THE HONOURABLE COMPANY OF MASTER MARINERS AND HOWARD LEOPOLD DAVIS CHARITY

England & Wales · Charity number 1172234

Details

Status	Registered
Legal form	CIO
Registered	2017-03-24
Register	View on the Charity Commission register

Contact

Address	The Honourable Company of Master Mariners No. 1 The Rubicon 51 Norman Road London
Phone	02078368179
Email	clerk@hcmm.org.uk
Website	www.hcmm.org.uk

Activities

Objects: THE OBJECTS OF THE CIO ARE TO FURTHER THE FOLLOWING PURPOSES BY SUCH CHARITABLE MEANS AS THE CHARITY TRUSTEES SHALL FROM TIME TO TIME THINK FIT:(A) TO RELIEVE BENEFICIARIES AND THEIR FAMILIES AND DEPENDANTS WHO ARE IN NEED THROUGH FINANCIAL HARDSHIP, SICKNESS, DISABILITY OR THE EFFECTS OF OLD AGE; (B) TO EDUCATE AND TRAIN (I) PERSONS SERVING OR INTENDING TO SERVE IN THE MERCHANT NAVY AND (II) PERSONS WITH AN INTEREST IN SEAMANSHIP OR SAILING.

Activities: The benevolent purposes are to relieve:a. Navigating Officers of the British Merchant Navy and their families and dependants who are in need through financial hardship, sickness, disability or the effects of old age.The Educational purposes are to educate and train persons serving or intending to serve in the British Merchant Navy through an interest in seamanship or sailing.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£83,812	£210,203	-	-
2023-12-31	£86,312	£193,370	-	-
2022-12-31	£73,379	£296,367	-	-
2021-12-31	£112,715	£221,590	-	-
2020-12-31	£77,954	£185,373	-	-

Trustees

Name	Role	Appointed
Anthony Gosden		2024-04-30
CDRE Duncan Lamb		2025-04-24
Captain Derek CHADBURN		2021-05-01
Iain Rodger		2024-04-30
John Erskine Brown		2023-10-26
Lt Cdr Peter Aylott		2021-01-02
Matt Burrow		2024-01-10
Matthew Easton		2025-04-24
Monica KOHLI		2024-10-30
Nicola Good		2023-10-26

Accounts

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

(CHARITABLE INCORPORATED ORGANISATION)

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2024

Registered No: 1172234

The Honourable Company of Master Mariners and Howard Leopold Davis Charity

Trustees’ Report for the Year Ended 31st December 2024

Reference and Administration Details

Trustees	Captain D Chadburn (Chairman) Captain H J Conybeare (Retired 30 October 2024) Mr M Burrow (Ex-officio from 10 January 2024) Commander L Chapman (Ex-officio retired 2 October 2024) Captain N Rodrigues (Almoner) (Retired 26 April 2024) Commander P Aylott Captain R Barnes (Retired 26 April 2024) Captain G English (Ex-officio to 26 April 2024) Captain A Scales (Ex-officio to 24 April 2025) Ms N Good (Appointed 7 February 2024) Lieutenant Commander J Brown (Appointed 7 February 2024) Mr A Gosden (Ex-officio from 26 April 2024) Mr I Rodger (Appointed 26 April 2024) Ms M Kohli (Appointed 30 October 2024) Mr M Easton (Appointed 24 April 2025) Commodore D Lamb (Ex-officio from 24 April 2025)
Registered Charity Number	1172234
Administrator	Honourable Company of Master Mariners No. 1 The Rubicon 51 Norman Road London SE10 9QB
Principal Office Address	Honourable Company of Master Mariners No. 1 The Rubicon 51 Norman Road London SE10 9QB
Auditors	Shaw Gibbs (Audit) Limited 25 St Thomas Street Winchester Hampshire SO23 9HJ
Bankers	C Hoare & Co. 37 Fleet Street London EC4P 4DQ
Investment Managers	Evelyn Partners 45 Gresham Street London EC2V 7BG

The Honourable Company of Master Mariners and Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2024

The Trustees present their report and the financial statements of the Charity for the year ended 31st December 2024. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charity's Constitution, the Charities Act 2011, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charity Commission.

Structure, Governance and Management

Governing Document

The Honourable Company of Master Mariners and Howard Leopold Davis Charity is a Charitable Incorporated Organisation established under a constitution dated 24th March 2017. On 31st March 2017, the predecessor unincorporated charity (Charity no. 1127213) transferred its assets and liabilities to the CIO.

The Charity represents the present form of the amalgamation of four historic charities, being the Benevolent Fund (Charity No 207094), Education Fund (Charity No 313382), The Howard Leopold Davis Fund (Charity No 207095) and London Maritime Institution (Charity No 207087) which were merged in 2010.

Trustees

In accordance with the Charity's Constitution, the following office holders of the Honourable Company of Master Mariners for the time being are ex-officio trustees of the Charity: Master, Senior Warden, Chairman of the Education and Training Committee, and Chairman of the Finance and Risk Committee. The appointment of new Trustees is vested in the Court of the Honourable Company of Master Mariners (HCMM). The Trustees receive no remuneration and no claims for reimbursement of expenses were made during the year.

Risk Management

The Trustees have considered the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Trustees' Responsibilities

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommend Practice (SORP 2019) (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

Organisation

The Charity has no premises or employees. The administration and record keeping of the Charity are carried out by HCMM for which services an agreed annual service charge is made.

Objectives and Activities

The Benevolent purposes are to relieve:

a. Master Mariners and maritime Navigating Officers of the Merchant Navy, and,

b. their families and dependants,

who are in need through financial hardship, sickness, disability or the effects of old age.

The Educational purposes are to educate and train:

a. persons serving or intending to serve in the Merchant Navy, and,

b. persons with an interest in seamanship or sailing.

Achievements and Performance Including How the Charity Has Delivered Public Benefit

The Trustees have had regard for the Charity Commission's guidance on public benefit. The Charity awarded £156,888 (2023: £153,450) in benevolent and educational grants in the year to qualified individuals and to organisations during the year. The Charity's educational grants including its continuing sponsorship of cadets completing courses with Chiltern Maritime Ltd and Ship Safe Training Group Ltd as well as supporting education and outreach work carried out by the Honourable Company of Master Mariners.

Financial Review

The Trustees have reviewed the investment policy and consider the investments to be prudently managed with reasonable diversification, so as to provide a suitable balance between income and capital appreciation.

The period resulted in net income of £456,877, including gains on investments of £583,268 resulting in funds of the Charity increasing to £5,346,968 of which £1,557,636 is restricted for educational purposes. The funds are represented by investments of £5,309,974 and net current assets of £36,994.

Reserves Policy

It is the policy of the Trustees to maintain unrestricted funds (predominantly in investments), which are the free reserves of the charity, at a level considered appropriate to generate an annual income for grants etc. It also provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time. Reserves at the year-end amounted to £3,789,332.

Future Plans

The Charity plans to continue to provide benevolent and educational grants. The Charity's educational grants will include continuing the sponsorship of cadets completing courses with Watermark as well as supporting education and outreach work carried out by the Honourable Company of Master Mariners.

This report was approved by the Trustees on 2025 and signed on its behalf by:

Captain D Chadburn
Trustee

Independent Auditors' Report to the Trustees of

The Honourable Company of Master Mariners and Howard Leopold Davis Charity

Opinion

We have audited the financial statements of The Honourable Company of Master Mariners and Howard Leopold Davis Charity (the 'charity') for the year ended 31st December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2024 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 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees 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 controls 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the charity via discussions with the trustees and a review of the documented policies, procedures and controls. This identified that the most significant laws and regulations relate to the form and content of the financial statements such as the Charities Act 2011, the Charities SORP (FRS 102) and Financial Reporting Standard 102. The charity complies

with these laws and regulations by using appropriately qualified professionals to prepare the financial statements.
As part of our planning process, we assessed susceptibility of the charity's financial statements to material misstatements, including how fraud might occur by making an assessment of the key risks. Our considerations included the risk of management override. The key risks identified in respect of The Honourable Company of Master Mariners and Howard Leopold Davis Charity are revenue recognition and the correct allocation of incoming and outgoing resources between restricted and unrestricted funds. The trustees confirmed no actual, suspected or alleged cases of fraud.

Based on this assessment we designed our audit procedures to address these key areas with an emphasis on testing the incoming resources and to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's 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 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 charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

Shaw Gibbs (Audit) Limited (Chartered Certified Accountants & Statutory Auditors)
25 St Thomas Street, Winchester
Hampshire
SO23 9HJ

Date ……………………………….

Shaw Gibbs (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Honourable Company of Master Mariners and Howard Leopold Davis Charity

Statement of Financial Activities

For The Year Ended 31st December 2024

		2024			2023		
	Notes	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
		£	£	£	£	£	£
Income from							
Donations and Legacies		-	-	-	1,493	-	1,493
Investments	2	54,478	29,334	83,812	55,132	29,687	84,819
Total Income		54,478	29,334	83,812	56,625	29,687	86,312
Expenditure on							
Raising Funds: Investment Management Fees		14,879	8,012	22,891	13,223	7,120	20,343
Charitable Activities	3	78,216	109,096	187,312	62,199	110,828	173,027
Total Expenditure		93,095	117,108	210,203	75,422	117,948	193,370
Net Gains/(Losses) on Investments	4	379,124	204,144	583,268	338,435	182,234	520,669
Net Income		340,507	116,370	456,877	319,638	93,973	413,611
Transfers between funds	7	(20,961)	20,961	-	-	-	-
Net movement in funds		319,546	137,331	456,877	319,638	93,973	413,611
Reconciliation of Funds:							
Total Funds Brought Forward		3,469,786	1,420,305	4,890,091	3,150,148	1,326,332	4,476,48
Total Funds Carried Forward		3,789,332	1,557,636	5,346,968	3,469,786	£1,420,305	4,890,09

All the activities reported above relate to continuing operations.
The notes on pages 11 to 16 form an integral part of these financial statements.

The Honourable Company of Master Mariners and Howard Leopold Davis Charity

Balance Sheet

As At 31st December 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed Assets					
Investments	4		5,309,974		4,742,740
Current Assets					
Debtors	5	19,279		23,743	
Cash at Bank and In Hand		89,258		143,830	
		108,537		167,573	
Creditors: Amounts Falling Due Within One Year	6	(71,543)		(20,222)	
Net Current Assets			36,994		147,351
Total Assets Less Current Liabilities			5,346,968		4,890,091
Net Assets			5,346,968		4,890,091
Unrestricted Funds			3,789,332		3,469,786
Restricted Fund	7		1,557,636		1,420,305
Total Funds			5,346,968		4,890,091

The financial statements were approved by the Trustees on 2025, and signed on their behalf by:

____

Captain D Chadburn - Trustee

The notes on pages 11 to 16 form an integral part of these financial statements.

The Honourable Company of Master Mariners and Howard Leopold Davis Charity

Statement Of Cash Flows

For The Year Ended 31st December 2024

	Notes	2024	2023
		£	£
Cash Flows from Operating Activities			
Net Cash provided by (used in) Operating Activities	A	(131,034)	(193,000)
Cash Flows from Investing Activities			
Dividends and Interest		78,413	74,953
Proceeds from Sale of Investments		671,836	661,068
Purchase of Investments		(567,047)	(810,132)
Investment Management Fees		(22,081)	(20,067)
Movement in Cash at Investment Managers		(84,659)	169,131
Net Cash provided by (used in) Investing Activities		76,462	74,953
Change in Cash and Cash Equivalents in the Reporting Period		(54,572)	(118,047)
Cash and Cash Equivalent at the beginning of the Reporting Period		143,830	261,877
Cash and Cash Equivalent at end of the Reporting Period		89,258	143,830

A. Reconciliation of Net Income/(Expenditure) to net cash flow from Operating Activities

	2024	2023
Net Income/(Expenditure) for the Reporting Period	456,877	413,611
(Gains)/Losses on Investments	(583,268)	(520,669)
Decrease/(Increase) in Debtors	5,767	(9,190)
(Decrease)/Increase in Creditors	50,511	(12,276)
Dividends and Interest	(83,812)	(84,819)
Investment Management Fees	22,891	20,343
Net Cash provided by (Used in) Operating Activities	(131,034)	(193,000)

B. Analysis of changes in net funds

	At 01/01/2024	Cash flows	At 31/12/2024
	£	£	£
Cash at bank and in hand	143,830	(54,572)	89,258

1. Accounting Policies

(a) Structure

The Charity is a Charitable Incorporated Organisation, registered with the Charity Commission (registration number 1172234). The principal office address is Honourable Company of Master Mariners, No. 1 The Rubicon, 51 Norman Road, London SE10 9QB. A description of the charity's operations and principal activities can be found in the Report of the Trustees.

(b) Basis of Preparation and assessment of going concern.

The Charity constitutes a public benefit entity as defined by FRS 102. 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. They have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally accepted Accounting Practice. The presentation currency of the financial statements is the Pound Sterling (£).

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no uncertainties about the Charity's ability to continue as a going concern.

(c) Funds Structure

Unrestricted Funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. There is a single restricted fund, the Education Fund, restricted to provide grants for Educational Purposes.

(d) Income Recognition

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.

Income from investments is recognised on the date on which the dividend is payable, or the interest accrues.

Income from donations is normally recognised on receipt, unless terms or conditions limit recognition until a later date.

(e) **Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

- Costs of Raising Funds

  The costs of raising funds comprise investment management costs. Costs incurred in respect of acquisitions and disposals of investments are added to the cost of and deducted from the proceeds of those investments.

- Charitable Expenditure

  Cost of Charitable Activities includes grants paid, and support costs including Governance costs. Grants payable are payments to individuals in the furtherance of the charitable objects of the charity. The Charity, in some instances, provides an unsecured loan to a beneficiary in furtherance of its educational objects. These are recognised as expenditure in the year that they are awarded.

- Governance Costs

  Governance costs comprise all costs involved with compliance with regulation and good practice.

(f) **VAT**

The Charity is not registered for Value Added Tax. Expenditure shown in the financial statements is inclusive of VAT.

(g) **Investments**

The Charity's investments consist only of quoted securities. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired in the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investments are allocated to Restricted and Unrestricted Funds at a set percentage.

(h) **Debtors and Creditors**

Debtors and creditors are recognised where, at the balance sheet date, an entitlement to receive or an obligation to transfer economic benefit exists and receipt or settlement is probable and can be measured reliably.

Debtors are measured at the expected recoverable amount and creditors at the expected settlement amount, discounted for the time value of money if material.

2. Investment Income

	2024 Total £	2023 Total £
Dividends	67,215	73,310
Unit Trust Interest	13,702	5,699
Bank Interest	2,895	5,810
	83,812	84,819

3. Analysis of Charitable Activities

	2024		
	Unrestricted Funds	Restricted Funds	Total
Direct Costs	£	£	£
Grants and Awards			
Grants to Individuals	39,523	80	
Grants to Organisations (Note 10)	8,269	20	
HCMM Journal	-		
	47,792	109	
Support Costs (Note 3.a)	30,424		
	78,216	109	

	2023		
	Unrestricted Funds	Restricted Funds	Total
Direct Costs	£	£	£
Grants and Awards			
Grants to Individuals	24,982	48	
Grants to Organisations (Note 10)	17,640	50	
HCMM Journal	-	11	
	42,622	110	
Support Costs (Note 3.a)	19,577		
	62,199	110	

3.a Support Costs

	2024 £	2023 £
Management Fees - HCMM	22,800	12,000
Other	412	2,927
Governance Costs	7,212	4,650
	30,424	£19,577

Governance Costs – Represent External Audit Fees amounting to £7,212 (2023: £4,650) inclusive of VAT.

4. **Fixed Asset Investments**

	2024	2023
Market Value	£	£
At 1st January	4,658,145	3,980,703
Acquisitions and accumulated income	572,530	817,841
Disposals	(673,223)	(661,068)
Gains/(Losses) on investments	583,268	520,669
At 31st December	5,140,720	4,658,145
Investments at Market Value	5,140,720	4,658,145
Cash with Investment Managers	169,254	84,595
	5,309,974	4,742,740
Historic cost of investments	3,604,718	3,500,686

All investments are listed securities or open-ended investment companies. Included within Fixed Asset Investments is £5,140,720 (2023: £4,658,145) measured at fair value through income and expenditure.

5. **Debtors**

	2024	2023
	£	£
Due from HCMM	17,901	14,825
Sundry Debtors	1,378	8,918
	19,279	23,743

6. **Creditors: Amounts Falling Due Within One Year**

	2024	2023
	£	£
Grants Payable	1,000	1,776
Trade Creditors	43,576	5,640
Accruals and Deferred Income	26,967	12,806
	71,543	20,222

7. Restricted Funds

	2024	2023
	£	£
Balance at 1st January	1,420,305	1,326,332
Income	29,334	29,687
Expenditure	(117,108)	(117,948)
Gains on Investment Assets	204,144	182,234
Transfers between funds	20,961	-
Balance at 31st December	1,557,636	1,420,305

Restricted funds represent funds specified for educational purposes. These funds are represented by investment and other assets. The funds are not represented by specific investments, and investment income, management fees and realised and unrealised movements are allocated on an agreed percentage.

The transfers between funds represents grants paid in 2023 which were incorrectly allocated to the restricted fund.

8. Related Party Transactions

Under the Charity's constitution, certain office holders of HCMM are ex-officio trustees of the Charity and power to nominate trustees to the Charity is vested in HCMM. The administration of the Charity is performed by HCMM which charges a management fee to the Charity. During the period the charge, inclusive of VAT, was £25,800 (2023: £12,000). The Charity provided grants of £8,902 (2023: £11,977) during the year towards the cost of the journal produced by HCMM and £Nil (2023: £32,000) in support of the education and outreach work carried out by HCMM. The balance due from HCMM at 31st December 2024 was £17,901 (2023: £14,825).

No trustee received any remuneration for their role as a trustee or any reimbursement of expenses during the year.

9. Net Assets By Fund

	Unrestricted Fund	Restricted Fund	2024 Total
	£	£	£
Investments	3,451,483	1,858,491	5,309,974
Net Current Assets/(Liabilities)	337,849	(300,855)	36,994
	3,789,332	1,557,636	5,346,968

	Unrestricted Fund	Restricted Fund	2023 Total
	£	£	£
Investments	3,082,781	1,659,959	4,742,740
Net Current Assets/(Liabilities)	387,005	(239,654)	147,351

3,469,786	1,420,305	4,890,091

10. Grants To Organisations

	2024	2023
	£	£
Honourable Company of Master Mariners	-	32,000
London Nautical School	5,000	-
Royal Alfred Seafarers' Society	-	15,000
Ocean Youth Sailing Trust	6,000	6,000
George Green's School	-	6,000
London Search & Rescue	1,140	-
SSAFA – The Armed Forces Charity	5,000	-
Merchant Navy Welfare Board	100	-
Merchant Navy Day Commemorative Service	529	-
Royal Liverpool Seaman's Orphan Institution	2,640	2,640
Greenwich & Deptford Waterborne	1,500	-
Sea Cadets Aberdeen	-	1,500
Sea Cadets Hull	400	1,500
Sea Cadets Newport	-	1,500
Sea Cadets Sefton	2,750	1,500
Sea Cadets Doncaster	400	-
Sea Cadets Harrogate	400	-
Sea Cadets York	300	-
Sea Cadets South Liverpool	750	-
Sea Cadets Bridgwater	750	-
Sea Cadets Bournemouth	750	-
	28,409	67,640

11. Unrecognised Funding Commitments

The Charity has agreed to provide grants to cover the costs of cadets attending maritime college over three-year periods. These commitments are subject to regular review of the cadets' progress and are to be funded from income generated by the investment portfolio.

Accounts

The Trustees
Honourable Company of
Master Mariners and
Howard Leopold Davis
Charity
No. 1 The Rubicon
51 Norman Road
London
SE10 9QB

Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD

Dear Sirs

Honourable Company of Master Mariners and Howard Leopold Davis Charity
Financial Statements at 31 December 2023

We confirm, to the best of our knowledge and belief, and having made appropriate enquiries to other Officers of the Charity, the following representations given to you in connection with your audit of the Charity for the year ended 31 December 2023.

Confirmation of Responsibilities

1. We have fulfilled our responsibilities as trustees under the Charities Act 2011 for preparing financial statements which give a true and fair view in accordance with the financial reporting framework (FRS 102 and the Charities SORP).

2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all the transactions undertaken by the Charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and Trustees' meetings, have been made available to you. We have given you unrestricted access to persons within the Charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.

3. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that:
   - so far as each Trustee is aware, there is no relevant audit information of which you as auditors are unaware; and
   - each Trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Estimates and Judgements

4. We confirm that the methods, significant assumptions and source data used by us in making accounting estimates, and their disclosure in the financial statements, are appropriate and in compliance with the recognition, measurement and disclosure requirements of FRS 102.

5. We confirm that all known actual or possible litigation and claims, the implication of which should be considered when preparing the financial statements, have been disclosed to you and have been accounted for and disclosed in accordance with FRS102 and the Act.

Post Balance Sheet Events and Commitments

6. We confirm that there have been no events since the balance sheet date which necessitate revision of the figures in the financial statements, or inclusion of a note thereto, other than those matters which have already been disclosed or included in the financial statements.

7. We confirm that the Charity has not contracted for any capital expenditure other than as disclosed in the financial statements.

8. We confirm that we have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Related Parties

9. We confirm that we are aware of the definition of a related party as set out in FRS102 and the Charities SORP.

10. We confirm that we have disclosed to you all related parties and related party transactions relevant to the Charity and that we are not aware of further related party transactions other than those already disclosed in the financial statements in accordance with the requirements of FRS102 and the Act.

11. We confirm that the Charity has not had, at any time during the year, an arrangement, transaction or agreement to provide credit facilities for trustees, nor to provide guarantees of any kind on behalf of the trustees, except as disclosed in the financial statements.

Laws, Regulations and Contractual Agreements

12. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the Charity conducts its operations, non-compliance with which could affect the financial statements.

13. The Charity has complied with all aspects of contractual and other agreements that could have a material effect on the financial statements in the event of non-compliance.

Internal Control and Fraud

14. We acknowledge our responsibility for the design and implementation of controls to prevent and detect fraud and we confirm that we have assessed the risk that the financial statements may be materially misstated as a result of fraud and that we have made this assessment available to you. We also confirm that, to the best of our knowledge and belief, there have been no significant deficiencies in internal control during the year.

15. We confirm that we have disclosed to you our knowledge of any actual or suspected instances of fraud involving management, employees with a significant role in internal control, and others where the fraud could have a material effect on the financial statements. We also confirm that we have disclosed to you our knowledge of any allegations of fraud or suspected fraud, affecting the financial statements, which have been communicated by employees, former employees, regulators or others.

Going Concern

16. We confirm that, having considered financial projections which reflect the Charity's expectations and intentions for a period of at least twelve months from the date on which the financial statements are expected to be approved, in our opinion, the Charity's financial statements should be prepared on the going concern basis.

Corrected and Uncorrected Misstatements

17. We confirm our approval of the audit adjustments as set out in the Appendix to the Audit Findings Report.

18. We confirm that, in our opinion, the effects of any uncorrected misstatements which have been set out in the Audit Findings Report, are immaterial, both individually and in aggregate, to the financial statements as a whole.

Other Matters

19. All grants, donations and other incoming resources, receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms and conditions in the application of such incoming resources.

20. We confirm that we have informed you of the details of all correspondence with the Charity's regulators during the year and subsequently, in particular, the details concerning non-compliance with financial and regulatory matters.

Yours faithfully

....

Signed on behalf of the Trustees

Date 11 / 01 / 2025

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

(CHARITABLE INCORPORATED ORGANISATION)

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2023

Registered No: 1172234

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2023

Reference and Administration Details

Trustees	Captain D Chadburn (Chairman) Captain H J Conybeare (Retired 30 October 2024) Mr M Burrow (Ex-officio) Commander L Chapman (Ex-officio) Captain J K Mooney (Ex-officio to 26 July 2023) Captain N Rodrigues (Almoner) (Retired 26 April 2024) Commander P Aylott Captain R Barnes (Retired 26 April 2024) Captain RFA Batt (Ex-officio to 28 April 2023) Captain C Brewer (Appointed 1 May 2023, Retired 26 July 2023) Captain G English (Ex-officio to 26 April 2024) Captain P McArthur (Ex-officio from 1 May 2023, Retired 25 October 2023) Captain A Scales (Appointed 26 July 2023) Ms N Good (Appointed 7 February 2024) Lieutenant Commander J Brown (Appointed 7 February 2024) Mr A Gosden (Ex-officio from 26 April 2024) Mr I Rodger (Appointed 26 April 2024) Ms M Kohli (Appointed 30 October 2024)
Registered Charity Number	1172234
Administrator	Honourable Company of Master Mariners No. 1 The Rubicon 51 Norman Road London SE10 9QB
Principal Office Address	Honourable Company of Master Mariners No. 1 The Rubicon 51 Norman Road London SE10 9QB
Auditors	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD
Bankers	C Hoare & Co. 37 Fleet Street London EC4P 4DQ CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Investment Managers	Evelyn Partners 45 Gresham Street London EC2V 7BG

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2023

The Trustees present their report and the financial statements of the Charity for the year ended 31st December 2023. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charity's Constitution, the Charities Act 2011, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charity Commission.

Structure, Governance and Management

Governing Document

The Honourable Company of Master Mariners and Howard Leopold Davis Charity is a Charitable Incorporated Organisation established under a constitution dated 24th March 2017. On 31st March 2017, the predecessor unincorporated charity (Charity no. 1127213) transferred its assets and liabilities to the CIO.

The Charity represents the present form of the amalgamation of four historic charities, being the Benevolent Fund (Charity No 207094), Education Fund (Charity No 313382), The Howard Leopold Davis Fund (Charity No 207095) and London Maritime Institution (Charity No 207087) which were merged in 2010.

Trustees
In accordance with the Charity's Constitution, the following office holders of the Honourable Company of Master Mariners for the time being are ex-officio trustees of the Charity: Master, Senior Warden, Chairman of the Education and Training Committee, and Chairman of the Finance and Risk Committee. The appointment of new Trustees is vested in the Court of the Honourable Company of Master Mariners (HCMM). The Trustees receive no remuneration and no claims for reimbursement of expenses were made during the year.

Risk Management
The Trustees have considered the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Trustees' Responsibilities
Charity law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the Trust's financial activities during the year and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2023

Organisation
The Charity has no premises or employees. The administration and record keeping of the Charity are carried out by HCMM for which services an agreed annual service charge is made.

Objectives and Activities

The Benevolent purposes are to relieve:

a. Master Mariners and maritime Navigating Officers of the Merchant Navy, and,

b. their families and dependants,

who are in need through financial hardship, sickness, disability or the effects of old age.

The Educational purposes are to educate and train:

a. persons serving or intending to serve in the Merchant Navy, and,

b. persons with an interest in seamanship or sailing.

Achievements and Performance Including How The Charity Has Delivered Public Benefit

The Trustees have had regard for the Charity Commission's guidance on public benefit. The Charity awarded £153,450 (2022: £220,067) in benevolent and educational grants in the year to qualified individuals and to organisations during the year. The Charity's educational grants including its continuing sponsorship of cadets completing courses with Chiltern Maritime as well as supporting education and outreach work carried out by the Honourable Company of Master Mariners.

Financial Review

The Trustees have reviewed the investment policy and consider the investments to be prudently managed with reasonable diversification, so as to provide a suitable balance between income and capital appreciation.

The period resulted in net income of £413,611, including gains on investments of £520,669 resulting in funds of the Charity increasing to £4,890,091 of which £1,420,305 is restricted for educational purposes. The funds are represented by investments of £4,742,740 and net current assets of £147,351.

Reserves Policy
It is the policy of the Trustees to maintain unrestricted funds (predominantly in investments), which are the free reserves of the charity, at a level considered appropriate to generate an annual income for grants etc. It also provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time. Reserves at the year-end amounted to £3,469,786.

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2023

Future Plans

The Charity plans to continue to provide benevolent and educational grants. The Charity's educational grants will include continuing the sponsorship of cadets completing courses with Chiltern Maritime as well as supporting education and outreach work carried out by the Honourable Company of Master Mariners.

This report was approved by the Trustees on 2 Oct 2024 and signed on its behalf by:

Captain D Chadburn
Trustee

Independent Auditors' Report to the Trustees of

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Opinion

We have audited the financial statements of The Honourable Company of Master Mariners and Howard Leopold Davis Charity (the 'charity') for the year ended 31st December 2023 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2023 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 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.

- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures, and controls.

- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. This description forms part of our auditor's 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 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 charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London EC3A 2AD

10th January 2025

Knox Cropper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Statement of Financial Activities

For The Year Ended 31st December 2023

	Notes	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total £	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total £
Income From							
Donations and Legacies		1,493	-	1,493	1,138	-	1,138
Investments	2	55,132	29,687	84,819	46,957	25,284	72,241
Total Income		56,625	29,687	86,312	48,095	25,284	73,379
Expenditure On							
Raising Funds: Investment Management Fees		13,223	7,120	20,343	13,504	7,272	20,776
Charitable Activities	3	62,199	110,828	173,027	104,520	171,071	275,591
Total Expenditure		75,422	117,948	193,370	118,024	178,343	296,367
Net Gains/(Losses) on Investments	4	338,435	182,234	520,669	(559,893)	(301,480)	(861,373)
Net Income/(Expenditure) and Net Movement In Funds		319,638	93,973	413,611	(629,822)	(454,539)	(1,084,361)
Reconciliation Of Funds							
Total Funds Brought Forward		3,150,148	1,326,332	4,476,480	3,779,970	1,780,871	5,560,841
Total Funds Carried Forward		£3,469,786	£1,420,305	£4,890,091	£3,150,148	£1,326,332	£4,476,480

All the activities reported above relate to continuing operations.

The notes on pages 11 to 16 form an integral part of these financial statements.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Balance Sheet

As At 31st December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed Assets					
Investments	4		4,742,740		4,234,429
Current Assets					
Debtors	5	23,743		12,396	
Cash at Bank and In Hand		143,830		261,877	
		167,573		274,273	
Creditors: Amounts Falling Due Within One Year	6	(20,222)		(32,222)	
Net Current Assets/(Liabilities)			147,351		242,051
Total Assets Less Current Liabilities			4,890,091		4,476,480
Net Assets			£4,890,091		£4,476,480
Unrestricted Funds			3,469,786		3,150,148
Restricted Fund	7		1,420,305		1,326,332
Total Funds			£4,890,091		£4,476,480

The financial statements were approved by the Trustees on 2 Oct 2024, and signed on their behalf by:

D. Ch

Captain D Chadburn - Trustee

The notes on pages 11 to 16 form an integral part of these financial statements.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Statement Of Cash Flows

For The Year Ended 31st December 2023

	Notes	2023	2022
		£	£
Cash Flows from Operating Activities			
Net Cash provided by (used in) Operating Activities	A	(193,000)	(275,646)
Cash Flows from Investing Activities			
Dividends and Interest		74,953	64,593
Proceeds from Sale of Investments		661,068	944,844
Purchase of Investments		(810,132)	(441,137)
Investment Management Fees		(20,067)	(21,910)
Movement in Cash at Investment Managers		169,131	(181,796)
Net Cash provided by (used in) Investing Activities		74,953	364,594
Change in Cash and Cash Equivalents in the Reporting Period		(118,047)	88,948
Cash and Cash Equivalent at the beginning of the Reporting Period		261,877	172,929
Cash and Cash Equivalent at end of the Reporting Period		£143,830	£261,877

A. Reconciliation of Net Income/(Expenditure) to net cash flow from Operating Activities

	2023	2022
Net Income/(Expenditure) for the Reporting Period	413,611	(1,084,361)
(Gains)/Losses on Investments	(520,669)	861,373
Decrease/(Increase) in Debtors	(9,190)	(6,595)
(Decrease)/Increase in Creditors	(12,276)	5,402
Dividends and Interest	(84,819)	(72,241)
Investment Management Fees	20,343	20,776
Net Cash provided by (Used in) Operating Activities	£(193,000)	£(275,646)

B. Analysis of changes in net funds

	At 01/01/2023	Cash flows	At 31/12/2023
	£	£	£
Cash at bank and in hand	261,877	(118,047)	143,830

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Notes To The Financial Statements

For The Year Ended 31st December 2023

1. **Accounting Policies**

(a) **Structure**

The Charity is a Charitable Incorporated Organisation, registered with the Charity Commission (registration number 1172234). The principal office address is Honourable Company of Master Mariners, No. 1 The Rubicon, 51 Norman Road, London SE10 9QB. A description of the charity's operations and principal activities can be found in the Report of the Trustees.

(b) **Basis of Preparation and assessment of going concern.**

The accounts 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. They 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 Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102 March 2018) and the Charities Act 2011. The presentation currency of the financial statements is the Pound Sterling (£). The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts 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 involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no uncertainties about the Charity's ability to continue as a going concern.

(c) **Funds Structure**

Unrestricted Funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. There is a single restricted fund, the Education Fund, restricted to provide grants for Educational Purposes.

(d) **Income Recognition**

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.

Income from investments is recognised on the date on which the dividend is payable, or the interest accrues.

Income from donations is normally recognised on receipt, unless terms or conditions limit recognition until a later date.

(e) **Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

- Costs of Raising Funds
  The costs of raising funds comprise investment management costs. Costs incurred in respect of acquisitions and disposals of investments are added to the cost of and deducted from the proceeds of those investments.

- Charitable Expenditure
  Cost of Charitable Activities includes grants paid, and support costs including Governance costs. Grants payable are payments to individuals in the furtherance of the charitable objects of the charity. The Charity, in some instances, provides an unsecured loan to a beneficiary in furtherance of its educational objects. These are recognised as expenditure in the year that they are awarded.

- Governance Costs
  Governance costs comprise all costs involved with compliance with regulation and good practice.

(f) **VAT**

The Charity is not registered for Value Added Tax. Expenditure shown in the financial statements is inclusive of VAT.

(g) **Investments**

The Charity's investments consist only of quoted securities. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investments are allocated to Restricted and Unrestricted Funds at a set percentage.

(h) **Debtors and Creditors**

Debtors and creditors are recognised where, at the balance sheet date, an entitlement to receive or an obligation to transfer economic benefit exists and receipt or settlement is probable and can be measured reliably.

Debtors are measured at the expected recoverable amount and creditors at the expected settlement amount, discounted for the time value of money if material.

2. Investment Income

	2023 Total £	2022 Total £
Dividends	73,310	72,114
Unit Trust Interest	5,699	-
Bank Interest	5,810	127
	£84,819	£72,241

3. Analysis of Charitable Activities

	2023		
	Unrestricted Funds £	Restricted Funds £	Total £
Direct Costs			
Grants and Awards			
Grants to Individuals	24,982	48,851	73,833
Grants to Organisations (Note 10)	17,640	50,000	67,640
HCMM Journal	-	11,977	11,977
	42,622	110,828	153,450
Support Costs (Note 3.a)	19,577	-	19,577
	£62,199	£110,828	£173,027

	2022		
	Unrestricted Funds £	Restricted Funds £	Total £
Direct Costs			
Grants and Awards			
Grants to Individuals	34,900	35,614	70,514
Grants to Organisations (Note 10)	52,700	88,215	140,915
HCMM Journal	-	8,638	8,638
	87,600	132,467	220,067
Library Works	-	38,604	38,604
Support Costs (Note 3.a)	16,920	-	16,920
	£104,520	£171,071	£275,591

3.a Support Costs

	2023 £	2022 £
Management Fees - HCMM	12,000	12,000
Other	2,927	280
Governance Costs	4,650	4,640
	£19,577	£16,920

Governance Costs – Represent External Audit Fees amounting to £4,650 (2022: £4,640) inclusive of VAT.

4. **Fixed Asset Investments**

	2023	2022
Market Value	£	£
At 1st January	3,980,703	5,340,849
Acquisitions and accumulated income	817,841	446,071
Disposals	(617,776)	(1,105,806)
Gains/(Losses) on investments	477,377	(700,411)
At 31st December	£4,658,145	£3,980,703
Investments at Market Value	4,658,145	3,980,703
Cash with Investment Managers	84,595	253,726
	£4,742,740	£4,234,429
Historic cost of investments	£3,500,686	£3,218,423

All investments are listed securities or open-ended investment companies. Included within Fixed Asset Investments is £4,658,145 (2022: £3,980,703) measured at fair value through income and expenditure.

During the year, the Charity sold investments with a net book value of £617,776 for net proceeds of £661,068, generating realised gains on sale of £43,292.

5. **Debtors**

	2023	2022
	£	£
Due from HCMM	14,825	8,802
Sundry Debtors	8,918	3,594
	£23,743	£12,396

6. **Creditors: Amounts Falling Due Within One Year**

	2023	2022
	£	£
Grants Payable	1,776	17,430
Trade Creditors	5,640	-
Other Creditors	-	1,272
Accruals and Deferred Income	12,806	13,520
	£20,222	£32,222

7. Restricted Funds

	2023	2022
	£	£
Balance at 1st January	1,326,332	1,780,871
Income	29,687	25,284
Expenditure	(117,948)	(178,343)
Gains on Investment Assets	182,234	(301,480)
Balance at 31st December	£1,420,305	£1,326,332

Restricted funds represent funds specified for educational purposes. These funds are represented by investment and other assets. The funds are not represented by specific investments, and investment income, management fees and realised and unrealised movements are allocated on an agreed percentage.

8. Related Party Transactions

Under the Charity's constitution, certain office holders of HCMM are ex-officio trustees of the Charity and power to nominate trustees to the Charity is vested in HCMM. The administration of the Charity is performed by HCMM which charges a management fee to the Charity. During the period the charge, inclusive of VAT, was £12,000 (2022: £12,000). The Charity provided grants of £11,977 (2022: £8,638) during the year towards the cost of the journal produced by HCMM and £32,000 (2022: £60,000) in support of the education and outreach work carried out by HCMM. The balance due from HCMM at 31st December 2023 was £14,825 (2022: £8,802).

No trustee received any remuneration for their role as a trustee or any reimbursement of expenses during the year.

9. Net Assets By Fund

	Unrestricted Fund	Restricted Fund	2023 Total
	£	£	£
Investments	3,082,781	1,659,959	4,742,740
Net Current Assets/(Liabilities)	387,005	(239,654)	147,351
	£3,469,786	£1,420,305	£4,890,091

	Unrestricted Fund	Restricted Fund	2022 Total
	£	£	£
Investments	2,752,379	1,482,050	4,234,429
Net Current Assets/(Liabilities)	397,769	(155,718)	242,051
	£3,150,148	£1,326,332	£4,476,480

10. Grants To Organisations

	2023	2022
	£	£
Honourable Company of Master Mariners	32,000	60,000
London Nautical School	-	10,200
Royal Alfred Seafarers' Society	15,000	50,000
Ocean Youth Sailing Trust	6,000	6,000
George Green's School	6,000	-
Maritime Futures	-	7,500
Royal Liverpool Seaman's Orphan Institution	2,640	2,700
Sea Cadets Aberdeen	1,500	1,000
Sea Cadets Hull	1,500	1,000
Sea Cadets Newport	1,500	1,000
Sea Cadets Sefton	1,500	1,000
Sea Cadets Whitley Bay	-	1,000
Sea Cadets York	-	-
Thames Traditional Rowing Association	-	(485)
	£67,640	£140,915

11. Unrecognised Funding Commitments

The Charity has agreed to provide grants to cover the costs of cadet attending maritime college over three-year periods. These commitments are subject to regular review of the cadets' progress and are to be funded from income generated by the investment portfolio.

Accounts

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

(CHARITABLE INCORPORATED ORGANISATION)

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2022

Registered No: 1172234

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2022

Reference and Administration Details

Trustees

Registered Charity Number 1172234

Administrator

Honourable Company of Master Mariners
No. 1 The Rubicon
51 Norman Road
London SE10 9QB

Principal Office Address

Honourable Company of Master Mariners
No. 1 The Rubicon
51 Norman Road
London SE10 9QB

Auditors

Knox Cropper LLP
65 Leadenhall Street
London EC3A 2AD

Bankers

C Hoare & Co.
37 Fleet Street
London EC4P 4DQ

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent ME19 4JQ

Investment Managers

Evelyn Partners
45 Gresham Street
London EC2V 7BG

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2022

The Trustees present their report and the financial statements of the Charity for the year ended 31st December 2022. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charity's Constitution, the Charities Act 2011, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charity Commission.

Structure, Governance and Management

Governing Document

The Honourable Company of Master Mariners and Howard Leopold Davis Charity is a Charitable Incorporated Organisation established under a constitution dated 24th March 2017. On 31st March 2017, the predecessor unincorporated charity (Charity no. 1127213) transferred its assets and liabilities to the CIO.

The Charity represents the present form of the amalgamation of four historic charities, being the Benevolent Fund (Charity No 207094), Education Fund (Charity No 313382), The Howard Leopold Davis Fund (Charity No 207095) and London Maritime Institution (Charity No 207087) which were merged in 2010.

Trustees
In accordance with the Charity's Constitution, the following office holders of the Honourable Company of Master Mariners for the time being are ex-officio trustees of the Charity: Master, Senior Warden, Chairman of the Education and Training Committee, and Chairman of the Finance and Risk Committee. The appointment of new Trustees is vested in the Court of the Honourable Company of Master Mariners (HCMM). The Trustees receive no remuneration and no claims for reimbursement of expenses were made during the year.

Risk Management
The Trustees have considered the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Trustees' Responsibilities
Charity law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the Trust's financial activities during the year and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2022

Organisation
The Charity has no premises or employees. The administration and record keeping of the Charity is carried out by the HCMM for which services an annual agreed charge is made to cover their costs.

Objectives and Activities

The Benevolent purposes are to relieve:

a. Master Mariners and maritime Navigating Officers of the Merchant Navy, and,

b. their families and dependants,

who are in need through financial hardship, sickness, disability or the effects of old age.

The Educational purposes are to educate and train:

a. persons serving or intending to serve in the Merchant Navy, and,

b. persons with an interest in seamanship or sailing.

Achievements and Performance Including How The Charity Has Delivered Public Benefit

The Charity awarded £220,067 (2021: £166,161) in benevolent and educational grants in the year to qualified individuals and to organisations during the year. The Charity's educational grants including its continuing sponsorship of cadets completing courses with Chiltern Maritime as well as supporting education and outreach work carried out by the Honourable Company of Master Mariners. The Trustees have had regard for the Charity Commission's guidance on public benefit.

Financial Review

The Trustees have reviewed the investment policy and consider the investments to be prudently managed with reasonable diversification, so as to provide a suitable balance between income and capital appreciation.

The period resulted in net expenditure of £(1,084,361), including losses on investments of £(861,373) resulting in funds of the Charity decreasing to £4,476,480 of which £1,326,332 is restricted for educational purposes. The funds are represented by investments of £4,234,429 and net current assets of £242,051.

Reserves Policy
It is the policy of the Trustees to maintain unrestricted funds (predominantly in investments), which are the free reserves of the charity, at a level considered appropriate to generate an annual income for grants etc. It also provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time. Reserves at the year end amounted to £3,150,148.

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2022

This report was approved by the Trustees on 24th October 2023 and signed on its behalf by:

Captain H J Conybeare
Trustee

Independent Auditors' Report to the Trustees of

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Opinion

We have audited the financial statements of The Honourable Company of Master Mariners and Howard Leopold Davis Charity (the 'charity') for the year ended 31st December 2022 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2022 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 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.

- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures, and controls.

- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.

- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. This description forms part of our auditor's 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 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 charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London EC3A 2AD

24th October 2023

Knox Cropper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Statement of Financial Activities

For The Year Ended 31st December 2022

	Notes	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total £	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £
Income From							
Donations and Legacies		1,138	-	1,138	22,183	-	22,183
Investments	2	46,957	25,284	72,241	58,846	31,686	90,532
Total Income		48,095	25,284	73,379	81,029	31,686	112,715
Expenditure On							
Raising Funds: Investment Management Fees		13,504	7,272	20,776	15,219	8,195	23,414
Charitable Activities	3	104,520	171,071	275,591	67,407	130,769	198,176
Total Expenditure		118,024	178,343	296,367	82,626	138,964	221,590
Net Gains/(Losses) on Investments	4	(559,893)	(301,480)	(861,373)	426,280	229,535	655,815
Net Income/(Expenditure) and Net Movement in Funds		(629,822)	(454,539)	(1,084,361)	424,683	122,257	546,940
Reconciliation Of Funds							
Total Funds Brought Forward		3,779,970	1,780,871	5,560,841	3,355,287	1,658,614	5,013,901
Total Funds Carried Forward		£3,150,148	£1,326,332	£4,476,480	£3,779,970	£1,780,871	£5,560,841

All the activities reported above relate to continuing operations.

The notes on pages 11 to 16 form an integral part of these financial statements.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Balance Sheet

As At 31st December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Investments	4		4,234,429		5,412,779
Current Assets					
Debtors	5	12,396		3,087	
Cash at Bank and In Hand		261,877		172,929	
		274,273		176,016	
Creditors: Amounts Falling Due Within One Year	6	(32,222)		(27,954)	
Net Current Assets/(Liabilities)			242,051		148,062
Total Assets Less Current Liabilities			4,476,480		5,560,841
Net Assets			£4,471,877		£5,560,841
Unrestricted Funds			3,150,148		3,779,970
Restricted Fund	7		1,326,332		1,780,871
Total Funds			£4,476,480		£5,560,841

The financial statements were approved by the Trustees on 24th Oct 2023, and signed on their behalf by:

Captain H J Conybeare - Trustee

The notes on pages 11 to 16 form an integral part of these financial statements.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Statement Of Cash Flows

For The Year Ended 31st December 2022

	Notes	2022	2021
		£	£
Cash Flows from Operating Activities			
Net Cash provided by (used in) Operating Activities	A	(275,646)	(191,384)
Cash Flows from Investing Activities			
Dividends and Interest		64,593	85,110
Proceeds from Sale of Investments		944,844	1,014,703
Purchase of Investments		(441,137)	(682,429)
Investment Management Fees		(21,910)	(22,812)
Movement in Cash at Investment Managers		(181,796)	(66,925)
Net Cash provided by (used in) Investing Activities		364,594	327,647
Change in Cash and Cash Equivalents in the Reporting Period		88,948	136,263
Cash and Cash Equivalent at the beginning of the Reporting Period		172,929	36,666
Cash and Cash Equivalent at end of the Reporting Period		£261,877	£172,929

A. Reconciliation of Net Income/(Expenditure) to net cash flow from Operating Activities

	2022	2021
Net Income/(Expenditure) for the Reporting Period	(1,084,361)	546,940
(Gains)/Losses on Investments	861,373	(655,815)
Decrease/(Increase) in Debtors	(6,595)	(2,207)
(Decrease)/Increase in Creditors	5,402	(13,184)
Dividends and Interest	(72,241)	(90,532)
Investment Management Fees	20,776	23,414
Net Cash provided by (Used in) Operating Activities	£(275,646)	£(191,384)

B. Analysis of changes in net funds

	At 01/01/2022	Cash flows	At 31/12/2022
	£	£	£
Cash at bank and in hand	172,929	88,948	261,877

1. **Accounting Policies**

(a) **Structure**

The Charity is a Charitable Incorporated Organisation, registered with the Charity Commission (registration number 1172234). The principal office address is Honourable Company of Master Mariners, No. 1 The Rubicon, 51 Norman Road, London SE10 9QB. A description of the charity's operations and principal activities can be found in the Report of the Trustees.

(b) **Basis of Preparation and assessment of going concern.**

The accounts 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. They 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 Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102 March 2018) and the Charities Act 2011. The presentation currency of the financial statements is the Pound Sterling (£). The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts 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 involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no uncertainties about the Charity's ability to continue as a going concern.

(c) **Funds Structure**

Unrestricted Funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. There is a single restricted fund, the Education Fund, restricted to provide grants for Educational Purposes.

(d) **Income Recognition**

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.

Income from investments is recognised on the date on which the dividend is payable, or the interest accrues.

Income from donations is normally recognised on receipt, unless terms or conditions limit recognition until a later date.

(e) **Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

- Costs of Raising Funds
  The costs of raising funds comprises investment management costs.

- Charitable Expenditure
  Cost of Charitable Activities includes grants paid, and support costs including Governance costs. Grants payable are payments to individuals in the furtherance of the charitable objects of the charity. The Charity, in some instances, provides an unsecured loan to a beneficiary in furtherance of its educational objects. These are recognised as expenditure in the year that they are awarded.

- Governance Costs
  Governance costs comprise all costs involved with compliance with regulation and good practice.

(f) **VAT**

The Charity is not registered for Value Added Tax. Expenditure shown in the financial statements is inclusive of VAT.

(g) **Investments**

The Charity's investments consist only of quoted securities. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investments are allocated to Restricted and Unrestricted Funds at a set percentage.

(h) **Debtors and Creditors**

Debtors and creditors are recognised where, at the balance sheet date, an entitlement to receive or an obligation to transfer economic benefit exists and receipt or settlement is probable and can be measured reliably.

Debtors are measured at the expected recoverable amount and creditors at the expected settlement amount, discounted for the time value of money if material.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Notes To The Financial Statements

For The Year Ended 31st December 2022

2. Investment Income

	2022 Total	2021 Total
	£	£
Dividends	72,114	90,358
Bank Interest	127	174
	£72,241	£90,532

3. Analysis of Charitable Activities

	2022		
	Unrestricted Funds	Restricted Funds	Total
Direct Costs	£	£	£
Grants and Awards			
Grants to Individuals	34,900	35,614	70,514
Grants to Organisations (Note 10)	52,700	88,215	140,915
HCMM Journal	-	8,638	8,638
	87,600	132,467	220,067
Library Works	-	38,604	38,604
Support Costs (Note 3.a)	16,920	-	16,920
	£104,520	£171,071	£275,591

	2021		
	Unrestricted Funds	Restricted Funds	Total
Direct Costs	£	£	£
Grants and Awards			
Grants to Individuals	49,092	26,016	75,108
Grants to Organisations (Note 10)	1,980	77,728	79,708
HCMM Journal	-	11,345	11,345
	51,072	115,089	166,161
Library Works	-	15,680	15,680
Support Costs (Note 3.a)	16,335	-	16,335
	£67,407	£130,769	£198,176

3.a Support Costs

	2022	2021
	£	£
Management Fees - HCMM	12,000	12,000
Other	280	563
Governance Costs	4,640	3,772
	£16,920	£16,335

Governance Costs – Includes External Audit Fees amounting to £4,640 (2021: £3,816) inclusive of VAT.

4. **Fixed Asset Investments**

	2022	2021
Market Value	£	£
At 1st January	5,340,849	5,012,599
Acquisitions and accumulated income	446,071	687,138
Disposals	(1,105,806)	(981,718)
Gains/(Losses) on investments	(700,411)	622,830
At 31st December	£3,980,703	£5,340,849
Investments at Market Value	3,980,703	5,340,849
Cash with Investment Managers	253,726	71,930
	£4,234,429	£5,412,779
Historic cost of investments	£3,218,423	£3,618,148

All investments are listed securities or open-ended investment companies. Included within Fixed Asset Investments is £3,980,703 (2021: £5,340,849) measured at fair value through income and expenditure.

During the year, the Charity sold investments with a net book value of £1,105,806 for net proceeds of £944,844, generating realised losses on sale of £160,962.

5. **Debtors**

	2022	2021
	£	£
Due from HCMM	8,802	2,207
Sundry Debtors	3,594	880
	£12,396	£3,087

6. **Creditors: Amounts Falling Due Within One Year**

	2022	2021
	£	£
Grants Payable	17,430	16,667
Other Creditors	1,272	1,272
Accruals and Deferred Income	13,520	10,015
	£32,222	£27,954

The Charity is managed by the Honourable Company of Master Mariners who incur certain costs on behalf of the Charity which are reimbursed to the Honourable Company.

7. **Restricted Funds**

	2022	2021
	£	£
Balance at 1st January	1,780,871	1,658,614
Income	25,284	31,686
Expenditure	(178,343)	(138,964)
Gains on Investment Assets	(301,480)	229,535
Balance at 31st December	£1,326,332	£1,780,871

Restricted funds represent funds specified for educational purposes. These funds are represented by investment and other assets. The funds are not represented by specific investments, and investment income, management fees and realised and unrealised movements are allocated on an agreed percentage.

8. **Related Party Transactions**

Under the Charity's constitution, certain office holders of HCMM are ex-officio trustees of the Charity and power to nominate trustees to the Charity is vested in HCMM. The administration of the Charity is performed by HCMM which charges a management fee to the Charity. During the period the charge, inclusive of VAT, was £12,000 (2021: £12,000). The Charity provided grants of £8,638 (2021: £11,345) during the year towards the cost of the journal produced by HCMM and £60,000 (2021: £60,000) in support of the education and outreach work carried out by HCMM. The balance due from HCMM at 31st December 2022 was £8,802 (2021: £2,207).

No trustee received any remuneration for their role as a trustee or any reimbursement of expenses during the year.

9. **Net Assets By Fund**

	Unrestricted Fund	Restricted Fund	2022 Total
	£	£	£
Investments	2,752,379	1,482,050	4,234,429
Net Current Assets/(Liabilities)	397,769	(155,718)	242,051
	£3,150,148	£1,326,332	£4,476,480

	Unrestricted Fund	Restricted Fund	2021 Total
	£	£	£
Investments	3,518,306	1,894,473	5,412,779
Net Current Assets/(Liabilities)	261,664	(113,602)	148,062
	£3,779,970	£1,780,871	£5,560,841

10. **Grants To Organisations**

	2022	2021
	£	£
Honourable Company of Master Mariners	60,000	60,000
London Nautical School	10,200	-
Royal Alfred Seafarers' Society	50,000	-
Ocean Youth Sailing Trust	6,000	7,000
Portsmouth Harbour Marine	-	4,000
Maritime Futures	7,500	-
Royal Liverpool Seaman's Orphan Institution	2,700	1,980
Sea Cadets Aberdeen	1,000	1,000
Sea Cadets Hull	1,000	1,000
Sea Cadets Newport	1,000	1,000
Sea Cadets Sefton	1,000	1,000
Sea Cadets Whitley Bay	1,000	-
Sea Cadets York	-	2,000
Thames Traditional Rowing Association	(485)	728
	£140,915	£79,708

11. **Unrecognised Funding Commitments**

The Charity has agreed to provide grants to cover the costs of cadet attending maritime college over three-year periods. These commitments are subject to regular review of the cadets' progress and are to be funded from income generated by the investment portfolio.

Accounts

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

(CHARITABLE INCORPORATED ORGANISATION)

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

Registered No: 1172234

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2021

Reference and Administration Details

Trustees	Captain H J Conybeare (Chairman) Mr M Burrow (Ex-officio Chairman HCMM Finance & Risk Ctte) Captain D Chadburn (Ex-officio Master HCMM from 1 May 2020 to 1 May 2021, appointed 1 May 2021) Commander L Chapman (Ex-officio Master HCMM from 1 May 2021 to 1 May 2022) Captain J Hughes (resigned 1 May 2021) Captain J K Mooney (Ex-officio Chairman Education and Training Committee) Captain N Rodrigues (Almoner) Commander P Aylott Captain R Barnes
Registered Charity Number	1172234
Administrator	Honourable Company of Master Mariners HQS Wellington Temple Stairs Victoria Embankment London WC2R 2PN
Principal Office	HQS Wellington Temple Stairs Victoria Embankment London WC2R 2PN
Auditors	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Investment Managers	Smith & Williamson Investment Management 25 Moorgate London EC2R 6AY

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2021

The Trustees present their report and the financial statements of the Charity for the year ended 31st December 2021. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charity's Constitution, the Charities Act 2011, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charity Commission.

Structure, Governance and Management

Governing Document

The Honourable Company of Master Mariners and Howard Leopold Davis Charity is a Charitable Incorporated Organisation established under a constitution dated 24th March 2017. On 31st March 2017, the predecessor unincorporated charity (Charity no. 1127213) transferred its assets and liabilities to the CIO.

The Charity represents the present form of the amalgamation of four historic charities, being the Benevolent Fund (Charity No 207094), Education Fund (Charity No 313382), The Howard Leopold Davis Fund (Charity No 207095) and London Maritime Institution (Charity No 207087) which were merged in 2010.

Trustees
The appointment of new Trustees is vested in the Court of the Honourable Company of Master Mariners (HCMM). The Trustees receive no remuneration and no claims for reimbursement of expenses were made during the year.

Risk Management
The Trustees have considered the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Trustees' Responsibilities
Charity law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the Trust's financial activities during the year and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Organisation
The Charity has no premises or employees. The administration and record keeping of the Charity is carried out by the HCMM for which services an annual agreed charge is made to cover their costs.

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2021

Objectives and Activities

The Benevolent purposes are to relieve:

a. Master Mariners and maritime Navigating Officers of the Merchant Navy, and,

b. their families and dependants,

who are in need through financial hardship, sickness, disability or the effects of old age.

The Educational purposes are to educate and train:

a. persons serving or intending to serve in the Merchant Navy, and,

b. persons with an interest in seamanship or sailing.

Achievements and Performance Including How The Charity Has Delivered Public Benefit

The Charity awarded £166,161 (2020: £149,848) in benevolent and educational grants in the year to qualified individuals and to organisations during the year. The Charity's educational grants including its continuing sponsorship of cadets completing courses with Chiltern Maritime as well as supporting education and outreach work carried out by the Honourable Company of Master Mariners. The Trustees have had regard for the Charity Commission's guidance on public benefit.

The Honourable Company of Master Mariners And Howard Leopold Davis Charity

Trustees' Report for the Year Ended 31st December 2021

Financial Review

The Trustees have reviewed the investment policy and consider the investments to be prudently managed with reasonable diversification, so as to provide a suitable balance between income and capital appreciation.

The period resulted in net income of £546,940, including gains on investments of £655,815 resulting in funds of the Charity increasing to £5,560,841 of which £1,780,871 is restricted for educational purposes. The funds are represented by investments of £5,412,799 and net current assets of £148,062.

Reserves Policy

It is the policy of the Trustees to maintain unrestricted funds (predominantly in investments), which are the free reserves of the charity, at a level considered appropriate to generate an annual income for grants etc. It also provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time.

This report was approved by the Trustees on 9th December 2022 and signed on its behalf by:

Captain H J Conybeare
Trustee

Independent Auditors' Report to the Trustees of

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Opinion

We have audited the financial statements of The Honourable Company of Master Mariners and Howard Leopold Davis Charity (the 'charity') for the year ended 31st December 2021 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2021 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 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures, and controls.

- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. This description forms part of our auditor's 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 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 charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP

Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London EC3A 2AD

12th December 2022

Knox Cropper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Statement of Financial Activities

For The Year Ended 31st December 2021

	Notes	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total £
Income From							
Donations and Legacies		22,183	-	22,183	1,541	-	1,541
Investments	2	58,846	31,686	90,532	49,668	26,745	76,413
Total Income		81,029	31,686	112,715	51,209	26,745	77,954
Expenditure On							
Raising Funds: Investment Management Fees		15,219	8,195	23,414	12,979	6,989	19,968
Charitable Activities	3	67,407	130,769	198,176	80,924	84,481	165,405
Total Expenditure		82,626	138,964	221,590	93,903	91,470	185,373
Net Gains/(Losses) on Investments	4	426,280	229,535	655,815	153,176	82,478	235,654
Net Income/(Expenditure) and Net Movement in Funds		424,683	122,257	546,940	110,482	17,753	128,235
Reconciliation Of Funds							
Total Funds Brought Forward		3,355,287	1,658,614	5,013,901	3,244,805	1,640,861	4,885,666
Total Funds Carried Forward		£3,779,970	£1,780,871	£5,560,841	£3,355,287	£1,658,614	£5,013,901

All the activities reported above relate to continuing operations.

The notes on pages 11 to 16 form an integral part of these financial statements.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Balance Sheet

As At 31st December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed Assets					
Investments	4		5,412,779		5,017,604
Current Assets					
Debtors	5	3,087		167	
Cash at Bank and In Hand		172,929		36,666	
		176,016		36,833	
Creditors: Amounts Falling Due Within One Year	6	(27,954)		(40,536)	
Net Current Assets/(Liabilities)			148,062		(3,703)
Total Assets Less Current Liabilities			5,560,841		5,013,901
Net Assets			£5,560,841		£5,013,901
Unrestricted Funds			3,779,970		3,355,287
Restricted Fund	7		1,780,871		1,658,614
Total Funds			£5,560,841		£5,013,901

The financial statements were approved by the Trustees on 9th December 2022, and signed on their behalf by:

Captain H J Conybeare - Trustee

The notes on pages 11 to 16 form an integral part of these financial statements/

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Statement Of Cash Flows

For The Year Ended 31st December 2021

	Notes	2021	2020
		£	£
Cash Flows from Operating Activities			
Net Cash provided by (used in) Operating Activities	A	(191,384)	(140,041)
Cash Flows from Investing Activities			
Dividends and Interest		85,110	69,577
Proceeds from Sale of Investments		1,014,703	1,765,051
Purchase of Investments		(682,429)	(1,695,064)
Investment Management Fees		(22,812)	(19,968)
Movement in Cash at Investment Managers		(66,925)	40,249
Net Cash provided by (used in) Investing Activities		327,647	159,845
Change in Cash and Cash Equivalents in the Reporting Period		136,263	19,804
Cash and Cash Equivalent at the beginning of the Reporting Period		36,666	16,862
Cash and Cash Equivalent at end of the Reporting Period		£172,929	£36,666

A. Reconciliation of Net Income/(Expenditure) to net cash flow from Operating Activities

	2021	2020
Net Income/(Expenditure) for the Reporting Period	546,940	128,235
(Gains)/Losses on Investments	(655,815)	(235,654)
Decrease/(Increase) in Debtors	(2,207)	1,083
(Decrease)/Increase in Creditors	(13,184)	22,740
Dividends and Interest	(90,532)	(76,413)
Investment Management Fees	23,414	19,968
Net Cash provided by (Used in) Operating Activities	£(191,384)	£(140,041)

B. Analysis of changes in net funds

	At 01/01/2021	Cash flows	At 31/12/2021
	£	£	£
Cash at bank and in hand	£36,666	£136,063	£172,929

1. **Accounting Policies**

(a) **Structure**

The Charity is a Charitable Incorporated Organisation, registered with the Charity Commission (registration number 1172234). The principal office address is HQS Wellington, Temple Stairs, Victoria Embankment, London WC2R 2PN. A description of the charity's operations and principal activities can be found in the Report of the Trustees.

(b) **Basis of Preparation and assessment of going concern.**

The accounts 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. They 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 Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102 March 2018) and the Charities Act 2011. The presentation currency of the financial statements is the Pound Sterling (£). The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts 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 involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no uncertainties about the Charity's ability to continue as a going concern.

(c) **Funds Structure**

Unrestricted Funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. There is a single restricted fund, the Education Fund, restricted to provide grants for Educational Purposes.

(d) **Income Recognition**

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.

Income from investments is recognised on the date on which the dividend is payable, or the interest accrues.

Income from donations is normally recognised on receipt, unless terms or conditions limit recognition until a later date.

(e) **Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

- Costs of Raising Funds
  The costs of raising funds comprises investment management costs.

- Charitable Expenditure
  Cost of Charitable Activities includes grants paid, and support costs including Governance costs. Grants payable are payments to individuals in the furtherance of the charitable objects of the charity. The Charity, in some instances, provides an unsecured loan to a beneficiary in furtherance of its educational objects. These are recognised as expenditure in the year that they are awarded.

- Governance Costs
  Governance costs comprise all costs involved with compliance with regulation and good practice.

(f) **VAT**

The Charity is not registered for Value Added Tax. Expenditure shown in the financial statements is inclusive of VAT.

(g) **Investments**

The Charity's investments consist only of quoted securities. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investments are allocated to Restricted and Unrestricted Funds at a set percentage.

(h) **Debtors and Creditors**

Debtors and creditors are recognised where, at the balance sheet date, an entitlement to receive or an obligation to transfer economic benefit exists and receipt or settlement is probable and can be measured reliably.

Debtors are measured at the expected recoverable amount and creditors at the expected settlement amount, discounted for the time value of money if material.

The Honourable Company Of Master Mariners And Howard Leopold Davis Charity

Notes To The Financial Statements

For The Year Ended 31st December 2021

2. **Investment Income**

	2021 Total £	2020 Total £
Dividends	90,358	76,301
Bank Interest	174	112
	£90,532	£76,413

3. **Analysis of Charitable Activities**

	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £
Direct Costs			
Grants and Awards			
Grants to Individuals	49,092	26,016	75,108
Grants to Organisations (Note 10)	1,980	77,728	79,708
HCMM Journal	-	11,345	11,345
	51,072	115,089	166,161
Library Works	-	15,680	15,680
Support Costs (Note 3.a)	16,335	-	16,335
	£67,407	£130,769	£198,176

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total £
Direct Costs			
Grants and Awards			
Grants to Individuals	63,167	64,690	127,857
Grants to Organisations (Note 10)	2,200	11,074	13,274
HCMM Journal	-	8,717	8,717
	65,367	84,481	149,848
Support Costs	15,557	-	15,557
	£80,924	£84,481	£165,405

3.a **Support Costs**

	2021 £	2020 £
Management Fees - HCMM	12,000	12,000
Other	563	93
Governance Costs	3,772	3,464
	£16,335	£15,557

Governance Costs – Includes External Audit Fees amounting to £3,816 (2020: £3,760) inclusive of VAT.

4. **Fixed Asset Investments**

	2021	2021
Market Value	£	£
At 1st January	5,012,599	4,840,096
Acquisitions and accumulated income	687,138	1,701,900
Disposals	(981,718)	(1,765,051)
Gains/(Losses) on investments	622,830	235,654
At 31st December	£5,340,849	£5,012,599
Investments at Market Value	5,340,849	5,012,599
Cash with Investment Managers	71,930	5,005
	£5,412,779	£5,017,604
Historic cost of investments	£3,618,148	£3,792,407

All investments are listed securities or open-ended investment companies. Included within Fixed Asset Investments is £5,340,849 (2020: £5,012,599) measured at fair value through income and expenditure.

During the year, the Charity sold investments with a net book value of £981,718 for net proceeds of £1,014,703, generating realised gains on sale of £32,985.

5. **Debtors**

	2021	2020
	£	£
Due from HCMM	2,207	-
Sundry Debtors	880	167
	£3,087	£167

6. **Creditors: Amounts Falling Due Within One Year**

	2021	2020
	£	£
Due to HCMM	-	11,453
Other Creditors	1,272	1,272
Accruals and Deferred Income	26,682	27,811
	£27,954	£40,536

The Charity is managed by the Honourable Company of Master Mariners who incur certain costs on behalf of the Charity which are reimbursed to the Honourable Company.

7. Restricted Funds

	2021 £	2020 £
Balance at 1st January	1,658,614	1,640,861
Income	31,686	26,745
Expenditure	(138,964)	(91,470)
Gains on Investment Assets	229,535	82,478
Balance at 31st December	£1,780,871	£1,658,614

Restricted funds represent funds specified for educational purposes. These funds are represented by investment and other assets. The funds are not represented by specific investments, and investment income, management fees and realised and unrealised movements are allocated on an agreed percentage.

8. Related Party Transactions

Under the Charity's constitution, certain office holders of HCMM are ex-officio trustees of the Charity and power to nominate trustees to the Charity is vested in HCMM. The administration of the Charity is performed by HCMM which charges a management fee to the Charity. During the period the charge was £12,000 (2020: £12,000). The Charity provided grants of £11,345 (2020: £8,717) during the year towards the cost of the journal produced by HCMM and £60,000 (2020: £nil) in support of the education and outreach work carried out by HCMM. The balance due from HCMM at 31st December 2021 was £2,207 (2020: £11,453 due to HCMM).

No trustee received any remuneration for their role as a trustee or any reimbursement of expenses during the year.

9. Net Assets By Fund

	Unrestricted Fund £	Restricted Fund £	2021 Total £
Investments	3,518,306	1,894,473	5,412,779
Net Current Assets/(Liabilities)	261,664	(113,602)	148,062
	£3,779,970	£1,780,871	£5,560,841

	Unrestricted Fund £	Restricted Fund £	2020 Total £
Investments	3,261,443	1,756,161	5,017,604
Net Current Assets/(Liabilities)	93,844	(97,547)	(3,703)
	£3,355,287	£1,658,614	£5,013,901

10. Grants To Organisations

	2021	2020
	£	£
Honourable Company of Master Mariners	60,000	-
London Nautical School	-	582
Ocean Youth Sailing Trust	7,000	-
Portsmouth Harbour Marine	4,000	-
Royal Liverpool Seaman's Orphan Institution	1,980	2,200
Sea Cadets Aberdeen	1,000	1,000
Sea Cadets Hull	1,000	1,000
Sea Cadets Newport	1,000	1,000
Sea Cadets Sefton	1,000	1,000
Sea Cadets Southampton	-	5,000
Sea Cadets York	2,000	-
Thames Traditional Rowing Association	728	1,492
	£79,708	£13,274

11. Unrecognised Funding Commitments

The Charity has agreed to provide grants to cover the costs of cadet attending maritime college over three-year periods. These commitments are subject to regular review of the cadets' progress and are to be funded from income generated by the investment portfolio.

12. Funding Commitments

The Charity has contracted for the refurbishment of the library areas aboard HQS Wellington amounting to £39,945. Of this, £15,680 was incurred in the year with £24,265 committed at the year end.

Accounts

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

(CHARITABLE INCORPORATED ORGANISATION)

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

Registered No: 1172234

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

REFERENCE AND ADMINISTRATION DETAILS

CHARITABLE STATUS

The Honourable Company of Master Mariners and Howard Leopold Davis Charity (Charitable Incorporated Organisation) was established under a constitution dated 24th March 2017. On 31st March 2017, the Charitable Trust transferred its assets and liabilities to the CIO.

The Charitable Trust (Charity no. 1127213) was established under a trust deed dated 11th December 2008 and approved by the Charity Commission on 16th December 2008. The Charity was set up as a vehicle to amalgamate the Benevolent Fund (Charity No 207094), Education Fund (Charity No 313382), The Howard Leopold Davis Fund (Charity No 207095) and London Maritime Institution (Charity No 207087). The Charity Commission Scheme was sealed by the Charity Commission on 13th April 2010 and the assets were transferred at that date.

Trustees	
Registered Charity Number	1172234
Administrator	Honourable Company of Master Mariners HQS Wellington Temple Stairs Victoria Embankment London WC2R 2PN
Principal Office	HQS Wellington Temple Stairs Victoria Embankment London WC2R 2PN
Auditors	Knox Cropper LLP 65 Leadenhall Street London EC3A 2AD
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Investment Managers	Smith & Williamson Investment Management 25 Moorgate London EC2R 6AY

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020

The Trustees present their report and the financial statements of the Charity for the year ended 31st December 2020. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charity's Constitution, the Charities Act 2011 and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charity Commission.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees
The appointment of new Trustees is vested in the Court of the Honourable Company of Master Mariners (HCMM). The Trustees receive no remuneration and no claims for reimbursement of expenses were made during the year.

Risk Management
The Trustees have considered the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Trustees' Responsibilities
Charity law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the Trust's financial activities during the year and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

ORGANISATION
The Charity has no premises or employees. The administration and record keeping of the Charity is carried out by the HCMM for which services an annual agreed charge is made to cover their costs.

OBJECTIVES AND ACTIVITIES

The Benevolent purposes are to relieve:

a. Master Mariners and maritime Navigating Officers of the Merchant Navy, and,

b. their families and dependants,

who are in need through financial hardship, sickness, disability or the effects of old age.

The Educational purposes are to educate and train:

a. persons serving or intending to serve in the Merchant Navy, and,

b. persons with an interest in seamanship or sailing.

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

TRUSTEES’ REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020

FINANCIAL REVIEW

The Trustees have reviewed the investment policy, and consider the investments to be prudently managed with reasonable diversification, so as to provide a suitable balance between income and capital appreciation.

The period resulted in net income of £128,235, including gains on investments of £235,654 resulting in funds of the Charity increasing to £5,013,901 of which £1,658,614 is restricted for educational purposes. The funds are represented by investments of £5,017,604 and net current liabilities of £3,703.

Reserves Policy
It is the policy of the Trustees to maintain unrestricted funds (predominantly in investments), which are the free reserves of the charity, at a level considered appropriate to generate an annual income for grants etc. It also provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants which arise from time to time.

ACHIEVEMENTS AND PERFORMANCE INCLUDING HOW THE CHARITY HAS DELIVERED PUBLIC BENEFIT

£149,848 (2019: £110,148) has been awarded in benevolent and educational grants in the year to qualified individuals and to organisations. The Trustees have had regard for the Charity Commission’s guidance on public benefit.

This report was approved by the Trustees on 21 October 2021 and signed on its behalf by:

M Burrow
Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

Opinion

We have audited the financial statements of The Honourable Company of Master Mariners and Howard Leopold Davis Charity (the 'charity') for the year ended 31st December 2020 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:
- give a true and fair view of the state of the charity's affairs as at 31st December 2020 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 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures, and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

Auditor's responsibilities for the audit of the financial statements (continued)

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. This description forms part of our auditor's 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 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 charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London EC3A 2AD

29 October 2021

Knox Cropper LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 Unrestricted Funds	2020 Restricted Funds	2020 Total	2019 Unrestricted Funds	2019 Restricted Funds	2019 Total
		£	£	£	£	£	£
INCOME FROM							
Donations and Legacies		1,541	-	1,541	962	-	962
Investments	2	49,668	26,745	76,413	66,641	35,884	102,525
TOTAL INCOME		51,209	26,745	77,954	67,603	35,884	103,487
EXPENDITURE ON							
Raising Funds: Investment Management Fees		12,979	6,989	19,968	13,441	7,237	20,678
Charitable Activities	3	80,924	84,481	165,405	49,641	70,355	119,996
TOTAL EXPENDITURE		93,903	91,470	185,373	63,082	77,592	140,674
Net Gains/(Losses) on Investments	4	153,176	82,478	235,654	462,050	248,796	710,846
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS		110,482	17,753	128,235	466,571	207,088	673,659
RECONCILIATION OF FUNDS							
TOTAL FUNDS BROUGHT FORWARD		3,244,805	1,640,861	4,885,666	2,778,234	1,433,773	4,212,007
TOTAL FUNDS CARRIED FORWARD		£3,355,287	£1,658,614	£5,013,901	£3,244,805	£1,640,861	£4,885,666

All the activities reported above relate to continuing operations.

The Notes on pages 10 to 14 form an integral part of these financial statements.

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

BALANCE SHEET AS AT 31ST DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Investments	4		5,017,604		4,885,350
CURRENT ASSETS					
Debtors	5	167		1,250	
Cash at Bank and In Hand		36,666		16,862	
		36,833		18,112	
CREDITORS : Amounts Falling Due Within One Year	6	(40,536)		(17,796)	
NET CURRENT (LIABILITIES)/ASSETS			(3,703)		316
NET ASSETS			£5,013,901		£4,885,666
UNRESTRICTED FUNDS			3,355,287		3,244,805
RESTRICTED FUND	7		1,658,614		1,640,861
TOTAL FUNDS			£5,013,901		£4,885,666

The financial statements were approved by the Trustees on 21 October 2021, and signed on their behalf by:

M Burrow - Trustee

The notes on pages 10 to 14 form an integral part of these financial statements

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020	2019
		£	£
Cash Flows from Operating Activities			
Net Cash provided by (used in) Operating Activities	A	(140,041)	(121,336)
Cash Flows from Investing Activities			
Dividends and Interest		69,577	96,339
Proceeds from Sale of Investments		1,765,051	537,770
Purchase of Investments		(1,695,064)	(519,821)
Investment Management Fees		(19,968)	(20,678)
Movement in Cash at Investment Managers		40,249	27,058
Net Cash provided by (used in) Investing Activities		159,845	120,668
Change in Cash and Cash Equivalents in the Reporting Period		19,804	(668)
Cash and Cash Equivalent at the beginning of the Reporting Period		16,862	17,530
Cash and Cash Equivalent at end of the Reporting Period		£36,666	£16,862

A. Reconciliation of Net Income/(Expenditure) to net cash flow from Operating Activities

	2020	2019
Net Income/(Expenditure) for the Reporting Period	128,235	673,659
(Gains)/Losses on Investments	(235,654)	(710,846)
Decrease/(Increase) in Debtors	1,083	5,776
(Decrease)/Increase in Creditors	22,740	(8,078)
Dividends and Interest	(76,413)	(102,525)
Investment Management Fees	19,968	20,678
Net Cash provided by (Used in) Operating Activities	£(140,041)	£(121,336)

B. Analysis of changes in net funds

	At 01/01/2020	Cash flows	At 31/12/2020
	£	£	£
Cash at bank and in hand	£16,862	£19,804	£36,666

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

1. **Accounting Policies**

(a) **Basis of Preparation and assessment of going concern.**

The accounts 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. They 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 Standards applicable in the UK and Republic of Ireland (FRS 102) Second Edition issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102 March 2018) and the Charities Act 2011. The presentation currency of the financial statements is the Pound Sterling (£). The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts 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 involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) Second Edition issued in October 2019 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no uncertainties about the Charity’s ability to continue as a going concern.

(b) **Funds Structure**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. There is a single restricted fund, the Education Fund, restricted to provide grants for Educational Purposes.

Unrestricted Funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

(c) **Income Recognition**

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.

Income from investments is recognised on the date on which the dividend is payable or the interest accrues.

(d) **Expenditure Recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

- Costs of Raising Funds
  The costs of raising funds comprises investment management costs.

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020 (continued)

(d) **Expenditure Recognition (continued)**

- Charitable Expenditure
  Cost of Charitable Activities includes grants paid, and support costs including Governance costs.
  Grants payable are payments to individuals in the furtherance of the charitable objects of the charity. The Charity, in some instances, provides an unsecured loan to a beneficiary in furtherance of its educational objects. These are recognised as expenditure in the year that they are awarded.

- Governance Costs
  Governance costs comprise all costs involved with compliance with regulation and good practice.

(e) **VAT**
The Charity is not registered for Value Added Tax. Expenditure shown in the financial statements is inclusive of VAT.

(f) **Investments**
The Charity's investments consist only of quoted securities. Initially they are recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on the revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investments are allocated to Restricted and Unrestricted Funds at a set percentage.

(g) **Debtors and Creditors**
Debtors and creditors are recognised where, at the balance sheet date, an entitlement to receive or an obligation to transfer economic benefit exists and receipt or settlement is probable and can be measured reliably.

Debtors are measured at the expected recoverable amount and creditors at the expected settlement amount, discounted for the time value of money if material.

2. INVESTMENT INCOME

	2020 Total	**2019 Total**
	£	£
Dividends	76,301	102,451
Bank Interest	112	74
	£76,413	£102,525

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020 (continued)

3. ANALYSIS OF CHARITABLE ACTIVITIES

	2020		
	Unrestricted Funds	**Restricted Funds**	**Total**
Direct Costs	£	£	£
Grants and Awards			
Grants to Individuals	63,167	64,690	127,857
Grants to Organisations (Note 10)	2,200	11,074	13,274
HCMM Journal	-	8,717	8,717
	65,367	84,481	149,848
Support Costs (Note 3.a)	15,557		15,557
	£80,924	£84,481	£165,40

	2019		
	Unrestricted Funds	**Restricted Funds**	**Total**
Direct Costs	£	£	£
Grants and Awards			
Grants to Individuals	34,513	27,921	62,434
Grants to Organisations (Note 10)	5,280	33,280	38,560
HCMM Journal	-	9,154	9,154
	39,793	70,355	110,148
Support Costs	9,848		9,848
	£49,641	£70,355	£119,99

3.a Support Costs

	2020	**2019**
	£	£
Management Fees - HCMM	12,000	6,000
Other	93	88
Governance Costs	3,464	3,760
	£15,557	£9,848

Governance Costs – Includes External Audit Fees amounting to £3,816 (2019: £3,760) inclusive of VAT.

4. FIXED ASSET INVESTMENTS

Market Value		
At 1st January 2020	4,840,096	4,141,013
Acquisitions and accumulated income	1,701,900	526,007
Disposal proceeds	(1,765,051)	(537,770)
Gains/(Losses) on investments	235,654	710,846
At 31st December 2020	£5,012,599	£4,840,096

Investments at Market Value	5,012,599	4,840,096
Cash with Investment Managers	5,005	45,254
	£5,017,604	£4,885,350
Historic cost of investments	£3,792,407	£3,672,307

All investments are listed securities or open ended investment companies.

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020 (continued)

5. DEBTORS

	2020	2020
	£	£
Prepayments	-	1,250
Sundry Debtors	167	-
	£167	£1,250

6. CREDITORS: Amounts Falling Due Within One Year

	2020	2019
	£	£
HCMM	11,453	4,465
Other Creditors	1,272	1,522
Accruals and Deferred Income	27,811	11,809
	£40,536	£17,796

The Charity is managed by the Honourable Company of Master Mariners who incur certain costs on behalf of the Charity which are reimbursed to the Honourable Company.

7. RESTRICTED FUNDS

	2020	2019
	£	£
Balance at 1st January 2020	1,640,861	1,433,773
Income	26,745	35,884
Expenditure	(91,470)	(77,592)
Gains on Investment Assets	82,478	248,796
Balance at 31st December 2020	£1,658,614	£1,640,861

Restricted funds represent funds specified for educational purposes. These funds are represented by investment and other assets. The funds are not represented by specific investments, and investment income, management fees and realised and unrealised movements are allocated on an agreed percentage.

8. RELATED PARTY TRANSACTIONS

Under the Charity's constitution, certain office holders of HCMM are ex-officio trustees of the Charity and power to nominate trustees to the Charity is vested in HCMM. The administration of the Charity is performed by HCMM which charges a management fee to the Charity. During the period the charge was £12,000 (2019: £6,000). The Charity provided grants of £8,717 (2019: £9,154) during the year towards the cost of the journal produced by HCMM. The balance due to HCMM at 31st December 2020 was £11,453 (2019: £4,465).

No trustee received any reimbursement of expenses during the year.

THE HONOURABLE COMPANY OF MASTER MARINERS

AND HOWARD LEOPOLD DAVIS CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2020
(continued)

9. NET ASSETS BY FUND

	Unrestricted Fund	Restricted Fund	2020 Total
	£	£	£
Investments	3,261,443	1,756,161	5,017,604
Net Current Assets/(Liabilities)	93,844	(97,547)	(3,703)
	£3,355,287	£1,658,614	£5,013,901

	Unrestricted Fund	Restricted Fund	2019 Total
	£	£	£
Investments	3,175,477	1,709,873	4,885,350
Net Current Assets/(Liabilities)	69,328	(69,012)	316
	£3,244,805	£1,640,861	£4,885,666

10. GRANTS TO ORGANISATIONS

	2020	2019
	£	£
Docklands Sailing Centre	-	1,920
Jubilee Sailing Trust	-	5,000
London Nautical School	582	-
Oarsome Chance	-	5,000
Ocean Youth Sailing Trust	-	3,000
Outport Cadets Unit	-	4,000
Royal Liverpool Seaman’s Orphan Institution	2,200	5,280
Sea Cadets Aberdeen	1,000	-
Sea Cadets Greenwich	-	868
Sea Cadets Hull	1,000	6,000
Sea Cadets Newport	1,000	-
Sea Cadets Sefton	1,000	-
Sea Cadets Southampton	5,000	-
Tall Ships Youth Trust	-	6,000
Thames Traditional Rowing Association	1,492	1,492
	£13,274	£38,560

11. UNRECOGNISED FUNDING COMMITMENTS

The Charity has agreed to provide grants to cover the costs of cadet attending maritime college over three-year periods. These commitments are subject to regular review of the cadets’ progress and are to be funded from income generated by the investment portfolio.

12. COVID-19 AND FUTURE OPERATIONS

The charity’s investments have performed well despite the pandemic. However, investment income has fallen in the year to 31st December 2020 and is expected to remain lower than recent years for the immediate future. Whilst this is a concern, the trustees are confident that with careful monitoring, the operations of the charity will continue to give a substantial number of grants to organisations and individuals that need support, particularly in these difficult times.