u>8,630</u>
Net Book Value:		
As at 31 st December 2020	-	3,280
As at 31 st December 2019	<u>3,280</u>	<u>3,909</u>

13. INVESTMENTS

	31 Dec 2020	31 Dec 2019
Market Value at 1 st January	1,952,059	928,283
Disposal proceeds	(877,781)	(693,782)
Purchases	800,554	1,594,435
Net Gains and Losses on Investments in the Year	(23,466)	123,123
Market Value at 31 st December	1,851,366	1,952,059
Cash held by Investment managers for reinvestment	83,517	18,005
	1,934,883	1,970,064
The Investments Comprise:		
UK Equities	461,387	774,016
Non-UK Equities	909,235	727,611
UK Gilt and Fixed Interest funds	187,568	192,866
Multi Asset funds	87,730	97,884
Cash	83,517	18,005
Alternative investments	205,446	159,682
	1,934,883	1,970,064

None of the investments held as at 31 December 2020 were individually more than 5% of the overall market value of the Institute's investments.

14. DEBTORS

	2020 £	2019 £
Trade Debtors	11,974	20,982
Other Debtors	7,737	5,612
Accrued Income and Prepayments	79,209	67,707
	98,920	94,301

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade Creditors	11,658	3,249
Other Creditors	1,722	1,662
Other Taxes and Social Security Costs	-	2,498
Accruals and Deferred Income	43,688	27,361
Membership Subscriptions in Advance	106,711	110,898
	163,779	145,668

16. TRANSACTIONS WITH TRUSTEES

No payments are made in respect of Trustees' time, or to compensate for loss of earnings and no remuneration is paid to Trustees. There were no expense payments to Trustees during the year.

17. PENSION COSTS

Employees are given the option of joining the pension scheme operated for the Institute. The Institute operates a defined contributions pension scheme where the assets are held separately from those of the Institute and invested with an insurance company. The amount recognised in the statement of financial activities represents the amount payable during the year.

18. RESTRICTED FUNDS

	At 1st January 2020	Incoming Resources	Resources Expended	Investment Return	At 31st December 2020
	£	£	£	£	£
Young Navigator's Fund	6,109	-	-	-	6,109
Professor D Last Tribute Fund	-	14,171	-	-	14,171
	<u>6,109</u>	<u>14,171</u>	<u>-</u>	<u>-</u>	<u>20,280</u>

The Young Navigator's Fund represents donations received to fund youth projects.

The Professor D Last Tribute fund remains open to donations and is to support student participation in, and attendance at, navigation conferences.

	At 1st January 2019	Incoming Resources	Resources Expended	Investment Return	At 31st December 2019
	£	£	£	£	£
Young Navigator's Fund	6,348	-	(239)	-	6,109
Animal Navigation Fund	9,000	-	(9,000)	-	-
	<u>15,348</u>	<u>-</u>	<u>(9,239)</u>	<u>-</u>	<u>6,109</u>

19. DESIGNATED FUNDS

	At 1st January 2020	Incoming Resources	Transfer	Investment Return	At 31st December 2020
	£	£	£	£	£
Legacy	1,570,415	-	(8,703)	(17,515)	1,544,197
	<u>1,570,415</u>	<u>-</u>	<u>(8,703)</u>	<u>(17,515)</u>	<u>1,544,197</u>

The designated funds are invested to maintain real-terms capital value, with income above this applied to deliver the Institute's objectives in relation to professional registration, research grants, studentships or fellowships. The transfers represent an adjustment for investment activity in the year in the overall investment fund.

	At 1st January 2019	Incoming Resources	Resources Expended	Investment Return	At 31st December 2019
	£	£	£	£	£
Legacy	1,486,196	25,000	(12,197)	71,416	1,570,415
	<u>1,486,196</u>	<u>25,000</u>	<u>(12,197)</u>	<u>71,416</u>	<u>1,570,415</u>

20. **NET ASSETS BY FUND**

				At 31st December 2020 Total £
	Intangible Fixed Assets £	Fixed Asset Investments £	Net Current Assets £	
Unrestricted Funds	-	490,686	42,415	533,101
Designated Funds	-	1,444,197	100,000	1,544,197
Restricted Funds	-	-	20,280	20,280
	-	1,934,883	162,695	2,097,578

				At 31st December 2019 Total £
	Intangible Fixed Assets £	Fixed Asset Investments £	Net Current Assets £	
Unrestricted Funds	3,280	499,649	27,648	530,577
Designated Funds	-	1,470,415	100,000	1,570,415
Restricted Funds	-	-	6,109	6,109
	3,280	1,970,064	133,757	2,107,101

22. **FINANCIAL COMMITMENTS**

The total financial commitment under non-cancellable operating leases is as follows:

	Land and Buildings 31st December 2020 £	31st December 2019 £
Operating leases expiring: Within One Year	22,582	22,582

23. **RELATED PARTIES**

The Institute is a member of the International Association of Institutes of Navigation (IAIN) in which representatives of the Institute currently hold leadership positions. The Institute paid a subscription of £425 to IAIN in 2020 (£396 in 2019). There were no other transactions with related parties during the year).