PROMOTING EFFECTIVE
SPILL RESPONSE

REVIEW

INCORPORATING 2018 DIRECTORS' REPORT AND ACCOUNTS

2018

Front cover: Port of Lomé, Togo

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Chairman's Statement

Paddy Rodgers, ITOPF's Chairman and CEO of Euronav

Recognising shared risks and responsibilities, working in concert with those having the expertise to facilitate reducing those risks, has ultimately led to an approach that has stood the test of time. The manner in which government and industry work together to address safety and environmental issues associated with transportation by sea is a good example of this.

March 18th 2017 marked the 50th anniversary of the MT TORREY CANYON incident, which occurred off the coast of the UK in 1967. Back then, a framework for preparing and responding to oil spills of this magnitude did not exist; neither was there a mechanism in place for compensating those whose livelihoods had been affected by the incident. However, tanker owners and oil majors were already proactive in their collaboration to establish safe operational practices. Less than a decade earlier the nascent Inter-Governmental Maritime Consultative Organization (IMCO, now IMO) was charged with improving safety at sea, and subsequently reducing pollution, by developing international regulations that would be followed by all shipping nations. This organisation continues to provide the forum for discussing, agreeing and implementing a suite of conventions and regulations governing shipping. As demonstrated by ITOPF's statistics, these instruments, together with the initiatives put in place by the industry, have subsequently led to the present-day position, whereby major oil spills are a rarity and millions of tonnes of cargo arrive safely at their destinations across the globe.

This success story was told in an exhibition initiated by ITOPF, IMO and IOPC Funds and supported by key industry organisations, timed to coincide with the anniversary of the MT TORREY CANYON and held at the IMO (http://www.imo.org/en/About/Events/Pages/50-Years-Working-Together.aspx). The exhibition attracted significant interest, particularly amongst the delegates attending IMO meetings, and has led to a greater appreciation of the importance of working together to achieve lasting solutions to the challenges faced by governments and industry. The number of organisations celebrating significant anniversaries within the next few years, not least our own 50th anniversary, is testament to the enduring commitment that has been made to building a safe and environmentally responsible maritime industry; an industry that is open to learning from incidents that do occur from time to time, such as those for which ITOPF has provided its technical services during the past year.

Technical Services

Spill Response

The number of incidents, just fifteen, attended by the team on site in the year under review is lower than in the previous five years. A glance at the dates of the incidents demonstrates

50 years of government/industry cooperation celebrated in an exhibition initiated by ITOPF, IMO and the IOPC Funds

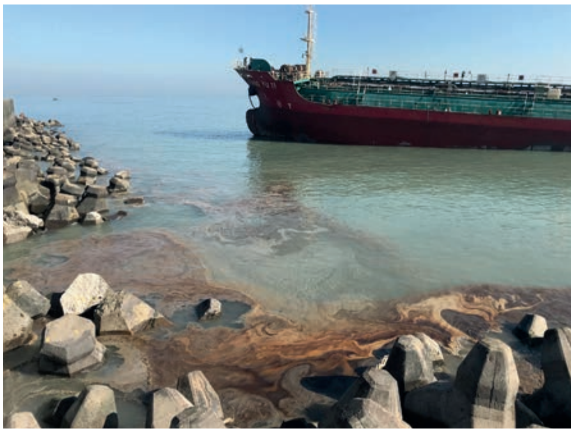
Providing advice at an incident in Togo in February 2018, the 100th country ITOPF has attended on-site

2017 marked the 50th anniversary of the TORREY CANYON incident (Photo: Crown copyright)

how unpredictable their occurrence can be and shows almost half occurred in August and early September. The incidents occurred in ten different countries and included Togo, which marked the 100th different country ITOPF has assisted. A quarter of the incidents occurred in China. In a change to the trend observed in recent years, about two thirds of the incidents attended involved tankers. The two most common causes leading to the loss of cargo or bunkers were 'grounding' or 'other/unknown', and the latter involved mainly equipment failure or overflow and resulted in smaller volumes of oil being lost. Two of the incidents would be classed as 'large' spills, i.e. greater than 700MT, according to the categorisation ITOPF uses to record hydrocarbon oil spills from tankers, namely the spills arising from MT AGIA ZONI II (fuel oil cargo) and MT SANCHI (condensate). One other involved a spill of around 1,000 MT of vegetable oil from MT GLOBAL APOLLON.

Whilst the number of incidents attended on site was lower in the last year, the occasions where ITOPF provided technical support remotely was greater, at 24. A review of the requests suggests that the rationale for providing assistance remotely was sound as the majority of these incidents were minor in nature and did not necessitate attendance in person. Nevertheless, being able to provide technical support from the

A quarter of incidents attended occurred in China



Two thirds of incidents attended involved tankers

INCIDENTS ATTENDED ON-SITE BY ITOPF STAFF IN THE 12 MONTHS TO 20TH FEBRUARY, 2018

Date of incident	Name of ship	Size (GT)	Location	Product Spilt
23/02/2017	ISLA BARTOLOME	3079	ECUADOR	BUNKER
03/08/2017	GLOBAL APOLLON*	10754	CHINA	VEGETABLE OILS
10/08/2017	KUWAIT MYSTERY SPILL		KUWAIT	CRUDE
17/08/2017	SINICA GRAECA	35884	MALAYSIA	BUNKER
23/08/2017	SE PANTHEA	9627	CHINA	
23/08/2017	GEM NO. 8*	2479	CHINA	BUNKER
30/08/2017	BLUE STAR PATMOS	18498	GREECE	BUNKER
10/09/2017	AGIA ZONI II*	1597	GREECE	FUEL (CARGO)
20/10/2017	B. NO.255*	8342	USA	
05/11/2017	GOLDEN TRADER II	43501	BRAZIL	BUNKER
19/12/2017	EPIC BURANO*	5812	UNITED KINGDOM	BUNKER
06/01/2018	SANCHI*	85462	CHINA	CRUDE, BUNKER
24/01/2018	STENA SPIRIT*	83120	BRAZIL	CRUDE
03/02/2018	HANG YU 11*	2998	TAIWAN	BUNKER
18/02/2018	SKS DARENT*	65830	TOGO	FUEL (CARGO)

* *Tank vessel*

office in London, should the incident become more serious, is a valuable service ITOPF is able to provide.

The number of days that the team spent on site in connection with the fifteen incidents listed above has been the highest since 2015 illustrating the fact that the number of incidents, and often the quantity spilt, are not necessarily reliable indicators of the complexity of the issues that can arise. Factors such as the time of the year, location, sensitivity of the resources at risk, and type of oil will individually and collectively have a bearing on the duration of the clean-up and magnitude of claims arising. In fact, over the past 20 years, the average number of man-days spent on site has remained more or less constant, at around 500 days/year, with notable exceptions being those years in which major incidents, such as the MT ERIKA, MT PRESTIGE and MT HEBEI SPIRIT occurred.

A case in point was the MT AGIA ZONI II. Although less than 2,000 GT, this small tanker sank off the coast of Piraeus, Greece, spilling several hundred tonnes of heavy fuel oil cargo. The oil affected multiple different municipalities over almost 30km of shoreline. The clean-up was frustrated by political and commercial interests, as well as being complicated by poor co-ordination and the presence of significant deposits of sunken oil. Several members of the team spent some 160 days on site working to instil good practices and attempting to reduce the volume of waste being generated. However, this time does not include the unrecorded time spent in the office by technical and technical support staff assessing the multiple and complex claims arising from this incident, which significantly dwarfs the time spent on site during the clean-up, and is ongoing.

The tragic incident involving the crude carrier, MT SANCHI, which occurred in January 2018 in the East China Sea, reminds us of the risks associated with transportation of hazardous cargoes by sea. We trust that as the circumstances of the incident become clearer we may be able to identify lessons to be learnt and so, avoid a re-occurrence. The team at ITOPF has been on site continuously since the start of the incident, either in China or Japan. Mis-information surrounding the fate and effects of the condensate cargo generated concern locally and ITOPF needed to reassure the authorities

Cleaning rocky shorelines in Japan after the SANCHI incident

Shoreline clean-up following the spill from MT AGIA ZONI II, Piraeus, Greece

following several unhelpful comments made by 'experts' speculating about the long-term effects of condensate on fisheries. In reality, it is the persistent oil from the ship's bunkers that has proven more problematic as this has spread from the sunken wreck to contaminate numerous islands off the coast of Japan.

The palm stearin spill from the MT GLOBAL APOLLON highlighted the importance of establishing good communications and response plans early in an incident. Without this in place any oil, be it hydrocarbon or vegetable oil, spreads and fragments rapidly making it much harder to recover. In this case, lumps of solidified palm stearin broke into numerous smaller pieces and dispersed over a very wide area. The slick moved from the anchorage off the coast of Guangdong, China, where the incident occurred, to Hong Kong where fragments of palm stearin contaminated several public beaches and entered Victoria Harbour. From around 1,000 MT of oil spilt, only 5% was recovered at sea; a further 20% was recovered in Hong Kong, primarily through shoreline clean-up.

The value of ITOPF establishing positive working relationships with intergovernmental

Lumps of solidified palm stearin from MT GLOBAL APOLLON

Clean-up resources in Kuwait to combat a 'mystery' spill organisations, such as the Marine Emergency Mutual Aid Centre (MEMAC) in Bahrain, was reinforced when a significant 'mystery' spill occurred in Kuwait and MEMAC asked ITOPF to attend to provide technical recommendations to the Kuwaiti EPA. ITOPF also provided advice on claims and prepared a report to assist the Kuwaiti authorities with preparedness and response, not only to this incident, but to others in the future. The EPA subsequently expressed interest in building on the experiences of this 'mystery' spill by developing a programme of training with ITOPF.

Damage Assessment and Claims

The team has been working for the last year on several agreements in order to facilitate damage assessment and claims processes. These have come to fruition during this financial year, with the signing of the MoU between EMSA and the IOPC Funds in April; the renewal of the Agreement on vessel rates between ITOPF and the Maritime and Ports Authority (MPA) in Singapore, also in April; and finalisation of two standard contracts (RESPONSECON and US RESPONSECON) for the provision of equipment and services during incidents.

The assessment of the technical merit of claims submitted for compensation following incidents is an important service that ITOPF provides to shipowners and their insurers. The work ranges from assessing the technical merit of the response activities and agreeing a schedule of rates for clean-up, often whilst staff are still on site, to reviewing contractor invoices and more complex claims for pollution damage as they are received by the P&I insurer and shipowner. These latter claims often arrive many months after the incident and some require translation before preparing spreadsheets to facilitate the assessment. Claims for damage to fisheries or the environment may necessitate a programme of environmental monitoring before the extent of any damage can be assessed reliably. It is easy to see that, with claims for some cases spreading over several years, together with those arising from new cases, the team is kept very busy.

Contingency Planning and Advisory

ITOPF has worked closely with Maritime New Zealand (MNZ) for a number of years, providing technical advice during actual incidents, supporting seminars and workshops, and providing training. In July, MNZ asked ITOPF to undertake a study to enable the agency to assess objectively the system it has in place to fund oil spill preparedness and response. This extensive piece of work involved the review of arrangements in several countries comparable to New Zealand to determine how these countries raise funds for this purpose. This report will feed into a 'mid-point' review of the New Zealand Oil Pollution Levy on commercial vessels operating in the country's waters and is an example of how ITOPF's objectivity is appreciated and utilised by government agencies as well as industry bodies.

The equitable mechanism of funding ITOPF through its shipowners and their P&I insurers enables ITOPF to focus its technical support in areas where it is needed most. A case in point is that of work ITOPF undertook in March in conjunction with the IMO and the Norwegian Coastal Administration (NCA) to support the Department of Maritime Administration (DMA) in Myanmar. DMA is aiming to develop a National Contingency Plan in preparation for the construction of a super tanker terminal, Kyaukphyu Deep Seaport, in the Rakhine region on the west coast of Myanmar.

Several other contingency planning and advisory assignments were undertaken during the course of the year in review, primarily for government agencies in countries such as Belgium, Korea, Gran Canaria, Croatia and the Philippines.

Training and Education

Much of the work that ITOPF does goes 'under the radar' as its role is one of supporting and advising and is deliberately not seeking a high profile. That said, it is important that shipowners

National pollution exercise, Spain

Technical staff undertaking helicopter underwater escape training and parties likely to be involved in an incident are aware of the services ITOPF can offer. For that reason, a significant proportion of ITOPF's work is geared towards raising awareness and outreach. Seminars and workshops, such as those arranged by P&I Clubs for their shipowner members around the world, provide excellent opportunities for shipowners to appreciate how their P&I cover gives them access to 24/7 emergency technical support in case of incidents involving their vessels and how ITOPF's technical staff can assist them with their 'in-house' drills and exercises.

During the course of the year, the team supported several exercises and drills including a national exercise with the Spanish coastguard (POLEX 24-17), an exercise to test preparedness in countries party to the Helsinki Convention (BALEX DELTA) hosted by Russia, and an exercise to test preparedness to oil and chemical spills funded by the Norwegian government and the EC; this latter exercise also considered the important issue of Ports of Refuge.

In addition, ITOPF is a key contributor to many major conferences around the world, often having input to conference programmes and sitting on technical committees. By way of example, ITOPF had a strong presence at the International Oil Spill Conference (IOSC) in the USA in May where staff presented several papers on subjects ranging from technical challenges associated with oil remaining in sunken wrecks, to the legal regime governing pollution liability and compensation. The Technical Director took part in the closing plenary and spoke about progress in pollution preparedness and response, and risks of the future. Other members of the team ran training courses, chaired technical sessions and maintained an exhibition stand showcasing ITOPF's work.

Information and Publications

With ITOPF's 50th anniversary approaching, the team has worked with Directors to refresh the current logo ready to launch a new version to coincide with celebrations planned for 2018. The 5-year strategy was also simplified and prepared as a one page summary to aid communication of ITOPF's vision, mission and core values.

ITOPF's website is well used, with over a quarter of all visits during 2017 coming from the USA, followed by the UK and then India. The most popular sites are ITOPF's statistics and environmental effects pages. ITOPF's Technical Information Papers (TIPs) and educational films are also very popular, particularly now that they are available in ten different languages. Opportunity will be taken to refresh the website and these publications when the new logo is launched.

Cyber security is a growing risk faced by many businesses today and ITOPF takes this risk seriously. During 2017 an 'ethical penetration' test was carried out in order to identify areas vulnerable to attack in ITOPF's IT systems; this test will be carried annually from hereon.

Administrative Matters

As at 20th February 2018, Membership tonnage stood at 429 million GT, representing an increase of 19 million GT (~5%) compared with the previous financial year. Associate tonnage stood at 810 million GT as at the same date, representing an increase of 31 million GT (4%).

At its meeting on 9th November 2017, the Board

ITOPF at the International Oil Spill Conference 2017

Presenting at a workshop organised by the Korean Coast Guard, March 2017

Running a spill response and claims exercise for Transpetro in Brazil

of Directors set the dues for the year 2018/2019 at 0.47 of a UK penny per GT of Member tonnage plus a £20 Administration Fee per tanker, and 0.43 of a UK penny per GT of Associate tonnage. This maintains the proportion of income received at 1/3rd Members and 2/3rd Associates.

Directors also agreed that the forthcoming 50th anniversary of ITOPF would be an appropriate time to move from the full registered name, i.e. 'The International Tanker Owners Pollution Federation', to the acronym, ITOPF. Since 1999, ITOPF has provided its services to all types of shipping, not only to tanker owners (albeit that tanker owners are Members and have voting rights). This fact, together with a potential misunderstanding about ITOPF's role, particularly when the full name is translated into certain languages, reinforces the view that the time has come to change the name to 'ITOPF Limited' formally. The decision to use the acronym 'ITOPF', in preference to a more radical name change, recognises the importance of retaining the strong 'ITOPF brand' that has built up over the last 50 years.

The Board also considered changes to the Articles of Association to enable the Chairman to exercise discretion to allow for the vacation of board positions in the event of a change in circumstances of a Director or corporation, or because of repeated non-attendance at meetings.

Consequently, an EGM will be convened on 13th June 2018 to enable Members to approve these changes.

Board of Directors

As reflected in the Directors' Report, the following Directors were appointed during the course of the year in review: Mr Christian Ingerslev; Mr. Clovis Garzia; Mr. Hiroaki Sawabe and Ms. Carol Howle. The following Alternate Directors were also appointed: Capt. Gregory Ferrone; Mr. Hiroshi Kikegawa; Ms Caroline Mcleod and Mr. Tommy Thomassen. Three Directors and two Alternates retired during the course of the year: Capt. Badar Ghouth; Mr. Paul Markides; Mr. Nakiji Ohsumi; Mr. Luiz Cabral and Mr. Yuji Nishijima.

Retaining a high-calibre Board of Directors is especially important as this enhances ITOPF's standing amongst those with whom it works. ITOPF is fortunate to be supported by Directors with the experience and breadth of knowledge that they have, all of which is given freely. I acknowledge the commitment that our outgoing Directors and Alternates have given during the time that they have served on the Board and thank them for their work. I appreciate the ongoing support that companies provide to ITOPF through appointments onto ITOPF's Board and I am grateful to the newly appointed Directors and Alternates for their willingness to serve.

Management and Staff

Safety and risk management were areas receiving particular focus during 2017. ITOPF's Risk Management Handbook is undergoing a revision in order to bring both office-based and foreign travel based risks into one document and, thereby, ensure any gaps are addressed. This is achieved through ITOPF's internal Risk Management Working Group (RMWG). In

Learning about life on board a tanker at the invitation of Tsakos Shipping & Trading addition, technical staff received safety training related to aerial helicopter surveys, sea survival and Arctic survival. A day of risk management training was provided to all staff by an external security consultancy in order to provide a general awareness of potential safety and security risks and ways in which these can be mitigated.

A draft Business Continuity Plan has also been prepared with input from a specialist consultancy. Staff with responsibility for key functions within ITOPF are working through elements of the Plan to ensure that if ITOPF's office in London becomes unusable for whatever reason, ITOPF's services can still be delivered.

Since the beginning of the year in review, two members of the team have left ITOPF's employment: Mr. Romain Chancerel (Technical Adviser) and Mrs Kelly Reynolds (Senior Technical Adviser). Two of the three Technical Adviser vacancies were filled in October 2017 when Capt. Julke Brandt and Dr. Duarte Soares joined the team. One Technical Adviser vacancy remains. Mrs Vanessa Holliday also joined ITOPF in September in a permanent post as HR Manager, having previously worked in a consultancy role.

I am pleased to report that the flexible working arrangements in place are encouraging new parents to return to ITOPF and, although

Technical staff at an environmental training course in Pembrokeshire, Wales

challenging to manage at times, the flexibility is working for both staff and ITOPF. In total, over the last five years, eleven babies have been born to ITOPF staff and three more are expected in 2018. Being able to attract and retain high-performing staff and provide for them to satisfy both their life and career ambitions, whilst still meeting the needs of the business, is the sign of a well-balanced and progressive organisation.

A series of facilitated workshops to explore communication and working practices in ITOPF concluded in November. Feedback of the experience from staff was positive and four 'ad-

ITOPF's Board of Directors

ITOPF team

hoc' working groups from across the organisation have been established to build on the outcome from these workshops. It is anticipated that these groups will discuss ways to ensure that ITOPF is well-prepared to face challenges of the future, both in respect to working practices and communication styles, but also ways to ensure ITOPF is proactive in setting its business strategy.

The team at ITOPF consistently delivers a high-quality service to shipowners, their insurers and the wider maritime community. The staff are adept at demonstrating flexibility given the unpredictability of their workload, exemplified most recently when the MT SANCHI incident occurred. Several members of the team have rotated in and out of China and Japan continuously since January and their colleagues have stepped in to fulfil other commitments and to provide administrative support. I, and my fellow Directors, admire the work that the team does under Karen's leadership and we look forward to planning and celebrating ITOPF's golden anniversary in 2018.

PADDY RODGERS
Chairman

New Technical Adviser Julke Brandt

New Technical Adviser Duarte Soares

Directors' Report
for the year ended 20th February, 2018

The Federation is a company limited by guarantee and not having a share capital. The Federation provides technical services to its tanker owner Members and others in relation to ship-source spills of oil or chemicals, including advice on response, damage assessment and the analysis of claims for compensation; contingency planning and advisory work; and training and information. Owners and bareboat charterers of ships other than tankers are entitled to become Associates of the Federation and so to benefit from the Federation's technical services on a similar basis to its tanker owner Members.

A Statement by the Chairman containing a report on the activities of the Federation during the year under review accompanies this Report. The Directors accept and endorse the Chairman's Statement.

The Directors present the audited accounts of the Federation for the year ended 20th February, 2018, which show a deficit (after tax) of £370,105 (2017: £240,219 surplus) and a deficit carried forward amount of £5,254,487 (2017: £3,488,784 deficit). During the year the Federation made charitable donations of £1,000 to each of Mercy Ships and Shelter; £250 to the National Maritime Museum; £180 to Seeing is believing and £100 to the Sailors Society (2017: £750 to each of the Royal National Lifeboats Institute and MSF Doctors without Borders and £500 to the Countess Mountbatten Hospice).

The Directors of the Federation as at 20th February, 2018 were:

Name	Position	Changes during the year ended 20 February, 2018	
		Appointment	Cessation
Patrick Rodgers	Chairman		
Karen Jane Purnell	Managing Director		
Ibrahim Abdulrahman Al-Omar	Director		
Jones Alexandre Barros Soares	Director		09/11/17
Billy Chiu	Director		
Susan Leslie Dio	Director		09/11/17
Morten Henrik Engelstoft	Director		09/11/17
Clovis Garzia	Director	09/11/17	
Bader Ghouth	Director		18/05/17
Theresa Caraway Gunnlaugsson	Director		
Erik Hanell	Director		
Jonathan Hare	Director		
Grahaeme Henderson	Director		
Carol Lee Howle	Director	09/11/17	
Christian Michael Ingerslev	Director	09/11/17	
Donald Richard Kurz	Director		
Kevin Mackay	Director		
Paul Blain Markides	Director		21/11/17
Mark Francis Martecchini	Director		

Name	Position	Changes during the year ended 20 February, 2018	
		Appointment	Cessation
Nakaji Ohsumi	Director		09/11/17
Sergey Popravko	Director		
Stefano Rosina	Director		
Mark Howard Ross	Director		
Hiroaki Sawabe	Director	09/11/17	
Kazuyoshi Takayama	Director		
Hannes Kristian Thiede	Director		
Colin Peter Williams	Director		
Chao Wu	Director		
Mai Jin Zhu	Director		
Keizo Atsumi	Alternate Director		
Christopher George Bastis	Alternate Director		
Luiz José Dos Santos Cabral	Alternate Director		09/11/17
Philip Michael Davies	Alternate Director		
Gregory John Ferrone	Alternate Director	18/05/17	
Christen Guddal	Alternate Director		
Brian Robert Horsburgh	Alternate Director		
Hiroshi Kikegawa	Alternate Director	09/11/17	
Caroline Margaret Mcleod	Alternate Director		09/11/17
Caroline Margaret Mcleod	Alternate Director	09/11/17	
Yuji Nishijima	Alternate Director		21/11/17
Igor Pankov	Alternate Director		
Anthony Paulson	Alternate Director		
Ingvild Saether	Alternate Director		
Hiroaki Sawabe	Alternate Director		09/11/17
Nikolaus Hans Schues	Alternate Director		
Jan Hugo Erik Sonesson	Alternate Director		
Jane Sy	Alternate Director		
Tommy Thomassen	Alternate Director		09/11/17
Tommy Thomassen	Alternate Director	09/11/17	
Duo Xue Zhang	Alternate Director		

The Directors due to retire by rotation at the next Annual General Meeting in accordance with the Articles of Association are Billy Chiu, Hannes Kristian Thiede, Chao Wu, Erik Hånell, Sergey Popravko, Stefano Rosina and Colin Williams. The retiring Directors are eligible to offer themselves for reappointment.

Director's confirmation

Each of the persons who are directors at the time when this Report is approved has confirmed that:

(a) so far as each director is aware, there is no relevant audit information of which the Federation's auditors are unaware; and

(b) each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Federation's auditors in connection with preparing their report and to establish that the Federation's auditors are aware of that information.

This Report has been prepared in accordance with the small companies' regime of the Companies Act 2006.

By Order of the Board

SAMANTHA ROBERTS
Secretary
The International Tanker Owners Pollution Federation Limited
Registered number 944863
13th June, 2018

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 the 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 estimates that are reasonable and prudent; and
- 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.

Auditor’s Report

Independent Auditor’s Report to the Members of The International Tanker Owners Pollution Federation Limited (A Company Limited by Guarantee).

Opinion

We have audited the financial statements of International Tanker Owner Pollution Federation Limited (the ‘company’) for the year ended 20th February 2018 which comprise: Statement of comprehensive income; Statement of financial position; Statement of changes in equity; Statement of cash flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 20th February, 2018 and of its deficit 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 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 audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the directors’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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 mis-statement 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.

Opinion 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 have 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 where 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 set out on page 5, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: 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.

MICHAEL SIMMS
Senior Statutory Auditor
For and on behalf of Moore Stephens LLP, Statutory Auditor
150 Aldersgate Street
London EC1A 4AB

19th June, 2018

Statement of Comprehensive Income
for the year ended 20th February, 2018

	Note	2018 £	2017 £
Turnover	*4*	5,627,462	5,330,259
Administrative expenses	*6*	(5,856,706)	(4,995,862)
Operating surplus		(229,244)	334,397
Net interest and similar income and charges	*5*	(136,275)	(90,607)
Revenue (deficit)/surplus on ordinary activities before taxation		(365,519)	243,790
Taxation	*9*	(4,586)	(3,571)
Revenue (deficit)/surplus on ordinary activities after taxation	*10*	(370,105)	240,219
Other comprehensive income			
Actuarial loss on the pension scheme	*16*	(1,395,598)	(2,824,711)
Total comprehensive loss for the year		(1,765,703)	(2,584,492)

The notes on pages 24 to 32 are an integral part of these financial statements.

Statement of Financial Position

at 20th February, 2018

	Note		2018		2017
		£	£	£	£
Fixed assets					
Property, plant and equipment	*12*		209,906		182,015
			209,906		182,015
Current assets					
Stocks	*13*	9,104		9,190	
Debtors	*14*	491,740		480,069	
Cash and cash equivalents		2,767,925		2,592,334	
		3,268,768		3,081,593	
Creditors: amounts falling due within one year	*15*	(591,151)		(623,947)	
Net current assets			2,677,617		2,457,646
Net assets excluding pension liability			2,887,523		2,639,661
Pension liability	*16*		(8,142,010)		(6,128,445)
Net liability including pension liability			(5,254,487)		(3,488,784)
Accumulated revenue deficit	*10*		(5,254,487)		(3,488,784)

These financial statements have been prepared in accordance with the small companies regime of the Companies Act 2006.

These financial statements were approved by the Board of Directors on 13th June, 2018 and were signed on its behalf by:

P. RODGERS
13th June, 2018

The notes on pages 24 to 32 are an integral part of these financial statements.

Statement of Changes of Equity
for the year ended 20th February, 2018

	Accumulated revenue (deficit) £
Balance at 21st February 2016	(904,292)
Comprehensive income:	
Revenue surplus on ordinary activities after taxation	240,219
Other comprehensive income:	
Actuarial loss on the pension scheme	(2,824,711)
Balance at 20th February 2017	(3,488,784)
Comprehensive income:	
Revenue deficit on ordinary activities after taxation	(370,105)
Other comprehensive income:	
Actuarial loss on the pension scheme	(1,395,598)
Balance at 20th February 2018	**(5,254,487)**

The notes on pages 24 to 32 are an integral part of these financial statements.

Statement of Cash Flows
for the year ended 20th February, 2018

	2018	2017
	£	£
Cash flows from operating activities		
(Deficit)/surplus before tax	(365,519)	243,790
Adjustments for:		
Depreciation	86,510	100,199
Interest income	(17,994)	(11,488)
Interest expense	154,269	102,095
Decrease in stocks	86	43
(Increase)/decrease in debtors	(11,671)	92,491
Decrease in creditors	(33,810)	(2,045)
FRS102 additional pension cost of service	463,698	261,820
Taxation paid	(3,571)	(4,900)
Net cash generated from operating activities	271,998	782,005
Cash flows from investing activities		
Purchase of property, plant and equipment	(117,035)	(85,732)
Movement on disposals	2,634	-
Interest received	17,994	11,488
Net cash flow used in investing activities	(96,407)	(74,244)
Net change in cash and cash equivalents	175,591	707,761
Cash and cash equivalents at the start of the year	2,592,334	1,884,573
Cash and cash equivalents at the end of the year	2,767,925	2,592,334

The notes on pages 24 to 32 are an integral part of these financial statements.

Notes to the financial statements

1 Members' guarantee

Under the Memorandum of Association each Member is committed, in the event of the company being wound up whilst it is a Member, or within one year thereafter, to contribute a sum not exceeding £5. At 20th February, 2018 there were 7,871 Members (2017: 7,777).

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the *Financial Reporting Standard 102* issued by the Financial Reporting Council.

The financial statements have been prepared on the going concern basis which contemplates the realisation of assets and the settlement of liabilities in the ordinary course of business. The company has an accumulated deficit carried forward at the year-end as a result of the defined benefit scheme liability. This liability is not expected to crystallise in the foreseeable future and therefore the going concern basis of preparation is considered to be the appropriate basis.

Foreign currencies

The company has a presentation currency of Pounds Sterling (GBP) and has determined that Pounds Sterling is its functional currency, as this is the currency of the economic environment in which the company predominantly operates.

Transactions in currencies other than GBP are recorded using the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the reporting date and the gains or losses on translation are included in the result for the year.

Turnover

Turnover includes Members and Associates dues and Members Administration Fees. Members and Administration Dues are paid annually and comprise a set annual charge per gross tonnage. Members Administration Fee is a set fee per Member paid annually. The level of dues per gross tonne for each respective class (Members and Associates) and the Members Administration charge are fixed by the Board at the Annual Board of Directors Meeting. Both Members and Associates dues and Members Administration Fees are accounted for on an accruals basis.

Leases

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

For leases accounted for as 'operating leases', the rental payments are charged to the profit and loss account on a straight-line basis over the life of the lease.

Fixed assets and depreciation

Computer equipment and fixtures and fittings are stated at cost less accumulated depreciation and any recognised impairment losses.

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Computer equipment: 33.3% per annum on a straight line basis
Furniture and fittings: 15% per annum on a diminishing balance basis

Books, manuscripts, pictures and artwork are not depreciated on the basis that their expected residual value exceeds their cost.

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period if there are indicators of change. The carrying amount of an asset is written down immediately to its recoverable amount if the asset's carrying amount is assessed as greater than its estimated recoverable amount.

Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its property, plant and equipment, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Stocks

Stocks represent the value of publications held for free distribution as part of the service provided by the company and are stated at cost. Cost comprises the printing and production cost of the publication and is determined using the first-in, first-out ('FIFO') method.

Financial assets and liabilities

Financial instruments are recognised on the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at their transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below. Financing transaction are measured at the present value of their future cash flows, discounted at a market rate of interest for a similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102. All financial instruments held by the company have been classified as basic.

At the end of each reporting period, debt instruments classified as basic are measured at amortised cost using the effective interest rate method.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Impairment of financial assets

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset that can be estimated reliably. The criteria that the company uses to determine that there is objective evidence of an impairment loss include:

i. significant financial difficulty of the obligor;
ii. a breach of contract, such as a default or delinquency in payments;
iii. the company, for economic or legal reasons relating to the debtor's financial difficulty, granting to the debtor a concession that the lender would not otherwise consider;
iv. it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;

As an initial step the company assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced to the present value of estimated future cash flows and the amount of the loss is recognised in the income statement. Where the investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

In the case of financial assets measured at cost, the impairment loss will be the difference between the asset's carrying amount and the best estimate of the sales price that would be achieved at the reporting date.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statement of comprehensive income.

Trade debtors

Trade debtors are amounts due primarily from P&I Clubs in respect of technical services provided to them by ITOPF. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally the invoice price, less any allowances for doubtful debts.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks which are readily convertible, being those with original maturities of three months or less.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as creditors falling due within one year if payment is due within one year or less. If not, they are presented as creditors falling due after one year.

Trade creditors are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

Pensions

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each reporting date. Actuarial gains and losses arising from experience adjustments and changes in assumptions are recognised immediately in other comprehensive income. All costs related to the defined benefit plan are recognised in the statement of comprehensive income within employee benefit costs.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the plan.

3 Critical accounting estimates and judgements

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Defined benefit pension scheme
The present value of the defined benefit pension depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pension include the discount rate.

Any changes in these assumptions will have an effect on the carrying amount of pension and other post-employment benefits.

After taking appropriate professional advice, management determines the appropriate discount rate at the end of each reporting period. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, consideration is given to the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are to be paid and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions relevant to the defined benefit pension and other post-employment benefit obligations are based in part on current market conditions. Additional disclosures concerning these obligations are given in note 16.

4 Analysis of turnover

Turnover represents Membership dues, Membership administration fees, Associate dues and cost recoveries for services rendered to third parties, net of Value Added Tax.

	2018 £	2017 £
By activity		
Membership dues	2,098,580	1,967,319
Membership administration fees	266,451	255,363
Associate dues	3,086,867	3,028,098
Royalties	8,540	8,365
Cost recoveries and other income	167,024	71,114
	5,627,462	5,330,259

5 Net interest and similar income and charges

	2018 £	2017 £
Bank interest	17,994	11,488
Net return on pension scheme (*Note 16*)	(154,269)	(102,095)
	(136,275)	(90,607)

6 Administrative expenses

	2018 £	2017 £
Salaries and other employment costs (*Note 8*)	3,934,261	3,075,609
Auditor's remuneration – statutory audit fees	14,700	14,000
Auditor's remuneration – Corporation Tax fee	3,100	3,600
Professional fees	395,343	404,260
Property lease rentals payable	212,563	213,145
Depreciation of tangible fixed assets (*Note 12*)	86,510	100,199
Technical information and publications	95,747	105,423
Raising awareness	114,073	75,252
Research and development awards	36,988	45,501
Other administrative expenses	963,421	958,873
	5,856,706	4,995,862

7 Remuneration of Directors

The emoluments of the Chairman were £nil (2017: £nil) and the emoluments of the highest paid Director were £236,676 (2017: £187,031); none of the other 25 Directors (2017: 25) received any emoluments in respect of services rendered to the company (2017: £nil). One Director is entitled to benefits under a defined benefit pension scheme (2017: one). No Directors are entitled to benefits under defined contribution schemes.

8 Staff numbers and costs

The average number of persons employed by the company (including the Managing Director) during the year, analysed by category, was as follows:

	Number of employees	
	2018	2017
Technical and information staff	21	21
Administration	13	11
	34	32

The aggregate payroll costs of these persons were as follows:

	2018 £	2017 £
Wages and salaries	2,224,304	2,069,916
Social security costs	257,658	218,883
Pension costs (*Note 16*)	1,452,299	786,870
	3,934,261	3,075,609

9 Taxation

The company is subject to United Kingdom corporation tax on the interest received from investments and on book and video royalties. The charge for the year represents UK Corporation Tax at 20% reduced to 19% (2017: 20%) on this income.

As a mutual trading association, ITOPF is not liable to Corporation Tax on any surplus profit to the extent to which it arises directly from members' subscriptions. All other sources of income fall within the charge to Corporation Tax.

	2018 £	2017 £
Current Corporation Tax charge for the year:		
Revenue (deficit)/surplus before tax	(365,519)	243,790
Expected tax charge at 20%/19% and 20%	(69,839)	48,758
(Deficit)/surplus above, not subject to UK Corporation Tax	74,425	(45,187)
Current Corporation Tax charge for the year	4,586	3,571

10 Reserves

	2018 £	2017 £
Revenue deficit brought forward	(3,488,784)	(904,292)
Revenue (deficit)/surplus for the year	(370,105)	240,219
Actuarial loss for the year (*Note 16*)	(1,395,598)	(2,824,711)
Accumulated revenue deficit	(5,254,487)	(3,488,784)

11 Commitments

The minimum future lease rentals payable under non-cancellable operating leases for land and buildings are as follows:

	2018 £	2017 £
Not later than 1 year	121,000	242,000
Within 2 to 5 years	-	121,000
	121,000	363,000

12 Property, plant and equipment

	Computer Equipment £	Furniture & Fittings £	Total £
Cost			
At beginning of year	656,437	409,267	1,065,704
Additions	73,270	43,765	117,035
Disposals	(11,977)	(12,466)	(24,443)
At end of year	717,730	440,566	1,158,296
Depreciation			
At beginning of year	595,960	287,729	883,689
Disposals	(11,978)	(9,831)	(21,809)
Charge for year	63,837	22,673	86,510
At end of year	647,819	300,571	948,390
Net book value			
At 20th February, 2018	**69,911**	**139,995**	**209,906**
At 20th February, 2017	60,477	121,538	182,015

For insurance purposes, on 14th July 2015, external valuers, Gurr-Johns, revalued ITOPF's Books and Manuscripts at £329,500 (2010: £331,600). This valuation was based on replacement in the retail or second hand market with items of a similar nature, age, condition and quality.

13 Stocks

Stocks represent the value of publications held in stock valued at the lower of cost and net realisable value.

14 Debtors

	2018 £	2017 £
Trade debtors	72,011	151,693
Other debtors including VAT	86,188	75,039
Prepayments and accrued income	333,540	253,337
	491,740	480,069

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	114,449	82,489
Other taxes and social security	100,504	83,829
Other creditors	1,716	766
Corporation Tax	4,586	3,571
Accruals and deferred income	369,896	453,292
	591,151	623,947

16 Pensions

The company operates a funded defined benefit pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company.

The contributions are determined by a qualified actuary on the basis of actuarial valuations. The most recent full actuarial valuation, as at 1st January 2017, showed that on an ongoing basis the value of the scheme liabilities was £23,542,000 allowing for projected future earnings increases, and the market value of the scheme's assets was £23,321,000. The market value of the assets represents 99% of the accrued liabilities.

The principal assumptions used in the valuation were that the investment returns will be less than salary inflation by 1.75% per annum, and will exceed future pension increases by 0.4% per annum for benefits accrued after 5th April 1997, and 0.9% for benefits accrued before 6th April 1997. The Projected Unit Method was used to determine the value of the liabilities and the Standard Contribution Rate.

The most recent actuarial valuation of the scheme on FRS102 assumptions was carried out on 20th February, 2018 by an independent actuary. The fair value of the scheme's assets valued as at this date was £24,923,130 (2017: £24,032,162), which is not intended to be realised in the short term and may be subject to significant change before being realised. The present value of the scheme's liabilities on the same date was £33,065,140 (2017: £30,160,607), which was derived from cash flow projections over long periods and is thus inherently uncertain. The result of these valuations gave rise to a net pension liability of £8,142,010 (2017: net pension liability £6,128,445).

The major assumptions used by the actuary were:

	At 20.02.18	At 20.02.17
Discount rate	2.8%	2.8%
Aggregate long-term expected rate of return on assets	2.8%	2.8%
Rate of increase in salaries	5.6%	5.2%
Inflation assumption RPI	3.6%	3.7%
Inflation assumption CPI	2.6%	2.7%
Rate of increase in pensions in payment (Limited Price Indexation)	3.4%	3.5%

Expected contributions paid during the year following disclosure date:

	£
Expected contributions paid during the year following the disclosure date (i.e. 21st February, 2018 – 20th February, 2019)	
	770,000

During the year, the company agreed to increase contributions on basic salaries in respect of each active Member. The company also paid a recovery plan contribution of £231,000.

The aggregate assets of the defined benefit scheme are comprised as follows:

	2018 %	2017 %
Equities	-	-
Bonds	37.6	36.3
GARS	34.3	33.8
Cash	2.6	1.0
Insured liability	0.2	0.3
Liability driven investments	25.3	28.6
	100.0	100.0

Reconciliation of the opening and closing balances of the fair value of assets:

	2018 £
Fair value of scheme assets at beginning of year	24,032,162
Interest income	669,683
Return on scheme assets (excluding interest income)	(447,946)
Contributions (Employer)	988,601
Contributions (Employee)	80,768
Benefits paid	(400,138)
Fair value of scheme assets at end of year	24,923,130

Actual return on scheme assets:

	2018 £	2017 £
Actual return on scheme assets	221,737	5,337,038

Net defined benefit pension scheme liability:

	2018 £
Defined benefit obligation at beginning of year	(6,128,445)
Actuarial loss for the year	(1,395,598)
Current service cost	(1,452,299)
Finance cost	(154,269)
Contribution paid	988,601
Defined benefit obligation at end of year	(8,142,010)

Total expense recognised in the income statement:

	2018 £	2017 £
Current service cost	1,452,299	786,870
Interest cost	823,952	817,099
Interest income	(669,683)	(715,004)
Total profit and loss charge	1,606,568	888,965

Total amounts recognised in other comprehensive income:

	2018 £	2017 £
Actuarial loss on scheme liability	(947,652)	(7,446,745)
Actuarial (loss)/gain on scheme assets	(447,946)	4,622,034
Actuarial loss for the year	(1,395,598)	(2,824,711)

Annual General Meeting

The Annual General Meeting of The International Tanker Owners Pollution Federation Limited will be held at Reed Smith, Broadgate Tower, 20 Primrose Street, London, EC2A 2RS on 8th November, 2018 at 8.30am for the following purposes:

1 To receive the Accounts of the Federation for the financial year ended 20th February, 2018, and Reports of the Directors and of the Auditors.

2 To appoint Directors.

3 To reappoint the Auditors and authorise the Directors to fix the Auditor's remuneration.

By Order of the Board

SAMANTHA ROBERTS
Secretary
13th June, 2018

Registered Office:
1 Oliver's Yard
55 City Road
London EC1Y 1HQ
Registered in England No. 944863

Notes:

1 A corporation which is a Member of the Federation may by resolution of its directors or other governing body authorise such person as it thinks fit to act as the representative of such corporation at the Meeting.

2 A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, vote instead of him. A proxy must be a duly authorised representative of a Member.

Arctic survival training

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