

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**

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

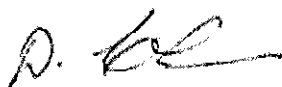
**The Honourable Company of Master Mariners And Howard Leopold Davis Charity**

**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 *20th* 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

## **Independent Auditors' Report to the Trustees of**

### **The Honourable Company Of Master Mariners And Howard Leopold Davis Charity**

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.

**Independent Auditors' Report to the Trustees of**

**The Honourable Company Of Master Mariners And Howard Leopold Davis Charity**

- 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](http://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

*10<sup>th</sup> 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                       |                          |                   | 2022                       |                          |                    |
|---------------------------------------------------------------|-------|----------------------------|--------------------------|-------------------|----------------------------|--------------------------|--------------------|
|                                                               |       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>£        | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>£         |
| 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             |
| <b>Total Income</b>                                           |       | <b>56,625</b>              | <b>29,687</b>            | <b>86,312</b>     | <b>48,095</b>              | <b>25,284</b>            | <b>73,379</b>      |
| 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            |
| <b>Total Expenditure</b>                                      |       | <b>75,422</b>              | <b>117,948</b>           | <b>193,370</b>    | <b>118,024</b>             | <b>178,343</b>           | <b>296,367</b>     |
| <b>Net Gains/(Losses) on Investments</b>                      | 4     | <b>338,435</b>             | <b>182,234</b>           | <b>520,669</b>    | <b>(559,893)</b>           | <b>(301,480)</b>         | <b>(861,373)</b>   |
| <b>Net Income/(Expenditure)<br/>and Net Movement In Funds</b> |       | <b>319,638</b>             | <b>93,973</b>            | <b>413,611</b>    | <b>(629,822)</b>           | <b>(454,539)</b>         | <b>(1,084,361)</b> |
| <b>Reconciliation Of Funds</b>                                |       |                            |                          |                   |                            |                          |                    |
| <b>Total Funds Brought Forward</b>                            |       | <b>3,150,148</b>           | <b>1,326,332</b>         | <b>4,476,480</b>  | <b>3,779,970</b>           | <b>1,780,871</b>         | <b>5,560,841</b>   |
| <b>Total Funds Carried Forward</b>                            |       | <b>£3,469,786</b>          | <b>£1,420,305</b>        | <b>£4,890,091</b> | <b>£3,150,148</b>          | <b>£1,326,332</b>        | <b>£4,476,480</b>  |

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**

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

The financial statements were approved by the Trustees on 2<sup>nd</sup> Oct 2024, 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 2023**

|                                                                                                     | Notes | 2023<br>£           | 2022<br>£           |
|-----------------------------------------------------------------------------------------------------|-------|---------------------|---------------------|
| <b>Cash Flows from Operating Activities</b>                                                         |       |                     |                     |
| Net Cash provided by (used in) Operating Activities                                                 | A     | (193,000)           | (275,646)           |
| <b>Cash Flows from Investing Activities</b>                                                         |       |                     |                     |
| 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                                                 |       | <u>74,953</u>       | <u>364,594</u>      |
| <br><b>Change in Cash and Cash Equivalents in the Reporting Period</b>                              |       | <br>(118,047)       | <br>88,948          |
| <br><b>Cash and Cash Equivalent at the beginning of the Reporting Period</b>                        |       | <br>261,877         | <br>172,929         |
| <br><b>Cash and Cash Equivalent at end of the Reporting Period</b>                                  |       | <br><u>£143,830</u> | <br><u>£261,877</u> |
| <br><b>A. Reconciliation of Net Income/(Expenditure) to net cash flow from Operating Activities</b> |       |                     |                     |
| 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                                                 |       | <u>£(193,000)</u>   | <u>£(275,646)</u>   |

**B. Analysis of changes in net funds**

|                          | At 01/01/2023<br>£ | Cash flows<br>£  | At 31/12/2023<br>£ |
|--------------------------|--------------------|------------------|--------------------|
| Cash at bank and in hand | <u>261,877</u>     | <u>(118,047)</u> | <u>143,830</u>     |

**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.

**The Honourable Company Of Master Mariners And Howard Leopold Davis Charity**

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**(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.



**The Honourable Company Of Master Mariners And Howard Leopold Davis Charity**

**Notes To The Financial Statements**

**For The Year Ended 31st December 2023**

**2. Investment Income**

|                     | <b>2023</b>    | <b>2022</b>    |
|---------------------|----------------|----------------|
|                     | <b>Total</b>   | <b>Total</b>   |
|                     | <b>£</b>       | <b>£</b>       |
| Dividends           | 73,310         | 72,114         |
| Unit Trust Interest | 5,699          | -              |
| Bank Interest       | 5,810          | 127            |
|                     | <u>£84,819</u> | <u>£72,241</u> |

**3. Analysis of Charitable Activities**

|                                   | <b>2023</b>               |                         |                 |
|-----------------------------------|---------------------------|-------------------------|-----------------|
|                                   | <b>Unrestricted Funds</b> | <b>Restricted Funds</b> | <b>Total</b>    |
|                                   | <b>£</b>                  | <b>£</b>                | <b>£</b>        |
| <b>Direct Costs</b>               |                           |                         |                 |
| 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          |
|                                   | <u>42,622</u>             | <u>110,828</u>          | <u>153,450</u>  |
| <b>Support Costs (Note 3.a)</b>   | <u>19,577</u>             | <u>-</u>                | <u>19,577</u>   |
|                                   | <u>£62,199</u>            | <u>£110,828</u>         | <u>£173,027</u> |
|                                   |                           |                         |                 |
|                                   | <b>2022</b>               |                         |                 |
|                                   | <b>Unrestricted Funds</b> | <b>Restricted Funds</b> | <b>Total</b>    |
|                                   | <b>£</b>                  | <b>£</b>                | <b>£</b>        |
| <b>Direct Costs</b>               |                           |                         |                 |
| 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           |
|                                   | <u>87,600</u>             | <u>132,467</u>          | <u>220,067</u>  |
| Library Works                     | -                         | 38,604                  | 38,604          |
| <b>Support Costs (Note 3.a)</b>   | <u>16,920</u>             | <u>-</u>                | <u>16,920</u>   |
|                                   | <u>£104,520</u>           | <u>£171,071</u>         | <u>£275,591</u> |

**3.a Support Costs**

|                        | <b>2023</b>    | <b>2022</b>    |
|------------------------|----------------|----------------|
|                        | <b>£</b>       | <b>£</b>       |
| Management Fees - HCMM | 12,000         | 12,000         |
| Other                  | 2,927          | 280            |
| Governance Costs       | 4,650          | 4,640          |
|                        | <u>£19,577</u> | <u>£16,920</u> |

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

**The Honourable Company Of Master Mariners And Howard Leopold Davis Charity**

**Notes To The Financial Statements**

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**4. Fixed Asset Investments**

|                                     | <b>2023</b>       | <b>2022</b>       |
|-------------------------------------|-------------------|-------------------|
|                                     | £                 | £                 |
| 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                    | <u>£4,658,145</u> | <u>£3,980,703</u> |
| Investments at Market Value         | 4,658,145         | 3,980,703         |
| Cash with Investment Managers       | 84,595            | 253,726           |
|                                     | <u>£4,742,740</u> | <u>£4,234,429</u> |
| Historic cost of investments        | <u>£3,500,686</u> | <u>£3,218,423</u> |

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**

|                | <b>2023</b>    | <b>2022</b>    |
|----------------|----------------|----------------|
|                | £              | £              |
| Due from HCMM  | 14,825         | 8,802          |
| Sundry Debtors | 8,918          | 3,594          |
|                | <u>£23,743</u> | <u>£12,396</u> |

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

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

**The Honourable Company Of Master Mariners And Howard Leopold Davis Charity**

**Notes To The Financial Statements**

**For The Year Ended 31st December 2023**

**7. Restricted Funds**

|                            | <b>2023</b>       | <b>2022</b>       |
|----------------------------|-------------------|-------------------|
|                            | <b>£</b>          | <b>£</b>          |
| 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   | <u>£1,420,305</u> | <u>£1,326,332</u> |

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**

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

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

**The Honourable Company Of Master Mariners And Howard Leopold Davis Charity**

**Notes To The Financial Statements**

**For The Year Ended 31st December 2023**

**10. Grants To Organisations**

|                                             | <b>2023</b>    | <b>2022</b>     |
|---------------------------------------------|----------------|-----------------|
|                                             | <b>£</b>       | <b>£</b>        |
| 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)           |
|                                             | <b>£67,640</b> | <b>£140,915</b> |

**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.