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**SEAFARERS HOSPITAL SOCIETY**

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**SEAFARERS HOSPITAL SOCIETY**

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## SEAFARERS HOSPITAL SOCIETY

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### **Trustees**

Mr P McEwen MBE MNM, Chair  
Mr AR Nairne CBE FSA, Deputy Chair  
Mr G Lane FCA, Honorary Treasurer  
Mr M Carden  
Dr J T Carter PhD FFOM MNM  
Mr R J Chichester MA  
Mr M Jess BEM MSc  
Surgeon Commander J F Leonard MB ChB MSc MFOM RN (Rtd)  
Dr C Mendes Da Costa MBBS MRCP  
Captain C M C Stewart LVO (resigned 1 September 2018)  
Captain R Dunn (appointed 1 September 2018)

#### **Charity registered number**

231724

#### **Principal office**

29 King William Walk, Greenwich, London, SE10 9HX

#### **Secretary**

Mr P S Coulson

#### **Independent auditors**

haysmacintyre, 10 Queen Street Place, London, EC4R 1AG

#### **Bankers**

Royal Bank of Scotland, 62/63 Threadneedle Street, London, EC2R 8LA

#### **Investment advisors**

Bordier & Cie (UK) PLC, 23 King Street, St James's, London, SW1Y 6QY

#### **Honorary Archivist**

Professor G C Cook MD DSc FRCP

#### **Patron**

His Royal Highness The Duke of York KG KCVO ADC

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## SEAFARERS HOSPITAL SOCIETY

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### CHAIR'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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I present my Annual Report, my ninth such report as Chair.

In 2018 the expenditure on grants to individuals increased again from £161,000 to £170,000. This trend is likely to continue given the financial pressures faced by many. The Society also increased the maximum contribution towards funeral costs.

There was also an increase in spending on direct costs from £90,000 to £201,000 for projects, which of course also helps individuals.

Increased support has been given to those in the fishing fleets including the SeaFit project, made possible thanks to financial support from Seafarers UK.

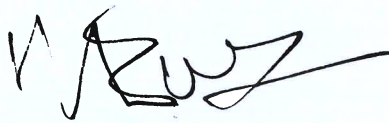
All of this is positive news building on the foundations from earlier years.

The Society's bicentenary occurs in 2021 and the Trustees are planning how best to mark the occasion in a positive, forward looking manner. The Society has done much to be proud of since 1821 and this will continue to be the case. More of this over the next two years!

As can be seen from the Annual Report and Accounts in 2018 the Society's income increased by some £150,000, mainly due to a higher level of grants received towards the costs of specific projects. Accordingly, expenditure also increased by some £230,000. There was a net loss of £452,699, up from 2017 by over £80,000. There were net losses on investment of over £600,000 compared to net gains in 2017 of nearly £380,000. Market movements in the year were generally negative for many investors, particularly in the final quarter. The uncertainty arising from Brexit has continued into 2019.

Overall the Society's financial position remains secure and continues to be closely monitored by the Trustees.

My personal thanks go to all Trustees, in particular Graham Lane, the Treasurer and Sandy Nairne, appointed as Deputy Chair in 2017. Thanks also to the Secretary, Peter Coulson and his staff, for all their work during the year.



Name Peter McEwen MBE MNM  
Chairman

Date 12 March 2019

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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

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The Trustees present their annual report and accounts for the year ended 31 December 2018.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Society is a registered charity which was founded in 1821 and incorporated under Act of Parliament in 1833. The governing document comprises the 1833 Act as amended by the Charities (Seamen's Hospital Society) Order 1999 and now primarily, by a Scheme the Trustees adopted on 29 July 2015, a copy of which is available from the Society. The Object of the Society is "the relief of seamen and seawomen of all nations within the United Kingdom of Great Britain and Northern Ireland and their immediate dependants (including widows, widowers and children of deceased seafarers) who through sickness, misfortune or age are in need of assistance and providing such persons with medical care and surgical aid, lodging, support and clothing."

The Society may also make grants to such other maritime charitable institutions with the same or similar objects to the Society as the Trustees shall think fit.

##### **Organisational structure**

The Trustee Board has responsibility under the Charities Act for the running of the Society and fulfilling all legal duties. The Trustee Board, comprising of a minimum of six Trustees, appoints Trustees for a term not exceeding five years. One fifth must retire each year and a Trustee may be re appointed, normally for a maximum of three terms. A list of Trustees is shown on the Information page.

Trustees have appointed a Chair, Deputy Chair and Honorary Treasurer, in each case for a maximum term of five years. The quorum for Trustee Board meetings is twenty-five per cent of the number of Trustees. The Trustees have the option to hold an annual meeting of the Society and have chosen to do so. A Conflict of Interests Policy has been adopted and its provisions are in place.

##### **Decision making**

The Trustees delegate specific matters to the Secretary, agree an annual budget, determine limits of authority for expenditure under various heads, and authorise signatories on bank accounts. A Members' Handbook detailing these and other matters, including a code of conduct for Trustees, continues to be kept under review and includes role descriptions for the Trustees and Officers.

##### **Recruitment and Appointment of New Trustees**

The identification of potential new Trustees is carried out by the Trustees, the aim being to appoint those with expertise appropriate to carry on the Society's work. Apart from seeking those with seafaring and maritime backgrounds, those with medical or other qualifications, such as in finance or the law, are also sought to bring a wide expertise to bear in administering the Society's affairs.

On appointment, new trustees are given copies of key documents and provided with further induction in house and, where appropriate, external training.

##### **Risk Assessment**

The established written analysis of risks to which the Society is exposed is reviewed annually by the Trustees. This analysis sets out the probability, seriousness, current precautions and any further action to mitigate identified risks.

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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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#### OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

##### Object

The Society fulfils its Object principally through grant making and project work. It aims to maximise the impact of this activity through collaboration with the work of other maritime organisations, as well as through the Seafarers' Advice & Information Line (SAIL). With the assistance of SAIL, seafarers are often able to obtain greater financial or welfare benefit than would be possible through grant making alone. In addition to specific financial support for the users of the Dreadnought Medical Service at Guy's and St Thomas' NHS Foundation Trust, the Society plays an active part in promoting the effective delivery of priority healthcare to seafarers.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's documents on public benefit in determining the activities undertaken by the Society, and that, in fulfilling the Society's Object, the identified benefits set out in this Report are, as required, provided to a section of the public.

##### Activities

Of the £928,681 expended by the Society on charitable activities in 2018, grant expenditure amounted to £537,786. £200,384 was spent on direct costs, including £106,782 on projects. A further £189,711 was spent on support costs, representing staff time, publicity costs and other resources directly related to advising and assisting applicants, liaising with caseworkers and other charities, as well as advancing projects and development work, all in seeking to best serve the needs of beneficiaries. This sum included £18,312 spent on governance costs and an exceptional £40,000 spent on refurbishment works to the Greenwich office.

The Society continued its active collaboration with the work of other maritime organisations, supporting and participating in initiatives to promote best practice and best use of resources, notably within forums operating under the auspices of the Merchant Navy Welfare Board (MNWB) and the Maritime Charities Group (MCG).

During the year it embarked on a Health and Wellbeing Programme for fishermen, now known as SeaFit, a major collaborative programme of targeted initiatives developed in partnership with the Fishermen's Mission, to be delivered over a two-year period at an estimated total cost of some £740,000 and funded by Seafarers UK (see below under Health Development for more information).

#### ACHIEVEMENTS AND PERFORMANCE

##### Grants to individuals

In 2018 the Society awarded 269 miscellaneous grants to individuals, valued in total at £152,897 (2017: 232 grants valued at £142,042). The grants were awarded for disability aids and equipment such as electrically powered wheelchairs, adapted shower facilities and wheelchairs, as well as for essential household goods, clothing, payment of priority debts, respite breaks, funeral costs and other pressing welfare requirements.

During the year it was agreed, in view of the rise in funeral costs generally, to increase the maximum grant normally awarded towards funeral costs from £500 to £750, starting from 2019. There will be a further review in 2020.

A further 24 grants, totalling £3,101 (2017: 14 grants totalling £1,666), were awarded for the fares of seafarers and dependants in need attending the Dreadnought Medical Service at Guy's and St Thomas' NHS Foundation Trust in London.

In total, £13,884 was spent on physiotherapy services in 2018. As part of its established collaboration with the local Harbourside clinic in the West Cornwall area, the Society awarded 47 grants to fishermen and 2 grants to merchant navy seafarers (MN), totalling £5,415 (2017: 36 grants totalling £5,262).

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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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Late 2018 saw the launch of the Harbourside Network, a network of physiotherapy clinics in Cornwall, Brixham and Plymouth offering services to local fishermen and MN, resulting in an initial 4 grants to fishermen totalling £675.

Schemes operated in association with Connect Physical Health and its partners cover the remaining UK based MN and fishermen. In 2018 the Society awarded 44 grants totalling £7,794 (2017: 59 grants totalling £12,085) for physiotherapy advice and treatment to 18 MN officers, 12 MN ratings, and 14 fishermen.

In dealing with general assistance applications, the Society aims to provide a practical and flexible response on the basis of financial and personal need; its eligibility criteria are not rigidly specified, and it always seeks to consider the overall picture when evaluating a grant application singly or in conjunction with other maritime charities. The Society works closely with SAIL to ensure that clients receive the best advice possible, and the Society's funds are put to the most effective use, where benefit, debt, legal or other technical questions arise.

The assistance of caseworkers greatly benefits clients in helping to evaluate their needs holistically and present their applications; this is normally done on a face to face basis in their own homes. The Society very much values the help and co-operation it receives from caseworkers and colleagues from the Merchant Navy Welfare Board (MNWB), Soldiers, Sailors, Airmen and Families Association - Forces Help (SSAFA), the Shipwrecked Mariners Society, the Fishermen's Mission, the Nautilus Welfare Fund, the Royal British Legion and other maritime agencies.

#### **Grants to institutions**

A total of £367,904 was awarded to institutions in 2018 (2017: £312,637). As well as grants to the Seafarers' Advice & Information Line of £337,294, this sum also included the Society's contribution of £20,460 towards Nautilus Welfare Fund's specialist dementia nurse pilot project at Mariners Park, and £10,000 to the MCG Maritime Charities Group

The Society continued to play an active part in the work of the Maritime Charities Group (MCG). Early in the year Lloyds Register Foundation joined the Group, whose other members comprise Seafarers UK, the MNWB, Greenwich Hospital, the ITF Seafarers Trust, Nautilus International/ Welfare Fund, the Royal Navy & Royal Marines Charity, and Trinity House.

The Society believes that the MCG plays a valuable role in informing and developing policy for all involved in the maritime charity sector. A number of strands of work over three years led to the launch of the wide ranging Navigating Change report in October 2017, an updated view across the sector which built on the legacy of the 2007 Seafarers and their Families report. It is understood that the new report has informed and influenced the strategy of many charities since it appeared.

A focus on promoting collaboration emerged from the findings of Navigating Change and the MCG vision and mission statements have subsequently been revised to emphasise this aspect further, with several related initiatives now under way. As part of this, it was agreed that there is a place for rather more frequent conference events, and a further conference, concentrating on specific themes, is now planned to take place in October 2019.

A further outcome of particular relevance for the Society was agreement to establish a new health working group for interested organisations under the auspices of the MCG and led by the Society.

#### **Seafarers' Advice & Information Line (SAIL)**

SAIL is a unique national telephone based service offering free advice and help exclusively to seafarers on a range of issues including benefits, employment, housing, debt, consumer problems, legal matters, personal relationships and taxation. Its services are provided to active and retired UK based seafarers and their dependants, and, where appropriate, include detailed casework and dealing and negotiating with third parties on behalf of individual clients. Assistance is also offered to charities and other organisations involved with

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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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seafarers.

Established in 1996 at the initiative of the Society, SAIL is managed and operated by Greenwich Citizens Advice Bureaux (GCAB) on behalf of the Society. Since its inception the service has been enhanced and expanded in various ways, with correspondingly increased costs, and the Society very much appreciates the funding support of Seafarers UK's over many years now and, in more recent years, the additional support of Greenwich Hospital.

The extension of SAIL's services to the Royal Navy and Royal Marines (RN/RM) community on an open self referral basis since April 2016, funded by Greenwich Hospital, has proved very popular and a great success. The Society was delighted that Greenwich Hospital agreed to fund a further expansion of SAIL from April 2018 to enable the increasing number of RN/RM users to access the service.

In terms of overall numbers, SAIL helped 1,341 unique (that is, new and existing) clients during 2018 (2017: 1,334 unique clients), including 885 new clients (2017: 882 new clients), both representing record levels. Measurable financial successes – comprising debt write offs, benefit entitlement (calculated over one year), charitable grants and other identified gains – were again at a very high level, totalling £843,000 (2017: £879,000). Meanwhile, individual issues on which clients sought advice – an indicator of the complexity of need – numbered a record 3,576 (2017: 3,233).

A breakdown of all clients showed that 75% were under 65 years of age, 72% were male, and 40% were employed. 43% of new clients in 2018 described themselves as being disabled or having a long term health issue, similar to the level for all Citizens Advice Bureaux clients in England and Wales, but more than double the level for the population as a whole, and 24% of all benefit issues handled by SAIL concerned disability related benefits. Welfare benefit and tax credit advice accounted for 37% of SAIL's work, and debt issues 31% – of which 26%, the largest category, related to unsecured debt.

A total of 338 new RN/RM clients were helped by SAIL during 2018, compared with 286 in 2017, the first full year following the extension of the service to this category. The increased numbers reflect an increase in veteran users with the breakdown for the year being 58% veteran: 42% serving. Meanwhile, the overall age profile remained very similar with 83% of all RN/RM users of working age, and debt issues again made up a major portion of the work.

SAIL may now be contacted as follows: telephone 0800 160 1842 or 020 3597 1580;  
e mail [admin@sailine.org.uk](mailto:admin@sailine.org.uk). Further information is also available on: [www.sailine.org.uk](http://www.sailine.org.uk).

#### **Dreadnought Medical Service**

As the provider of a special medical service for seafarers, the Dreadnought Medical Service at Guy's & St Thomas' NHS Foundation Trust (GSTT) is the successor to the former Dreadnought Seamen's Hospital in Greenwich and the ultimate successor, within the NHS, to the original hospital function of the Seafarers Hospital Society from 1821.

During 2018, 385 new medical and surgical patients were treated by the Dreadnought Medical Service, compared with 368 new patients seen the previous year. A further 870 outpatient appointments were attended compared with 981 in 2017.

Patients seen by the dental service totalled 742 in 2018, compared with 612 the previous year. These were a mix of merchant navy, fishermen and Thames river crew.

The Society provides a degree of financial support by funding, where there is need, travel costs incurred when attending the hospital. In 2018 it provided 24 grants totalling £3,101 (2017: 14 grants totalling £1,666) for this purpose.

Members of the Dreadnought Standing Joint Policy Committee, including the Society, Nautilus International, the RMT and, representing shipping companies, Viking Recruitment, continue to keep the performance of the



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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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Dreadnought under review. The uncertain provision of the intended priority service for working seafarers has again been discussed in 2018 and remains the subject of concern.

The Dreadnought Medical Service may be contacted as follows: telephone 020 7188 2049; e mail: [gst-tr.dreadnought@nhs.net](mailto:gst-tr.dreadnought@nhs.net). Further information is available on the Society's website <https://seahospital.org.uk/dreadnought-medical/>

#### Health Development

##### *SeaFit*

The Society developed, in partnership with the Fishermen's Mission, a Health and Wellbeing Development Programme, aimed at delivering a range of targeted initiatives to improve access to health and lifestyle resources for fishermen. The partnership builds on the strengths of the two organisations, combining the local network and expertise related to fishermen and fishing of the Fishermen's Mission and the health and wellbeing expertise and knowledge of the Society.

Based on the experience of running a variety of successful pilot events over a number of years, the Programme, now called SeaFit, aims to provide UK fishermen and their families with free, confidential health advice, information, support and guidance to improve both their short and long-term health and wellbeing. Taking an early intervention and prevention approach to addressing health and wellbeing issues, SeaFit is being delivered in partnership with commercial, voluntary and statutory occupational health teams and other professional partners, on or near the quayside, with a view to these partners then continuing to provide targeted support to the fishing communities in the longer term.

SeaFit was developed to respond to the specific needs of fishermen and their families, as identified by the Society and the Fishermen's Mission, and further confirmed and reinforced in 2018 by the Seafarers UK funded report, 'Fishing for the Future'. The Society greatly appreciates Seafarers UK's generous funding of this ambitious Programme.

The Programme will run initially for two years and includes:

- a series of health check events in large and small ports across the UK
- health trainers working in three ports, supporting fishermen and their families to access the health prevention and promotion services they need locally
- dental checks and urgent treatment for fishermen and their families to complement health checks, delivered at the quayside by not-for-profit dental service providers including Smile Together and Dentaaid.
- a range of models/approaches to deliver mental health and wellbeing support to complement the free on-line service for seafarers, already funded by the Society, available from the Big White Wall
- expanding the successful quayside model of physiotherapy already developed and established by the Society in Newlyn – initially to ports in Cornwall, as well as to Brixham and Plymouth, and potentially in future on a wider basis.

##### *Physiotherapy services*

Connect Physical Health, and its national partnership network of appropriately qualified physiotherapists, continued to provide fast track, free physiotherapy to all UK based merchant navy (MN) seafarers and fishermen. Initial assessment and advice are provided by telephone, after which a recommendation is made, as required, for either face to face assessment and treatment by a local physiotherapist, or for a follow up by phone if the problem can be treated with just advice and exercises.

A total of 44 (2017: 59) seafarers benefited during 2018, including 18 MN officers, 12 MN ratings and 14 fishermen – a significant increase compared with the 6 fishermen using the service in 2017. All received advice via telephone and about 80% were authorised to receive face to face assessment and treatment from a conveniently located local physiotherapist.

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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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The now long-established and successful collaboration with the Harbourside clinic in Newlyn continued with 47 fishermen and 2 MN receiving treatment in 2018 (36 in 2017). From July, as part of the SeaFit Programme, work began to expand the Harbourside model to include 9 further physiotherapy clinics all close to the main harbours across Cornwall, as well as in Brixham and Plymouth. Local clinics signed up to be part of the new Harbourside Network, agreeing to provide fast track physiotherapy for fishermen and MN, with the same flexible and sympathetic approach, to include lifestyle and preventative support, with assessment of the working area where necessary, and exercises and advice to counter the impact of the working environment and so help prevent injury. A further 4 fishermen received physiotherapy from Network partners in late 2018 from early adopters of the new scheme.

It is planned to expand this Network further in 2019 to other areas with fishing communities and appropriately qualified and willing local physiotherapy services.

#### *Big White Wall*

The Society continued to provide free access to the Big White Wall online mental health and wellbeing service for all active UK MN seafarers and fishermen. The service is safe, supportive and anonymous, and is available 24/7 via an online portal on the Society's website. It includes information, support and advice as well as self-help resources on a wide range of topics, plus peer support and one to one counselling from trained counsellors.

Take up continued to be modest with 28 new registrations in 2018, compared to 38 in 2017, despite being extended to fishermen in late 2017. Whilst the Society will continue to provide this service, other complementary models of services are being explored.

Big White Wall works across many different sectors, including the armed forces, parts of the NHS, universities, and major employers, and its online approach has proved popular and effective. It is estimated that one in four people will experience a mental health problem in their lifetime, but many men in particular are unlikely to seek help. Seafarers are considered to be under more pressure than most and, of course, obtaining help is likely to be especially problematic given absences at sea.

#### *Specialist dementia nurse pilot at Nautilus's Mariners' Park*

The Society has been part funding a specialist dementia ("Admiral") nurse at Mariner's Park in Wallasey, as a pilot project, to provide a service targeted at those with dementia needs resident on the site as well as some in the local community and, in both cases, in support also of family and professional carers. Admiral Nurses work alongside people with dementia, their families and carers, to provide one-to-one support, expert guidance and the sort of practical solutions that people need. An 18-month extension to this project has been agreed from October 2018, with the Society providing one third of the funding, to enable the service to expand more widely in the community and further develop the training and support provided within Mariner's Park.

#### *Fisherman's Health Manual*

This Haynes style mini-manual was developed, in collaboration with the MCG, by the Men's Health Forum and the Society to provide a fun and informative way for fishermen to access a broad range of health and wellbeing advice, information and support. The Society was approached by the Irish Seafood Development Agency for permission to adapt it for Irish fishermen. Permission was granted and once adapted, the Agency plan to send the manual to 2,000 fishing vessel owners in Ireland, with an additional 1,000 copies available through their two Fisheries Colleges and mobile training units, as well as the guide having a QR code so that crew can scan it with their smart phones and access an electronic version.

#### *Mental Health Round Table*

There has been an unprecedented interest recently in seafarers' mental health and wellbeing, with organisations and individuals increasingly highlighting the issues in relation to both fishermen and merchant navy personnel.

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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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Several organisations, including charities, have developed training courses and resources for both individuals and crews, and some concern has been expressed that there is a risk of fragmentation across the sector, as well as potentially a waste of resources through developing similar services.

To highlight these issues the Society held a round table exploratory meeting of stakeholders late in 2018, hosted by Lloyds Register Foundation, and attended by charities, trainers, P&I clubs, the MCA and private providers. The aim was to share best practice, clarify gaps and explore needs. As a result it was agreed to form sub groups to work on the possibility of developing standards in training for both serving seafarers and cadets, and the production of an Insight report into research gaps with Lloyds Register Foundation during 2019.

#### *Training*

The Society is working with Seafish to develop training for fishermen in how to look after their physical and mental health and wellbeing. Currently there are no training courses supporting fishermen in these areas, despite the introduction of ILO 188 which will require all fishermen to have a medical certificate, like those required by the merchant navy, before they can join or remain in the fishing industries. This requirement is being introduced in stages over the next four years.

As previously outlined, the Society is also working with other training partners to develop standard training packages for individuals and teams in mental health and wellbeing which, it is hoped, the Merchant Navy Training Board will endorse as well as the MCA.

#### *Dementia and Older Seafarers*

The Society, along with other maritime charities, was invited to be part of a Dementia in the Maritime Industry working group to conduct research into this area and then explore possible solutions. The group, made up mainly of academics, is chaired by Ian Sherriff, who is the Academic Partnership Lead for Dementia for the local Primary Care Group and is part of the Clinical Trials and Population Studies at the University of Plymouth.

### **STRATEGIC REVIEW AGENDA**

The Society continued to complete actions under the Strategic Review agenda during 2018 and this will culminate in a new Strategy being in place in 2019.

Following the adoption of a new Scheme by the Trustees in 29 July 2015, and subsequent new governance arrangements, the Trustee Board prepared role descriptions for the Chair, Deputy Chair, Honorary Treasurer and President, and thereafter appointed or reappointed Trustees to fill the first three roles.

The Trustees gave detailed consideration to the new Charity Governance Code and any relevant changes will be incorporated in the new Strategy. In 2019 the Trustees will also consider Policies on Equalities and Safeguarding.

Reviews continue re banking and financial record keeping arrangements.

Recognition under the Investors in People scheme was achieved in February 2017 when the Society received IIP accreditation. A successful interim review took place in 2018 and a further full assessment planned for 2020.

Pension arrangements, compliant with auto enrolment requirements, were introduced from April 2017.

### **FINANCIAL REVIEW**

#### **Financial Summary**

Total income for the year increased by £149,509 to £519,338. This arose from the funding for the new Health and Welfare Development Programme (SeaFit) and an increase in investment income.

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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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The total charitable activity costs rose by £229,434 to £928,681 due to the expenditure on SeaFit, increased activity on SAIL and other health related activities. Grants to individuals rose by £8,827 to £169,882 and grants to institutions rose by £55,267 to £367,904 due entirely to the increased SAIL activity. Support and governance costs rose by £55,236 to £190,511, mostly as of refurbishment costs of the Society's premises.

The value of the Society's investments fell significantly by the year end, due to the uncertainties in the financial markets. The unrealised losses amounted to £606,779 compared with equivalent gains of £1,080,548 in 2018. The total net decrease on funds for the year amounted to £1,059,478

Total funds at the year end were £8,188,848 (2017: £9,248,326).

#### Policies on Investments and Reserves

The Trustees believe the needs of the Society may change as the demographic position of the seafarers supported shifts. It is therefore important that the short term income needs are balanced with the longer term requirements of the Society.

The Society's reserves are largely unrestricted funds but with some restricted funds. The Society's expenditure on assistance, support and governance costs is funded for the greater part from investment income and grant support. Any shortfall is met by drawing from investments provided that, in meeting shortfalls over time, the value of the investment assets is not diminished unduly, thus ensuring the continuance of the Society.

The Trustees Statement of Investment Principles states that the primary objective is to generate a total return on investments of some £500,000pa net of fees. The secondary objective is to maintain and if possible enhance the real value of capital until the demands of the charity begin to reduce and ensure diversification with a view to minimising volatility within the specified risk mandate.

As at the end of December 2018 the actual holdings of investments were:

| <b>Sector</b>                | <b>Market Value (£)</b> | <b>Sector (%)</b> |
|------------------------------|-------------------------|-------------------|
| UK Gilts & Fixed Interest    | 418,715                 | 5.2%              |
| International Fixed Interest | 1,178,912               | 14.7%             |
| UK Income                    | 1,291,778               | 16.1%             |
| Europe                       | 631,923                 | 7.9%              |
| USA                          | 940,502                 | 11.7%             |
| South East Asia              | 422,671                 | 5.3%              |
| Japan                        | 599,563                 | 7.5%              |
| Alternative Investments      | 1,993,846               | 24.8%             |
| Cash                         | 556,822                 | 6.9%              |
| <b>Total</b>                 | <b>8,034,730</b>        | <b>100.0%</b>     |

The investment performance in the year was -6.19% compared to the Benchmark (ARC Sterling Balanced Asset PCI) of -5.9%.

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## SEAFARERS HOSPITAL SOCIETY

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Disclosure of information to the auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report was approved by the Trustees, on 12 March 2019 and signed on their behalf by:



.....  
**Mr P McEwen MBE MNM, Chair**  
Trustee

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## SEAFARERS HOSPITAL SOCIETY

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### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SEAFARERS HOSPITAL SOCIETY

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#### OPINION

We have audited the financial statements of Seafarers Hospital Society (the 'charity') for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources 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 Charities Act 2011.

#### 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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## SEAFARERS HOSPITAL SOCIETY

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### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SEAFARERS HOSPITAL SOCIETY

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **AUDITORS' 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 Auditors' 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 Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **USE OF OUR REPORT**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' 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 charity

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**SEAFARERS HOSPITAL SOCIETY**

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**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SEAFARERS HOSPITAL SOCIETY**

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and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



**haysmacintyre**

10 Queen Street Place

London

EC4R 1AG

Date: *12 March 2019.*

haysmacintyre are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.



**SEAFARERS HOSPITAL SOCIETY**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2018**

|   | Note | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ | <i>Total<br/>funds<br/>2017<br/>£</i> |
|---|------|------------------------------------|----------------------------------|-----------------------------|---------------------------------------|
| <b>INCOME FROM:</b>   |      |                                    |                                  |                             |                                       |
| Donations and grants  | 2    | 9,577                              | 315,496                          | 325,073                     | 196,695                               |
| Trading activities  | 3    | 6,500                              | -                                | 6,500                       | 6,500                                 |
| Investments   | 4    | 187,765                            | -                                | 187,765                     | 166,634                               |
| <b>TOTAL INCOME</b>   |      | <b>203,842</b>                     | <b>315,496</b>                   | <b>519,338</b>              | <b>369,829</b>                        |
| <b>EXPENDITURE ON:</b>                                      |      |                                    |                                  |                             |                                       |
| Raising funds:  |      |                                    |                                  |                             |                                       |
| Investment management                                       |      | 43,356                             | -                                | 43,356                      | 43,111                                |
| Charitable activity:  |      |                                    |                                  |                             |                                       |
| Grants to institutions                                      | 5    | 150,899                            | 217,005                          | 367,904                     | 312,637                               |
| Grants to individuals                                       | 5    | 169,882                            | -                                | 169,882                     | 161,055                               |
| Direct costs  | 6    | 102,693                            | 98,491                           | 201,184                     | 90,280                                |
| Support costs   | 7, 8 | 189,711                            | -                                | 189,711                     | 135,275                               |
| <b>TOTAL EXPENDITURE</b>                                    |      | <b>656,541</b>                     | <b>315,496</b>                   | <b>972,037</b>              | <b>742,358</b>                        |
| <b>NET EXPENDITURE BEFORE INVESTMENT<br/>GAINS/(LOSSES)</b> |      |                                    |                                  |                             |                                       |
| Net gains/(losses) on investments                           | 13   | (452,699)                          | -                                | (452,699)                   | (372,529)                             |
|   |      | (606,779)                          | -                                | (606,779)                   | 379,710                               |
| <b>NET MOVEMENT IN FUNDS</b>                                |      | <b>(1,059,478)</b>                 | <b>-</b>                         | <b>(1,059,478)</b>          | <b>7,181</b>                          |
| <b>RECONCILIATION OF FUNDS:</b>                             |      |                                    |                                  |                             |                                       |
| Total funds brought forward                                 |      | 9,248,326                          | -                                | 9,248,326                   | 9,241,145                             |
| <b>TOTAL FUNDS CARRIED FORWARD</b>                          |      | <b>8,188,848</b>                   | <b>-</b>                         | <b>8,188,848</b>            | <b>9,248,326</b>                      |

The notes on pages 17 to 29 form part of these financial statements.

**SEAFARERS HOSPITAL SOCIETY**

**BALANCE SHEET  
AS AT 31 DECEMBER 2018**

|   | Note | £         | 2018<br>£        | £              | 2017<br>£        |
|---|------|-----------|------------------|----------------|------------------|
| <b>FIXED ASSETS</b>                                   |      |           |                  |                |                  |
| Tangible assets                                       | 12   |           | 85,224           |                | 63,045           |
| Investments   | 13   |           | 8,034,730        |                | 9,098,703        |
|   |      |           | <u>8,119,954</u> |                | <u>9,161,748</u> |
| <b>CURRENT ASSETS</b>                                 |      |           |                  |                |                  |
| Debtors   | 14   | 61,121    |                  | 29,015         |                  |
| Cash at bank and in hand                              |      | 148,949   |                  | 139,266        |                  |
|   |      |           | <u>210,070</u>   | <u>168,281</u> |                  |
| <b>CREDITORS:</b> amounts falling due within one year | 15   | (141,176) |                  | (81,703)       |                  |
| <b>NET CURRENT ASSETS</b>                             |      |           | <u>68,894</u>    |                | <u>86,578</u>    |
| <b>NET ASSETS</b>                                     |      |           | <u>8,188,848</u> |                | <u>9,248,326</u> |
| <b>CHARITY FUNDS</b>                                  |      |           |                  |                |                  |
| Unrestricted funds                                    | 17   |           | 8,188,848        |                | 9,248,326        |
| <b>TOTAL FUNDS</b>                                    |      |           | <u>8,188,848</u> |                | <u>9,248,326</u> |

The financial statements were approved by the Trustees on 12 March 2019 and signed on their behalf, by:

  
 .....  
**Mr P McEwen MBE MNM, Chair**

  
 .....  
**Mr G Lane FCA, Honorary Treasurer**

The notes on pages 17 to 29 form part of these financial statements.

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## SEAFARERS HOSPITAL SOCIETY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Seafarers Hospital Society constitutes a public benefit entity as defined by FRS 102.

##### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

##### 1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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## SEAFARERS HOSPITAL SOCIETY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity, which comprise costs for processing grants and applications, including support to actual and potential applicants, and an apportionment of overhead costs. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Where costs cannot be directly attributed to either of these two categories, an apportionment is made based on staff activity levels. Costs that are directly attributable to restricted funds are charged against the relevant fund. Support costs not directly attributable to restricted funds are allocated on a reasonable basis as approved by the trustees.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

##### 1.5 Tangible fixed assets and depreciation

Fixed assets are only capitalised where their cost, either individually or as a functional set, exceeds £3,000.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

|                       |   |  |
|-----------------------|---|--|
| Office premises       | - | straight line over the life of the lease to 2024 |
| Fixtures and fittings | - | 15% straight line                                |
| Computer equipment    | - | 25% years straight line                          |
| Other fixed assets    | - | held at valuation and therefore no depreciation  |

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## SEAFARERS HOSPITAL SOCIETY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES (continued)

No depreciation is charged on selected furniture and fixtures, shown under other fixed assets, as the current fair value of these assets is not materially different to their book value. It is considered that the assets will have a residual value in excess of any depreciated asset and therefore a policy of no depreciation is appropriate. The selected furniture and fixtures are reviewed for impairment at each balance sheet date and any impairment losses are provided for, or reversed if appropriate.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### 1.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

##### 1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

##### 1.8 Debtors

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

##### 1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### 1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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## SEAFARERS HOSPITAL SOCIETY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.12 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

##### 1.13 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 which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

##### 1.14 Employee benefits

The cost of any material unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 2. INCOME FROM DONATIONS AND GRANTS

|                            | <b>Unrestricted<br/>funds<br/>2018<br/>£</b> | <b>Restricted<br/>funds<br/>2018<br/>£</b> | <b>Total<br/>funds<br/>2018<br/>£</b> | <i>Total<br/>funds<br/>2017<br/>£</i> |
|----------------------------|--|--|---------------------------------------|---------------------------------------|
| Donations                  | <b>9,577</b>                                 | -  | <b>9,577</b>                          | 1,328                                 |
| Grants                     | -  | <b>315,496</b>                             | <b>315,496</b>                        | 195,367                               |
| Total donations and grants | <b>9,577</b>                                 | <b>315,496</b>                             | <b>325,073</b>                        | 196,695                               |
| <i>Total 2017</i>          | <i>1,328</i>                                 | <i>195,367</i>                             | <i>196,695</i>                        |                                       |

**SEAFARERS HOSPITAL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**Analysis of grant income**

|                                     | <b>2018</b>    | <b>2017</b> |
|-------------------------------------|----------------|-------------|
|                                     | <b>£</b>       | <b>£</b>    |
| Seafarers UK (SAIL)                 | <b>115,428</b> | 118,400     |
| Greenwich Hospital (SAIL)           | <b>110,077</b> | 69,707      |
| Seafarers UK (SeaFit)               | <b>78,502</b>  | -           |
| Seafarers UK (Smile dental project) | <b>4,889</b>   | -           |
| Trinity House (Room hire)           | <b>6,600</b>   | 7,260       |
|                                     | <hr/>          | <hr/>       |
| Total                               | <b>315,496</b> | 195,367     |
|                                     | <hr/> <hr/>    | <hr/> <hr/> |

**3. TRADING ACTIVITIES**

|   | <b>Unrestricted<br/>funds<br/>2018</b> | <b>Restricted<br/>funds<br/>2018</b> | <b>Total<br/>funds<br/>2018</b> | <b>Total<br/>funds<br/>2017</b> |
|---|--|--------------------------------------|---------------------------------|---------------------------------|
|   | <b>£</b>                               | <b>£</b>                             | <b>£</b>                        | <b>£</b>                        |
| <b>Charity trading income</b>                             |  |                                      |                                 |                                 |
| Rental from SAIL accommodation at 29<br>King William Walk | <b>6,500</b>                           | -                                    | <b>6,500</b>                    | 6,500                           |
|   | <hr/>                                  | <hr/>                                | <hr/>                           | <hr/>                           |
| Net income from trading activities                        | <b>6,500</b>                           | -                                    | <b>6,500</b>                    | 6,500                           |
|   | <hr/> <hr/>                            | <hr/> <hr/>                          | <hr/> <hr/>                     | <hr/> <hr/>                     |

**4. INVESTMENT INCOME**

|                   | <b>Unrestricted<br/>funds<br/>2018</b> | <b>Restricted<br/>funds<br/>2018</b> | <b>Total<br/>funds<br/>2018</b> | <b>Total<br/>funds<br/>2017</b> |
|-------------------|--|--------------------------------------|---------------------------------|---------------------------------|
|                   | <b>£</b>                               | <b>£</b>                             | <b>£</b>                        | <b>£</b>                        |
| Investment income | <b>187,617</b>                         | -                                    | <b>187,617</b>                  | 165,789                         |
| Bank interest     | <b>148</b>                             | -                                    | <b>148</b>                      | 845                             |
|                   | <hr/>                                  | <hr/>                                | <hr/>                           | <hr/>                           |
|                   | <b>187,765</b>                         | -                                    | <b>187,765</b>                  | 166,634                         |
|                   | <hr/> <hr/>                            | <hr/> <hr/>                          | <hr/> <hr/>                     | <hr/> <hr/>                     |
| <i>Total 2017</i> | <i>166,634</i>                         | -                                    | <i>166,634</i>                  |                                 |
|                   | <hr/> <hr/>                            | <hr/> <hr/>                          | <hr/> <hr/>                     |                                 |

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**SEAFARERS HOSPITAL SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**5. ANALYSIS OF GRANTS**

|                   | <b>Grants to<br/>Institutions<br/>2018<br/>£</b> | <b>Grants to<br/>Individuals<br/>2018<br/>£</b> | <b>Total<br/>2018<br/>£</b> | <i>Total<br/>2017<br/>£</i> |
|-------------------|--|---|-----------------------------|-----------------------------|
| Grants payable    | <b>367,904</b>                                   | <b>169,882</b>                                  | <b>537,786</b>              | 473,692                     |
| <i>Total 2017</i> | <u>312,637</u>                                   | <u>161,055</u>                                  | <u>473,692</u>              |                             |

**Grants to institutions**

|  | <b>2018<br/>£</b>     | <i>2017<br/>£</i> |
|--|-----------------------|-------------------|
| Seafarers Advice and Information Line (SAIL) | <b>337,294</b>        | 297,257           |
| MCG development programme                    | <b>10,000</b>         | 5,000             |
| Nautilus Welfare dementia nurse              | <b>20,460</b>         | 10,230            |
| Annual National Service for Seafarers        | <b>150</b>            | 150               |
| Total  | <u><b>367,904</b></u> | <u>312,637</u>    |

**Grants to individuals**

|   | <b>2018<br/>£</b>     | <i>2017<br/>£</i> |
|---|-----------------------|-------------------|
| General welfare assistance                            | <b>152,897</b>        | 142,042           |
| Physiotherapy (Connect)                               | <b>7,794</b>          | 12,085            |
| Physiotherapy (Harbourside network)                   | <b>6,090</b>          | 5,262             |
| Dreadnought Medical Service - patient travel expenses | <b>3,101</b>          | 1,666             |
| Total   | <u><b>169,882</b></u> | <u>161,055</u>    |



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**SEAFARERS HOSPITAL SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**6. DIRECT COSTS**

|  | <b>Charitable<br/>activity<br/>£</b> | <b>Total<br/>2018<br/>£</b> | <i>Total<br/>2017<br/>£</i> |
|--|--------------------------------------|-----------------------------|-----------------------------|
| Big White Wall online service                      | 8,500                                | 8,500                       | 17,489                      |
| Trinity House (Room hire)                          | 6,600                                | 6,600                       | 7,260                       |
| Smile dental project                               | 29,155                               | 29,155                      | -                           |
| SeaFit project (excluding salary and travel costs) | 69,027                               | 69,027                      | -                           |
| Miscellaneous                                      | 799                                  | 799                         | 2,919                       |
| Wages and salaries                                 | 74,026                               | 74,026                      | 52,616                      |
| National insurance                                 | 6,112                                | 6,112                       | 5,219                       |
| Pension cost                                       | 6,965                                | 6,965                       | 4,777                       |
|  | <u>201,184</u>                       | <u>201,184</u>              | <u>90,280</u>               |
| <i>Total 2017</i>                                  | <u>90,280</u>                        | <u>90,280</u>               |                             |

**7. SUPPORT COSTS (excluding governance costs in Note 8)**

|                                  | <b>Charitable<br/>activity<br/>£</b> | <b>Total<br/>2018<br/>£</b> | <i>Total<br/>2017<br/>£</i> |
|----------------------------------|--------------------------------------|-----------------------------|-----------------------------|
| Office costs                     | 15,496                               | 15,496                      | 17,027                      |
| Legal and professional costs     | 6,450                                | 6,450                       | 15,584                      |
| Building running and maintenance | 43,378                               | 43,378                      | 5,337                       |
| Publicity costs                  | 11,867                               | 11,867                      | 10,498                      |
| Travel and training              | 4,286                                | 4,286                       | 1,350                       |
| Wages and salaries               | 74,026                               | 74,026                      | 52,616                      |
| National insurance               | 6,112                                | 6,112                       | 5,219                       |
| Pension cost                     | 6,965                                | 6,965                       | 4,777                       |
| Depreciation                     | 2,819                                | 2,819                       | 4,272                       |
|                                  | <u>171,399</u>                       | <u>171,399</u>              | <u>116,680</u>              |
| <i>Total 2017</i>                | <u>116,680</u>                       | <u>116,680</u>              |                             |

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**SEAFARERS HOSPITAL SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**8. GOVERNANCE COSTS (included in support costs on the SOFA)**

|                                      | <b>Total<br/>funds<br/>2018<br/>£</b> | <i>Total<br/>funds<br/>2017<br/>£</i> |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Auditors' remuneration - audit       | 8,760                                 | 8,400                                 |
| Auditors' remuneration - accountancy | 2,160                                 | 2,100                                 |
| Annual Meeting                       | 1,736                                 | 2,111                                 |
| Trustees' expenses                   | 1,846                                 | 2,311                                 |
| Wages and salaries                   | 2,980                                 | 2,896                                 |
| National insurance                   | 353                                   | 343                                   |
| Pension costs                        | 477                                   | 434                                   |
|                                      | <b>18,312</b>                         | <i>18,595</i>                         |
|                                      | <b>18,312</b>                         | <i>18,595</i>                         |

The total support costs as shown in the SOFA is the aggregate of the costs shown in note 7 and 8 being £189,711 (2017: £135,275).

**9. NET INCOME/(EXPENDITURE)**

This is stated after charging:

|  | <b>2018<br/>£</b> | <i>2017<br/>£</i> |
|--|-------------------|-------------------|
| Depreciation of tangible fixed assets:<br>- owned by the charity | <b>2,820</b>      | <i>4,272</i>      |
|  | <b>2,820</b>      | <i>4,272</i>      |
|  | <b>2,820</b>      | <i>4,272</i>      |

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

3 Trustees received reimbursement of expenses amounting to £1,846 in the current year, (2017 - 3 Trustees - £2,311).

**10. AUDITORS' REMUNERATION**

|   | <b>2018<br/>£</b> | <i>2017<br/>£</i> |
|---|-------------------|-------------------|
| Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts | 8,760             | 8,400             |
| Fees payable to the charity's auditor and its associates in respect of:                                 |                   |                   |
| All other non-audit services not included above   | 2,160             | 2,100             |
|   | <b>2,160</b>      | <i>2,100</i>      |
|   | <b>2,160</b>      | <i>2,100</i>      |

**SEAFARERS HOSPITAL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**11. STAFF COSTS**

Staff costs were as follows:

|                       | 2018<br>£ | 2017<br>£ |
|-----------------------|-----------|-----------|
| Wages and salaries    | 151,032   | 108,128   |
| Social security costs | 12,577    | 10,781    |
| Other pension costs   | 14,407    | 9,988     |
|                       | 178,016   | 128,897   |

The average number of persons employed by the charity during the year was as follows:

|  | 2018<br>No. | 2017<br>No. |
|--|-------------|-------------|
|  | 6           | 5           |

No employee received remuneration amounting to more than £60,000 in either year.

The total costs in relation to remuneration of key management personnel was £135,218 (2017: £89,968).

**12. TANGIBLE FIXED ASSETS**

|                       | Office premises<br>£ | Fixtures and fittings<br>£ | Computer equipment<br>£ | Other fixed assets<br>£ | Total<br>£ |
|-----------------------|----------------------|----------------------------|-------------------------|-------------------------|------------|
| <b>Cost</b>           |                      |                            |                         |                         |            |
| At 1 January 2018     | 47,126               | 9,981                      | 13,209                  | 47,125                  | 117,441    |
| Additions             | 25,000               | -                          | -                       | -                       | 25,000     |
| Disposals             | (3,000)              | (9,981)                    | (3,932)                 | -                       | (16,913)   |
| At 31 December 2018   | 69,126               | -                          | 9,277                   | 47,125                  | 125,528    |
| <b>Depreciation</b>   |                      |                            |                         |                         |            |
| At 1 January 2018     | 32,566               | 9,980                      | 11,850                  | -                       | 54,396     |
| Charge for the year   | 1,462                | -                          | 1,358                   | -                       | 2,820      |
| On disposals          | (3,000)              | (9,980)                    | (3,932)                 | -                       | (16,912)   |
| At 31 December 2018   | 31,028               | -                          | 9,276                   | -                       | 40,304     |
| <b>Net book value</b> |                      |                            |                         |                         |            |
| At 31 December 2018   | 38,098               | -                          | 1                       | 47,125                  | 85,224     |
| At 31 December 2017   | 14,560               | 1                          | 1,359                   | 47,125                  | 63,045     |

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**SEAFARERS HOSPITAL SOCIETY**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**13. FIXED ASSET INVESTMENTS**

|                           | Listed<br>securities<br>£ | Cash<br>£             | Total<br>£              |
|---------------------------|---------------------------|-----------------------|-------------------------|
| <b>Market value</b>       |                           |                       |                         |
| At 1 January 2018         | 8,534,692                 | 564,011               | 9,098,703               |
| Additions                 | 2,340,387                 | -                     | 2,340,387               |
| Disposals at market value | (2,803,431)               | -                     | (2,803,431)             |
| Revaluations              | (606,779)                 | -                     | (606,779)               |
| Other cash movements      | -                         | 5,850                 | 5,850                   |
|                           | <u>7,464,869</u>          | <u>569,861</u>        | <u>8,034,730</u>        |
| At 31 December 2018       | <u><u>7,464,869</u></u>   | <u><u>569,861</u></u> | <u><u>8,034,730</u></u> |

**14. DEBTORS**

|                                | 2018<br>£            | 2017<br>£            |
|--------------------------------|----------------------|----------------------|
| Other debtors                  | 20,105               | 5,700                |
| Prepayments and accrued income | 41,016               | 23,315               |
|                                | <u>61,121</u>        | <u>29,015</u>        |
|                                | <u><u>61,121</u></u> | <u><u>29,015</u></u> |

**15. CREDITORS: Amounts falling due within one year**

|                                    | 2018<br>£             | 2017<br>£            |
|------------------------------------|-----------------------|----------------------|
| Other taxation and social security | 4,968                 | 2,705                |
| Other creditors                    | 26,923                | 20,460               |
| Accruals and deferred income       | 109,285               | 58,538               |
|                                    | <u>141,176</u>        | <u>81,703</u>        |
|                                    | <u><u>141,176</u></u> | <u><u>81,703</u></u> |

Other creditors comprises grant commitments awarded to Nautilus Welfare and Cornwall Council but not yet due or paid as at 31 December 2018.

**SEAFARERS HOSPITAL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**16. FINANCIAL INSTRUMENTS**

|  | 2018<br>£        | 2017<br>£        |
|--|------------------|------------------|
| Financial assets measured at fair value through income and expenditure | 8,034,730        | 9,098,703        |
| Financial assets measured at amortised cost                            | 169,054          | 144,966          |
|  | <b>8,203,784</b> | <b>9,243,669</b> |
| Financial liabilities measured at amortised cost                       | <b>(31,891)</b>  | <b>(23,165)</b>  |

Financial assets measured at fair value through income and expenditure comprise listed investment assets.

Financial assets measured at amortised cost comprise cash and sundry debtors.

Financial liabilities measured at amortised cost comprise other creditors and taxation and social security.

**17. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

|                           | Balance at<br>1 January<br>2018<br>£ | Income<br>£    | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31<br>December<br>2018<br>£ |
|---------------------------|--------------------------------------|----------------|------------------|-------------------------|---|
| <b>Unrestricted funds</b> |                                      |                |                  |                         |   |
| General Funds             | 9,248,326                            | 203,842        | (656,541)        | (606,779)               | 8,188,848                                 |
| <b>Restricted funds</b>   |                                      |                |                  |                         |   |
| Seafarers UK (SAIL)       | -                                    | 115,428        | (115,428)        | -                       | -   |
| Greenwich Hospital (SAIL) | -                                    | 110,077        | (110,077)        | -                       | -   |
| Trinity House (Room hire) | -                                    | 6,600          | (6,600)          | -                       | -   |
| Seafarers UK (SeaFit)     | -                                    | 78,502         | (78,502)         | -                       | -   |
| Smile dental project      | -                                    | 4,889          | (4,889)          | -                       | -   |
|                           | -                                    | 315,496        | (315,496)        | -                       | -   |
| Total of funds            | <b>9,248,326</b>                     | <b>519,338</b> | <b>(972,037)</b> | <b>(606,779)</b>        | <b>8,188,848</b>                          |

**SEAFARERS HOSPITAL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**17. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

|                           | <i>Balance at<br/>1 January<br/>2017<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Gains/<br/>(Losses)<br/>£</i> | <i>Balance at<br/>31<br/>December<br/>2017<br/>£</i> |
|---------------------------|--|---------------------|--------------------------|----------------------------------|--|
| General Funds             | 9,241,145                                      | 174,462             | (546,991)                | 379,710                          | 9,248,326  |
| <b>Restricted funds</b>   |  |                     |                          |                                  |  |
| Seafarers UK (SAIL)       | -  | 118,400             | (118,400)                | -                                | -  |
| Greenwich Hospital (SAIL) | -  | 69,707              | (69,707)                 | -                                | -  |
| Trinity House (Room hire) | -  | 7,260               | (7,260)                  | -                                | -  |
|                           | -  | 195,367             | (195,367)                | -                                | -  |

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

|                               | <b>Unrestricted<br/>funds<br/>2018<br/>£</b> | <b>Restricted<br/>funds<br/>2018<br/>£</b> | <b>Total<br/>funds<br/>2018<br/>£</b> |
|-------------------------------|--|--|---------------------------------------|
| Tangible fixed assets         | 85,224                                       | -  | 85,224                                |
| Fixed asset investments       | 8,034,730                                    | -  | 8,034,730                             |
| Current assets                | 210,070                                      | -  | 210,070                               |
| Creditors due within one year | (141,176)                                    | -  | (141,176)                             |
|                               | <b>8,188,848</b>                             | <b>-</b>                                   | <b>8,188,848</b>                      |

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

|                               | <i>Unrestricted<br/>funds<br/>2017<br/>£</i> | <i>Restricted<br/>funds<br/>2017<br/>£</i> | <i>Total<br/>funds<br/>2017<br/>£</i> |
|-------------------------------|--|--|---------------------------------------|
| Tangible fixed assets         | 63,045                                       | -  | 63,045                                |
| Fixed asset investments       | 9,098,703                                    | -  | 9,098,703                             |
| Current assets                | 168,281                                      | -  | 168,281                               |
| Creditors due within one year | (81,703)                                     | -  | (81,703)                              |
|                               | <b>9,248,326</b>                             | <b>-</b>                                   | <b>9,248,326</b>                      |

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## SEAFARERS HOSPITAL SOCIETY

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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#### 19. PENSION COMMITMENTS

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £14,407 (2017: £9,988). Contributions totalling £2,643 (2017: £2,705) were payable to the fund at the balance sheet date and are included in creditors.

#### 20. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2017: none).

