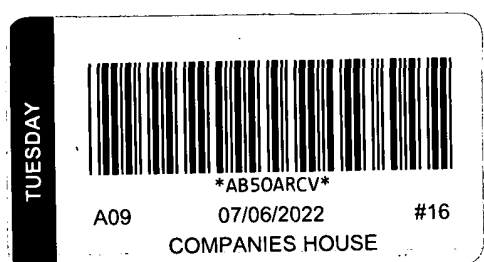


THE MARITIME TRAINING TRUST
(A company limited by guarantee)
(Company Registration Number 4073741)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021



**THE MARITIME TRAINING TRUST
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Contents

DIRECTORS' REPORT	1
STATEMENT OF DIRECTORS' RESPONSIBILITIES.....	3
INDEPENDENT AUDITOR'S REPORT	4
STATEMENT OF INCOME AND RETAINED EARNINGS	7
STATEMENT OF FINANCIAL POSITION.....	8
NOTES TO THE FINANCIAL STATEMENTS	9

THE MARITIME TRAINING TRUST

DIRECTORS' REPORT

The Directors submit their report and the audited financial statements of the company for the year ended 31 December 2021.

REVIEW OF ACTIVITIES

The Trust's principal trading activity has been to collect money remitted by shipping companies registered under the UK tonnage tax regime which have not met their core training commitment, and to promote education and training in maritime skills for the British Shipping Industry.

During 2021, the Trust received substantial income from PILOT payments from companies who have elected to join the Tonnage Tax scheme but who did not recruit the requisite number of cadets, or where cadets did not complete training.

The company awarded a grant of £2,407,199 (2020: £1,806,222) to The Maritime Educational Foundation.

The Board expects to pay future surplus income by way of grant to The Maritime Educational Foundation for that charity's trustees to promote education and training in maritime skills for the British Shipping Industry.

In the event of the company winding up, the members undertake to contribute up to £1 each.

GOING CONCERN

The Directors have considered the continued appropriateness of the going concern basis. The Directors have considered that the level of future income is uncertain however the level of costs, incurred by The Maritime Training Trust are low compared to income, which after adjusting for bad debt expenditure would have to fall by approximately 95% before it would not be possible to pay the company's debts while they fall due. Future grants to the Maritime Educational Foundation are only made out of profit and are only physically paid over to the Maritime Educational Foundation out of positive cash reserves that are generated from payment of the PILOT income. Therefore, the Directors consider that the Trust will be able to maintain a positive cash balance and pay its debts as they fall due for a period of at least one year from the date of signing these financial statements. This is supported by a review of the latest management information that indicates that PILOT income received to date far exceeds the amount required to cover the level of overhead for the period to 31 May 2023. Accordingly, the Directors believe that a material uncertainty does not exist and hence the going concern basis remains appropriate.

RESULTS

The result after tax for the year to 31 December 2021 was £nil (2020: £nil).

DIRECTORS

The Directors who held office in the year and up to the date of signing this report were:

D Appleton
M Carden
A M Dickinson
S Konstanz
D Procter
C Roberts
H R Sanguinetti (resigned 17 September 2021)
M Willis

CHARITABLE DONATIONS

As noted above, the company awarded a grant in the year of £2,407,199 (2020: £1,806,222) towards the charitable activities of The Maritime Educational Foundation.

THE MARITIME TRAINING TRUST

DIRECTORS' REPORT (continued)

AUDITOR

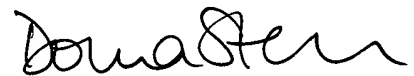
The auditor, BDO LLP resigned in 2022 and have accordingly confirmed as required under Section 519 of the Companies Act that there are no matters connected with them ceasing to hold office that needs to be brought to the attention of the members or creditors of The Maritime Training Trust. McBrides Chartered Accountants were appointed as the new auditor on 24th March 2022.

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and each Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The Directors' Report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Date: 26 May 2022

BY ORDER OF THE BOARD



Donna Stevens
Secretary

THE MARITIME TRAINING TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 company and of the profit or loss of the company for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MARITIME TRAINING TRUST

Opinion

We have audited the financial statements of The Maritime Training Trust (the 'company') for the year ended 31 December 2021 which comprise the statement of income and retained earnings, the statement of financial position 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 company's affairs as at 31 December 2021 and of its result 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 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 directors' 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 directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

The financial statements for the prior period were audited by another auditor who expressed an unqualified opinion.

Other information

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MARITIME TRAINING TRUST (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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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.

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

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MARITIME TRAINING TRUST (continued)

The following laws and regulations were identified as being of significance to the entity:

- those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law and Tax legislation.
- it is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities 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.

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Warren (Senior Statutory Auditor)

For and on behalf of McBrides Accounts LLP, Statutory Auditor

Nexus House
Cray Road
Sidcup
Kent
DA14 5DA

Date 30/5/12

THE MARITIME TRAINING TRUST
(A company limited by guarantee)
(Company Registration Number 4073741)

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2021

	<u>Notes</u>	<u>2021</u> £	<u>2020</u> £
TURNOVER	2	<u>2,598,365</u>	<u>2,209,485</u>
GROSS PROFIT		2,598,365	2,209,485
Grant payable to The Maritime Educational Foundation		(2,407,199)	(1,806,222)
Administration Expenses		<u>(191,166)</u>	<u>(403,263)</u>
PROFIT BEFORE TAX	3	-	-
Corporation Tax	4	-	-
PROFIT AFTER TAX		<u>-</u>	<u>-</u>
RETAINED EARNINGS			
At 1 January 2021		5,553	5,553
Result for the year		-	-
At 31 December 2021		<u>5,553</u>	<u>5,553</u>

There were no other gains or losses during the year other than those recognised above.

All amounts relate to continuing activities.

The notes on pages 9 to 11 form part of these financial statements.

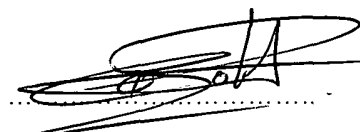
THE MARITIME TRAINING TRUST
 (A company limited by guarantee)
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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	<u>Notes</u>	<u>2021</u> £	<u>2020</u> £
CURRENT ASSETS			
Debtors and accrued income	5	353,330	141,790
Cash at bank		718,533	559,928
		<u>1,071,863</u>	<u>701,718</u>
CREDITORS (amounts falling due within one year)	6	<u>(1,066,310)</u>	<u>(696,165)</u>
NET CURRENT ASSETS		<u>5,553</u>	<u>5,553</u>
CAPITAL AND RESERVES			
Profit and loss account		<u>5,553</u>	<u>5,553</u>
RESERVES		<u>5,553</u>	<u>5,553</u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS102 Section 1A – small entities.

The financial statements were approved and authorised for issue by the Board on 26 May 2022 and signed on its behalf by



Director
CLIFF ROBERTS



Director
DAVID APPLETON

The notes on pages 9 to 11 form part of these financial statements.

THE MARITIME TRAINING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

- a) The Maritime Training Trust is a private company, limited by guarantee, registered in England and Wales, Company Registration Number 4073741. The registered office address is 30 Park Street, London, SE1 9EQ.
- b) The financial statements have been prepared under the historical cost convention and in accordance with FRS102 Section 1A small entities. There were no material departures from that standard.
- c) Payments in lieu of training ("PILOT") income is recognised in the financial year when notification of a PILOT liability is notified by DfT to MTT before the financial year end. This is because until the DfT have reviewed a submitted return MTT does not have entitlement for any PILOT income or the ability to measure any income that it was entitled to accurately.
- d) All expenditure is accounted for on an accruals basis.
- e) Basic financial instruments are recognised at amortised cost with any required impairment for bad debts recognised in the profit and loss under administration costs.
- f) The financial statements are prepared on a going concern basis. The Directors have considered the continued appropriateness of the going concern basis. The Directors have considered that the level of future income is uncertain however the level of costs, incurred by The Maritime Training Trust are low compared to income, which after adjusting for bad debt expenditure would have to fall by approximately 95% before it would not be possible to pay the company's debts while they fall due. Future grants to the Maritime Educational Foundation are only made out of profit and are only physically paid over to the Maritime Educational Foundation out of positive cash reserves that are generated from payment of the PILOT income. Therefore, the Directors consider that the Trust will be able to maintain a positive cash balance and pay its debts as they fall due for a period of at least one year from the date of signing these financial statements. This is supported by a review of the latest management information that indicates that PILOT income received to date far exceeds the amount required to cover the level of overhead for the period to 31 May 2023. Accordingly, the Directors believe that a material uncertainty does not exist and hence the going concern basis remains appropriate.

2. TURNOVER

	<u>2021</u>	<u>2020</u>
	£	£
PILOT payments (including surcharges)	<u>2,598,365</u>	<u>2,209,485</u>

Shipping companies registered under the tonnage tax regime are liable to "Payments in Lieu of Training" (PILOT) payments if they do not meet their Core Training Commitment as specified by Government Regulation. Additional surcharges are sometimes applied if a shipping company fails to meet its Core Training Commitment by a significant margin over a specified period. The turnover for 2021 and the previous financial year is in respect of income from the PILOT regime.

THE MARITIME TRAINING TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. PROFIT BEFORE TAXATION

	<u>2021</u>	<u>2020</u>
	£	£
This is after charging the following:		
Auditors' remuneration (net of VAT)	8,150	8,080
Auditors' other fees - taxation services (net of VAT)	1,750	2,540

4. TAXATION

The Company makes a qualifying grant of all taxable profit to the Maritime Educational Foundation. No corporation tax liability arises in the accounts.

5. DEBTORS AND ACCRUED INCOME

	<u>2021</u>	<u>2020</u>
	£	£
PILOT - Accrued income	117,810	113,776
PILOT - Debtors	235,520	28,014
	<u>353,330</u>	<u>141,790</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2021</u>	<u>2020</u>
	£	£
Grant payable to Maritime Educational Foundation	932,659	625,461
Accruals	133,651	70,704
	<u>1,066,310</u>	<u>696,165</u>

7. DIRECTORS AND EMPLOYEES

There were no employees during the financial year. None of the Directors received any emoluments in respect of services to the company.

THE MARITIME TRAINING TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. RELATED PARTY TRANSACTIONS

Maritime Educational Foundation

The Maritime Educational Foundation is a charitable company, limited by guarantee, the board of which currently has the same membership as the Maritime Training Trust. Its purpose is to provide education and training in maritime skills for the British Shipping Industry which will be financed by the PILOT payments transferred by grant to the Maritime Educational Foundation and other providers. The Foundation was awarded a grant of £2,407,199 (2020: £1,806,222) by the company during the year.

The Chamber of Shipping Limited

The Chamber of Shipping Limited is responsible for nominating 50% of the Maritime Training Trust's Directors.

The Chamber of Shipping Limited supplies administration services to the Maritime Training Trust. Fees charged in respect of these services totalled £23,100 inclusive of irrecoverable VAT (2020 fees: £25,914).

One Maritime Training Trust Director (H R Sanguinetti) who resigned as a Director during the financial year was employed by the Chamber of Shipping Limited for part of the financial year.