The Nautical Foundation and Educational Trust

Trustees Annual Report and Unaudited Financial Statements Year ended 31 December 2025

Charity registration - 1190343

enaid ACCOUNTANCY

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 Foundation and Educational Trust

Previous 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 Hinchliffe	(appointed 16 January 2026)
Peter John Lloyd	
Howard Nathan Wheeler	

Bank

To be appointed

Independent examiner

Enaid Accountancy Ltd
Platform 10
Engine Room
Hood Road
Barry
CF62 5QL

Trustees annual report

The Board of Trustees submit their annual report and the financial statements of The Nautical Foundation and Educational Trust for the year ended 31 December 2025.

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

2025 for The Nautical Institute Foundation is characterised by limited growth and significant organisational restructuring. While the group maintained minor initiatives in cyber security and maritime research, the organisation ultimately admitted to a limited impact across its primary goals. Following the resignation of the Chief Executive, a joint working group was formed to create a more viable operational model through closer collaboration with The Nautical Institute. This strategic pivot includes consolidating leadership under a single executive and transferring the Academy's professional training division to the Foundation's portfolio. These corrective measures, effective in early 2026, aim to ensure long-term sustainability before a formal progress review scheduled for 2027.

Courses and Research

The Cyber Security course, developed some years ago, received a modest level of interest during 2025. In total around 30 registrations for the course were received and feedback from participants did not reveal any issues with quality or content.

The Human Resource Management research initiatives continued at a slow pace during the course of the year. Contacts with some companies were disrupted due to changes of responsibilities and appointments to different countries.

One substantive piece of work was completed at the California Polytechnic College (formerly Cal Maritime) in which the views and values of Cadets on their training programmes were explored in some detail.

The final report for this work will be in the form of a refereed academic paper for release during 2026.

Overall, the Foundation achieved limited impact in its key areas of interest.

Changes to Key Personnel

During June 2025, the Chief Executive, Colin Payne tendered his resignation which was accepted by the Board of Trustees resulting in a period of dormancy of activity for the Foundation.

At subsequent meetings between the Board of The Nautical Institute (as sole member of the Foundation) it was determined that a renewed effort should be made to develop a sustainable model for the Foundation. A combined working group of Trustees from the Foundation and The Nautical Institute was established. In December of 2025, proposals for a revised scope of work were presented to the Trustees of both organisations which were approved for implementation from January 2026.

It was further determined that the NI's Chief Executive, John Lloyd, should have oversight of both organisations with immediate effect with a view to enabling and addressing any inter-organisational challenges and opportunities.

The arrangements would be in place until July 2027 when a review of activities and sustainability would be undertaken.

Plans for the Future

A key component of the new arrangements for the Foundation include the transfer of the NI's Academy area of training and professional development from The Nautical Institute to the Foundation.

Financial review

The Charity incurred a deficit of £23,914 (2024: deficit of £48,286) in the year resulting in a liability at the year-end of £231,942 (2024: liability of £208,028). 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 Foundation and Educational Trust is a charitable incorporated organisation and registered as a charity on 10 July 2020. The Charity was established under a Consitution 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.

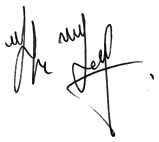
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

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 28 October 2026 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 Foundation and Educational Trust (charity number 1190343) for the year ended 31 December 2025 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 11) 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.



ANDREW PHILIP NASH FCA

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

DATED: 28 OCTOBER 2026

Enaid Accountancy Ltd
Platform 10
Engine Room
Hood Road
Barry
CF62 5QL

Statement of financial activities

For the year ended 31 December 2025

	Notes	Unrestricted Funds Year ended 31-Dec-25 £	Restricted Funds Year ended 31-Dec-25 £	Total Funds Year ended 31-Dec-25 £	Total Funds Year ended 31-Dec-24 £
Income from					
Charitable activities	3	700	-	**700**	280
Total income		**700**	**-**	**700**	280
Expenditure on					
Charitable activities	4	24,614	-	**24,614**	48,566
Total expenditure		**24,614**	**-**	**24,614**	48,566
Net income/(expenditure)		**(23,914)**	**-**	**(23,914)**	(48,286)
Reconciliation of funds					
Funds brought forward	6 & 7	(208,028)	-	**(208,028)**	(159,742)
Funds carried forward	6 & 7	**(231,942)**	**-**	**(231,942)**	(208,028)

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

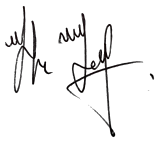
Balance sheet

As at 31 December 2025

	Notes	£	Total Funds 31-Dec-25 £	£	Total Funds 31-Dec-24 £
Current assets					
Cash at bank		-		-	
		-		-	
Creditors					
Amounts falling due within one year	5	(231,942)		(208,028)	
Net current assets			**(231,942)**		(208,028)
Net assets			**(231,942)**		(208,028)
Funds of the charity					
Unrestricted funds	6 & 7		**(231,942)**		(208,028)
Total funds			**(231,942)**		(208,028)

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 28 October 2026 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 2025, 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 2025 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 £23,914 (2024: deficit of £48,286) in the year resulting in a liability at the year-end of £231,942 (2024: liability of £208,028). 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 Foundation and Educational Trust 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, 200B Lambeth Road, London, SE1 7JY.

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

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

3. Income from charitable activities

	Unrestricted Funds Year ended 31-Dec-25 £	**Restricted Funds Year ended 31-Dec-25 £**	**Total Funds Year ended 31-Dec-25 £**
Course and other fees	700	-	**700**
	700	**-**	**700**

	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

4. Expenditure on charitable activities

	Unrestricted Funds Year ended 31-Dec-25 £	Restricted Funds Year ended 31-Dec-25 £	Total Funds Year ended 31-Dec-25 £
Staff and consultants	22,880	-	**22,880**
Governance	1,734	-	**1,734**
	24,614	**-**	**24,614**

	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

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 Foundation and Educational Trust. 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 £23,880 (2024: £47,816).

Governance costs consists of:

	Total Funds Year ended 31-Dec-25 £	Total Funds Year ended 31-Dec-24 £
Independent examination	**750**	750
Legal fees	**984**	-
	1,734	750

5. Creditors

	Total Funds 31-Dec-25	Total Funds 31-Dec-24
	£	£
Accruals - amount owed to The Nautical Institute	**231,192**	207,278
Other	**750**	750
	231,942	208,028

6. Analysis of charity funds

	Balance brought forward Year ended 31-Dec-25	**Income for the period Year ended 31-Dec-25**	**Expenditure in the period Year ended 31-Dec-25**	**Transfers between funds Year ended 31-Dec-25**	**Balance carried forward Year ended 31-Dec-25**
	£	**£**	**£**	**£**	**£**
General funds	(208,028)	700	(24,614)	-	**(231,942)**
	(208,028)	**700**	**(24,614)**	**-**	**(231,942)**

	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)

7. Analysis of net assets

	Unrestricted Funds Year ended 31-Dec-25 £	Restricted Funds Year ended 31-Dec-25 £	Total Funds Year ended 31-Dec-25 £
Current liabilities	(231,942)	-	**(231,942)**
	(231,942)	**-**	**(231,942)**

	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)

8. Trustee remuneration

During the year, no trustee received any remuneration (2024: £Nil).

No member sof the Board of Trustees received reimbursement of travel and subsistence expenses for board meetings in the year (2024: £Nil).

9. Related party transactions

During the year there were no transactions carried out with related parties other than the guarantee noted below (2024: Nil).

Total unrestricted donations from Trustees in the period amounted to £Nil (2024: £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. This is also reflected within their statutory accounts.

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