

**THE NAUTICAL INSTITUTE**

**(A Company Limited by Guarantee)**

**Company No. 2570030**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**31ST DECEMBER 2022**

**Registered Charity No: 1002462**

**THE NAUTICAL INSTITUTE**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31ST DECEMBER 2022**

**INDEX**

	<b>Page</b>
Legal and Administration Information	<b>1</b>
Report of the Trustees	<b>2 to 3</b>
Responsibility of Trustees	<b>4</b>
Report of the Auditors	<b>5 to 7</b>
Summary Income and Expenditure Account	<b>8</b>
Statement of Financial Activities	<b>9</b>
Balance Sheet	<b>10</b>
Cash flow Statement	<b>11</b>
Notes forming part of the Financial Statements	<b>12 to 16</b>

**THE NAUTICAL INSTITUTE**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31ST DECEMBER 2022**

**LEGAL AND ADMINISTRATION INFORMATION**

**Status**

The Nautical Institute is a charitable company limited by guarantee, incorporated on 20th December 1990.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the trustees are elected by Council to serve a period of up to 3 years and may be re-elected for a further 3 years.

**Trustees**

The trustees of the company at the financial year end were:

Mr P B Hinchliffe	Chair	Ms D Lane
Captain D M Telfer	Treasurer	Mr G Lang
Captain M Ahmed		Captain I Mathison
Captain K D Austin		Captain N Nash
Captain A Brink		Captain D Snider
Captain G Cowling		Captain J P Szymanski
Captain I Goveas		

**Secretary** Captain P J Lloyd

**Registered Office** 200B Lambeth Road  
London  
SE1 7JY

**Auditors** Appleby & Wood (London) Limited  
40 The Lock Building  
72 High Street  
Stratford  
London  
E15 2QB

**Bankers** The Royal Bank of Scotland  
62-63 The Threadneedle Street  
London  
EC2R 8LA

**Fund Managers** Rathbones  
8 Finsbury Circus  
London  
EC2M 7AZ

**THE NAUTICAL INSTITUTE**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED**  
**31ST DECEMBER 2022**  
**Co. No. 2570030**

The trustees present their report and the audited financial statements for the year ended 31st December 2022.

**Principal activities**

The Institute is registered as a Company limited by guarantee to promote and maintain nautical education.

**Public Benefit**

The trustees confirm that they have complied with the duty in Section 4 of the Companies Act 2006 to have due regard to the Charity Commission's general guidance on public benefit and that the activities carried out by the charity during the year were all undertaken in order to further the charity's aims for the benefit of the Charity's beneficiaries. A detailed explanation is shown under Objectives and Activities on the Trustees report published in the May issue of the Institute's Journal, Seaways.

**State of affairs and business review**

The company made an operating surplus on the General Fund of £572,905 for the current year (2021: £668,202). After taking into account investment activities, designated funds movements and unrealised surplus the company made a surplus of £366,375 (2021: £903,492).

The trustees keep the Reserves Policy under regular review. The Institute holds reserves in order to ensure as far as possible that its objects may be met in future. Total Capital Reserves at year end was £2,868,059 (2021: £2,573,079), which is comprised of the Contingency Reserve and the Projects Reserve. The target level of Contingency Reserve for the year was £1,120,000 (2021: £1,100,000) which is calculated based on 33% of annual operating budget. The target level of Projects Reserve for the year was £560,000 (2021: £550,000) which is calculated based on 50% of the Contingency Reserve target. The trustees consider that this amount of free reserves is adequate to ensure that the Institute's services are not compromised in the short term. The investment policy of the Institute is to maximise the total return from capital and income combined while maintaining a medium level of risk. Management of the funds is delegated to external investment managers on a discretionary basis and the trustees review the performance of the managers against benchmarks on a regular basis.

The trustees review the Institute's Risk Management Policy at regular intervals. After considering the principal areas of strategic and operational risk, the trustees are confident that the appropriate means of control and mitigation have been adopted. Prudent management practices with awareness of changes in the operating environment are felt to be in place. The management of the Institute are responsible for the day to day management of risk and minimising the effect of any adverse events. The trustees decided to maintain staffing levels through the year due to the demand for Institute services, so authorised cash drawdown to sustain operations, which was not actually required.

The Institute operates a remuneration policy based on salary scales by grade with annual RPI and other changes determined by the Executive Board during the budget planning process. A delegated group of trustees appraise the Chief Executive at least annually and set his remuneration for the forthcoming year. A non-contributory pension investment of 9% of salary, is made to staff personal pension schemes.

The Institute greatly values the contribution of its trustees and members in the work of the charity which ranges from their roles in the governance structure to representation input to the industry's decision making bodies and writing for the Journal and other publications. Due to the diversity of these voluntary contributions and the large number of members involved (some 140 in central governance roles) it is not feasible to assess the value in terms of time or money.

**THE NAUTICAL INSTITUTE**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED**  
**31ST DECEMBER 2022**  
**Co. No. 2570030**

**Auditors**

The auditors, Appleby & Wood (London) Limited are willing to continue in office and resolutions concerning the appointment of Auditors will be submitted to the annual general meeting.

**Fixed assets**

Changes in the company's fixed assets during the year are shown on the balance sheet.

**Trustees**

The Trustees of the Charitable Company are stated on page 1.

This report has been prepared in accordance with Statement of Recommended Practice- Accounting and Reporting by Charities and in accordance with special provisions of part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

**Captain P J Lloyd**  
**Secretary**

**THE NAUTICAL INSTITUTE**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31ST DECEMBER 2022**  
**TRUSTEES' RESPONSIBILITIES**

**Statement of Trustees' Responsibilities**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those 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 accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

---

**Mr P B Hinchliffe**  
**Chair**

---

**Captain D M Telfer**  
**Treasurer**

**Date:**

## **THE NAUTICAL INSTITUTE**

### **Independent Auditor's Report to the members of The Nautical Institute**

#### **Opinion**

We have audited the financial statements of The Nautical Institute (the 'charitable company') for the year ended 31st December 2022 which comprise the Summary Income and Expenditure Account, Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **THE NAUTICAL INSTITUTE**

### **Independent Auditor's Report to the members of The Nautical Institute (continued)**

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are FRS102, the Companies Act 2006 with the supervisory requirements of Companies House and the Charities Commission.



## **THE NAUTICAL INSTITUTE**

### **Independent Auditor's Report to the members of The Nautical Institute (continued)**

- The charitable company operates internationally and is significantly impacted by international law and regulations. Taxation law and regulation apply to the charitable company but the charitable company is not involved in any complex matters that increase the risk of non compliance.
- We understood how the charitable company is complying with those frameworks through discussions with the trustees and review of the trustees' minutes and the charitable company's documented policies and procedures.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the trustee's reporting to the charitable company with respect of the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the charitable company.
- Our pre-audit review specifically makes reference to fraud and this is supported by audit documentation. We also review board minutes to identify any matters of concern or risk. None was identified.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the charitable company and management.

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

R W Williams FCCA  
(Senior Statutory Auditor)  
For and on behalf of Appleby & Wood (London) Limited  
40 The Lock Building  
72 High Street  
Stratford  
London E15 2QB

Date

**THE NAUTICAL INSTITUTE**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Income	4,106,016	3,705,760
Gain/(loss) on investments	( 250,897 )	203,158
Gross income in reporting period	<u>3,855,119</u>	<u>3,908,918</u>
Expenditure	( 3,488,744 )	( 3,005,426 )
<b>Net income before tax for the reporting period</b>	<u>366,375</u>	<u>903,492</u>
Tax Payable	-	-
<b>Net income for the financial year</b>	<u><u>366,375</u></u>	<u><u>903,492</u></u>

All income is unrestricted funds.

A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities and the notes to the financial statements.

**THE NAUTICAL INSTITUTE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Note	Unrestricted Fund £	Designated Fund £	Total Funds 2022 £	Total Funds 2021 £
<b>Income and endowments from:</b>					
Donations and Legacies		138,580	-	138,580	102,325
Charitable activities	2	3,420,568	-	3,420,568	2,953,666
Other trading activities	4	481,158	-	481,158	612,206
Investment income	5	3,804	61,906	65,710	46,049
Other		-	-	-	1,537
<b>Total</b>		<b>4,044,110</b>	<b>61,906</b>	<b>4,106,016</b>	<b>3,715,783</b>
<b>Expenditure on:</b>					
Raising funds	6	422,404	-	422,404	406,676
Charitable Activities	7	3,048,801	-	3,048,801	2,594,908
Other		-	17,539	17,539	13,865
<b>Total</b>		<b>3,471,205</b>	<b>17,539</b>	<b>3,488,744</b>	<b>3,015,449</b>
Net gain / (loss) on investments		-	( 250,897 )	( 250,897 )	203,158
<b>Net income</b>		<b>572,905</b>	<b>( 206,530 )</b>	<b>366,375</b>	<b>903,492</b>
<b>Transfers between funds</b>		<b>( 501,510 )</b>	<b>501,510</b>	<b>-</b>	<b>-</b>
<b>Movement on education fund</b>		<b>-</b>	<b>( 1,867 )</b>	<b>( 1,867 )</b>	<b>( 1,111 )</b>
<b>Net movement in funds</b>		<b>71,395</b>	<b>293,113</b>	<b>364,508</b>	<b>902,381</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,075,644	2,580,602	3,656,246	2,753,865
<b>Total funds carried forward at 31st December 2022</b>	<b>18</b>	<b>1,147,039</b>	<b>2,873,715</b>	<b>4,020,754</b>	<b>3,656,246</b>

Movements in funds are disclosed in Note 18 to the financial statements.

All amounts above relate to unrestricted funds.

The notes on pages 12 to 16 form part of these financial statements.

**THE NAUTICAL INSTITUTE**  
**BALANCE SHEET AS AT 31ST DECEMBER 2022**  
**Company No. 2570030**

	Note	Total funds 2022		Total funds 2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		104,390		105,595
Investments	14		2,868,058		2,574,588
<b>Total fixed assets</b>			<u>2,972,448</u>		<u>2,680,183</u>
<b>Current assets</b>					
Stocks	15	52,302		39,941	
Debtors	16	404,025		206,420	
Cash at bank and in hand		<u>1,182,196</u>		<u>1,195,852</u>	
<b>Total current assets</b>		<u>1,638,523</u>		<u>1,442,213</u>	
<b>Liabilities:</b>					
<b>Creditors:</b> amounts falling due within one year	17	<u>( 590,217 )</u>		<u>( 466,150 )</u>	
<b>Net current assets</b>			1,048,306		976,063
<b>Total net assets or liabilities</b>			<u>4,020,754</u>		<u>3,656,246</u>
<b>The funds of the charity:</b>					
Unrestricted funds:					
Designated funds	18		2,873,715		2,580,602
General funds			1,147,039		1,075,644
<b>Total charity funds</b>			<u>4,020,754</u>		<u>3,656,246</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the board of trustees on \_\_\_\_\_ and signed on their behalf by:

\_\_\_\_\_  
**Mr P B Hinchliffe**  
**Chair**

\_\_\_\_\_  
**Captain D M Telfer**  
**Treasurer**

The notes on pages 12 to 16 form part of these financial statements.

**THE NAUTICAL INSTITUTE**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

<b><u>Statement of cash flows</u></b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Cash flows from operating activities:</b>		
<i>Net cash provided by (used in) operating activities</i>	550,665	919,985
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	65,710	46,049
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	( 85,664 )	( 114,668 )
Proceeds from sale of investments	439,874	203,301
Purchase of investments	( 694,360 )	( 1,192,062 )
<i>Net cash provided by (used in) investing activities</i>	<u>( 274,440 )</u>	<u>( 1,057,380 )</u>
<b>Cash flows from financing activities:</b>		
Repayments of borrowing	-	-
Cash inflow from new borrowing	-	-
Receipt of endowment	-	-
<i>Net cash provided by (used in) financing activities</i>	<u>-</u>	<u>-</u>
<i>Change in cash and cash equivalents in the reporting period</i>	276,225	( 137,395 )
<b>Cash and cash equivalents at the beginning of the reporting period</b>	1,297,158	1,434,553
<b>Change in cash and cash equivalents due to exchange rate movements</b>	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u>1,573,383</u></u>	<u><u>1,297,158</u></u>
 <b><u>Reconciliation of net income/(expenditure) to net cash flow from operating activities</u></b>		
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	366,375	903,492
<b>Adjustments for:</b>		
Depreciation charges	86,868	80,665
Movement on education fund	( 1,867 )	( 1,111 )
(Gains)/Losses on investments	250,897	( 203,158 )
Dividends, interest and rent from investments	( 65,710 )	( 46,049 )
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	( 12,361 )	1,312
(Increase)/decrease in debtors	( 197,605 )	63,502
Increase/(decrease) in creditors	124,068	121,332
<i>Net cash provided by (used in) operating activities</i>	<u><u>550,665</u></u>	<u><u>919,985</u></u>
	<b>Total</b>	<b>Total</b>
<b><u>Analysis of cash and cash equivalents</u></b>		
Cash in hand	1,182,196	1,195,852
Investment capital reserve account	391,187	101,306
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
<b>Total cash and cash equivalents</b>	<u><u>1,573,383</u></u>	<u><u>1,297,158</u></u>

**THE NAUTICAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

**1. Accounting policies**

a) Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 2006 and follow the recommendations of the 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).

b) Depreciation of fixed assets

Furniture and office equipment is depreciated on the straight line basis at cost over its estimated useful life at the rate of 10% per annum. Computer equipment is depreciated at a rate of 33 1/3% per annum on cost.

c) Revaluation of investments

The investment assets have been shown at market value for the year ending 31st December 2022 with the comparatives for the year ending 31st December 2021 also shown at their market value. The revaluation surplus has been shown on the statement of financial activities as net realised and unrealised gain on investment assets.

d) Corporation tax

The company has taken advantage of the tax exemption allowed due to its charitable status.

e) Allocation of expenditure

10% of salaries and 50% of travelling and meeting expenses have been allocated to management and administration of the Institute, which reflects the proportion incurred in this activity.

f) Capital reserve fund

This has been set up to create a Contingency Reserve and a Projects Reserve. The Contingency Reserve is to ensure that the Institute's services are not compromised in the short term. The target level of Contingency Reserve is calculated based on 33% of annual operating budget. The Projects Reserve is to enable the Institute to fund specific projects with the approval of the Executive Board of Trustees. The target level of Projects Reserve is calculated based on 50% of the Contingency Reserve target. The level of Capital Reserve Fund is reviewed on a regular basis.

g) Stock

The stock held is the stock of books, both historical and current, and are valued at the lower of cost or net reliable value. The stock of books is reviewed periodically for the professional content and current relevance and a bad debt provision is calculated on this basis.

**THE NAUTICAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

		<b>Unrestricted Fund £</b>	<b>Designated Fund £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>2 Charitable activities</b>					
Seminars/Conferences & Journals	<b>3</b>	337,962	-	337,962	128,030
Entrance fees, transfer fees and subscriptions		766,073	-	766,073	744,307
Training and courses		362,051	-	362,051	230,036
Accreditation and Certification		1,954,482	-	1,954,482	1,851,293
		<b>3,420,568</b>	<b>-</b>	<b>3,420,568</b>	<b>2,953,666</b>
<b>3 Seminars/Conferences &amp; Journals</b>					
		<b>Seminar/ Conferences £</b>	<b>Seaways Journals £</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Income</b>					
Conferences and seminars		178,701	-	178,701	5,250
Seaways income (subscribers & Affiliates)		-	124,865	124,865	101,670
Seaways advertising income		-	34,396	34,396	21,110
		<b>178,701</b>	<b>159,261</b>	<b>337,962</b>	<b>128,030</b>
<b>Expenditure</b>					
Conferences/seminars		142,685	-	142,685	20,989
Seaways publications		-	169,720	169,720	224,114
Mars		-	6,000	6,000	6,000
Seaways advertising cost		-	7,421	7,421	5,076
		<b>142,685</b>	<b>183,141</b>	<b>325,826</b>	<b>256,179</b>
Surplus/(deficit) on Seminars/Conferences & Journals		<b>36,016</b>	<b>( 23,880 )</b>	<b>12,136</b>	<b>( 128,149 )</b>
<b>4 Other trading activities</b>					
		<b>Books</b>	<b>Services</b>	<b>2022</b>	<b>2021</b>
Sales		471,485	9,673	481,158	612,206
Costs of sales					
Opening stocks		37,077	2,864	39,941	41,253
Purchases		358,289	13,118	371,407	363,097
		<b>395,366</b>	<b>15,982</b>	<b>411,348</b>	<b>404,350</b>
Less: closing stocks		( 49,590 )	( 2,712 )	( 52,302 )	( 39,941 )
		<b>345,776</b>	<b>13,270</b>	<b>359,046</b>	<b>364,409</b>
Surplus on other trading activities		<b>125,709</b>	<b>( 3,597 )</b>	<b>122,112</b>	<b>247,797</b>
<b>5 Investments income</b>					
		<b>General Fund £</b>	<b>Designated Fund £</b>	<b>2022 £</b>	<b>2021 £</b>
Bank interest		3,804	7,254	11,058	6,233
Dividends		-	54,652	54,652	39,816
		<b>3,804</b>	<b>61,906</b>	<b>65,710</b>	<b>46,049</b>

**THE NAUTICAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Note	Unrestricted Fund £	Designated Fund £	Total 2022 £	Total 2021 £
<b>6 Raising funds</b>					
Cost of generating funds	4	359,046	-	359,046	364,409
Publicity		63,358	-	63,358	42,267
		<u>422,404</u>	<u>-</u>	<u>422,404</u>	<u>406,676</u>
<b>7 Charitable activities</b>					
Cost of activities in furtherance of the Institute's objectives	3	325,826	-	325,826	256,179
Support costs	8	652,014	-	652,014	565,587
Administration & Governance costs	9	495,228	-	495,228	573,520
Projects		389,368	-	389,368	288,221
Training & Courses		121,673	-	121,673	67,657
Membership		145,480	-	145,480	69,874
Accreditation and Certification		919,213	-	919,213	773,870
		<u>3,048,801</u>	<u>-</u>	<u>3,048,801</u>	<u>2,594,908</u>
<b>8 Support costs</b>					
			<b>2022</b>		<b>2021</b>
			£		£
Branch subventions & chartership costs			21,808		25,750
Staff costs	11		612,809		537,503
Travelling and meetings			17,397		2,335
			<u>652,014</u>		<u>565,587</u>
<b>9 Administration &amp; Governance costs</b>			<b>2022</b>		<b>2021</b>
			£		£
Postage and telephone			58,287		52,278
Printing and stationery			5,551		8,437
Computer expenses			58,082		51,338
Auditors fees			5,900		5,800
Credit Card & Bank Charges			50,541		48,626
Rent, rates and service charges			29,573		176,710
Insurance			9,238		7,165
Insurance - Members Benefit			7,600		31,197
Office equipment rental			5,765		6,418
General expenses			22,914		11,568
Travelling, meetings and AGM expenses			17,397		2,335
Overhead Recovery			-	(	18,000 )
Legal & Professional fees			40,557		38,834
Training Costs			786		10,427
Staff costs	11		64,004		59,723
Depreciation			86,868		80,665
Office move			32,165		-
			<u>495,228</u>		<u>573,520</u>
<b>10 Net movement in funds for the year</b>			<b>2022</b>		<b>2021</b>
			£		£
This is stated after charging:					
Depreciation of fixed assets			86,868		80,665
Auditors remuneration (audit services)			5,900		5,800



**THE NAUTICAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

<b>11 Staff costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries & wages	1,505,384	1,339,943
Social security costs	161,787	144,954
Pension	108,523	119,578
<i>Total staff cost including benefits</i>	<u>1,775,694</u>	<u>1,604,475</u>
Less: allocated to cost centres	( 1,098,881 )	( 1,007,250 )
<i>Staff costs included within overhead cost.</i>	<u><u>676,813</u></u>	<u><u>597,225</u></u>
No. of employees earning £60,000 to £70,000	3	4
No. of employees earning £70,001 to £80,000	-	1
No. of employees earning £80,001 to £90,000	-	-
No. of employees earning £90,001 to £100,000	2	3
No. of employees earning £100,000 +	<u>1</u>	<u>1</u>
Average number of employees	<u><u>34</u></u>	<u><u>34</u></u>

The chairman and trustees did not receive any remuneration during the year.

**12 Taxation**

The charitable company is exempt from corporation tax on its charitable activities.

<b>13 Tangible fixed assets</b>	<b>Office furniture &amp; Equipment</b>	<b>Computers</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1st January 2022	79,768	807,138	886,906
Additions	-	85,664	85,664
Disposals	-	-	-
At 31st December 2022	<u>79,769</u>	<u>892,802</u>	<u>972,570</u>
<b>Accumulated depreciation</b>			
At 1st January 2022	65,293	716,018	781,311
Charge for the year	5,417	81,452	86,869
Disposals	-	-	-
At 31st December 2022	<u>70,710</u>	<u>797,470</u>	<u>868,180</u>
<b>Net book values:</b>			
<b>As at 31st December 2022</b>	<u>9,059</u>	<u>95,332</u>	<u>104,390</u>
<b>As at 31st December 2021</b>	<u>14,476</u>	<u>91,119</u>	<u>105,595</u>

<b>14 Investments</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Market value at 1 January 2022	2,473,282	1,281,363
Acquisition at cost	694,360	1,192,062
Sales proceeds at market value	( 439,874 )	( 203,301 )
Surplus / Loss in the year	<u>( 250,897 )</u>	<u>203,158</u>
Market value at 31 December 2022	<u>2,476,871</u>	<u>2,473,282</u>
<b>Other Holdings</b>		
Cash	<u>391,187</u>	<u>101,306</u>
<b>Market value at 31 December 2022</b>	<u><u>2,868,058</u></u>	<u><u>2,574,588</u></u>
Market value at 1 January 2022	<u><u>2,574,588</u></u>	<u><u>1,339,384</u></u>

**THE NAUTICAL INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

	2022 £	2021 £
<b>15 Stocks</b>		
Books	49,590	37,077
Member services	2,712	2,864
	<u>52,302</u>	<u>39,941</u>

**16 Debtors**

Trade debtors	199,668	42,079
Prepayments	85,446	42,649
Other debtors	102,556	95,306
VAT	16,355	26,386
	<u>404,025</u>	<u>206,420</u>

**17 Liabilities: Creditors: Amounts falling due within one year:**

Trade creditors	199,630	63,669
Accruals	108,031	228,454
PAYE & other creditors	76,290	95,690
Deferred income	206,266	78,337
	<u>590,217</u>	<u>466,150</u>

	Balance 01.01.2022 £	New Designated £	Utilised/ Realised £	Transferred £	Balance 31.12.2022 £
<b>18 Designated funds</b>					
Capital Reserve Fund	2,573,079	44,367	( 250,897 )	501,510	2,868,059
Educational fund	7,523	-	-	( 1,867 )	5,656
	<u>2,580,602</u>	<u>44,367</u>	<u>( 250,897 )</u>	<u>499,643</u>	<u>2,873,715</u>
 General Fund	 Balance 01.01.2022	 Unrestricted	 Utilised/ Realised	 Transferred	 Balance 31.12.2022
Bfwd	1,075,644	-	-	-	1,075,644
Transfer in year	-	-	-	( 501,510 )	( 501,510 )
Surplus for year	-	572,905	-	-	572,905
	<u>1,075,644</u>	<u>572,905</u>	<u>-</u>	<u>( 501,510 )</u>	<u>1,147,039</u>

**19 Related Party Transactions**

No Trustee received any remuneration for services as a Trustee. The amount of £2,944 (2021: £Nil) was reimbursed to Trustees to cover miscellaneous travel expenses in connection with their roles as Trustees.

Trustees and Council members use the Institute's services on the same terms as other members. Because of the nature of the Institute's trades it is not practical to quantify the total of transactions with these members during the year. However, only minor balances were owed to and from these members as at 31st December 2022 and any fees paid to these members are shown separately in the Revenue Account. Trustees and Council members are required to be full voting members of the Institute.

Due to the nature of the Institute's trade, a number of the Trustees and Council are also directors/trustees/employees of entities with which the Institute trades, and due to the nature of the trade, it would not be practical to quantify the total of transactions in the period.