

THE NAUTICAL FOUNDATION AND EDUCATIONAL TRUST

England & Wales · Charity number 1190343

Details

Other names	THE NAUTICAL INSTITUTE FOUNDATION
Status	Registered
Legal form	CIO
Registered	2020-07-10
Register	View on the Charity Commission register

Contact

Address The Nautical Institute
200b Lambeth Road
London
SE1 7JY

Phone 07497350198

Email john.lloyd@nautinst.org

Activities

Objects: THE OBJECTS OF THE CIO ARE, FOR THE PUBLIC BENEFIT IN ANY PART OF THE WORLD, TO ADVANCE EDUCATION IN MARITIME SAFETY, MARINE ENVIRONMENTAL PROTECTION AND RELATED SUBJECTS IN ORDER TO IMPROVE STANDARDS IN THOSE AREAS. NOTHING IN THIS CONSTITUTION SHALL AUTHORISE APPLICATION OF THE PROPERTY OF THE CIO FOR PURPOSES WHICH ARE NOT CHARITABLE IN ACCORDANCE WITH SECTION 7 OF THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT 2005 AND SECTION 2 OF THE CHARITIES ACT (NORTHERN IRELAND) 2008.

Activities: The Charity is engaged in the activities of Maritime Safety and training. It will investigate areas of concern amongst Maritime Institutions and work to develop training solutions and certification to close the safety gap for the good of all maritime stakeholders.

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Hong Kong
- Indonesia
- Philippines
- Singapore
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£280	£48,566	-	-
2023-12-31	£2,870	£89,693	-	-
2022-12-31	£1,000	£56,986	-	-
2021-12-31	£17,227	£34,160	-	-

Trustees

Name	Role	Appointed
Captain Duncan McCorquodale Telfer FNI	Chair	2020-07-10
Christopher Barry ADAMS		2020-07-12
HOWARD NATHAN WHEELER		2020-07-10
Peter Hinchliffe		2026-01-16
Peter John LLOYD		2020-07-10
Stephen Bond		2020-07-10

THE NAUTICAL FOUNDATION AND EDUCATIONAL TRUST

England & Wales - Charity number 1190343

Accounts

**The Nautical Institute
Foundation**
**Trustees Annual Report and
Unaudited Financial Statements
Year ended 31 December 2024**

Charity registration - 1190343

Contents

Legal and administrative information	3
Trustees annual report	4
Objectives and activities	4
Achievements and performance	5
Financial review	5
Structure, governance & management	5
Statement of Board of Trustees' responsibilities	5
Independent examiner's report	7
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11

Legal and administrative information

Charity name

The Nautical Institute Foundation

Charity registration no.

1190343

Company registration no.

CE022478

Registered office and contact details

c/o The Nautical Institute
200B Lambeth Road
London
SE1 7JY

Trustees

Captain Duncan McCorquodale Telfer	Chair
Christopher Barry Adams	
Stephen Bond	
Peter John Lloyd	
Howard Nathan Wheeler	

Bank

To be appointed

Independent examiner

Enaid Accountancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Trustees annual report

The Board of Trustees submit their annual report and the financial statements of The Nautical Institute Foundation for the year ended 31 December 2024.

The Board of Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, including the Charity Act 2011, as well as the requirements of the Charity's governing document and the provisions of 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The objects of the charity are:

- for the public benefit in any part of the world, to advance education in maritime safety, marine environmental protection and related subjects in order to improve standards in those areas.

Vision

Our vision is that no loss or injury to people or the environment need happen worldwide for the want of adequate access to awareness and training in the maritime community.

Mission

Working globally with maritime communities to identify, address, research and develop effective educational solutions for industry challenges, delivered in the most effective and cost-effective manner for all.

Values

- Resilience – Providing tools to build resilience to tackle the growing needs of maritime actors today, and empowering them to be the best they can.
- Partnership – An integral part of the maritime community, looked upon as dependable partners with a shared vision of need.
- Integrity – working to high personal and professional standards, delivering effective programmes and content that meets end user expectations within time and cost considerations.
- Evolution and Innovation - understanding that every assignment is different, and that stakeholder needs, and values change, along with changing public awareness. Utilising the most effective methods and latest neuroscience to ensure learning is robust and embedded effectively for long term value.
- Excellence – always open to being Challenged by the maritime community and committed to being the partner of choice in developing meaningful training material.
- Person Centric – Recognising that people are the core of everything we do – both within and outside the Foundation. Helping people to thrive despite apparent adversity.
- Equity – Delivering educational solutions to those who need it most, without fear or favour.

Public benefit

Throughout the process of determining the activities outlined in this report, the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Achievements and performance

During the year the staffing of The Nautical Institute Foundation remained at one part-time position, that of the Chief Executive.

Activities are ongoing with the engagement of a number of shipping companies on surveys with crews and retention issues. The Foundation is working closely with a company called DOMAD on this project.

While the technical engagement is positive, there remains some way to go before a financial return is likely to be made.

Expenditure was minimised during the year with the only outgoings being the salary and on-costs of the Chief Executive of the Foundation.

While the data captured has enabled the companies involved to identify areas in which they can address recruitment and retention issues, there has been no material income associated with these activities.

Meetings have also been held with the International Maritime Employers Council, IMEC, who appreciated the work done to guide companies in this important area but they too were unable to influence or identify potential revenue streams.

As the year progressed a related article for inclusion in Seaways was being drafted and the need for a wider-ranging review of activities agreed, though this work did not commence in the reported year.

The Trustees of the Foundation met as expected and continued to offer oversight of the Foundation activities while noting their concern about the lack of broader activities and the paucity of income. The Trustees shared the view that having a comprehensive review of objectives and intentions was an important step to take and one that should be undertaken during 2025.

Financial review

The Charity incurred a deficit of £48,286 (2023: deficit of £86,823) in the year resulting in a liability at the year-end of £208,028 (2023: liability of £159,742). The trustees are confident that the charity can still be considered a going concern as there is a written guarantee agreement with The Nautical Institute (registered charity number 1002462) who have agreed to guarantee any deficit up to the value of £250,000. Currently all income and expenditure is run through the Nautical Institute as well, as the charity is still in the process of opening a bank account.

Reserves policy

The Charity is currently in the process of preparing a formal reserves policy.

Structure, governance & management

The Nautical Institute Foundation is a charitable incorporated organisation and registered as a charity on 10 July 2020. The Charity was established under a Constitution that sets out the objects and powers of the charity. In the event of the company being wound up, the trustees have no liability.

Recruitment and appointment of Trustees

The constitution requires a minimum of three and a maximum number of 12 trustees.

Trustees are subject to re-election on a rolling three year basis at the Annual General Meeting, with a maximum of two consecutive terms. The Chief Executive Officer and the Honorary Treasurer of the Nautical Institute (registered charity number 1002462) are automatically trustees of the charity, and The Nautical Institute may appoint up to six of the trustees.

Statement of Board of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a 'true and fair' view of the state of affairs of the Charity and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 Charity will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that the content of the Annual Review in pages 4-6 of this document as well as the legal and administrative information on page 3, meet the requirements of the Trustees' Annual Report under charity law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011, 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

This report was approved and authorised for issue by the Board of Trustees on 30 October 2025 and signed on its behalf by:



CAPTAIN DUNCAN MCCORQUODALE TELFER CMMAR FNI
CHAIR

Independent examiner's report

I report to the trustees on my examination of the accounts of The Nautical Institute Foundation (charity number 1190343) for the year ended 31 December 2024 set out on pages 9 to 16.

Respective responsibilities of trustees and examiner

The CIO's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Charities Act). The CIO's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and,
- to state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the CIO's trustees as a body. My work has been undertaken so that I might state to the CIO's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the CIO and the CIO's trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the CIO and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters.

The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached, other than highlighting the following aspect of the accounts.

As independent examiner I would like to draw attention to the narrative around going concern which forms part of the accounting policy note (note 1) of the statutory accounts (page 11) and the additional note around the guarantee (note 10 on page 16) which explains why the trustees have prepared on the going concern basis. Following additional assurances from the trustees we are willing to agree with their conclusion that the charity can be considered a going concern.

A handwritten signature in black ink, appearing to read 'AP Nash', with a long horizontal flourish extending to the right.

ANDREW PHILIP NASH FCA

MEMBER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES – 2461833

DATED: 30 OCTOBER 2025

Enaid Accountancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Statement of financial activities

For the year ended 31 December 2024

		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		Year ended	Year ended	Year ended	Year ended
		31-Dec-24	31-Dec-24	31-Dec-24	31-Dec-23
Notes		£	£	£	£
Income from					
Charitable activities	3	280	-	280	2,870
Total income		280	-	280	2,870
Expenditure on					
Charitable activities	4	48,566	-	48,566	89,693
Total expenditure		48,566	-	48,566	89,693
Net income/(expenditure)		(48,286)	-	(48,286)	(86,823)
Reconciliation of funds					
Funds brought forward	6 & 7	(159,742)	-	(159,742)	(72,919)
Funds carried forward	6 & 7	(208,028)	-	(208,028)	(159,742)

The notes on pages 11 to 16 form part of the financial statements.

Balance sheet

As at 31 December 2024

	Notes	£	Total Funds 31-Dec-24 £	Total Funds 31-Dec-23 £
Current assets				
Cash at bank		-	-	-
Creditors				
Amounts falling due within one year	5	(208,028)	(159,742)	
Net current assets/(liabilities)			(208,028)	(159,742)
Net assets/(liabilities)			(208,028)	(159,742)
Funds of the charity				
Unrestricted funds	6 & 7		(208,028)	(159,742)
Total funds			(208,028)	(159,742)

The notes on pages 11 to 16 form part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Trustees on 30 October 2025 and signed on their behalf by:



CAPTAIN DUNCAN MCCORQUODALE TELFER CMMAR FNI
CHAIR

Notes to the financial statements

1. Accounting policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with '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) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), including Update Bulletin 1, the Charities Act 2011.

The effect of any event relating to the year ended 31 December 2024, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2024 and the results for the year ended on that date.

Using the exemption available to smaller charities, the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

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

Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. The Charity incurred a deficit of £48,286 (2023: deficit of £86,823) in the year resulting in a liability at the year-end of £208,028 (2023: liability of £159,742). The trustees are confident that the charity is still concerned a going concern as there is a written guarantee agreement with The Nautical Institute (registered charity number 1002462) who have agreed to guarantee any deficit up to the value of £250,000. Currently all income and expenditure is run through the Nautical Institute as well, as the charity continues to be unsuccessful in being able to open a bank account.

Legal status

The Nautical Institute Foundation is a charitable incorporated organisation registered in England & Wales and meets the definition of a public benefit entity as defined by FRS 102. The registered office is c/o The Nautical Institute, 202 Lambeth Road, London, SE1 7LQ.

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 that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. There are currently no restricted funds held by the Charity.

Income

Income is recognised when the charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

[1. Accounting policies \(continued from previous page\)](#)

[Income \(continued from previous page\)](#)

Income from charitable activities, including course and other fees, is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

[Expenditure and irrecoverable VAT](#)

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, those costs of an indirect nature necessary to support them and an allocation of governance costs.

Support costs are allocated between governance costs and other support costs. Governance costs comprise those costs involving the public accountability of the charity and its compliance with regulations and good practice. Other support costs relate to the administrative costs of running the charity and are allocated to charitable activities accordingly.

Irrecoverable VAT is charged against the category of expenditure for which it is incurred.

[Tangible fixed assets and depreciation](#)

All assets costing more than £500 are capitalised. There are no assets held over this amount currently.

[Cash at bank and in hand](#)

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

[Debtors](#)

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

[Creditors](#)

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

[Critical estimates and judgements](#)

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

[Financial instruments](#)

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

2. Comparative statement of financial activities

		Unrestricted Funds Year ended 31-Dec-23 £	Restricted Funds Year ended 31-Dec-23 £	Total Funds Year ended 31-Dec-23 £
Income from				
Charitable activities	3	2,870	-	2,870
Total income		2,870	-	2,870
Expenditure on				
Charitable activities	4	89,693	-	89,693
Total expenditure		89,693	-	89,693
Net income/(expenditure)		(86,823)	-	(86,823)
Reconciliation of funds				
Funds brought forward	6 & 7	(72,919)	-	(72,919)
Funds carried forward	6 & 7	(159,742)	-	(159,742)

3. Income from charitable activities

	Unrestricted Funds Year ended 31-Dec-24 £	Restricted Funds Year ended 31-Dec-24 £	Total Funds Year ended 31-Dec-24 £
Course and other fees	280	-	280
	280	-	280

	Unrestricted Funds Year ended 31-Dec-23 £	Restricted Funds Year ended 31-Dec-23 £	Total Funds Year ended 31-Dec-23 £
Course and other fees	2,870	-	2,870
	2,870	-	2,870

4. Expenditure on charitable activities

	Unrestricted Funds Year ended 31-Dec-24 £	Restricted Funds Year ended 31-Dec-24 £	Total Funds Year ended 31-Dec-24 £
Staff and consultants	47,816	-	47,816
Governance	750	-	750
	48,566	-	48,566

	Unrestricted Funds Year ended 31-Dec-23 £	Restricted Funds Year ended 31-Dec-23 £	Total Funds Year ended 31-Dec-23 £
Staff and consultants	88,531	-	88,531
Governance	1,162	-	1,162
	89,693	-	89,693

Staff and consultants includes costs related to a member of staff of The Nautical Institute (registered charity number 1002462) who is employed by them to run the Nautical Institute Foundation. Whilst not employed by the Foundation, they are considered a member of key management personnel and the total recharged cost to the Foundation in the year was £47,816 (2023: £47,815)

Governance costs consists of:

	Total Funds Year ended 31-Dec-24 £	Total Funds Year ended 31-Dec-23 £
Independent examination	750	750
Trustee expenses	-	412
	750	1,162

5. Creditors

	Total Funds 31-Dec-24 £	Total Funds 31-Dec-23 £
Accruals - amount owed to The Nautical Institute	207,278	158,992
Other	750	750
	208,028	159,742

6. Analysis of charity funds

	Balance brought forward Year ended 31-Dec-24 £	Income for the period Year ended 31-Dec-24 £	Expenditure in the period Year ended 31-Dec-24 £	Transfers between funds Year ended 31-Dec-24 £	Balance carried forward Year ended 31-Dec-24 £
General funds	(159,742)	280	(48,566)	-	(208,028)
	(159,742)	280	(48,566)	-	(208,028)
	Balance brought forward Year ended 31-Dec-23 £	Income for the period Year ended 31-Dec-23 £	Expenditure in the period Year ended 31-Dec-23 £	Transfers between funds Year ended 31-Dec-23 £	Balance carried forward Year ended 31-Dec-23 £
General funds	(72,919)	2,870	(89,693)	-	(159,742)
	(72,919)	2,870	(89,693)	-	(159,742)

7. Analysis of net assets

	Unrestricted Funds Year ended 31-Dec-24 £	Restricted Funds Year ended 31-Dec-24 £	Total Funds Year ended 31-Dec-24 £
Current liabilities	(208,028)	-	(208,028)
	(208,028)	-	(208,028)
	Unrestricted Funds Year ended 31-Dec-23 £	Restricted Funds Year ended 31-Dec-23 £	Total Funds Year ended 31-Dec-23 £
Current liabilities	(159,742)	-	(159,742)
	(159,742)	-	(159,742)

8. Trustee remuneration

During the year, no trustee received any remuneration (2023: Nil).

No member of the Board of Trustees received reimbursement of travel and subsistence expenses for board meetings in the year (2023: One member totalling £412).

9. Related party transactions

During the year there were no transactions carried out with related parties other than the guarantee noted below (2023: Nil).

Total unrestricted donations from Trustees in the period amounted to £Nil (2023: £Nil).

10. Guarantee from The Nautical Institute

As noted within the accounting policy and trustees annual report the charity has a financial guarantee agreement in place with The Nautical Institute (registered charity number 1002462). This enables the Trustees to request immediate payment of a sum of up to £250,000 should further deficits be incurred at any point up to the 31 December 2025.

It should also be noted that the two charities share one board member - Captain D Telfer is chair of The Nautical Institute Foundation and also treasurer of The Nautical Institute. In addition, John Lloyd is both a trustee of The Nautical Institute Foundation and CEO of The Nautical Institute.

THE NAUTICAL FOUNDATION AND EDUCATIONAL TRUST

England & Wales - Charity number 1190343

Accounts

**The Nautical Institute
Foundation**
**Trustees Annual Report and
Unaudited Financial Statements
Year ended 31 December 2023**

Charity registration - 1190343

Contents

Legal and administrative information	3
Trustees annual report	4
Objectives and activities	4
Achievements and performance	5
Financial review	6
Structure, governance & management	6
Statement of Board of Trustees' responsibilities	6
Independent examiner's report	8
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12

Legal and administrative information

Charity name

The Nautical Institute Foundation

Charity registration no.

1190343

Company registration no.

CE022478

Registered office and contact details

c/o The Nautical Institute
202 Lambeth Road
London
SE1 7LQ

Trustees

Captain Duncan McCorquodale Telfer	Chair
Christopher Barry Adams	
Stephen Bond	
Peter John Lloyd	
Howard Nathan Wheeler	

Bank

To be appointed

Independent examiner

Enaid Accountancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Trustees annual report

The Board of Trustees submit their annual report and the financial statements of The Nautical Institute Foundation for the year ended 31 December 2023.

The Board of Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, including the Charity Act 2011, as well as the requirements of the Charity's governing document and the provisions of 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The objects of the charity are:

- for the public benefit in any part of the world, to advance education in maritime safety, marine environmental protection and related subjects in order to improve standards in those areas.

Vision

Our vision is that no loss or injury to people or the environment need happen worldwide for the want of adequate access to awareness and training in the maritime community.

Mission

Working globally with maritime communities to identify, address, research and develop effective educational solutions for industry challenges, delivered in the most effective and cost-effective manner for all.

Values

- Resilience – Providing tools to build resilience to tackle the growing needs of maritime actors today, and empowering them to be the best they can.
- Partnership – An integral part of the maritime community, looked upon as dependable partners with a shared vision of need.
- Integrity – working to high personal and professional standards, delivering effective programmes and content that meets end user expectations within time and cost considerations.
- Evolution and Innovation - understanding that every assignment is different, and that stakeholder needs, and values change, along with changing public awareness. Utilising the most effective methods and latest neuroscience to ensure learning is robust and embedded effectively for long term value.
- Excellence – always open to being Challenged by the maritime community and committed to being the partner of choice in developing meaningful training material.
- Person Centric – Recognising that people are the core of everything we do – both within and outside the Foundation. Helping people to thrive despite apparent adversity.
- Equity – Delivering educational solutions to those who need it most, without fear or favour.

Public benefit

Throughout the process of determining the activities outlined in this report, the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Achievements and performance

During 2023, The Nautical Institute Foundation has continued its engagement with industry seeking to understand and advise on matters related to the selection, recruitment and especially the retention of employees in seagoing positions with major shipping companies.

The talent drain is a source of concern for a number of companies and understanding the dynamics affecting company loyalty impacts on personal development and improvements to safe operations aligned with company culture.

In particular this links to the leadership positions in organisations where such development is essential to support the effectiveness of operations at sea and on shore.

The Nautical Institute Foundation has been developing a data gathering platform and questionnaire for use in understanding the leadership challenges which exist in the shipping Industry today. The questionnaire has been developed to gather essential data that will assist in understanding the gaps in leadership competency today and will, with further analysis, assist in understanding where targeted development can be developed by the Nautical Institute Foundation to raise the level of leadership competence required in this most dynamic of industries.

The key to meaningful success will be through an analysis of essential elements missing in today's fast paced, process driven work environment. The Foundation believes that the focus on procedures and process has denied employees the freedom to understand and develop solutions to the myriad of challenges which are unforeseen in the Volatile, Uncertain, Complex and Ambiguous (VUCA) world that we now occupy. These challenges require agile tools and people to navigate it successfully, and to lead with Resilience (advancing despite adversity).

The Foundation has developed an industry survey that will uncover the cultural and leadership challenges that exist within an organisation so that interventions can be targeted to the appropriate areas, to identify and remove barriers that may be blocking progress and free up organisations to do what is needed in this complex and challenging environment.

Its Foundation's business model is to work with companies to understand what challenges are affecting them the most. We take data and feedback from across the industry, including insurers, and discuss with operators and their employees where their biggest challenges lie. We then provide appropriate diagnostics and solutions to these challenges.

The project on leadership has been a particularly complex one that required extensive industry discussion and consultation, including with insurers and regulatory bodies. This phase has now been largely completed and the Foundation is now engaging with organisations to start studies on a fee for service basis that will lead to the development of "paid" solutions with associated income for the foundation.

The foundation recognizes a significant debt has accrued to The Nautical Institute accumulated as a result of R&D costs. This debt will reduce over time as income will be earned as an analysis of each individual company is carried out using our new tools and associated solutions are devised.

Much of the research costs have been offset by engaging with a third party who has agreed to cover development costs and will be an active participant in further activities. Once the leadership project gathers momentum the foundation will be developing work in other areas to expand its scope and reach into the shipping domain. It is anticipated the foundation will reduce its debt to the NI by half in 2025 and to zero by the end of 2026, thereafter making a surplus to support The Nautical Institute or other areas prioritized by the Trustees

Future course work will accrue as the topic of leadership and its associated elements emerge from discussions with shipping entities. The scope for leadership development is large and the needs are deemed to be large as a consequence of insurance company feedback. The aviation sector has recognized this as evidenced by the work of companies like Quintessence, an organisation assisting companies develop their leadership competence. The Nautical Institute Foundation is developing diagnostic tools to analyse this and tackle the frequently under estimated elements of the leadership challenge today turning a page of innovation and development that will continue to support the work of The Nautical Institute.

Financial review

The Charity incurred a deficit of £86,823 (2022: deficit of £55,986) in the year resulting in a liability at the year-end of £159,742 (2022: liability of £72,919). The trustees are confident that the charity can still be considered a going concern as there is a written guarantee agreement with The Nautical Institute (registered charity number 1002462) who have agreed to guarantee any deficit up to the value of £250,000. Currently all income and expenditure is run through the Nautical Institute as well, as the charity is still in the process of opening a bank account.

Reserves policy

The Charity is currently in the process of preparing a formal reserves policy.

Structure, governance & management

The Nautical Institute Foundation is a charitable incorporated organisation and registered as a charity on 10 July 2020. The Charity was established under a Constitution that sets out the objects and powers of the charity. In the event of the company being wound up, the trustees have no liability.

Recruitment and appointment of Trustees

The constitution requires a minimum of three and a maximum number of 12 trustees.

Trustees are subject to re-election on a rolling three year basis at the Annual General Meeting, with a maximum of two consecutive terms. The Chief Executive Officer and the Honorary Treasurer of the Nautical Institute (registered charity number 1002462) are automatically trustees of the charity, and The Nautical Institute may appoint up to six of the trustees.

Statement of Board of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a 'true and fair' view of the state of affairs of the Charity and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 Charity will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that the content of the Annual Review in pages 4-7 of this document as well as the legal and administrative information on page 3, meet the requirements of the Trustees' Annual Report under charity law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011, 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

This report was approved and authorised for issue by the Board of Trustees on 30 October 2024 and signed on its behalf by:



CAPTAIN DUNCAN MCCORQUODALE TELFER

CHAIR

Independent examiner's report

I report to the trustees on my examination of the accounts of The Nautical Institute Foundation (charity number 1190343) for the year ended 31 December 2023 set out on pages 10 to 17.

Respective responsibilities of trustees and examiner

The CIO's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Charities Act). The CIO's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and,
- to state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the CIO's trustees as a body. My work has been undertaken so that I might state to the CIO's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the CIO and the CIO's trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the CIO and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters.

The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached, other than highlighting the following aspect of the accounts.

As independent examiner I would like to draw attention to the narrative around going concern which forms part of the accounting policy note (note 1) of the statutory accounts (page 12) and the additional note around the guarantee (note 10 on page 17) which explains why the trustees have prepared on the going concern basis. Following additional assurances from the trustees we are willing to agree with their conclusion that the charity can be considered a going concern.

A handwritten signature in black ink, appearing to read 'AP Nash', with a long horizontal flourish extending to the right.

ANDREW PHILIP NASH FCA

MEMBER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES – 2461833

DATED: 30 OCTOBER 2024

Enaid Accountancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Statement of financial activities

For the year ended 31 December 2023

		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		Year ended	Year ended	Year ended	Year ended
		31-Dec-23	31-Dec-23	31-Dec-23	31-Dec-22
Notes		£	£	£	£
Income from					
Donations and legacies	3	-	-	-	1,000
Charitable activities		2,870	-	2,870	-
Total income		2,870	-	2,870	1,000
Expenditure on					
Charitable activities	4	89,693	-	89,693	56,986
Total expenditure		89,693	-	89,693	56,986
Net income/(expenditure)		(86,823)	-	(86,823)	(55,986)
Reconciliation of funds					
Funds brought forward	6 & 7	(72,919)	-	(72,919)	(16,933)
Funds carried forward	6 & 7	(159,742)	-	(159,742)	(72,919)

The notes on pages 12 to 17 form part of the financial statements.

Balance sheet

As at 31 December 2023

	Notes	£	Total Funds 31-Dec-23 £	Total Funds 31-Dec-22 £
Current assets				
Cash at bank		-	-	
Creditors				
Amounts falling due within one year	5	(159,742)	(72,919)	
Net current assets			(159,742)	(72,919)
Net assets			(159,742)	(72,919)
Funds of the charity				
Unrestricted funds	6 & 7		(159,742)	(72,919)
Total funds			(159,742)	(72,919)

The notes on pages 12 to 17 form part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Trustees on 30 October 2024 and signed on their behalf by:



CAPTAIN DUNCAN MCCORQUODALE TELFER
CHAIR

Notes to the financial statements

1. Accounting policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with '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) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), including Update Bulletin 1, the Charities Act 2011.

The effect of any event relating to the year ended 31 December 2023, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2023 and the results for the year ended on that date.

Using the exemption available to smaller charities, the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

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

Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. The Charity incurred a deficit of £86,823 (2022: deficit of £55,986) in the year resulting in a liability at the year-end of £159,742 (2022: liability of £72,919). The trustees are confident that the charity is still concerned a going concern as there is a written guarantee agreement with The Nautical Institute (registered charity number 1002462) who have agreed to guarantee any deficit up to the value of £250,000. Currently all income and expenditure is run through the Nautical Institute as well, as the charity continues to be unsuccessful in being able to open a bank account.

Legal status

The Nautical Institute Foundation is a charitable incorporated organisation registered in England & Wales and meets the definition of a public benefit entity as defined by FRS 102. The registered office is c/o The Nautical Institute, 202 Lambeth Road, London, SE1 7LQ.

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 that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. There are currently no restricted funds held by the Charity.

Income

Income is recognised when the charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

1. Accounting policies (continued from previous page)

Income (continued from previous page)

Income from charitable activities, including course and other fees, is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, those costs of an indirect nature necessary to support them and an allocation of governance costs.

Support costs are allocated between governance costs and other support costs. Governance costs comprise those costs involving the public accountability of the charity and its compliance with regulations and good practice. Other support costs relate to the administrative costs of running the charity and are allocated to charitable activities accordingly.

Irrecoverable VAT is charged against the category of expenditure for which it is incurred.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised. There are no assets held over this amount currently.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

Debtors

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

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

Critical estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

2. Comparative statement of financial activities

		Unrestricted Funds Year ended 31-Dec-22 £	Restricted Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-22 £
	Notes			
Income from				
Donations and legacies	3	1,000	-	1,000
Total income		1,000	-	1,000
Expenditure on				
Charitable activities	4	56,986	-	56,986
Total expenditure		56,986	-	56,986
Net income/(expenditure)		(55,986)	-	(55,986)
Reconciliation of funds				
Funds brought forward	6 & 7	(16,933)	-	(16,933)
Funds carried forward	6 & 7	(72,919)	-	(72,919)

3. Income from donations

	Unrestricted Funds Year ended 31-Dec-23 £	Restricted Funds Year ended 31-Dec-23 £	Total Funds Year ended 31-Dec-23 £
Donations	-	-	-
	-	-	-

	Unrestricted Funds Year ended 31-Dec-22 £	Restricted Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-22 £
Donations	1,000	-	1,000
	1,000	-	1,000

4. Expenditure on charitable activities

	Unrestricted Funds Year ended 31-Dec-23 £	Restricted Funds Year ended 31-Dec-23 £	Total Funds Year ended 31-Dec-23 £
Staff and consultants	88,531	-	88,531
Governance	1,162	-	1,162
	89,693	-	89,693

	Unrestricted Funds Year ended 31-Dec-22 £	Restricted Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-22 £
Staff and consultants	55,146	-	55,146
Legal and professional fees	644	-	644
Administration costs	476	-	476
Governance	720	-	720
	56,986	-	56,986

Staff and consultants includes costs related to a member of staff of The Nautical Institute (registered charity number 1002462) who is employed by them to run the Nautical Institute Foundation. Whilst not employed by the Foundation, they are considered a member of key management personnel and the total recharged cost to the Foundation in the year was £47,815 (2022: £25,085)

Governance costs consists of:

	Total Funds Year ended 31-Dec-23 £	Total Funds Year ended 31-Dec-22 £
Independent examination	750	720
Trustee expenses	412	-
	1,162	720

5. Creditors

	Total Funds 31-Dec-23 £	Total Funds 31-Dec-22 £
Accruals - amount owed to The Nautical Institute	158,992	72,199
Accruals - other	750	720
	159,742	72,919

6. Analysis of charity funds

	Balance brought forward Year ended 31-Dec-23 £	Income for the period Year ended 31-Dec-23 £	Expenditure in the period Year ended 31-Dec-23 £	Transfers between funds Year ended 31-Dec-23 £	Balance carried forward Year ended 31-Dec-23 £
General funds	(72,919)	2,870	(89,693)	-	(159,742)
	(72,919)	2,870	(89,693)	-	(159,742)
	Balance brought forward Year ended 31-Dec-22 £	Income for the period Year ended 31-Dec-22 £	Expenditure in the period Year ended 31-Dec-22 £	Transfers between funds Year ended 31-Dec-22 £	Balance carried forward Year ended 31-Dec-22 £
General funds	(16,933)	1,000	(56,986)	-	(72,919)
	(16,933)	1,000	(56,986)	-	(72,919)

7. Analysis of net assets

	Unrestricted Funds Year ended 31-Dec-23 £	Restricted Funds Year ended 31-Dec-23 £	Total Funds Year ended 31-Dec-23 £
Current liabilities	(159,742)	-	(159,742)
	(159,742)	-	(159,742)
	Unrestricted Funds Year ended 31-Dec-22 £	Restricted Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-22 £
Current liabilities	(72,919)	-	(72,919)
	(72,919)	-	(72,919)

8. Trustee remuneration

During the year, no trustee received any remuneration (2022: Nil).

One member of the Board of Trustees received reimbursement of travel and subsistence expenses for board meetings in the year totalling £412 (2022: Nil).

9. Related party transactions

During the year there were no transactions carried out with related parties other than the guarantee noted below (2022: Nil).

Total unrestricted donations from Trustees in the period amounted to £Nil (2022: £Nil).

10. Guarantee from The Nautical Institute

As noted within the accounting policy and trustees annual report the charity has a financial guarantee agreement in place with The Nautical Institute (registered charity number 1002462). This enables the Trustees to request immediate payment of a sum of £160,000 with respect to the cumulative deficit at any point up to the 31 December 2025. It also extends this guarantee up to £250,000 should further deficits be incurred.

It should also be noted that the two charities share one board member - Captain D Telfer is chair of The Nautical Institute Foundation and also treasurer of The Nautical Institute.

THE NAUTICAL FOUNDATION AND EDUCATIONAL TRUST

England & Wales - Charity number 1190343

Accounts

**The Nautical Institute
Foundation**
**Trustees Annual Report and
Unaudited Financial Statements
Year ended 31 December 2022**

Charity registration - 1190343

Contents

Legal and administrative information	3
Trustees annual report	4
Objectives and activities	4
Achievements and performance	5
Financial review	5
Structure, governance & management	6
Statement of Board of Trustees' responsibilities	6
Independent examiner's report	8
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12

Legal and administrative information

Charity name

The Nautical Institute Foundation

Charity registration no.

1190343

Company registration no.

CE022478

Registered office and contact details

c/o The Nautical Institute
202 Lambeth Road
London
SE1 7LQ

Trustees

Captain Duncan McCorquodale Telfer	Chair
Christopher Barry Adams	
Stephen Bond	
Peter John Lloyd	
Howard Nathan Wheeler	

Bank

To be appointed

Independent examiner

Andy Nash Accounting & Consultancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Trustees annual report

The Board of Trustees submit their annual report and the financial statements of The Nautical Institute Foundation for the year ended 31 December 2022.

The Board of Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, including the Charity Act 2011, as well as the requirements of the Charity's governing document and the provisions of 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The objects of the charity are:

- for the public benefit in any part of the world, to advance education in maritime safety, marine environmental protection and related subjects in order to improve standards in those areas.

Vision

Our vision is that no loss or injury to people or the environment need happen worldwide for the want of adequate access to awareness and training in the maritime community.

Mission

Working globally with maritime communities to identify, address, research and develop effective educational solutions for industry challenges, delivered in the most effective and cost-effective manner for all.

Values

- Resilience – Providing tools to build resilience to tackle the growing needs of maritime actors today, and empowering them to be the best they can.
- Partnership – An integral part of the maritime community, looked upon as dependable partners with a shared vision of need.
- Integrity – working to high personal and professional standards, delivering effective programmes and content that meets end user expectations within time and cost considerations.
- Evolution and Innovation - understanding that every assignment is different, and that stakeholder needs, and values change, along with changing public awareness. Utilising the most effective methods and latest neuroscience to ensure learning is robust and embedded effectively for long term value.
- Excellence – always open to being Challenged by the maritime community and committed to being the partner of choice in developing meaningful training material.
- Person Centric – Recognising that people are the core of everything we do – both within and outside the Foundation. Helping people to thrive despite apparent adversity.
- Equity – Delivering educational solutions to those who need it most, without fear or favour.

Public benefit

Throughout the process of determining the activities outlined in this report, the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Achievements and performance

The goal of the National Institute Foundation is to develop training for the wider maritime industry in areas not well supported at this time. Its training is provided to all shipping entities, countries, organisations and individuals. It is not restricted to members of the Nautical institute. Training is designed to be cost effective and relevant to today's maritime challenges. The foundation's first course was designed to assist seafarers with the challenges of cyber crime on board their vessels. The course was developed in concert with US Cyber company Hudson Cyber.

A second project is underway to meet the leadership challenges at sea today. In response to concern by the International Group of P&I, the foundation has engaged with external leadership expertise to develop a distance learning program for seafarers and office managers to develop leadership skills appropriate in today's VUCA environment. The shift to ISO systems of management, more centralised control of operations and efficient communication have reduced the leadership capabilities of mariners today and consequently caused some unexpected challenges and reduced the desire of many people to continue or seek a career at sea. The prospect of further automation and control from ashore has also lessened the attractiveness of seagoing employment. This project has taken much longer than expected to get off the ground due to a shortage of funding from maritime charities. The development and scoping of the programme continued with the limited support of the NI. A leadership organisational survey is about to be released which will help the foundation determine where the gaps in leadership competence lie and with this data the foundation is ready to develop the training skills required to tackle the challenge. The first data is expected by end 2023/start 2024 with additional data expected shortly afterwards.

The industry has shown a great deal of interest in this topic and it is considered a key skill requirement for successfully navigating in today's complex world.

The Foundation wants to bring meaningful cost-effective training solutions to the maritime industry in areas where such solutions are not currently readily available. It seeks to do this by engaging with key industry stakeholders such as P&I clubs to learn where support may be needed. The Foundation seeks to be an agent of change to improve professionalism at sea and to improve the attractiveness of careers at sea through empowering seafarers with the tools to be resilient, autonomous, engaged and driven. This can either be through the development of hard technical skills or soft management skills and leadership competence.

Only by liaising with all aspects of industry can we focus on the high priority items and help design solutions.

Up until the 31st December 2021 the foundation focused on Cyber security with the help of industrial partner Hudson Cyber. The course was not as well subscribed as had been hoped. Initiatives are underway to further promote the course including price adjustments.

Initial discussions were held with a number of partners on the challenges inherent in the liquefaction of solid bulk cargo. Discussions have been slow and somewhat restricted by the potential inability to influence shipper terminals who operate under IMO guidelines and thus there is limited scope to interfere beyond those guidelines. The IMO also advised that work was underway by them to improve Bulk Carrier safety and advised the NIF to hold back on further work.

The foundation continues to operate with 0.5 FTE consultant but is unable to justify further increases until greater traction is obtained in the market. Input into the work of the Foundation is determined by the trustees and by some important volunteers with industry influence. The foundation does not believe it has a place in competing with commercial training vendors with established programs. It seeks to identify gaps in the market and offer cost effective solutions that meet a real and pressing need. It works with its stakeholders to identify these and develop the programs on its own or with strategic partners. It has been developing a list of pressing needs for the industry and once the leadership program has been launched it will pursue these additional programs.

Financial review

The Charity incurred a deficit of £55,986 (2021: deficit of £16,933) in the year resulting in a liability at the year-end of £72,919 (2021: liability of £16,933). The trustees are confident that the charity is still concerned a going concern as there is a written guarantee agreement with The Nautical Institute (registered charity

number 1002462) who have agreed to guarantee any deficit up to the value of £250,000. Currently all income and expenditure is run through the Nautical Institute as well, as the charity is still in the process of opening a bank account.

[Reserves policy](#)

The Charity is currently in the process of preparing a formal reserves policy.

Structure, governance & management

The Nautical Institute Foundation is a charitable incorporated organisation and registered as a charity on 10 July 2020. The Charity was established under a Constitution that sets out the objects and powers of the charity. In the event of the company being wound up, the trustees have no liability.

[Recruitment and appointment of Trustees](#)

The constitution requires a minimum of three and a maximum number of 12 trustees.

Trustees are subject to re-election on a rolling three year basis at the Annual General Meeting, with a maximum of two consecutive terms. The Chief Executive Officer and the Honorary Treasurer of the Nautical Institute (registered charity number 1002462) are automatically trustees of the charity, and The Nautical Institute may appoint up to six of the trustees.

Statement of Board of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a 'true and fair' view of the state of affairs of the Charity and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 Charity will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that the content of the Annual Review in pages 4-7 of this document as well as the legal and administrative information on

page 3, meet the requirements of the Trustees' Annual Report under charity law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011, 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

This report was approved and authorised for issue by the Board of Trustees on 27 October 2023 and signed on its behalf by:



CAPTAIN DUNCAN MCCORQUODALE TELFER

CHAIR

Independent examiner's report

I report to the trustees on my examination of the accounts of The Nautical Institute Foundation (charity number 1190343) for the year ended 31 December 2022 set out on pages 10 to 17.

Respective responsibilities of trustees and examiner

The CIO's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Charities Act). The CIO's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and,
- to state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the CIO's trustees as a body. My work has been undertaken so that I might state to the CIO's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the CIO and the CIO's trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the CIO and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters.

The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached, other than to draw attention to the note around going concern which forms part of the accounting policy note (note 1) of the statutory accounts (page 12) which explains why the trustees have prepared on the going concern basis, and we have no concerns over this assumption.

A handwritten signature in black ink, appearing to read 'APNash', with a long horizontal line extending to the right.

ANDREW PHILIP NASH ACA

MEMBER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES – 2461833

DATED: 30 OCTOBER 2023

Andy Nash Accounting & Consultancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Statement of financial activities

For the year ended 31 December 2022

		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		Year ended	Year ended	Year ended	Year ended
		31-Dec-22	31-Dec-22	31-Dec-22	31-Dec-21
	Notes	£	£	£	£
Income from					
Donations and legacies	3	1,000	-	1,000	17,227
Total income		1,000	-	1,000	17,227
Expenditure on					
Charitable activities	4	56,986	-	56,986	34,160
Total expenditure		56,986	-	56,986	34,160
Net income/(expenditure)		(55,986)	-	(55,986)	(16,933)
Reconciliation of funds					
Funds brought forward	6 & 7	(16,933)	-	(16,933)	-
Funds carried forward	6 & 7	(72,919)	-	(72,919)	(16,933)

The notes on pages 12 to 17 form part of the financial statements.

Balance sheet

As at 31 December 2022

	Notes	£	Total Funds 31-Dec-22	£	Total Funds 31-Dec-21	£
Current assets						
Cash at bank		-		-		
Creditors						
Amounts falling due within one year	5	(72,919)		(16,933)		
Net current assets			(72,919)			(16,933)
Net assets			(72,919)			(16,933)
Funds of the charity						
Unrestricted funds	6 & 7		(72,919)			(16,933)
Total funds			(72,919)			(16,933)

The notes on pages 12 to 17 form part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Trustees on 27 October 2023 and signed on their behalf by:



CAPTAIN DUNCAN MCCORQUODALE TELFER
CHAIR

Notes to the financial statements

1. Accounting policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with '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) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), including Update Bulletin 1, the Charities Act 2011.

The effect of any event relating to the year ended 31 December 2022, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2022 and the results for the year ended on that date.

Using the exemption available to smaller charities, the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

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

Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. The Charity incurred a deficit of £55,986 (2021: deficit of £16,933) in the year resulting in a liability at the year-end of £72,919 (2021: liability of £16,933). The trustees are confident that the charity is still concerned a going concern as there is a written guarantee agreement with The Nautical Institute (registered charity number 1002462) who have agreed to guarantee any deficit up to the value of £250,000. Currently all income and expenditure is run through the Nautical Institute as well, as the charity is still in the process of opening a bank account.

Legal status

The Nautical Institute Foundation is a charitable incorporated organisation registered in England & Wales and meets the definition of a public benefit entity as defined by FRS 102. The registered office is c/o The Nautical Institute, 202 Lambeth Road, London, SE1 7LQ.

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 that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. There are currently no restricted funds held by the Charity.

Income

Income is recognised when the charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

1. Accounting policies (continued from previous page)

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, those costs of an indirect nature necessary to support them and an allocation of governance costs.

Support costs are allocated between governance costs and other support costs. Governance costs comprise those costs involving the public accountability of the charity and its compliance with regulations and good practice. Other support costs relate to the administrative costs of running the charity and are allocated to charitable activities accordingly.

Irrecoverable VAT is charged against the category of expenditure for which it is incurred.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised. There are no assets held over this amount currently.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

Debtors

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

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

Critical estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

2. Comparative statement of financial activities

		Unrestricted Funds Year ended 31-Dec-22 £	Restricted Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-22 £
	Notes			
Income from				
Donations and legacies	3	17,227	-	17,227
Total income		17,227	-	17,227
Expenditure on				
Charitable activities	4	34,160	-	34,160
Total expenditure		34,160	-	34,160
Net income/(expenditure)		(16,933)	-	(16,933)
Reconciliation of funds				
Funds brought forward		-	-	-
Funds carried forward		(16,933)	-	(16,933)

3. Income from donations

	Unrestricted Funds Year ended 31-Dec-22 £	Restricted Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-22 £
Donations	1,000	-	1,000
	1,000	-	1,000

	Unrestricted Funds Year ended 31-Dec-21 £	Restricted Funds Year ended 31-Dec-21 £	Total Funds Year ended 31-Dec-21 £
Grants	7,227	-	7,227
Donations	10,000	-	10,000
	17,227	-	17,227

4. Expenditure on charitable activities

	Unrestricted Funds Year ended 31-Dec-22 £	Restricted Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-22 £
Consultants	55,146	-	55,146
Legal and professional fees	644	-	644
Administration costs	476	-	476
Governance	720	-	720
	56,986	-	56,986
	Unrestricted Funds Year ended 31-Dec-21 £	Restricted Funds Year ended 31-Dec-21 £	Total Funds Year ended 31-Dec-21 £
Consultants	33,440	-	33,440
Governance	720	-	720
	34,160	-	34,160

Governance costs consists of:

	Total Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-21 £
Independent examination	720	720
	720	720

5. Creditors

	Total Funds 31-Dec-22 £	Total Funds 31-Dec-21 £
Accruals	72,919	16,933
	72,919	16,933

6. Analysis of charity funds

	Balance brought forward Year ended 31-Dec-22 £	Income for the period Year ended 31-Dec-22 £	Expenditure in the period Year ended 31-Dec-22 £	Transfers between funds Year ended 31-Dec-22 £	Balance carried forward Year ended 31-Dec-22 £
General funds	(16,933)	1,000	(56,986)	-	(72,919)
	(16,933)	1,000	(56,986)	-	(72,919)

	Balance brought forward Year ended 31-Dec-21 £	Income for the period Year ended 31-Dec-21 £	Expenditure in the period Year ended 31-Dec-21 £	Transfers between funds Year ended 31-Dec-21 £	Balance carried forward Year ended 31-Dec-21 £
General funds	-	17,227	(34,160)	-	(16,933)
	-	17,227	(34,160)	-	(16,933)

7. Analysis of net assets

	Unrestricted Funds Year ended 31-Dec-22 £	Restricted Funds Year ended 31-Dec-22 £	Total Funds Year ended 31-Dec-22 £
Current liabilities	(72,919)	-	(72,919)
	(72,919)	-	(72,919)
	Unrestricted Funds Year ended 31-Dec-21 £	Restricted Funds Year ended 31-Dec-21 £	Total Funds Year ended 31-Dec-21 £
Current liabilities	(16,933)	-	(16,933)
	(16,933)	-	(16,933)

8. Trustee remuneration

During the year, no trustee received any remuneration (2021: Nil).

No members of the Board of Trustees received reimbursement of travel and subsistence expenses for board meetings in the year (2021: Nil).

9. Related party transactions

During the year there were no transactions carried out with related parties (2021: Nil).

Total unrestricted donations from Trustees in the period amounted to £Nil (2021: £10,000).

THE NAUTICAL FOUNDATION AND EDUCATIONAL TRUST

England & Wales - Charity number 1190343

Accounts

**The Nautical Institute
Foundation**
**Trustees Annual Report and
Unaudited Financial Statements
Year ended 31 December 2021**

Charity registration - 1190343

Contents

Legal and administrative information	3
Trustees annual report	4
Objectives and activities	4
Achievements and performance	5
Financial review	5
Structure, governance & management	6
Statement of Board of Trustees' responsibilities	6
Independent examiner's report	8
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12

Legal and administrative information

Charity name

The Nautical Institute Foundation

Charity registration no.

1190343

Company registration no.

CE022478

Registered office and contact details

c/o The Nautical Institute
202 Lambeth Road
London
SE1 7LQ

Trustees

Captain Duncan McCorquodale Telfer	Chair
Christopher Barry Adams	
Stephen Bond	
Peter John Lloyd	
Howard Nathan Wheeler	

Bank

To be appointed

Independent examiner

Andy Nash Accounting & Consultancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Trustees annual report

The Board of Trustees submit their annual report and the financial statements of The Nautical Institute Foundation for the year ended 31 December 2021.

The Board of Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, including the Charity Act 2011, as well as the requirements of the Charity's governing document and the provisions of 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The objects of the charity are:

- for the public benefit in any part of the world, to advance education in maritime safety, marine environmental protection and related subjects in order to improve standards in those areas.

Vision

Our vision is that no loss or injury to people or the environment need happen worldwide for the want of adequate access to awareness and training in the maritime community.

Mission

Working globally with maritime communities to identify, address, research and develop effective educational solutions for industry challenges, delivered in the most effective and cost-effective manner for all.

Values

- Resilience – Providing tools to build resilience to tackle the growing needs of maritime actors today, and empowering them to be the best they can.
- Partnership – An integral part of the maritime community, looked upon as dependable partners with a shared vision of need.
- Integrity – working to high personal and professional standards, delivering effective programmes and content that meets end user expectations within time and cost considerations.
- Evolution and Innovation - understanding that every assignment is different, and that stakeholder needs, and values change, along with changing public awareness. Utilising the most effective methods and latest neuroscience to ensure learning is robust and embedded effectively for long term value.
- Excellence – always open to being Challenged by the maritime community and committed to being the partner of choice in developing meaningful training material.
- Person Centric – Recognising that people are the core of everything we do – both within and outside the Foundation. Helping people to thrive despite apparent adversity.
- Equity – Delivering educational solutions to those who need it most, without fear or favour.

Public benefit

Throughout the process of determining the activities outlined in this report, the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Achievements and performance

The goal of the National Institute Foundation is to develop training for the wider maritime industry in areas not well supported right now. Its training is also provided to all shipping entities, countries, organisations and individuals. It is not restricted to members of the Nautical Institute. Training is designed to be cost effective and relevant to today's maritime challenges. The foundation's first course was designed to assist seafarers with the challenges of cyber crime on board their vessels. The course was developed in concert with US Cyber company Hudson Cyber.

A second project is underway to meet the leadership challenges at sea today. In response to concern by the International Group of P&I, the foundation has engaged with external leadership expertise to develop a distance learning program for seafarers and office managers to develop leadership skills appropriate in today's VUCA environment. The shift to ISO systems of management and efficient communication may have reduced the leadership capabilities of mariners today and consequently caused some unexpected challenges and reduced the desire of many people to continue or seek a career at sea.

A third project is also being undertaken to see if the safety management of ships can be improved in respect of the liquefaction dangers of bulk cargoes. This is a complex topic for which the ship has limited input in many parts of the world and loading often takes place in less than ideal conditions. The IMO has some legal processes in place and it can be difficult to make recommendations outside of IMO guidelines.

The Foundation wants to bring meaningful cost-effective training solutions to the maritime industry in areas where such solutions are not currently readily available. It seeks to do this by engaging with key industry stakeholders such as P&I clubs to learn where support may be needed. The Foundation seeks to be an agent of change to improve professionalism at sea and to improve the attractiveness of careers at sea through empowering seafarers with the tools to be resilient, autonomous, engaged and driven. This can either be through the development of hard technical skills or soft management skills and leadership competence.

Only by liaising with all aspects of industry can we focus on the high priority items and help design solutions.

Up until the 31st December 2021 the foundation focused on Cyber security with the help of industrial partner Hudson Cyber. The course was not as well subscribed as had been hoped. Initiatives are underway to further promote the course including price adjustments.

Initial discussions were held with a number of partners on the challenges inherent in the liquefaction of solid bulk cargo. Discussions have been slow and somewhat restricted by the potential inability to influence shipper terminals who operate under IMO guidelines and thus there is limited scope to interfere beyond those guidelines. Work continues.

The foundation continues to operate with 0.5 FTE consultant but is unable to justify further increases until greater traction is obtained in the market. Input into the work of the Foundation is determined by the trustees and by some important volunteers with industry influence. The foundation does not believe it has a place in competing with commercial training vendors with established programs. It seeks to identify gaps in the market and offer cost effective solutions that meet a real and pressing need. It works with its stakeholders to identify these and develop the programs on its own or with strategic partners. Towards the end of 2022 it will develop a list of pressing challenges that need addressing through cost effective training.

Financial review

The Charity incurred a deficit of £16,933 in the year resulting in a liability at the year-end of £16,933. The trustees are confident that the charity is still concerned a going concern as there is a written guarantee agreement with The Nautical Institute (registered charity number 1002462) who have agreed to guarantee any deficit up to the value of £20,000. Currently all income and expenditure is run through the Nautical Institute as well, as the charity is still in the process of opening a bank account.

Reserves policy

The Charity is currently in the process of preparing a formal reserves policy.

Structure, governance & management

The Nautical Institute Foundation is a charitable incorporated organisation and registered as a charity on 10 July 2020. The Charity was established under a Constitution that sets out the objects and powers of the charity. In the event of the company being wound up, the trustees have no liability.

Recruitment and appointment of Trustees

The constitution requires a minimum of three and a maximum number of 12 trustees.

Trustees are subject to re-election on a rolling three year basis at the Annual General Meeting, with a maximum of two consecutive terms. The Chief Executive Officer and the Honorary Treasurer of the Nautical Institute (registered charity number 1002462) are automatically trustees of the charity, and The Nautical Institute may appoint up to six of the trustees.

Statement of Board of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a 'true and fair' view of the state of affairs of the Charity and of the excess of expenditure over income for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 Charity will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that the content of the Annual Review in pages 4-7 of this document as well as the legal and administrative information on page 3, meet the requirements of the Trustees' Annual Report under charity law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011, 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) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

This report was approved and authorised for issue by the Board of Trustees on 27 October 2022 and signed on its behalf by:



Duncan Telfer (Oct 28, 2022 13:01 GMT+1)

CAPTAIN DUNCAN MCCORQUODALE TELFER

CHAIR

Independent examiner's report

I report to the trustees on my examination of the accounts of The Nautical Institute Foundation (charity number 1190343) for the year ended 31 December 2021 set out on pages 10 to 15.

Respective responsibilities of trustees and examiner

The CIO's trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Charities Act). The CIO's trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and,
- to state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the CIO's trustees as a body. My work has been undertaken so that I might state to the CIO's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the CIO and the CIO's trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the CIO and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters.


The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached, other than to draw attention to the note around going concern which forms part of the accounting policy note (note 1) of the statutory accounts (page 12) which explains why the trustees have prepared on the going concern basis, and we have no concerns over this assumption.



ANDREW PHILIP NASH ACA

MEMBER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES – 2461833

DATED: 28 OCTOBER 2022

Andy Nash Accounting & Consultancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Statement of financial activities

For the year ended 31 December 2021

		Unrestricted Funds Year ended 31-Dec-21	Restricted Funds Year ended 31-Dec-21	Total Funds Year ended 31-Dec-21
	Notes			
Income from				
Donations and legacies	2	17,227	-	17,227
Total income		17,227	-	17,227
Expenditure on				
Charitable activities	3	34,160	-	34,160
Total expenditure		34,160	-	34,160
Net income/(expenditure)		(16,933)	-	(16,933)
Reconciliation of funds				
Funds brought forward		-	-	-
Funds carried forward		(16,933)	-	(16,933)

The notes on pages 12 to 15 form part of the financial statements.

As this is the first year of activity there are no comparative figures to present.

Balance sheet

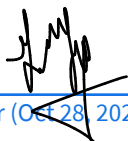
As at 31 December 2021

	Notes	£	Total Funds 31-Dec-21 £
Current assets			
Cash at bank		-	
		-	
Creditors			
Amounts falling due within one year	4	(16,933)	
Net current liabilities			(16,933)
Net liabilities			(16,933)
Funds of the charity			
Unrestricted funds			(16,933)
Total funds			(16,933)

The notes on pages 12 to 15 form part of the financial statements.

As this is the first year of activity there are no comparative figures to present.

These financial statements were approved and authorised for issue by the Board of Trustees on 26 October 2022 and signed on their behalf by:


 Duncan Telfer (Oct 28, 2022 13:01 GMT+1)

CAPTAIN DUNCAN MCCORQUODALE TELFER
CHAIR

Notes to the financial statements

1. Accounting policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with '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) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), including Update Bulletin 1, the Charities Act 2011.

The effect of any event relating to the year ended 31 December 2021, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2021 and the results for the year ended on that date.

Using the exemption available to smaller charities, the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

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

Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. The Charity incurred a deficit of £16,933 in the year resulting in a liability at the year-end of £16,933. The trustees are confident that the charity is still concerned a going concern as there is a written guarantee agreement with The Nautical Institute (registered charity number 1002462) who have agreed to guarantee any deficit up to the value of £20,000. Currently all income and expenditure is run through the Nautical Institute as well, as the charity is still in the process of opening a bank account.

Legal status

The Nautical Institute Foundation is a charitable incorporated organisation registered in England & Wales and meets the definition of a public benefit entity as defined by FRS 102. The registered office is c/o The Nautical Institute, 202 Lambeth Road, London, SE1 7LQ.

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 that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. There are currently no restricted funds held by the Charity.

Income

Income is recognised when the charity has entitlement to the funds, any performance indicators attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable.

1. Accounting policies (continued from previous page)

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities, those costs of an indirect nature necessary to support them and an allocation of governance costs.

Support costs are allocated between governance costs and other support costs. Governance costs comprise those costs involving the public accountability of the charity and its compliance with regulations and good practice. Other support costs relate to the administrative costs of running the charity and are allocated to charitable activities accordingly.

Irrecoverable VAT is charged against the category of expenditure for which it is incurred.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised. There are no assets held over this amount currently.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

Debtors

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

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

Critical estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

2. Income from donations

	Unrestricted Funds Year ended 31-Dec-21 £	Restricted Funds Year ended 31-Dec-21 £	Total Funds Year ended 31-Dec-21 £
Grants	7,227	-	7,227
Donations	10,000	-	10,000
	17,227	-	17,227

3. Expenditure on charitable activities

	Unrestricted Funds Year ended 31-Dec-21 £	Restricted Funds Year ended 31-Dec-21 £	Total Funds Year ended 31-Dec-21 £
Consultants	33,440	-	33,440
Governance	720	-	720
	34,160	-	34,160

Governance costs consists of:

	Total Funds Year ended 31-Dec-21 £
Independent examination	720
	720

4. Creditors

	Total Funds 31-Dec-21 £
Accruals	16,933
	16,933

5. Analysis of charity funds

	Balance brought forward Year ended 31-Dec-21 £	Income for the period Year ended 31-Dec-21 £	Expenditure in the period Year ended 31-Dec-21 £	Transfers between funds Year ended 31-Dec-21 £	Balance carried forward Year ended 31-Dec-21 £
General funds	-	17,227	(34,160)	-	(16,933)
	-	17,227	(34,160)	-	(16,933)

6. Analysis of net assets

	Unrestricted Funds Year ended 31-Dec-21 £	Restricted Funds Year ended 31-Dec-21 £	Total Funds Year ended 31-Dec-21 £
Current assets	-	-	-
Current liabilities	(16,933)	-	(16,933)
	(16,933)	-	(16,933)

7. Trustee remuneration

During the year, no trustee received any remuneration.

No members of the Board of Trustees received reimbursement of travel and subsistence expenses for board meetings in the year.

8. Related party transactions

During the year there were no transactions carried out with related parties.

Total donations from Trustees in the period amounted to £10,000.