

SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

England & Wales · Charity number 226446

Details

Other names	KING GEORGE'S FUND FOR SAILORS, SEAFARERS UK, THE SEAFARERS' CHARITY
Status	Registered
Legal form	Other
Registered	1969-03-28
Register	View on the Charity Commission register

Contact

Address	The Seafarers' Charity 7-8 Hatherley Street London SW1P 2QT
Phone	02079320000
Email	contact@theseafarerscharity.org
Website	www.theseafarerscharity.org

Activities

Objects: (i) the relief of seafarers, their families or dependants, who are in need, by providing support to Organisations established within the UK, the Commonwealth or elsewhere around the world;(ii) the education and training of people of any age to prepare for work or service at sea, by providing support to Organisations established within the UK, the Commonwealth or elsewhere around the world;(iii) the promotion of the efficiency and effectiveness of the maritime charitable sector within the UK, the Commonwealth or elsewhere around the world;(iv) the promotion of safety at sea by providing support to Organisations established within the UK, the Commonwealth or elsewhere around the world.

Activities: Seafarers UK is a charity that helps people in the maritime community, by providing vital funding to support seafarers in need and their families and to those in education or training who are preparing to work or serve at Sea. We do this by giving money to organisations and projects that make a real difference to people's lives.

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing, Amateur Sport, Armed Forces/emergency Service Efficiency
- **Who:** Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** NATIONAL AND COMMONWEALTH

- Anguilla
- Antigua And Barbuda
- Australia
- Bangladesh
- Barbados
- Belize
- Bermuda
- Botswana
- British Indian Ocean Territory
- British Virgin Islands
- Brunei
- Cameroon
- Canada
- Cayman Islands
- Cyprus
- Dominica
- Eswatini
- Falkland Islands
- Fiji
- Ghana
- Gibraltar
- Grenada
- Guernsey
- Guyana
- India
- Isle Of Man
- Jamaica
- Jersey
- Kenya
- Kiribati
- Lesotho
- Malawi
- Malaysia

- Maldives
- Malta
- Mauritius
- Montserrat
- Mozambique
- Namibia
- Nauru
- New Zealand
- Nigeria
- Northern Ireland
- Pakistan
- Papua New Guinea
- Pitcairn, Henderson, Ducie And Oeno Islands
- Rwanda
- Saint Helena
- Saint Vincent
- Samoa
- Scotland
- Seychelles
- Sierra Leone
- Singapore
- Solomon Islands
- South Africa
- South Georgia And South Sandwich Islands
- Sri Lanka
- St Kitts And Nevis
- St Lucia
- Tanzania
- The Bahamas
- The Gambia
- Tonga
- Trinidad And Tobago
- Turks And Caicos Islands
- Tuvalu
- Uganda

- Vanuatu
- Zambia
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£3,944,000	£5,376,000	£35,733,000	23
2024-12-31	£1,769,000	£4,701,000	£37,270,000	20
2023-12-31	£2,767,000	£4,299,000	£38,438,000	19
2022-12-31	£2,293,000	£5,070,000	£38,436,000	23
2021-12-31	£2,939,000	£5,388,000	£44,336,000	23
2020-12-31	£1,554,000	£5,513,000	£41,540,000	18

Trustees

Name	Role	Appointed
Paul Gerard Butterworth	Chair	2020-07-09
Captain Lee Clarke		2022-06-14
Deborah Cavaldoro		2022-06-14
Fleur Bassett		2022-06-14
GERALD EDWARD KIDD		2017-04-27
Guy Platten		2025-10-13
Julie Tankard		2025-01-23
Martyn Gray		2022-06-14
Monica Kohli		2023-06-28
NATALIE SHAW		2016-04-28
Nigel Blazeby		2022-06-14
Peter French		2018-05-22
Petra Wilkinson CBE		2025-10-13
Robert John Greenwood		2017-04-27
Simon Gillespie OBE		2025-10-13
William Andrew REID		2018-05-22

Linked charities

- SUNDRY FUNDS (226446-1)
- STANLEY GROOM FUND (226446-10)
- H M S KING ALFRED MEMORIAL FUND (226446-11)
- H M S PRINCE OF WALES AND H M S REPULSE MEMORIAL FUND (226446-12)
- MISS B LOANE BEQUEST (226446-13)
- A T JEFFRESS FUND (226446-14)
- ADMIRAL LORD CLARENCE PAGET FUND (226446-15)
- ROYAL INDIAN NAVY BENEVOLENT FUND (226446-16)
- NORMAN SALVESEN BEQUEST FUND (226446-17)
- SARENA FUND (226446-18)
- HENRY HERBERT WILLS FUND (226446-19)
- BANKRUPT SEAFARERS' TRUST (226446-2)
- PROVINCE OF NATAL GIFT FUND (226446-20)
- JULIA ELIZA STAUNTON-MASSY (226446-21)
- MERCHANT NAVY FUND, SOUTH AFRICA (SCHOLARSHIP FUND) (226446-22)
- RENNY FUND (226446-23)
- DAVID RICHARDS TRUST (226446-24)
- ROYAL NAVAL OFFICERS' FUND (226446-25)
- ROYAL NAVAL WAR LIBRARIES ENDOWMENT FUND (226446-26)
- SOUTH AFRICAN WOMEN'S AUXILIARY SERVICES MEMORIAL SCHOLARSHIP (1939/45) (226446-27)
- AULAY WATSON MEMORIAL SCHOLARSHIP FUND (226446-28)
- WESTMINSTER STORES SCHOLARSHIP (226446-29)
- W S DAVIDSON TRUST (226446-3)
- JAMES HENRY STEPHENS BEQUEST (226446-30)
- SIR HARRY TWYFORD MEMORIAL TRUST (226446-31)
- WILLIAM ROGER VALLANCE MEMORIAL FUND (226446-32)
- RICHARD WARD FUND (226446-33)
- MORLEY FUND (226446-34)
- ADMIRAL SIR WILLIAM TENNANT FUND (226446-35)
- NAVAL HOME INDUSTRY FUND (226446-36)
- SOUTHAMPTON SAILORS' HOME (KING GEORGES' FUND) CHARITY (226446-37)
- ENDOWED GENERAL PURPOSES FUND (226446-38)
- THE GULF TRUST (SEAFARERS) (226446-39)

- R K A DRUCE MEMORIAL SCHOLARSHIP (226446-4)
- THE INGLIS FUND (226446-40)
- KGFS FALKLANDS FUND (226446-41)
- BOWLANDS FUND (226446-5)
- KING GEORGE V FUND (226446-6)
- JOHN DARREL BOYD MEMORIAL FUND (226446-7)
- SYDNEY THOMAS LETHBRIDGE BEQUEST (226446-8)
- JOHN EDMUND MACKENZIE FUND (226446-9)

SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

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Accounts



Annual Report and Accounts

For the year ended 31 December 2025

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REFERENCE AND ADMINISTRATIVE DATA

Patron His Majesty King Charles III

President HRH The Duke of Edinburgh KT KG GCVO

Vice Presidents

The Chaplain of the Fleet

Admiral Sir Jock Slater GCB LVO DL

The Most Reverend and Right Honourable Dame Sarah Mullally DBE

Sir John Ritblat FRICS

F. M. Everard CBE

Captain D. C. Glass OBE MNM

Nusrat Ghani MP (from 4 June 2025)

The Rt. Hon. The Lord Mayor of the City of London

The Rt. Worshipful The Lord Mayor of Westminster

The Trustees regret to report the death of Admiral of the Fleet Sir Benjamin Bathurst

Trustees

Mr Paul Butterworth AFNI (Chair)

Mr William Reid (Deputy Chair) - up to 9 September 2025

Mrs Fleur Bassett (Surgeon Rear Admiral Fleur Marshall) (Deputy Chair) - from 9 September 2025

Mr Nigel Blazeby FNI (Chair of the Impact Committee to 10 July 2025)

Ms Deborah Cavaldoro

Captain Lee Clarke AFRIN (Chair of the Development Committee)

Mr Peter French (Chair of the Governance and Risk Committee)

Mr Martyn Gray (Chair of the Impact Committee from 10 July 2025)

Mr Robert Greenwood MNM

Mr Gerald Kidd

Ms Monica Kohli OBE

Ms Natalie Shaw MBE FCIPD

Ms Julie Tankard (Chair of the Finance and Audit Committee) - from 4 June 2025

Mrs Petra Wilkinson CBE (Co-opted October 2025)

Mr Guy Platten (Co-opted October 2025)

Mr Simon Gillespie OBE (Co-opted October 2025)

Mr Duncan Bain FCA (Chair of the Finance and Audit Committee) retired as a Trustee on 4 June 2025

Mr William Lawes Retired as a Trustee on 4 June 2025

Chief Executive

Mrs Deborah Layde

Operational name

The charity operates under the name The Seafarers' Charity (King George's Fund for Sailors). The Charity is in the process of changing its legal name from Seafarers UK (King George's Fund for Sailors) to The Seafarers' Charity (King George's Fund for Sailors).

Registered office and operational address

8, Hatherley Street, London, SW1P 2QT

Charity Number: 226446 (in England and Wales), SC038191 (in Scotland).

Auditors

Sayer Vincent LLP

110 Golden Lane, London, EC1Y 0TG

Bankers

National Westminster Bank plc

280 Bishopsgate

London, EC2M 4RB

Investment Managers

Ruffer LLP

80 Victoria Street

London, SW1E 5JL

Navera Investment Management

Riverside House, 2a Southwark Bridge Road

London SE1 9HA

Aberdeen Asset Managers

50 Lothian Road

Festival Square

Edinburgh, EH3 9WJ

Foreword from Deborah Layde, Chief Executive

In 2025 The Seafarers' Charity supported projects all over the world which aim to give seafarers and their families better, safer and more rewarding lives. We raised more than three million pounds and made progress towards our vision of a world where seafarers and their families are valued and free of need and disadvantage.

Our work helped more than 500,000 seafarers who hold a wide range of jobs at sea, from the military to the merchant navy, from fishers to ferry workers, and from superyachts to cruise ships.

We remain indebted to the expertise of our delivery partners on the front line, whose crucial work we are proud to fund. These organisations are a vital resource – sometimes the only resource – for the world's seafarers at a time where threats such as abandonment, the shadow fleet, warfare, piracy and many more abound.

2025 was also full of moments of celebration. We were pleased to deepen our policy work in the UK, building relationships with parliamentarians through debates on maritime topics. With partners we convened events including 'Waves of Influence' to celebrate women in maritime, and a seafarer safety panel at London International Shipping Week. I must also mention the sterling work of our team involved with managing and raising funds for the International Fund for Fishing Safety.

In September we were delighted that the Red Ensign flew at landmarks including 10 Downing Street, as part of our annual campaign to recognise the contributions of the Merchant Navy. Other highlights include the incredible efforts of our supporters who raised funds at the London Marathon and our 24 Peaks Challenge.

2025 was also a meaningful year for The Seafarers' Charity in terms of our future focus. Trustees and leadership began to outline a new strategy to increase the impact that our charity has around the world for seafarers and their families. With more details still to come, I am already confident that our decisions will support both our fundraising and the broader support we offer across the maritime sector.

Two steps which are near completion are: a change to our legal name (removing reference to our old name Seafarers UK); and an updated Royal Charter which means our work is no longer limited to the UK and Commonwealth, but instead available to seafarers the world over.

2026 already looks to be another testing year for seafarers and their families. But as ever, The Seafarers' Charity will do everything in its power to maintain their global ecosystem of support.

1. Summary

The trustees present their report and the audited financial statements for the year ended 31 December 2025.

Reference and administrative data set out on pages 3 and 4 form part of this report. The financial statements comply with current statutory requirements, the charity's Royal Charter and the Statement of Recommended Practice (SORP) - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

2. Objectives and activities for the public benefit

We support those who work at sea and their families. Our vision is a world where seafarers and their families are valued and free of need and disadvantage. Our mission is to tackle the disadvantages of a seafaring life by leading funding, collaboration, and advocacy that improves seafarers' lives.

The Seafarers' Charity has a strategy which takes it through to 2030 with clear goals of increasing our global impact for seafarers, preventing as well as addressing hardship, and 'advocating for action' to improve seafarers' wellbeing. Each comes with key performance indicators (KPIs) to ensure trustees can clearly monitor progress. Our five strategic outcomes remain: enhanced financial resilience; better working lives at sea; improved health and wellbeing; safer working lives at sea; and increased social justice.

Trustees consider the Charity Commission guidance on public benefit when planning future activities and making grants. Before grants are awarded or other spend on advocacy is undertaken, their scope for positive impact is considered, and robust monitoring and evaluation is put in place afterwards.

The organisations we fund deliver a diverse range of public benefits in the UK and internationally. Examples of their work include poverty relief, health advancement, and preventing urgent needs before they arise. Further information on the impact we have made can be found in this report and in our Impact Report, published separately and available via our website.

3. Achievements & Performance

In 2025, The Seafarers' Charity made **71** grants to **56** different organisations, with a total award of **£3.1m**, including grants made under the International Fund for Fishing Safety which the charity operates in partnership with Lloyd's Register Foundation and FISH Platform. In total we supported **533,965** beneficiaries.

The majority of our grant awards were focused on 'improved health and wellbeing' and 'better working lives at sea', and there was a 2-1 split between restricted and unrestricted grants.

Seafaring is a global profession, and our grant making reflects a workforce which travels to all parts of the world. Approximately 1 in 3 beneficiaries in 2025 were supported by charities operating internationally.

In 2025, demand for funding reached a record level, with 94 grant requests submitted (to both the general charity, and specifically to our International Fund for Fishing Safety), totalling £4.6m (of which we awarded 71 grants totalling £3.1m). This continued growth in applications reflects the strong reputation and profile of The Seafarers' Charity as a trusted funder within the maritime sector.

We remained focused on delivering the greatest possible impact for seafarers and their families. Our grant making prioritises initiatives that benefit the largest number of people, often through systemic change that addresses challenges at their root cause.

We continue to proactively engage with emerging organisations and new approaches to improving safety, welfare, and working conditions at sea. In 2025, nine organisations received funding from The Seafarers' Charity for the first time.

Our grant making is informed by evidence and research. During the year, the DSC-led research project *Understanding Perspectives* provided valuable insight into how our delivery partners and wider maritime stakeholders view The Seafarers' Charity. The findings highlighted areas of strength and opportunities for improvement, which will inform our ongoing strategy development and future funding priorities.

Highlights

Our commitment to improving seafarer safety was strengthened through the signing of a Memorandum of Understanding with CHIRP Maritime. The agreement establishes a framework for closer collaboration, combining CHIRP's data and analysis of safety incidents with The Seafarers' Charity's communications, advocacy, and thought leadership to promote safer working environments across the maritime sector.

Our strategic partnership with The Nautical Institute continued to develop during the year, including the publication of a joint report entitled *Thrive in Fishing – Hooked on Success*, which explores opportunities to improve wellbeing and sustainability within the fishing sector. We also supported bursaries for leadership and management training for international seafarers from low-income countries.

Supporting the growth of emerging organisations remains a key priority. Our five-year commitment to Safer Waves progressed significantly in 2025 with funding for the charity's first Chief Executive Officer role, building on our previous support for the Operations Manager position. This investment reflects our ambition to help promising organisations strengthen their capacity and extend their impact.

We also supported a number of research initiatives designed to build the evidence base around maritime health and welfare. These included a continuous glucose monitoring study at the University of Surrey, exploring metabolic health among seafarers, and research by the Institute for Human Rights & Business, examining the issue of illegal recruitment fees in the maritime sector.

During the year we also facilitated collaboration between organisations working in complementary areas. For example, we connected Neurodiverse@Sea with Seafarers Hospital Society to enable funding for access to early diagnosis and support for neurodivergent seafarers.

Partnerships

Our grant making was strengthened by collaboration with external donors. In 2025, £300,000 was secured from external organisations to support specific restricted co-funded initiatives.

This included £16,000 from UK P&I Club and the TK Foundation to support the final year of the Safer Waves Operations Manager role; £14,000 from the Fishmongers' Company's Charitable Trust to co-fund the University of Surrey glucose monitoring project; and £30,000 from the Stelios Philanthropic Foundation to provide bursaries for trainees at UKSA for a second consecutive year.

The Peter Dixon Trust provided £40,000 over three years, restricted to supporting seafarers' families in Scotland. This funding has been awarded to Scotland-focused initiatives operated by Sailors' Children's Society, the Naval Children's Charity, and the Seafarers' Advice and Information Line (SAIL), and represents additional funding secured by our Development Team beyond the usual annual grant awards.

A one-off donation of £200,000 was received from the Officers' Association following the charity's closure. In recognition of our historic support for the organisation, these funds have been restricted to supporting Royal Navy officers and will be allocated

over several years to support work delivered by the Naval Children's Charity. We also received a sum of £96,551 as part of the final donations made from The Castanea Trust, which decided to wind up.

In addition, we secured an additional £500,000, an extension of our funding agreement with Lloyd's Register Foundation for the International Fund for Fishing Safety.

Sector leadership

Collaboration remains central to our approach. During the year we continued to collaborate on the *Changing Tack on Yacht Crew Welfare* initiative, working with ISWAN, Nautilus International, UKSA, and CHIRP Maritime to improve welfare support for yacht crew.

We also supported collaborative research via our position in the Maritime Charities Group, helping to create and promote 'Seafarers 2040', which analysed future trends in seafaring communities within the UK.

Investing in our future

To further strengthen our impact and accountability, we invested in our internal capacity during the year. A new Impact Analyst joined the team to enhance our monitoring and evaluation practices and improve impact reporting. We also recruited a Programme Manager to support our advocacy work and the development of thematic programmes aligned with our strategic priorities.

These investments will help ensure that our grant making and advocacy continue to deliver measurable and lasting improvements in the safety, health, and welfare of seafarers worldwide.

4. Fundraising activities and practices

The Seafarers' Charity raises funds in a legal, honest, and transparent manner. We do what is right for our supporters and remain committed to our 'Supporter Promise' which can be viewed on our website.

The charity carries out core fundraising activity via a team based in our London office, virtually, and through a small number of regional volunteers.

We generate income through: donations received from charitable trusts and foundations; corporate partnerships; individual donations and legacies; and events.

2025 summary

Our 2025 income, excluding investments, was £3,233,000, a significant increase on 2024's figure of £962,000.

This record-breaking year, for which we owe many thanks to our varied supporter base, has strengthened our ability to fund programmes of support to seafarers worldwide.

We are sincerely grateful to those who made gifts to The Seafarers' Charity in their wills. Legacy income was markedly up in 2025, bringing in £1.6m compared to £0.1m in the previous 12-month period.

Our fundraising challenge events (24 Peaks and the London Marathon) continue to go from strength to strength, and we are grateful to individuals who raised funds through other challenges and initiatives.

We were successful with our recovery of Gift Aid from UK taxpayers, which has been an area of focus for the last two years. We know that as our fundraising efforts are anchored by a strong donor base, it's essential that we continue to optimise our database in a professional and ethical manner.

Despite the continued commitment of the maritime industry, there is still limited public understanding of the importance of seafarers and the challenges they must overcome to deliver millions of goods to our homes.

In response, we participated in the 2025 Big Give Christmas Challenge to raise awareness of seafaring life and funds to limit the hardships of life at sea. For our first attempt, we raised £7,460, which sets a baseline for our efforts in 2026. We also hosted our inaugural Waves of Influence lunch, a collaborative effort to celebrate women in maritime, raising £50,000.

Looking ahead, our development team's goals place a strong emphasis on building the systems, relationships and strategic clarity to strengthen long-term impact for seafarers at sea, in port and in family life.

This includes deepening partnerships with delivery partners whose programmes aim to unlock opportunities for seafarers and their families to thrive with our impact and grants team, building our capability to secure more diverse and sustainable income streams.

We are also committed to increasing our global presence, reflecting the global seafaring community we serve, by expanding outreach to international donors and wider maritime sector partners.

Finally, we are building responsible innovation into our practices by adopting AI tools prudently and transparently, ensuring that efficiency gains never compromise the authenticity or integrity of our work.

Fundraising standards

The Seafarers' Charity is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice. We are committed to excellence in fundraising, and value supporter feedback to aid continual improvement. We received no complaints during the year 2025 in connection with our fundraising.

General Data Protection Regulation

We comply with GDPR regulations in all our communications and are diligent in the management of supporter data. We have a culture of compliance with GDPR, and our policies are transparent in our notices on the charity's website. We uphold data protection through regular staff training and internal safeguards.

Supporter Data

The Seafarers' Charity does not share personal data with third party organisations for their own use. We do periodically use third parties to help us with data processing. These external partners are carefully vetted to ensure they share our commitment to privacy and data protection. In 2025, we worked with Run2Events on such a project, with a written agreement outlining their legal obligations regarding the collection and use of data. We also have a robust Know Your Donor policy which we apply to fundraising income receipts.

Volunteers

The charity is grateful to volunteers who support the charity. In 2025, Valerie Richardson, a former DfT employee, supported our chief executive's engagement on maritime careers and on governance matters as and when needed. Separately, a number of employees of North Standard assisted with our archive project.

Protecting vulnerable people

The Seafarers' Charity protects people in vulnerable circumstances when we as an organisation encounter them. Anyone in a potentially vulnerable situation or who may lack the capacity to make an informed decision about their giving is fairly dealt with according to invaluable guidelines provided by the Institute of Fundraising and their 'Treating Donors Fairly Guidance.'

5. Financial Review

The Charity has a very strong financial base thanks to the generosity of donors over our 109-year history. The foresight of previous generations enables us to commit to providing the long-term financial support so vital to the current generation of maritime welfare charities with whom we partner.

The current Trustees take the responsibility of continuing this legacy for future generations, as well as supporting the current generation, very seriously. With this in mind, we are mid-way through our planned run off of 50% of the real value of our reserves over the 20 years from 2015 to 2035. This is covered in more detail in section on Reserves Policy below.

Income

Income for 2025 was £3.9m compared with £1.8m in 2024.

The Charity relies significantly on the generosity of supporters who leave us gifts in wills (legacies), providing a stable level of funding for vital projects year on year. In 2025 gifts in wills contributed £1.6m after a disappointing 2024 (£0.1m) and an encouraging 2023 (£1.4m). Our average annual income from gifts in wills over a 5-year period remains at just under £1m.

Income also benefitted from the initial success of strategic initiatives to partner with corporate and organisational donors. We extended our funding agreement with Lloyds Register Foundation for our International Fund for Fishing Safety partnership. This secured £0.5m additional funding in 2025, and annually until 2028.

Our Development team has been working tirelessly to connect with our wide base of supporters and extend our supporter base further. In 2025, this has already resulted in increased donations from trusts, individuals and smaller organisations as we connect donors more closely with the difference their donations are making to seafarers.

We continue to focus on our connections with our donors, striving to make them aware of the extensive opportunities we have where their donations can make a difference to causes they are passionate about.

The one disappointing area in 2025 was the return from our investment portfolios. Income generated from investments decreased slightly in 2025 and the portfolio suffered a small capital loss resulting in a net return of £0.6m from investments compared with £2.6m in 2024.

Our investment strategy focusses on generating above inflation returns over a 5–10-year time horizon and we are currently slightly below our long-term target of inflation plus 3.5% net of fees over a 5–10-year period. The performance of our investment

managers is reviewed at regular intervals over the year through the oversight of our Finance and Audit Committee.

Expenditure

Expenditure was £5.4m for 2025 compared with £4.7m in 2024. This reflected higher charitable expenditure enabled by the increased income and underpinned by our sustainable investment return and planned reduction of reserves (see reserves note below).

Of particular note was the £0.5m we were able to spend in providing grants to grass root fishers around the world as part of our International Fund for Fishing Safety partnership.

Our fundraising costs were broadly in line with the previous year, and we saw an improved return on fundraising investment in 2025 following investment in the team during 2023 and 2024.

Our support costs increased slightly reflecting inflationary increases and a slightly higher allocation of staff time to support activity. Further details on our charitable spending can be found in section 3.

Reserves Policy

The Seafarers' Charity is grateful to past supporters who have enabled the charity to build a healthy level of reserves over the last 50 years.

This financial strength is critical to the crucial role that The Seafarers' Charity plays in the ecosystem of maritime welfare support in the UK and globally. Uniquely for an independent charity, we can rely on our financial strength to allow us to make long term commitments where others are unable to do this in an uncertain world. This is vital to smaller welfare charity partners in the sector who because of our financial strength can plan and invest confidently in the projects needed to make a lasting impact on seafarers' welfare.

The needs of people who work in the maritime industry have been increasing in recent years and we believe they will continue to do so in the decades to come. This will be driven by known factors such as the growing global maritime trade combined with greater uncertainties arising from more unpredictable major global factors (natural events such as tsunamis and extreme weather as well as wars, piracy, and civil unrest) and moves to increased automation in the maritime industry.

As a result, the Trustees of The Seafarers' Charity have adopted an approach to use reserves both to underpin meeting this growing need and to ensure that we remain a key supporter of seafarers for the longer term.

To that end, the Trustees have designated the following funds:

1. The Seafarers' Impact Boosting Fund. The Trustees have decided to reduce our reserves by 50% in real terms from 2015 to 2035, allowing us to boost our impact funding during this period by an average of c.£1.2m per year including across endowment funds. The value of this fund at the end of 2025 was £10.3m (2024 £11.1m).

2. The Future Seafarers' Fund. To ensure our ability to meet the longer-term needs of seafarers and their families, 50% of the real value of our reserves from 2015 has been set aside to:

- maintain a meaningful level of grant giving to support our work beyond 2035.
- retain up to 5 years' worth of grant giving in the event the charity were to cease to function, thus ensuring other maritime charities reliant on our support are not immediately subject to financial stress.
- support the running down costs of the charity for 5 years in the event it were to cease trading or require a major restructuring.

The value of this fund was £20.1m at the end of 2025 (2024 £17.5m). The fund benefitted from the transfer of £2.9m from the previously restricted Arthur Jeffress fund during 2025 (see note 19a to the accounts for further explanation).

The Trustees continued to monitor our reserves against targets on a regular basis throughout the year. One of the biggest determiners of reserve levels and financial strategy is our long-term investment return. Our long-term investment return is currently slightly below our target level. While we expect our investment performance to return to target levels over the medium term, if this does not happen then Trustees will adjust the plan for how the Seafarers' Impact Boosting Fund should be run off in the period up until 2035.

In addition to the designated funds, the Charity maintains a general fund to provide a reserve to enable the Charity to operate in the event of financial risks materialising. This reserve is valued at £1.4m which is equivalent to approximately 3 months of expected operating costs.

Subsidiary undertaking

The Charity owns the whole of the issued ordinary share capital of Seaservers Limited, a company registered in England (company number 00890342). The company is not consolidated into the accounts of the Charity due to its immateriality, and the balance sheet of the Charity includes an £11.6k investment in the equity of Seaservers Limited which is supported by cash balances held and ring fenced in the company.

6. Principal risks and uncertainties

The principal risks affecting the Charity continue to be around fundraising, investment values, potential cyber-crime and maintaining the strong public reputation of the charity which is critical to our work.

We continue to manage the risk of a significant downturn in fundraising income through rigorous application and monitoring of our fundraising strategy.

Investment risk is overseen by our Finance and Audit subcommittee which monitors investment manager performance and investment strategy. Our strong reserves enable us to take a longer-term approach and avoid having to realise extensive losses during periods of market volatility

The Charity retains an outsourced IT company providing a robust technical environment and specialist security team to review cyber risks and implement counter measures, supplemented by a programme of mandatory training for all staff to ensure colleagues maintain a high level of security awareness.

7. Plans for the future

A significant undertaking in the next 12 months is the initiation of the charity's 'growth strategy', which was agreed to in principle in 2025. Trustees and the leadership team have determined that to ensure the charity continues to help seafarers and their families around the world to the best of our ability, we must look to double our impact in the next few years.

We plan to appoint a Transformation Lead on a fixed term basis to support our work to embed the changes and practices we need to increase our fundraising, grant making and advocacy to meet the needs for now, and the future, of the sector.

Through our funding and support for frontline welfare organisations, we will continue to address critical issues facing seafarers such as abandonment, illegal recruitment fees, harassment, financial insecurity, and unequal health outcomes.

We will closely monitor the increasingly fragmented global geopolitical landscape and its impact on seafarers and adapt our work accordingly to meet urgent needs. Collaboration with our peers, delivery partners and key industry bodies will remain integral to our success.

After the success of our London International Shipping Week event with the key international maritime welfare charities in 2025, we will explore new ways of maximising the impact of our involvement with this biannual event in 2027.

The 24 Peaks Challenge and the London Marathon will remain key pillars of our fundraising. We will explore new fundraising and volunteering opportunities, including corporate partnerships and pro bono relationships, all in order to maximise our support for seafarers. To secure long-term sustainability of our fundraising, we will promote payroll giving and legacy donations, ensuring future generations benefit from our work.

We look forward to the second edition of our 'Waves of Influence' fundraiser, in partnership with Sailors' Children's Society, bringing changemakers together to support and celebrate women across maritime.

8. Structure, governance and management

Legal structure

The Seafarers' Charity is a non-statutory body incorporated by Royal Charter. The Charter was originally granted in 1920 and, together with the Byelaws, provides the rules and guidelines under which The Seafarers' Charity operates. After approval by the Privy Council, Supplemental Charters were granted in 1949, 1960, 1976, 1992, and 2010.

Further amendments to the Charter and Byelaws were approved by the Privy Council in 2025. The reasons for the amendments are as follows:

Since the last update in 2010 the Charity has undergone some significant operational changes, including increased use of electronic communications and increasing involvement in international efforts to support seafarers wherever they may be around the world.

In order to facilitate these changes and to enable the Charity to expand further in these areas in the future, the Charter and Byelaws have been amended as follows:

- **Change of name.** To amend the legal name of the Charity to align with its operational name, to be legally known as The Seafarers' Charity (King George's Fund for Sailors). This amendment has been processed by the Scottish Charity Regulator and is in the process of being accepted by The Charity Commission.
- **Objects expansion.** From "...supporting organisations within or (in exceptional circumstances) outside the Commonwealth" to "...supporting organisations within the UK, the Commonwealth or elsewhere around the world." This change was necessary to align with the increasingly global nature of seafaring.
- **Change how we refer to our Trustees** – specifically, replacing the terminology 'General Council' with 'Board of Trustees'. The Trustees consider this change in terminology will help bring us into line with other similar charities and may help to provide greater clarity for the public and any new Trustees.

Some further minor amendments reflect best practice for good governance and modernising for today's world, including Trustee term length and modern meeting requirements.

Aims and purposes

The Charity's aims or purposes ('objects') set the framework for our grant-funding strategy and management and are:

- (i) the relief of seafarers, their families or dependants, who are in need, by providing support to Organisations established within the UK, the Commonwealth or elsewhere around the world;
- (ii) the education and training of people of any age to prepare for work or service at sea, by providing support to Organisations established within the UK, the Commonwealth or elsewhere around the world;
- (iii) the promotion of the efficiency and effectiveness of the maritime charitable sector within the UK, the Commonwealth or elsewhere around the world;
- (iv) the promotion of safety at sea by providing support to Organisations established within the UK, the Commonwealth or elsewhere around the world.

Governance

In 2025 our Trustee Board (formerly known as The General Council) consisted of 16 Trustees. Two Trustees retired and three Trustees joined the Board.

At the end of 2025 the Board comprised:

- 6 women and 10 men
- 8 Trustees who have served at sea
- 15 who are, or were, involved with the maritime industry.
- 15 who are UK-based and one based on the Isle of Man.

The Trustee Board meets three times a year to set and oversee our strategy and objectives, make decisions on strategic direction, and monitor effectiveness. The Board is supported by four sub-committees: Governance and Risk, Finance and Audit, Development, and Impact.

Each sub-committee has written Terms of Reference, which are reviewed as necessary and the Board reviews members of the sub-committees annually. The Chair of each committee reports to the Trustee Board; minutes of committee meetings are available to all Trustees.

Day-to-day operations and management are delegated to the Chief Executive and Leadership Team who provide regular reports to the sub-committees.

The Trustee Board supports the principles of good governance as set out in the Charity Governance Code and regularly reviews to maintain the highest standards of governance and continually improve its practices.

Appointment of Trustees

We follow an open recruitment and appointment process based on applicants' skills and experience matched against those required on the Board.

Trustees are formally approved at our Annual Meeting and can serve three terms of three years serving up to a maximum of nine years. Trustees appointed prior to 2022 can serve two terms of five years.

The number of Trustees is subject to a maximum of 30 and must be greater than seven.

Declaration of interests

At each Trustee Board and sub-committee meeting, there is a standing agenda item for each Trustee to declare their interests. All Trustees complete a Register of Interests form annually and update it as required. The Register of Interests is also completed by members of the Leadership Team.

Remuneration policy

No Trustees are remunerated by the Charity. Travel and incidental expenses can be claimed. The Trustee Board, sitting as the remuneration committee, agrees annual increases to the remuneration of key management personnel, benchmarking against other salaries in the sector.

EDI

The Seafarers' Charity puts Equity, Diversity and Inclusivity (EDI) at the heart of everything we do. It is an integral part of our internal and external work supporting the diverse workforce that is seafaring. EDI is not an afterthought for our Charity. It forms the building blocks for our ongoing efforts to support seafarers through our delivery partners and with everyone else we interact with as part of our Charity's work. Our website details our work on EDI under the 'Our Influence' section.

9. 2025 Corporate and Institutional Supporters

Corporates

Ashley Group
BMT
Braemar Seascope
Burgess Yachts
Buxted Construction Ltd
Carisbrook Shipping
Co-Effort Law Firm LLP
Commsave Credit Union Limited
Foreland Shipping Limited
Harland & Wolff
HerboschKiere Ltd
Maersk Logistics
NorthStandard
Oil Companies International Marine Forum
Sedna
SGMF
The Nautical Institute
The United Kingdom Mutual Steam Ship Assurance Association Limited
Thomas Miller P & I Ltd
WIND

Trusts and Foundations

Ann Jane Green Trust
Anson Charitable Trust
Bedhampton Charitable Trust
Dudley and Geoffrey Cox Charitable Trust
Edith Murphy Foundation
Gerrard and Audrey Couch Charitable Trust
Gordon Fraser Charitable Trust
J B Bibby Fund
James Wise Charitable Trust
Joseph Strong Frazer Trust (Frazer Trust)
Miss Mary Dunlop Murdoch Andrew Charitable Trust
Mrs GB Charitable Trust
PF Charitable Trust

Sir John and Lady Amory's Charitable Trust
The Barbour Foundation
The Bryan Guinness Charitable Trust Ltd
The Burges Salmon Charitable Trust
The Castanea Trust
The Chandris Foundation
The Charles Wolfson Charitable Trust
The Duffield (Tiverton) Charitable Trust
The E and N Watson Charity
The Edinburgh Trust No. 2 Account
The Florence Turner Trust
The Fort Foundation
The Frederick and Phyllis Cann Trust
The Gerald Bentall Charitable Trust
The Hadrian Trust
The Loseley and Guildway Charitable Trust
The Mordaunt Foundation
The Norman Anthony Walker Discretionary Will Trust
The Oakley Charitable Trust
The Officers' Association Benevolent Fund
The Privy Purse Charitable Trust
The Stafford Trust
The Swire Charitable Trust
The Sylvia and Colin Shepherd Charitable Trust
The W A Handley Charity Trust
The W. M. Mann Foundation
William Allen Young Charitable Trust

Strategic Partnerships

Lloyd's Register Foundation
Oak Foundation
Peter Dixon Charitable Trust
Stelios Philanthropic Foundation UK
Sustainable Fisheries and Communities Trust (SFACT)

The Fishmongers' Company's Charitable Trust

TK Foundation
UK P&I Club

10. Statement of Responsibilities of the Trustees

The trustees are responsible for preparing the Trustees' annual 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 and Wales and Scotland 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 financial statements the trustees:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' annual report has been approved by the trustees on 12th May 2026 and signed on their behalf by:

Julie Tankard, Trustee and Chair of the Finance and Audit Committee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

Opinion

We have audited the financial statements of Seafarers UK (King George's Fund for Sailors) (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities, balance sheet, 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 FRS 102 *The Financial Reporting Standard applicable in the UK and 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 31 December 2025 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
- Have been prepared in accordance with the requirements of the Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Seafarers UK (The Seafarers' Charity, King George's Fund for Sailors'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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available 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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Date: 14 May 2026

Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities

For the year ended 31 December 2025

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	2024 Total £'000
Income from:									
Donations and legacies	2	1,894	1,097	–	2,991	356	382	–	738
Other trading activities	3	204	38	–	242	224	–	–	224
Investments	4	574	67	70	711	643	79	85	807
Total income		2,672	1,202	70	3,944	1,223	461	85	1,769
Expenditure on:									
Raising funds									
Cost of generating voluntary income		578	–	–	578	563	–	–	563
Cost of fundraising events		244	–	–	244	213	–	–	213
Costs of managing investments		221	19	22	262	205	18	19	242
Charitable activities		2,235	2,057	–	4,292	2,149	1,534	–	3,683
Total expenditure	5	3,278	2,076	22	5,376	3,130	1,552	19	4,701
Net income/(expenditure) before net (losses)/gain on investments	7	(606)	(874)	48	(1,432)	(1,907)	(1,091)	66	(2,932)
Net gains on investments	13	(85)	(10)	(10)	(105)	1,412	166	186	1,764
Net (expenditure)/income after net (losses)/gains on investments		(691)	(884)	38	(1,537)	(495)	(925)	252	(1,168)
Transfers between funds	19a	2,865	(2,115)	(750)	–	262	244	(506)	–
Net movement in funds		2,174	(2,999)	(712)	(1,537)	(233)	(681)	(254)	(1,168)
Reconciliation of funds:									
Total funds brought forward		29,675	3,782	3,813	37,270	29,908	4,463	4,067	38,438
Total funds carried forward	19a	31,849	783	3,101	35,733	29,675	3,782	3,813	37,270

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

Balance sheet

As at 31 December 2025

	Note	£'000	2025 £'000	£'000	2024 £'000
Fixed assets:					
Tangible assets	12		3,856		3,913
Investments	13		30,975		33,352
			<u>34,831</u>		<u>37,265</u>
Current assets:					
Debtors	14	1,151		126	
Cash at bank and in hand		291		342	
		<u>1,442</u>		<u>468</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(540)		(463)	
Net current assets			<u>902</u>		<u>5</u>
Total net assets	18a		<u><u>35,733</u></u>		<u><u>37,270</u></u>
The funds of the charity:	19a				
Permanently endowed funds			3,101		3,813
Restricted income funds			783		3,782
Unrestricted income funds:					
Designated funds		30,420		28,500	
General funds		1,429		1,175	
		<u></u>	<u>31,849</u>	<u></u>	<u>29,675</u>
Total unrestricted funds			<u>31,849</u>		<u>29,675</u>
Total charity funds			<u><u>35,733</u></u>		<u><u>37,270</u></u>

Approved by the trustees on 12th May 2026 and signed on their behalf by

Mr P Butterworth
ChairMs J Tankard
Chair, Finance & Audit Committee

Statement of cash flows

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Cash flows from operating activities			
Net expenditure for the reporting period (as per the statement of financial activities)		(1,432)	(2,932)
Depreciation charges		58	58
Dividends, interest and rent from investments		(711)	(807)
Decrease/(Increase) in debtors		(1,025)	373
Increase/(decrease) in creditors		77	(62)
Net cash used in operating activities		(3,033)	(3,370)
Cash flows from investing activities:			
Dividends, interest and rents from investments		711	807
Purchase of fixed assets		(1)	(5)
Proceeds from sale of investments		11,134	7,824
Purchase of investments		(8,862)	(5,351)
Net cash provided by investing activities		2,982	3,275
Change in cash and cash equivalents in the year		(51)	(95)
Cash and cash equivalents at the beginning of the year		342	437
Cash and cash equivalents at the end of the year		291	342

1 Accounting policies

a) Statutory information

The Seafarers' Charity (King George's Fund for Sailors) is an unincorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address and principal place of business is 8 Hatherley Street, London, SW1P 2QT.

b) Basis of preparation

The financial statements 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 (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

1 Accounting policies (continued)**e) Income**

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Dividends and Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Permanent endowment funds are funds normally arising as a result of a will where the income but not the capital sum can usually be spent

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, legacies, generating funds and investments.
- Expenditure on charitable activities includes the costs of grant making and related activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Notes to the Financial Statements

For the year ended 31 December 2025

1 Accounting policies (continued)**j) Grants payable**

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold buildings	2%
● Fixtures and fittings	10%
● Computer equipment	20%
● Office equipment	15%

Freehold land is not depreciated.

Notes to the Financial Statements

For the year ended 31 December 2025

1 Accounting policies (continued)**n) Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Investments in subsidiaries

Investments in subsidiaries are at cost.

p) Debtors

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

q) Cash at bank and in hand

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

r) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

s) Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

t) Pensions

The Fund operates a defined contribution scheme with the Aviva PLC for employees who choose to participate in the scheme. Participating staff are required to contribute a minimum of 5% of basic salary to which the Fund will contribute a further 7.5% of their basic salaries plus an amount equivalent to the reduced liability of Employer's National Insurance. Contributions are recognised in the SOFA in the year they were incurred.

Notes to the Financial Statements

For the year ended 31 December 2025

2 Income from donations and legacies

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Gifts	156	53	209	116	127	243
Corporate gifts	261	415	676	160	135	295
Grants received	–	444	444	8	109	117
Legacies	1,477	185	1,662	72	11	83
	<u>1,894</u>	<u>1,097</u>	<u>2,991</u>	<u>356</u>	<u>382</u>	<u>738</u>

3 Income from other trading activities

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Fundraising events	190	38	228	206	–	206
Recharges to other organisations	14	–	14	18	–	18
	<u>204</u>	<u>38</u>	<u>242</u>	<u>224</u>	<u>–</u>	<u>224</u>

4 Income from investments

	Unrestricted £'000	Endowment & Restricted £'000	2025 Total £'000	Unrestricted £'000	Endowment & Restricted £'000	2024 Total £'000
Dividends and interest	507	123	630	580	148	728
Rental income	67	16	83	63	16	79
	<u>574</u>	<u>139</u>	<u>713</u>	<u>643</u>	<u>164</u>	<u>807</u>

Notes to the financial statements

For the year ended 31 December 2025

5a Analysis of expenditure (current year)

	Raising funds							
	Cost of generating voluntary income £'000	Cost of fundraising events £'000	Costs of managing investments £'000	Charitable activities £'000	Governance costs £'000	Support costs £'000	2025 Total £'000	2024 Total £'000
Staff costs (note 8)	267	53	12	550	108	344	1,334	1,094
Other staff costs	3	1	–	17	12	22	55	35
Event and fundraising costs	19	159	–	–	5	18	201	177
Investment management costs	–	–	199	–	–	–	199	184
Grants-general	–	–	–	2,854	–	–	2,854	2,633
Grants-advocacy and campaigns	–	–	–	221	–	–	221	250
Other	28	–	51	196	53	184	512	328
	317	213	262	3,838	178	568	5,376	4,701
Support and Governance costs	261	31	–	454	(178)	(568)	–	–
Total expenditure 2025	578	244	262	4,292	–	–	5,376	
Total expenditure 2024	563	213	242	3,683	–	–		4,701

Notes to the financial statements

For the year ended 31 December 2025

5b Analysis of expenditure (prior year)

	Raising funds						
	Cost of generating voluntary income £'000	Cost of fundraising events £'000	Costs of managing investments £'000	Charitable activities £'000	Governance costs £'000	Support costs £'000	2024 Total £'000
Staff costs (note 8)	246	43	7	393	114	291	1,094
Other staff costs	3	2	–	12	10	8	35
Event and fundraising costs	19	129	–	1	4	24	177
Investment management costs	–	–	184	–	–	–	184
Grants-general	–	–	–	2,633	–	–	2,633
Grants-advocacy and campaigns	–	–	–	245	3	2	250
Other	22	–	51	22	31	202	328
	290	174	242	3,306	162	527	4,701
Support and Governance costs	273	39	–	377	(162)	(527)	–
Total expenditure 2024	563	213	242	3,683	–	–	4,701

For the year ended 31 December 2025

6 Grant making

Details of all grant awards in both periods can be found on the The Seafarers' Charity website at:

<https://www.theseafarerscharity.org/grant-funding/grant-funding-programmes>

7 Net income / (expenditure) for the year

This is stated after charging:

	2025 £'000	2024 £'000
Depreciation	58	58
Auditor's remuneration (including VAT):		
Audit	25	21

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £'000	2024 £'000
Salaries and wages	1,094	901
Social security costs	123	86
Employer's contribution to defined contribution pension schemes	88	70
Other forms of employee benefits	23	17
Recruitment	–	20
Redundancy and termination costs	6	–
	1,334	1,094

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025 No.	2024 No.
£60,000 – £69,999	2	2
£70,000 – £79,999	–	1
£80,000 – £89,999	2	1
£100,000 – £109,999	–	–
£109,999 – £119,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £473,387 (2024: £445,273).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £482 (2024: £451) incurred by 3 (2024: 3) members relating to attendance at meetings of the trustees and other meetings.

9 Staff numbers

Staff are split across the activities of the charity as follows (head count based on average headcount figures):

	2025 No.	2024 No.
Raising funds	5	6
Charitable activities	10	5
Governance and support	8	9
	<u>23</u>	<u>20</u>

10 Related party transactions

Some members of the Trustee Board are trustees of charities to which the Fund makes grants. The Grants Committee's procedures require all such interests to be declared and for these members to abstain from voting. Within the General Council no single member exercises control or influences over any particular grant approval.

The following grants were awarded subject to the above in 2025

- £30,000 was awarded to the FISH Platform, an organisation for which Robert Greenwood acts as secretary.
- £288,876 was awarded to The Nautilus Welfare Fund. Martyn Gray is employed as a Director at Nautilus International which manages some projects funded from the grant to The Nautilus Welfare Fund.

In addition a subscription payment of £17,858 was paid to Maritime UK, a national industry body for the maritime sector. One trustee (Martyn Gray) and the CEO of the Charity (Deborah Layde) are directors of Maritime UK.

During the year, legal advice was sought from Potheary Witham Weld Solicitors amounting to £1,200 (2024: £720). The firm's partner Mr Gerald Kidd served as a Trustee and is also member of the General Council. £nil was outstanding at the end of December 2025 (2024: £nil).

Seaservers Limited is the trading subsidiary of The Seafarers' Charity, see note 20 for details of transactions between Seaservers Limited and The Seafarers' Charity.

Aggregate unrestricted donations from related parties were £1,900 (2024: £110).

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

For the year ended 31 December 2025

12 Tangible fixed assets

	Freehold property £'000	Fixtures and fittings £'000	Total £'000
Cost or valuation			
At the start of the year	4,000	46	4,046
Additions in year		1	1
Disposals in year	–	(9)	(9)
At the end of the year	4,000	38	4,038
Depreciation			
At the start of the year	101	32	133
Charge for the year	51	7	58
Eliminated on disposal	–	(9)	(9)
At the end of the year	152	30	182
Net book value			
At the end of the year	3,848	8	3,856
At the start of the year	3,899	14	3,913

The above freehold land and buildings are 7 & 8 Hatherley Street, London which is occupied and carrying out the operations of the charity. The property assessment was made in September 2025 by Newmark, using the Royal Institute of Chartered Surveyors appraisal valuation, which indicated the recoverable amount was materially in line with the current carrying value of the properties.

The original historical cost value (from 2012) was £1,325k.

Land with a value of £1,470,000 (2024: £1,470,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

For the year ended 31 December 2025

13 Listed investments

	2025 £'000	2024 £'000
Fair value at the start of the year	33,352	34,061
Additions at cost	8,788	4,969
Disposal proceeds	(11,134)	(7,824)
Increase in cash balances	74	382
Net gain/(loss) on change in fair value	(105)	1,764
	30,975	33,352
Investments comprise:	2025 £'000	2024 £'000
Interest bearing stocks	4,305	3,650
Equities and collectives	22,378	24,906
Cash and cash equivalents	4,280	4,784
Equity investments in group undertakings	12	12
	30,975	33,352

Investments include an investment of £11,664 in Seaservers Limited, an unlisted company wholly owned by the charity. The accounts of the subsidiary have not been consolidated on the grounds of immateriality (see note 20)

14 Debtors

	2025 £'000	2024 £'000
Other debtors	7	5
Amounts due from subsidiary undertakings	–	2
Prepayments	57	53
Accrued income – legacies	1,083	59
Accrued income – other	4	7
	1,151	126

With the exception of listed investments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 15 below.

15 Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Trade creditors	18	41
Taxation and social security	33	27
Grants payable	280	287
Accruals	209	108
	540	463

In addition to grants payable recognised above, a further £185,176 of grants have been awarded for financial years 2026 and beyond that are contingent on performance criteria being met before they are paid (prior year: £402,490 for 2025 and beyond).

Notes to the financial statements

For the year ended 31 December 2025

16 Pension scheme

The Seafarers' Charity operates a defined contribution scheme for all employees. The assets of the schemes are held in separate funds administered by independent pension providers.

17 Financial instruments

	2025 £'000	2024 £'000
Financial assets measured at fair value through profit and loss		
Investments	30,975	33,352

18a Analysis of net assets between funds (current year)

	General unrestricted £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	3,510	26	320	3,856
Investments	27,437	757	2,781	30,975
Net current assets	902	–	–	902
Net assets at 31 December 2025	31,849	783	3,101	35,733

18b Analysis of net assets between funds (prior year)

	General unrestricted £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	3,562	27	324	3,913
Investments	26,108	3,755	3,489	33,352
Net current assets	5	–	–	5
Net assets at 31 December 2024	29,675	3,782	3,813	37,270

Notes to the financial statements

For the year ended 31 December 2025

19a Movements in funds (current year)

	At January 2025 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 December 2025 £'000
Permanently endowed funds:					
Endowed general purposes	1,313	25	(11)	–	1,327
Inglis fund	1,044	18	(9)	(30)	1,023
South African Women's Auxillary service	470	9	(4)	(64)	411
David Richards Trust	752	14	(6)	(620)	140
Henry Herbert Wills fund	234	4	(2)	(36)	200
Total permanently endowed funds	3,813	70	(32)	(750)	3,101
Restricted funds:					
Restricted income and allocated total return from endowment funds	3	–	(750)	750	3
Royal Naval Officers fund	2	9	–	–	11
Beryl Joyce Threadkell legacy	33	1	(20)	–	14
Sheila Constance Woods legacy	4	–	–	–	4
Merchant Navy fund	11	218	(147)	–	82
Restricted activities	24	152	(122)	–	54
Projects	42	–	–	–	42
International Fund for Fishing Safety	158	455	(581)	–	32
Merchant Navy South Africa scholarship	156	3	(31)	–	128
Royal Navy War Libraries fund	234	4	(36)	–	202
Arthur T Jeffress fund	3,036	58	(229)	(2,865)	–
Sea Veterans Fund	(2)	2	–	–	–
Peter Dixon Fund	–	40	(40)	–	–
Officers' Association fund	–	200	(50)	–	150
Maritime Charities Group Fund	81	60	(80)	–	61
Total restricted funds	3,782	1,202	(2,086)	(2,115)	783
Unrestricted funds:					
Designated funds:					
Seafarers' Impact boosting fund	11,051	–	–	(775)	10,276
Future Seafarers fund	17,449	–	–	2,695	20,144
Total designated funds	28,500	–	–	1,920	30,420
Revaluation reserve	–	–	–	–	–
General funds	1,175	2,672	(3,363)	945	1,429
Total unrestricted funds	29,675	2,672	(3,363)	2,865	31,849
Total funds	37,270	3,944	(5,481)	–	35,733

The narrative to explain the purpose of each fund is given at the foot of the note below.

The restriction applied to the legacy from Arthur T Jeffress was originally applied at the discretion of the Trustees of the Charity. The Trustees have now exercised their discretion to remove this restriction with the approval of the Charity Commission and the funds have been transferred and included within unrestricted funds.

Notes to the financial statements

For the year ended 31 December 2025

19b Movements in funds (prior year)

	At 1 January 2023 .	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 December 2024 £'000
Permanently endowed funds:					
Endowed general purposes	1,236	83	(6)	–	1,313
Inglis fund	1,146	76	(6)	(172)	1,044
South African Women's Auxillary service	470	32	(2)	(30)	470
David Richards Trust	958	64	(5)	(265)	752
Henry Herbert Wills fund	257	17	(1)	(39)	234
Total permanently endowed funds	4,067	272	(20)	(506)	3,813
Restricted funds:					
Restricted income and allocated total return from endowment funds	3	–	(506)	506	3
Royal Naval Officers fund	8	8	(14)	–	2
Beryl Joyce Threadkell legacy	31	2	–	–	33
Sheila Constance Woods legacy	4	–	–	–	4
Merchant Navy fund	77	41	(107)	–	11
Restricted activities	280	119	(113)	(262)	24
Projects	39	3	–	–	42
Fishing First restricted fund	138	(153)	15	–	–
International Fund for Fishing Safety	201	253	(296)	–	158
Merchant Navy South Africa scholarship	241	16	(101)	–	156
Royal Navy War Libraries fund	253	17	(36)	–	234
Arthur T Jeffress fund	3,188	213	(365)	–	3,036
Sea Veterans Fund	–	28	(30)	–	(2)
Maritime Charities Group Fund	–	81	–	–	81
Total restricted funds	4,463	628	(1,553)	244	3,782
Unrestricted funds:					
Designated funds:					
Seafarers' Impact boosting fund	11,855	–	–	(804)	11,051
Future Seafarers fund	18,053	–	–	(604)	17,449
Total designated funds	29,908	–	–	(1,408)	28,500
Revaluation reserve	–	–	–	–	–
General funds	–	2,635	(3,130)	1,670	1,175
Total unrestricted funds	29,908	2,635	(3,130)	262	29,675
Total funds	38,438	3,535	(4,703)	–	37,270

19 Movements in funds – purposes of funds

Purposes of restricted funds

Royal Naval Officers' Fund

To assist officers of the Royal Navy in need or distress

Beryl Joyce Threadkell Legacy

Funds made available for the Felixstowe Committee

van de Kastele Fund

For the education of children of any UK seafarer

Sheila Constance Wood Legacy

To assist Naval Officers' Widows

Merchant Navy Fund

Funds for Merchant Navy

International Fund for Fishing Safety

A fund operated in partnership with the Lloyds Register Foundation to fund safety projects that will have a significant impact on improving fishing safety globally

Fishing First Restricted Fund

Donations given to support the Fishing First Safety Management projects

Projects and restricted activities

Various grants restricted as per the donor's request.

Arthur T Jeffress Fund

To assist officers and members of the Royal Navy and the Merchant Navy in need or distress

Merchant Navy South Africa Scholarship Fund

To further the educational and future career needs of seafarers' children

Royal Naval War Libraries Fund

To further the educational and future career needs of seafarers' children

Sea Veterans Fund

To assist men and women who served at sea during armed conflicts

Maritime Charities Group Fund

A fund held on behalf of the Maritime Charities Group, an informal partnership of charities working together to support seafarers and their families.

Peter Dixon Fund

A fund to provide support to seafarer families in Scotland

Officers' Association Fund

A fund for the relief of distress among ex-officers of HM Forces, their spouses, widows or widowers and dependants, and to aid and assist and promote the interests of all such persons in such ways as are legally charitable, and to re-establish ex-officers of HM Forces in civilian life.

Purposes of Endowment funds

Endowed General Purposes

To relieve sickness, poverty and distress of seafarers.

Inglis Fund

To further the educational and future career

South African Women's Auxiliary Service

To further the educational and future career needs of seafarers' children.

David Richards Trust

To assist officers and men of the Royal Navy, the Merchant Navy and the Fishing Fleet in need or distress

Henry Herbert Wills Fund

To assist officers and men of the Royal navy, the Merchant Navy and the fishing fleet in need or distress. 46

19 Movements in funds – purposes of funds (continued)**Purposes of designated funds****The Seafarers' Impact Boosting Fund**

The Trustees have decided to reduce our reserves by 50% in real terms from 2015 to 2035, allowing us to set aside funds to boost our impact funding during this period. The value of this fund at the end of 2025 was £10.3m (2024: £11.1m).

The Future Seafarers' Fund

To ensure our ability to meet the longer-term needs of seafarers and their families, 50% of the real value of our reserves from 2015 has been set aside to

- maintain a meaningful level of grant giving to support our work beyond 2035
- retain up to 5 years' worth of grant giving in the event the charity were to cease to function, thus ensuring other maritime charities reliant on our support are not immediately subject to financial stress and have some assurance of funding during the aftermath.
- to support the running down costs of the charity for 5 years in the event it was to cease trading or require a major restructuring.

The value of this fund was £20.1m at the end of 2025 (2024: £17.4m).

20 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Seaservers Limited, a company registered in England (company number 00890342). The registered office address is 8 Hatherley Street, London, SW1P 2QT.

The subsidiary is used for non-primary purpose trading activities. The accounts of Seaservers have not been consolidated into these financial statements on the grounds of immateriality. Available profits are distributed under Gift Aid to the parent charity.

The trustees Mr P. G. Butterworth and Mrs D. Layde also served as directors of the subsidiary during the year.

Seaservers Limited underwent a financial restructure during December 2024 which involved converting some outstanding debt into equity held by the Charity. This unlisted equity holding is held at the historic cost of £11,664 in the accounts of the Charity at 31 December 2024.

A summary of the results of the subsidiary (year end March) is shown below:

	2025 £'000	2024 £'000
Turnover	-	-
Cost of sales	-	-
Gross profit/(loss)	-	-
Administrative expenses	-	-
Profit/(loss) on ordinary activities before taxation	-	-
Extraordinary item	38	-
Taxation on profit on ordinary activities	-	-
Profit/(loss) for the financial year	38	-
Retained earnings		
Total retained earnings brought forward	(38)	(38)
Profit/(loss) for the financial year	38	-
Total retained earnings carried forward	-	(38)
The aggregate of the assets, liabilities and reserves was:		
Assets	-	16
Liabilities	-	(54)
Reserves	-	(38)

Amounts owed to the parent undertaking are shown in note 14.

Included within administrative expenses above is a management charge of £nil (2024: £nil) from the parent entity. The extraordinary item represents amounts written off an intercompany loan as part of a restructuring of the subsidiary.

For the year ended 31 December 2025

22a Total return approach for investment of permanent endowment funds (current year)

	Individual funds					Total funds		
	Endowed Special Purposes Fund £'000	Inglis Fund £'000	South African Women's Auxillary service £'000	David Richards Trust £'000	Henry Herbert Wills fund £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
At the beginning of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	–	426
Unapplied total return	1,048	1,004	435	727	173	–	3,387	3,387
Total	1,313	1,044	469	752	235	426	3,387	3,813
Movements in the year								
Gift of endowment funds	–	–	–	–	–	–	–	–
Recoupment of trust for endowment	–	–	–	–	–	–	–	–
Allocation from trust for investment	–	–	–	–	–	–	–	–
Investment return:								
Dividends and interest	25	18	9	14	4		70	70
Realised and unrealised gains/(losses)	(4)	(3)	–	(2)	(2)		(11)	(11)
Less: investment management costs	(7)	(6)	(3)	(4)	(1)		(21)	(21)
Total	14	9	6	8	1	–	38	38
Unapplied total return allocated to income in the year	–	(30)	(64)	(620)	(36)	–	(750)	(750)
Net movements in the reporting period	14	(21)	(58)	(612)	(35)	–	(712)	(712)
At the end of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	–	426
Unapplied total return	1,062	983	377	115	138	–	2,675	2,675
Total	1,327	1,023	411	140	200	426	2,675	3,101

For the year ended 31 December 2025

22b Total return approach for investment of permanent endowment funds (prior year)

	Individual funds					Total funds		
	Special Purposes Fund £'000	Inglis Fund £'000	South African Women's Auxillary service £'000	David Richards Trust £'000	Henry Herbert Wills fund £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
At the beginning of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	-	426
Unapplied total return	914	1,053	475	1,007	221	-	3,670	3,670
Total	1,179	1,093	509	1,032	283	426	3,670	4,096
Movements in the year								
Gift of endowment funds	-	-	-	-	-	-	-	-
Recoupment of trust for endowment	-	-	-	-	-	-	-	-
Allocation from trust for investment	-	-	-	-	-	-	-	-
Investment return:								
Dividends and interest	27	25	10	21	6	-	89	89
Realised and unrealised gains/(losses)	56	51	21	43	12	-	183	183
Less: investment management costs	(6)	(6)	(2)	(5)	(1)	-	(20)	(20)
Total	77	70	29	59	17	-	252	252
Unapplied total return allocated to income in the year	-	(172)	(30)	(265)	(39)	-	(506)	(506)
Net movements in the reporting period	77	(102)	(1)	(206)	(22)	-	(254)	(254)
At the end of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	-	426
Unapplied total return	1,048	1,004	435	727	173	-	3,387	3,387
Total	1,313	1,044	469	752	235	426	3,387	3,813

SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

England & Wales - Charity number 226446

Accounts



Annual Report and Accounts
For the year ended 31 December 2024

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REFERENCE AND ADMINISTRATIVE DATA

Patron

His Majesty King Charles III

President

HRH The Duke of Edinburgh KT KG GCVO

Vice Presidents

The Chaplain of the Fleet
Admiral of the Fleet Sir Benjamin Bathurst GCB DL
Admiral Sir Jock Slater GCB LVO DL
Sir John Ritblat FRICS
F. M. Everard CBE
Captain D. C. Glass OBE MNM
Rt. Rev & Rt Hon Dame Sarah Mullally DBE
The Rt. Hon. The Lord Mayor of the City of London
The Rt. Worshipful The Lord Mayor of Westminster

Trustees

Mr Paul Butterworth AFNI (Chair)
Mr William Reid (Deputy Chair)
Mr Duncan Bain FCA (Chair of the Finance and Audit Committee)
Mrs Fleur Bassett (Surgeon Rear Admiral Fleur Marshall KHP)
Mr Nigel Blazeby (Chair of the Impact Committee)
Ms Deborah Cavaldoro
Captain Lee Clarke AFRIN (Chair of the Development Committee)
Mr Peter French (Chair of the Governance and Risk Committee)
Mr Martyn Gray
Mr Robert Greenwood MNM
Mr Gerald Kidd
Ms Monica Kohli OBE
Mr William Lawes
Ms Natalie Shaw MBE FCIPD
Ms Julie Tankard (Co-opted 1 January 2025)

Chief Executive

Mrs Deborah Layde

Operational name

The charity, Seafarers UK (King George's Fund for Sailors), operates under the name The Seafarers' Charity.

Registered office and operational address

8, Hatherley Street, London, SW1P 2QT

Charity Number

226446 (in England and Wales), SC038191 (in Scotland).

Auditors

Sayer Vincent LLP
110 Golden Lane, London, EC1Y 0TG

Bankers

National Westminster Bank plc
280 Bishopsgate
London, EC2M 4RB

Investment Managers

Ruffer LLP
80 Victoria Street
London, SW1E 5JL

Meridien Investment Management Ltd (formerly Veritas Investment Partners)
Riverside House, 2a Southwark Bridge Road
London SE1 9HA

Aberdeen Asset Managers
50 Lothian Road
Festival Square
Edinburgh, EH3 9WJ

Foreword from Deborah Layde, Chief Executive

In 2024, we funded a broad range of welfare support for seafarers, reflecting our ambition to improve the lives of everyone who makes a living at sea. It is often said that seafarers are the world's hidden workforce. Many can go unappreciated. That's why our vision is a world where seafarers and their families are free of need and disadvantage.

To get there we continue to fund the extraordinary work of our delivery partners on the front line. These organisations are a vital resource for the world's seafarers, and I am proud that together we provide help for every seafarer, whatever their profession and wherever they are in the world. In 2024, our work supported more than 650,000 seafarers in the UK, Commonwealth and globally, from the Royal and Merchant Navies, to the UK Fishing Fleet.

There was much to celebrate throughout 2024. In May, we proudly welcomed His Majesty The King as our patron, reflecting our strong historical royal ties. King George V championed our charity from its beginnings in 1917, not least through his support and later patronage. Since then, our patron has always been the reigning monarch. Our current president, HRH the Duke of Edinburgh, also continues to provide sterling support to the charity.

Other highlights include the incredible efforts of our supporters who raised funds at the London Marathon and our 24 Peaks Challenge. We also continue to deepen our relationship with the maritime industry and wider stakeholders. This includes government, who requested that we establish the first ever National Fishing Remembrance Day.

Remembrance and celebration services took place around the UK, including in Grimsby where the minister responsible for fisheries joined myself and other charity CEOs to lay a wreath. I'm pleased to say that the National Fishing Remembrance Day will continue for a second year and is now being led by the fantastic team at The Fishermen's Mission.

In September it was pleasing to see the Red Ensign flying again at 10 Downing Street, as part of our annual campaign to recognise the contributions of the Merchant Navy.

There were challenges too. Fortunately, our financial standing and strategic foresight enabled us to absorb a decline in legacy fundraising in 2024 (a decline which has already started to reverse in 2025). Meanwhile, seafarers continue to face multiple challenges whilst working at sea. Abandonment, piracy, exploitative employment practices, bullying, sexual violence, and warfare to mention just a few.

It is clear our funding and support remains crucial for dozens of front-line maritime welfare and safety organisations, as 2025 promises to be another full-on year for seafarers and their families. As ever, we remain at the centre of their ecosystem of support.

TRUSTEES' ANNUAL REPORT 2024

1. Summary

The trustees present their report and the audited financial statements for the year ended 31 December 2024.

Reference and administrative data set out on pages 3 and 4 form part of this report. The financial statements comply with current statutory requirements, the charity's Royal Charter and the Statement of Recommended Practice (SORP) - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

2. Objectives and activities for the public benefit

We support those who work at sea and their families. Our vision is a world where seafarers and their families are valued and free of need and disadvantage. Our mission is to tackle the disadvantages of a seafaring life by leading funding, collaboration, and advocacy that improves seafarers' lives.

The Seafarers' Charity has a strategy which takes it through to 2030 with clear goals and key performance indicators (KPIs) to ensure trustees can clearly monitor progress. Our five strategic outcomes remain: enhanced financial resilience; better working lives at sea; improved health and wellbeing; safer working lives at sea; and increased social justice.

Trustees consider the Charity Commission guidance on public benefit when planning future activities and making grants. Before a grant is awarded its scope for positive impact is considered, and robust monitoring and evaluation is put in place afterwards.

The organisations we fund deliver a diverse range of public benefits in the UK and internationally. Examples of their work include poverty relief, health advancement, and preventing urgent needs before they arise. Further information on the impact we have made can be found in this report and in our Impact Report, published separately and available via our website.

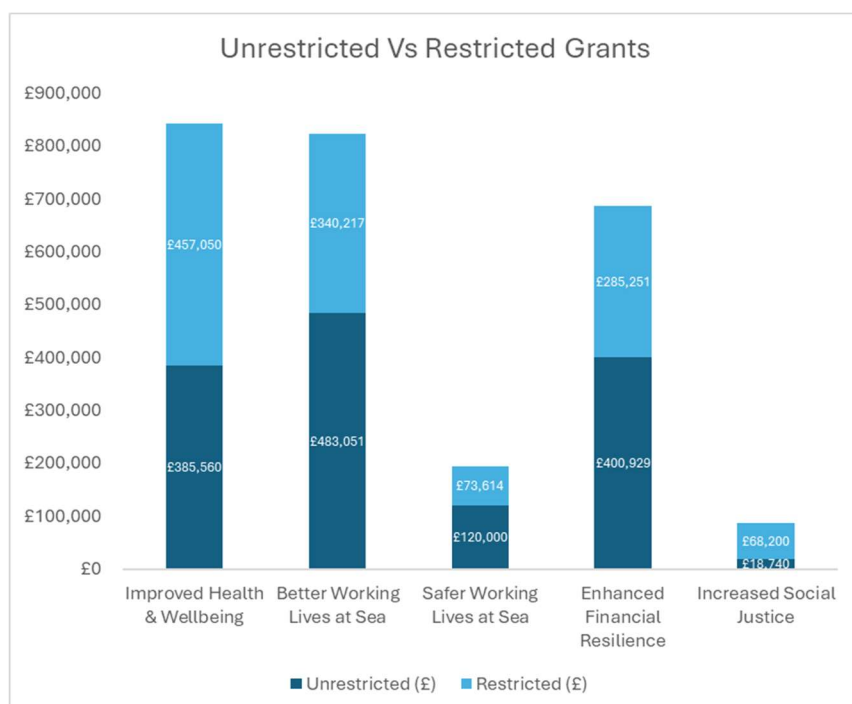
3. Achievements & Performance

In 2024, The Seafarers' Charity supported **655,552** beneficiaries. We made **64** grants to **48** different organisations, with a total award of **£2,632,612**.

Beneficiaries, some of whom fell into more than one category, were split as follows:

Merchant Navy	404,174
Royal Navy	13,797
Fishers	45,830
Trainee Seafarers	10,811
Active Seafarers	452,735
Retired Seafarers and fishers	15,382
Family members of seafarers benefitted	6,254

The majority of our grant awards were focused on 'improved health and wellbeing' and 'better working lives at sea', and there was a near 50/50 split between restricted and unrestricted grants.



Seafaring is a global profession, and our grant making reflects a workforce which travels to all parts of the world. Approximately 75% of our beneficiaries in 2024 were supported by charities operating internationally.

We funded 13 organisations for the first time, such as I Exist Too and NeurodiversAtsea. By the end of the year, six organisations had secured multi-year funding commitments worth just under £500,000 in total. These commitments provided stability for emerging organisations like Safer Waves and those with large teams of staff relying on our support, such as ISWAN's Seafarer Help.

Strategic initiatives

We partnered with the **Nautical Institute** to enhance Leadership and Management training for seafarers. Our funding enabled the development of a new training course and provided bursaries for seafarers from low-GDP countries. This initiative aimed to reduce bullying and toxic leadership, fostering a more supportive workplace culture at sea.

Meanwhile our collaboration with the **Lloyd's Register Foundation** generated £450,000 to establish a global grant fund with the Fishing Industry Safety and Health Platform. So far, this initiative has funded six projects, improving safety for 65,000 fishers worldwide. As this first year of funding ended, we were delighted that Lloyd's Register Foundation committed another £1.5m to continue the project for another 4 years – bringing their total award to almost £2m over a 5-year period to support global fishing safety.

Working with the **National Federation of Fishermen's Organisations (NFFO)**, we improved safety in UK fishing by part-funding the employment of a Risk, Safety, and Training Lead. They spearheaded the development of the Fish Safe series of films covering handling gear, vessel stability, and man overboard prevention.

The Seafarers' Charity supported the **Women in Transport Equity Index** for the first time in 2024, reinforcing our commitment to sustaining this strategic initiative.

We enabled **Port Skills and Safety** to expand their marine port safety expertise to fishing ports, broadening safety responsibilities to include those overseeing the wider work environment ashore.

We worked with the **UK P&I Club** on match funding initiatives to support women seafarers' safety. The first initiative, also involving the **TK Foundation**, funded the employment of Safer Waves' first Operations Manager, in early 2024.

The second initiative, in partnership with UK P&I Club, initiated and then co-funded **ISWAN's AllySHIP campaign** to promote allyship in the maritime industry. As Chair of Maritime UK's

Women in Maritime Taskforce, our chief executive Deborah has championed this campaign, which stemmed from our funding of research on 'The Port-based Welfare Needs of Women Seafarers.'

National Fishing Remembrance Day

At the request of the **Maritime and Coastguard Agency (MCA)**, we led the development of the inaugural National Fishing Remembrance Day. The event culminated in a powerful performance from Reg Meuross of '12 Silk Handkerchiefs' aboard the Cutty Sark, sponsored by The Seafarers' Charity and Seafish, to thank those who had volunteered their time to lead remembrance services.

NFRD services attracted widespread attendance from the fishing community, wider maritime industry, and other stakeholders including government and media.

Changing Tack on Yacht Crew Welfare

We launched and led a working group to improve yacht crew welfare, partnering with **Nautilus International, ISWAN, and UKSA**. This initiative has informed our funding of a dedicated project manager at ISWAN and a two-year collaboration between UKSA and the Mission to Seafarers to create a welfare hub in Antibes, France.

4. Fundraising activities and practices

The Seafarers' Charity raises funds in a legal, honest, and transparent manner. We do what is right for our supporters and remain committed to our 'Supporter Promise' which can be viewed on our website.

The charity carries out core fundraising activity via a team based in our London office, virtually, and through a small number of regional volunteers.

We generate income through: donations received from charitable trusts and foundations; corporate partnerships; individual donations and legacies; and events.

2024 summary

Our 2024 income, excluding investments, was £962,000. This was down on 2023's figure of £2,157,000.

The major factor in this reduction was a disappointing year for legacies, which netted us £100,000 – a decrease of more than £1.3m compared to 2023. Thankfully, we have already seen a very positive start to 2025 regarding legacies. Furthermore, our combined 23/24 two-year target for legacy income was £1.6m, a figure we were still very close to meeting. Several factors are believed to have contributed to this decrease including lower death rates, delays in probate, and a subdued housing market affecting the value of legacies. We are continuing to invest further in our legacy marketing campaigns.

Separately, our plans to roll out Fishing First projects throughout the UK had to be re-considered because of changed government funding priorities. £125,000 in income received from Trinity House in previous years was returned to them to repurpose for other projects. Over the next few years, however, we will be able to boost the funds raised to support global fishing safety because of the extension of support from the Lloyds Register Foundation for our International Fund for Fishing Safety partnership for a further 4 years.

Excluding these temporary setbacks we had an encouraging year, succeeding with strategic fundraising goals which added £200,000 to our income in 2024. Events income was up from £114,000 to £206,000, including unprecedented success from our eventers who fund raised at the London Marathon, and at our annual 24 Peaks Challenge. Other fundraising was up from £579,000 to £655,000.

We secured generous donations from the Watson Trust of £100,000 and £30,000 from the Stelios Philanthropic Foundation. All donations from Trusts and Foundations are listed later in this report.

We also undertook a thorough review of our Gift Aid recovery process, streamlining collection and registration. Gift Aid recoveries added £33,000 to gifts made by our supporters in 2024.

A strategic goal for 2024 was to deepen our ties with the maritime sector and engage with industry stakeholders who share our vision for seafarers. To this end, we saw several moments of success. The Red Ensign was flown at 10 Downing Street for Merchant Navy Day. We held events alongside the UK Chamber of Shipping as its chosen charity for their 2024 summer lunch, and Maritime UK as the chosen charity of their annual awards.

Digital engagement in 2024 was at a record high with considerable progress across all channels. Growth in followers led to discovery of support, meaningful engagement and more funding opportunities.

Looking ahead

There are clear lessons which we will implement in 2025 to offer better opportunities to our supporters to remember the charity in their wills and shore up this long-standing significant income stream for the charity.

- We will also review our legacy budgeting in consideration of poor 2024 income, to set ambitious but realistic year on year targets.
- We are investing more in legacy marketing and will launch new messaging to secure the future of seafarers and their families in 2025.
- We will continue to act as stewards for our supporters, making our data more efficient and ensuring we know our donors well.
- We will make robust demonstrations of donor investment and deliver improved reporting on their impact.
- We will continue to optimise our digital presence – working to the principle of being 'findable to be fundable.'

Other 2025 key areas of focus will include prevention of hardship, notably in Scotland. We will also examine solutions for seafarers in the 18-30 age bracket.

Fundraising standards

The Seafarers' Charity is registered with the Fundraising Regulator and adheres to its Code of Fundraising Practice. We are committed to excellence in fundraising, and value supporter feedback to aid continual improvement. We received no complaints during the year 2024 in connection with our fundraising.

General Data Protection Regulation

We comply with GDPR regulations in all our communications and are diligent in the management of supporter data. We have a culture of compliance with GDPR, and our policies are transparent in our notices on the charity's website. We uphold data protection through regular staff training and internal safeguards.

In 2024 we began a thorough review of our archived data to purge redundant supporter information.

Supporter Data

The Seafarers' Charity does not share personal data with third party organisations for their own use. We do periodically use third parties to help us with data processing. These external partners are carefully vetted to ensure they share our commitment to privacy and data protection. In 2024, we worked with Run2Events on such a project, with a written agreement outlining their legal obligations regarding the collection and use of data.

We have a robust Know Your Donor policy which we apply to fundraising income receipts. The policy was employed during 2024 to a large unsolicited donation to ensure the charity carried out the necessary risk assessment around the donor

Volunteers

The charity has one volunteer – Valerie Richardson, a former DfT employee who supports Deborah's engagement on maritime careers and on governance matters as and when needed.

Protecting vulnerable people

The Seafarers' Charity protects people in vulnerable circumstances when we as an organisation encounter them. Anyone in a potentially vulnerable situation or who may lack the capacity to make an informed decision about their giving is fairly dealt with according to invaluable guidelines provided by the Institute of Fundraising and their 'Treating Donors Fairly Guidance.'

5. Financial Review

The Charity has a very strong financial base thanks to the generosity of donors over our 108-year history.

The foresight of previous generations enables us to commit to providing the long-term financial support so vital to the current generation of maritime welfare charities with whom we partner.

The current Trustees take the responsibility of continuing this legacy for future generations, as well as supporting the current generation, very seriously. With this in mind we are mid-way through running off 50% of the real value of our reserves over the 20 years from 2015 to 2035.

Income and expenditure

In 2024 we targeted a deficit of £1m reflecting the run-off of reserves offset by the inflationary growth in the value of our retained reserves. The year end out-turn was £0.2m lower than this with the significant reduction in legacy income being offset partially by one-off cost savings, success in non-legacy fundraising and a deferral of the application of £0.2m of restricted funds into 2025.

The drop in legacy income in 2024 is covered in the previous section in more detail, but we are encouraged that over the last 2 years, our legacy income has been close to its historic 5-year average, and we have also had an encouraging start to 2025.

We were pleased that our strategic fundraising initiatives resulted in a £0.2m increase in non-legacy income in 2024 vs 2023. This increase was accompanied by a decrease of 9% in our direct fundraising costs. We are grateful to the organisations who have partnered with us, the Trusts who support us and the supporters who continue to donate regularly and participate in our challenge events.

Our investments had a solid year, with the overall return slightly exceeding our long-term target return of inflation (as measured by the Consumer Price Index or CPI) plus 3.5% net of fees. Our investment returns in excess of inflation contributed £1.4m towards our charitable and support spend during 2024 under our financial strategy.

Our charitable activity spending increased to £3.7m from £3.0m in 2023. Within this, grants given increased to £2.6m from £2.2m in 2023. Section 3 on achievements and performance explains the significant positive impact this has had for our beneficiaries. One of the benefits of our strong financial base is that we were able to maintain and grow our charitable spend despite the disappointing legacy income for the year.

Our support and governance costs decreased by a further 2.6% during 2024 reflecting our continued determination to apply as much of our resources as possible to direct charitable activity. Our support activity covers finance, investment management, operation of our website, HR support, legal costs, premises costs and vital support we provide for several smaller partner

charities including management of the Annual National Service for Seafarers at St Paul's cathedral.

Investments

Our financial assets continue to be held in funds managed by our fund managers, Meridiem, Ruffer and Aberdeen, and in our head office property at Hatherley Street in Victoria, London and the attached residential flats. Cash balances held in our main bank accounts are maintained at minimum operational levels and our investment account with Aberdeen gives us access to market returns on the additional 12-18 months' worth of operational expenditure that we hold in one of Aberdeen's institutional cash funds. The value of our investments fell during 2024 as a result of withdrawals to fund the planned run-off of reserves which are covered further in the next section.

Reserves Policy

The Seafarers' Charity is grateful to past supporters who have enabled the charity to build a healthy level of reserves over the last 50 years. This financial strength is critical to the crucial role that The Seafarers' Charity plays in the ecosystem of maritime welfare support in the UK and globally. Uniquely for an independent charity, we can rely on our financial strength to allow us to make long term commitments where others are unable to do this in an uncertain world. This is vital to smaller welfare charity partners in the sector who because of our financial strength can plan and invest confidently in the medium to long term projects needed to make a lasting impact on seafarers' welfare.

The needs of people who work in the maritime industry have been increasing in recent years and we believe they will continue to do so in the decades to come. This will be driven by known factors such as the growing global maritime trade combined with greater uncertainties arising from more unpredictable major global factors (natural events such as tsunamis and extreme weather as well as wars, piracy, and civil unrest) and moves to increased automation in the maritime industry.

As a result, the Trustees of The Seafarers' Charity have adopted an approach to use reserves both to underpin meeting this growing need and to ensure that we remain a key supporter of seafarers for the longer term.

To that end, the Trustees have designated the following funds;

1. The Seafarers' Impact Boosting Fund. The Trustees have decided to reduce our reserves by 50% in real terms from 2015 to 2035, allowing us to boost our impact funding during this period by an average of c.£1.2m per year including across endowment funds. The value of this fund at the end of 2024 was £11.1m.

2. The Future Seafarers' Fund. To ensure our ability to meet the longer-term needs of

seafarers and their families, 50% of the real value of our reserves from 2015 has been set aside to:

- maintain a meaningful level of grant giving to support our work beyond 2035.
- retain up to 5 years' worth of grant giving in the event the charity were to cease to function, thus ensuring other maritime charities reliant on our support are not immediately subject to financial stress.
- support the running down costs of the charity for 5 years in the event it were to cease trading or require a major restructuring.

The value of this fund was £17.5m at the end of 2024.

Following declines in inflation adjusted investment values over the period from 2021-2023, the value of our unrestricted reserves remained below its target value at the end of 2024 by around £3.5m. We have allocated this deficit to the Future Seafarers' Fund. The Trustees continue to monitor our reserves against targets on a regular basis throughout the year. While we expect our investment performance to return to target levels over the long term, if this does not happen then Trustees will re-consider how the Seafarers' Impact Boosting Fund should be run off in the period up until 2035.

In addition to the designated funds, the Charity maintains a general fund to provide a reserve to enable the Charity to operate in the event of financial risks materialising. This reserve is valued at £1.2m which is equivalent to approximately 3 months of expected operating costs.

Subsidiary undertaking

The Charity owns the whole of the issued ordinary share capital of Seaservers Limited, a company registered in England (company number 00890342). Seaservers Limited had a cumulative operating deficit of £38,000 at the end of its last financial year on 31st March 2024 following a material reduction in income from its principal source of funding over the last couple of years.

The Directors of Seaservers' Limited agreed to a proposal from the Trustees of the Charity to restructure the company's finances and leave it in a position to continue to trade to the benefit of the Charity from December 2024. The company is not consolidated into the accounts of the Charity due to its immateriality and the balance sheet of the Charity includes an £11.6k investment in the equity of Seaservers Limited which is supported by cash balances held and ring fenced in the company.

6. Principal risks and uncertainties

The principal risks affecting the Charity continue to be around fundraising, investment values, potential cyber-crime and maintaining the strong public reputation of the Charity which is critical to our work.

We continue to manage the risk of a significant downturn in fundraising income through rigorous application and monitoring of our fundraising strategy.

Investment risk is overseen by our Finance and Audit Subcommittee which monitors investment manager performance and investment strategy. 2024 saw return slightly above our longer-term target and we continue to monitor closely our investment manager performance over a 5–10 year horizon. Our strong reserves enable us to take a longer-term approach and avoid having to realise extensive losses during periods of market volatility

The Charity retains an outsourced IT company providing a robust technical environment and specialist security team to review cyber risks and implement counter measures, supplemented by a programme of mandatory training for all staff to ensure colleagues maintain a high level of security awareness.

7. Plans for the future

2025 will see us strengthen and evolve our work to better support seafarers worldwide. A key priority is a strategic 'refresh' of our Thrive strategy to ensure it remains impactful. We will consult with delivery partners and key stakeholders in preparation for our strategy focus day with Trustees and the leadership team, which will identify opportunities for further growth while reinforcing our role as a trusted advocate for seafarers' welfare.

Our grant funding continues to grow year on year, and we aim to expand our financial support even further. We will address critical issues such as abandonment, shipping safety - particularly the use of future fuels - sexual violence and harassment at sea, psychological safety, and the welfare of the next generation of cadets. By tackling these challenges, we aim to prevent hardship and improve conditions for seafarers globally.

Collaboration is central to our approach. We will engage directly with those on the front line who witness emerging needs, creating more opportunities to share knowledge, network, and drive collective action.

We'll maintain our flagship fundraising events while pursuing new opportunities to enable the release of more funds as grants. The 24 Peaks Challenge and the London Marathon will remain key pillars of our fundraising. We will also encourage corporate teams to participate, explore

new fundraising and volunteering opportunities, and build strong partnerships to maximise our support for seafarers. To secure long-term sustainability of our fundraising, we will promote payroll giving and legacy donations, ensuring future generations benefit from our work.

At London International Shipping Week (LISW) 2025, we will demonstrate our leadership in global collaboration, working with the key international maritime welfare charities and industry leaders. We look forward to our 'Waves of Influence' fundraiser, in partnership with Sailors' Children's Society, bringing changemakers together to support and celebrate women across maritime.

As we expand our reach, we will cement our reputation as a trusted organisation dedicated to safeguarding seafarers' welfare worldwide, through our advocacy, funding and fundraising.

8. Structure, governance and management

Legal structure

The Seafarers' Charity is a non-statutory body incorporated by Royal Charter. The Charter was originally granted in 1920 and, together with the Byelaws, provides the rules and guidelines under which The Seafarers' Charity operates. After approval by the Privy Council, Supplemental Charters were granted in 1949, 1960, 1976, 1992 and 2010. The latest amendments to the Charter and Byelaws were approved by the Privy Council in 2010.

Aims and purposes

The Charity's aims or purposes ('objects') set the framework for our grant-funding strategy and management and are:

- the relief of seafarers, their families or dependants who are in need, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth.
- the education and training of people of any age to prepare for work or service at sea, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth.
- the promotion of the efficiency and effectiveness of the maritime charitable sector within the Commonwealth.
- the promotion of safety at sea by providing support to organisations established within the Commonwealth.

Governance

In 2024 our Trustee Board (also known as The General Council) consisted of 14 Trustees of whom 5 were women, 6 had served at sea and 13 are, or were, involved with the maritime industry. 13 were UK-based and one Trustee was based on the Isle of Man.

The Trustee Board meets three times a year to set and oversee our strategy and objectives, make decisions on strategic direction, and monitor effectiveness. The Board is supported by four sub-committees: Governance and Risk, Finance and Audit, Development, and Impact.

Each sub-committee has written Terms of Reference, which are reviewed as necessary and the Board reviews members of the sub-committees annually. The Chair of each committee reports to the Trustee Board; minutes of committee meetings are available to all Trustees.

Day-to-day operations and management are delegated to the Chief Executive and Leadership Team who provide regular reports to the sub-committees.

The General Council supports the principles of good governance as set out in the Charity Governance Code and regularly reviews to maintain the highest standards of governance and continually improve its practices.

Appointment of Trustees

Appointment to the Trustee Board is done via an open recruitment and appointment process based on applicants' skills and experience matched against those required on the Board.

Prospective Trustees are interviewed by the Nominations sub-committee and, if successful, their appointment is recommended to the Trustee Board. If approved they are appointed as co-opted Trustees and formally approved at our Annual Meeting. With the agreement of the Chair, nominees are invited to attend a Board meeting as observers. New Trustees are appointed by the Trustee Board and can serve three terms of three years serving up to a maximum of nine years. Trustees appointed prior to 2022 can serve two terms of five years.

The number of Trustees is subject to a maximum of 30 and must be greater than seven.

Trustee induction and training

Once appointed, trustees go through an induction programme to make sure they understand their role, the Charity and applicable legislation. The content of the induction programme is reviewed annually and includes a mixture of formal training and meetings with Leadership Team and staff.

Declaration of interests

At each Trustee Board and sub-committee meeting, there is a standing agenda item for each Trustee to declare their interests. All Trustees complete a Register of Interests form annually and update it as required. The Register of Interests is also completed by members of the Leadership Team.

Risk Management

The Seafarers' Charity has a robust governance structure. Trustees assess and understand the risks facing the Charity. Risk management is covered under section 6 – principal risks and uncertainties.

Remuneration policy

Our pay and benefits help us to attract and retain the best people and keep colleagues engaged throughout their employment. Each role is benchmarked using external consultants 'Croner Rewards' who maintain an extensive pay database against which to evaluate our roles, ensuring we pay a competitive salary compared to similar organisations.

We continue to support our colleagues by being an accredited Living Wage employer, so we can ensure everyone who works for us can earn enough to live on. We also focus on colleague engagement, holding a biannual survey which provides key insights and informs how we can continue to improve our employee experience. The Trustee Board reviews and approves annual pay increases, in line with inflation and affordability, for all staff. Trustees approved a pay rise of 2.5% for staff from 1 January 2025.

No Trustees are remunerated by the Charity. Travel and incidental expenses can be claimed. Remuneration of key management personnel is reviewed annually in the same way as other staff and benchmarked against other salaries in the sector.

The Board has delegated day-to-day responsibility for the management of risks to the Chief Executive and the Leadership team. They are responsible for the identification and assessment of risk and for implementing actions to minimise or reduce risk to acceptable levels. The risk register is reviewed regularly at the Leadership team meetings and reported to the Governance and Risk sub-committee.

The Governance and Risk sub-committee is responsible for overseeing and scrutinising the risk management systems, ensuring processes for managing risks are fit for purpose and

implemented appropriately by management. The sub-committee monitors key risks exposures and escalates to the Trustee Board where necessary. The Trustee Board reviews the overall risk register, to make sure it is confident in the systems and procedures used to manage those risks.

EDI

The Seafarers' Charity puts Equity, Diversity and Inclusivity (EDI) at the heart of everything we do. It is an integral part of our internal and external work supporting the diverse workforce that is seafaring.

EDI is not an afterthought for our Charity. It forms the building blocks for our ongoing efforts to support seafarers through our delivery partners and with everyone else we interact with as part of our Charity's work. Our website details our work on EDI under the 'Our Influence' section.

9. 2024 Corporate and Institutional Supporters

Trusts

Ann Jane Green Trust
 Bedhampton Charitable Trust
 Dudley and Geoffrey Cox Charitable Trust
 Edith Murphy Foundation
 Frazer Trust
 Lloyds Register Foundation
 Lord Leverhulme's Charitable Trust
 Martin Charitable Trust
 Miss Agnes Anderson Trust
 Miss Mary Dunlop Murdoch Andrew Charitable Trust
 PF Charitable Trust
 Sir John and Lady Amory's Charitable Trust
 Stelios Philanthropic Foundation UK
 The Anson Charitable Trust
 The Barbour Foundation
 The Bryan Christopher Corrigan Charitable Trust
 The Bryan Guinness Charitable Trust Ltd
 The Castanea Trust
 The Chandris Foundation
 The Charles Wolfson Charitable Trust
 The Dischma Charitable Trust
 The Duffield (Tiverton) Charitable Trust
 The E and N Watson Charity
 The Elizabeth and Prince Zaiger Trust
 The Florence Turner Trust
 The Fort Foundation
 The Gerald Bentall Charitable Trust
 The Gosling Foundation
 The Leslie Mary Carter Charitable Trust
 The Loseley Christian Trust
 The MacRobert Trust
 The Michael and Anna Wix Charitable Trust
 The Payne-Gallwey Charitable Trust
 Peter Dixon Charitable Trust
 The Swire Charitable Trust
 William Allen Young Charitable Trust

Corporates

BMT
 BP Shipping
 Boskalis - Gardline Limited
 Braemar
 Buxted Construction Ltd
 Carisbrook Shipping
 Chevron Products UK Limited
 Fletcher Offshore
 Foreland Shipping Limited
 Harland and Wolff
 Hiscox Underwriting
 J & J Denholm Ltd
 Maersk Logistics
 Port of Aberdeen
 Peterhead Port Authority
 RightShip UK Ltd
 Scotline
 Swire Renewable Energy
 The Old Royal Naval College Chapel
 The United Kingdom Mutual Steam Ship
 Assurance Association Limited
 Thomas Miller P & I Ltd
 WIND
 Worldscales Association (London) Limited

10. Statement of Responsibilities of the Trustees

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. 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 Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Duncan Bain FCA
Trustee and Chair of the Finance and Audit Committee
Date: 13 May 2025

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

Opinion

We have audited the financial statements of Seafarers UK (King George's Fund for Sailors) (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, 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 FRS 102 *The Financial Reporting Standard applicable in the UK and 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 31 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
- Have been prepared in accordance with the requirements of the Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Seafarers UK (The Seafarers' Charity, King George's Fund for Sailors'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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.

- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available 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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Date: 22 May 2025

Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

For the year ended 31 December 2024

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2024 Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	2023 Total £'000
Income from:									
Donations and legacies	2	356	382	–	738	1,573	428	–	2,001
Other trading activities	3	224	–	–	224	156	–	–	156
Investments	4	643	79	85	807	469	76	65	610
Total income		1,223	461	85	1,769	2,198	504	65	2,767
Expenditure on:									
Raising funds									
Cost of generating voluntary income		563	–	–	563	777	–	–	777
Cost of fundraising events		213	–	–	213	160	–	–	160
Costs of managing investments		205	18	19	242	259	31	26	316
Charitable activities		2,149	1,534	–	3,683	2,011	1,035	–	3,046
Total expenditure	5	3,130	1,552	19	4,701	3,207	1,066	26	4,299
Net income/(expenditure) before net (losses)/gain on investments	7	(1,907)	(1,091)	66	(2,932)	(1,009)	(562)	39	(1,532)
Net gains on investments	13	1,412	166	186	1,764	1,188	185	161	1,534
Net (expenditure)/income after net (losses)/gains on investments		(495)	(925)	252	(1,168)	179	(377)	200	2
Transfers between funds	19a	262	244	(506)	–	–	229	(229)	–
Net movement in funds		(233)	(681)	(254)	(1,168)	179	(148)	(29)	2
Reconciliation of funds:									
Total funds brought forward		29,908	4,463	4,067	38,438	29,729	4,611	4,096	38,436
Total funds carried forward	19a	29,675	3,782	3,813	37,270	29,908	4,463	4,067	38,438

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

As at 31 December 2024

	Note	£'000	2024 £'000	£'000	2023 £'000
Fixed assets:					
Tangible assets	12		3,913		3,966
Investments	13		33,352		34,061
			<u>37,265</u>		<u>38,027</u>
Current assets:					
Debtors	14	126		499	
Cash at bank and in hand		342		437	
		<u>468</u>		<u>936</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(463)		(525)	
Net current assets			<u>5</u>		<u>411</u>
Total net assets	18a		<u><u>37,270</u></u>		<u><u>38,438</u></u>
The funds of the charity:	19a				
Permanently endowed funds			3,813		4,067
Restricted income funds			3,782		4,463
Unrestricted income funds:					
Designated funds		28,500		29,908	
General funds		1,175		-	
		<u></u>	<u>29,675</u>	<u></u>	<u>29,908</u>
Total unrestricted funds			<u>29,675</u>		<u>29,908</u>
Total charity funds			<u><u>37,270</u></u>		<u><u>38,438</u></u>

Approved by the trustees on 13th May 2025 and signed on their behalf by

Mr P Butterworth
Chair

Mr D Bain
Chair, Finance & Audit Committee

For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Net expenditure for the reporting period (as per the statement of financial activities)		(2,932)	(1,532)
Depreciation charges		58	69
Dividends, interest and rent from investments		(807)	(610)
Decrease/(Increase) in debtors		373	(83)
Decrease in creditors		(62)	(174)
Net cash used in operating activities		(3,370)	(2,330)
Cash flows from investing activities:			
Dividends, interest and rents from investments		807	610
Purchase of fixed assets		(5)	–
Proceeds from sale of investments		7,824	23,280
Purchase of investments		(5,351)	(21,928)
Net cash provided by investing activities		3,275	1,962
Change in cash and cash equivalents in the year		(95)	(368)
Cash and cash equivalents at the beginning of the year		437	805
Cash and cash equivalents at the end of the year		342	437

For the year ended 31 December 2024

1 Accounting policies

a) Statutory information

The Seafarers' Charity (King George's Fund for Sailors) is an unincorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address and principal place of business is 8 Hatherley Street, London, SW1P 2QT.

b) Basis of preparation

The financial statements 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 (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For the year ended 31 December 2024

1 Accounting policies (continued)

e) Income

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Dividends and Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Permanent endowment funds are funds normally arising as a result of a will where the income but not the capital sum can usually be spent

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, legacies, generating funds and investments.
- Expenditure on charitable activities includes the costs of grant making and related activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

For the year ended 31 December 2024

1 Accounting policies (continued)

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold buildings	2%
● Fixtures and fittings	10%
● Computer equipment	20%
● Office equipment	15%

Freehold land is not depreciated.

For the year ended 31 December 2024

1 Accounting policies (continued)

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Investments in subsidiaries

Investments in subsidiaries are at cost.

p) Debtors

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

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

t) Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

u) Pensions

The Fund operates a defined contribution scheme with the Aviva PLC for employees who choose to participate in the scheme. Participating staff are required to contribute a minimum of 5% of basic salary to which the Fund will contribute a further 7.5% of their basic salaries plus an amount equivalent to the reduced liability of Employer's National Insurance. Contributions are recognised in the SOFA in the year they were incurred.

For the year ended 31 December 2024

2 Income from donations and legacies

	Unrestricted £'000	Restricted £'000	2024 Total £'000	Unrestricted £'000	Restricted £'000	2023 Total £'000
Gifts	116	127	243	80	42	122
Corporate gifts	160	135	295	184	288	472
Grants received	8	109	117	–	(15)	(15)
Legacies	72	11	83	1,309	113	1,422
	<u>356</u>	<u>382</u>	<u>738</u>	<u>1,573</u>	<u>428</u>	<u>2,001</u>

Negative restricted grants received reflect the return of a donation following an agreed decrease in the scope of a project

3 Income from other trading activities

	Unrestricted £'000	Restricted £'000	2024 Total £'000	Unrestricted £'000	Restricted £'000	2023 Total £'000
Fundraising events	206	–	206	114	–	114
Recharges to other organisations	18	–	18	42	–	42
	<u>224</u>	<u>–</u>	<u>224</u>	<u>156</u>	<u>–</u>	<u>156</u>

4 Income from investments

	Unrestricted £'000	Endowment & Restricted £'000	2024 Total £'000	Unrestricted £'000	Endowment & Restricted £'000	2023 Total £'000
Dividends and interest	580	148	728	411	124	535
Rental income	63	16	79	58	17	75
	<u>643</u>	<u>164</u>	<u>807</u>	<u>469</u>	<u>141</u>	<u>610</u>

For the year ended 31 December 2024

5a Analysis of expenditure (current year)

	Raising funds							
	Cost of generating voluntary income £'000	Cost of fundraising events £'000	Costs of managing investments £'000	Charitable activities £'000	Governance costs £'000	Support costs £'000	2024 Total £'000	2023 Total £'000
Staff costs (note 8)	246	43	7	393	114	291	1,094	1,049
Other staff costs	3	2	–	12	10	8	35	20
Event and fundraising costs	19	129	–	1	4	24	177	173
Investment management costs	–	–	184	–	–	–	184	254
Grants–general	–	–	–	2,633	–	–	2,633	2,179
Grants–advocacy and campaigns	–	–	–	245	3	2	250	255
Other	22	–	51	22	31	202	328	369
	290	174	242	3,306	162	527	4,701	4,299
Support and Governance costs	273	39	–	377	(162)	(527)	–	–
Total expenditure 2024	563	213	242	3,683	–	–	4,701	
Total expenditure 2023	777	160	316	3,046	–	–		4,299

For the year ended 31 December 2024

5b Analysis of expenditure (prior year)

	Raising funds						
	Cost of generating voluntary income £'000	Cost of fundraising events £'000	Costs of managing investments £'000	Charitable activities £'000	Governance costs £'000	Support costs £'000	2023 Total £'000
Staff costs (note 8)	283	30	10	266	127	333	1,049
Other staff costs	1	1	–	3	10	5	20
Event and fundraising costs	64	100	–	–	2	7	173
Investment management costs	–	–	254	–	–	–	254
Grants-general	–	–	–	2,179	–	–	2,179
Grants-advocacy and campaigns	–	–	–	237	3	15	255
Other	32	1	52	79	25	180	369
	380	132	316	2,764	167	540	4,299
Support and Governance costs	397	28	–	282	(167)	(540)	–
Total expenditure 2023	777	160	316	3,046	–	–	4,299

During 2023, the charity sold the investments it previously owned directly that were managed by Ruffer Investment Managers and invested the proceeds in a collective investment scheme managed by Ruffer and running the same investment strategy. Investment fees charged within the collective investment vehicle are not included in the investment management costs noted above, and the investment income from the collective investment vehicle is stated net of investment fees charged directly to the collective investment vehicle.

For the year ended 31 December 2024

6 Grant making

Details of all general grant awards in both periods can be found on the The Seafarers' Charity website at:

<https://www.theseafarerscharity.org/grant-funding/grant-funding-programmes>

In addition to the general grant awards, the following awards were made to institutions as part of the amounts disclosed as grants—advocacy and campaigns

	£
Fishing into the Future	23,375
I Exist Too	20,000
International Maritime Health Foundation	14,500
Nautical Institute	60,000
Not Forgotten Association	5,000
Port Skills and Safety	49,614
White Ensign Association	1,000
Women in Transport (WISTA)	10,000

7 Net income / (expenditure) for the year

This is stated after charging:

	2024 £'000	2023 £'000
Depreciation	58	69
Auditor's remuneration (excluding VAT): Audit	20	19

8 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

Staff costs were as follows:

	2024 £'000	2023 £'000
Salaries and wages	901	854
Social security costs	86	73
Employer's contribution to defined contribution pension schemes	70	60
Other forms of employee benefits	17	15
Recruitment	20	47
	1,094	1,049

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024 No.	2023 No.
£60,000 – £69,999	2	–
£70,000 – £79,999	1	1
£80,000 – £89,999	1	–
£100,000 – £109,999	–	1
£109,999 – £119,999	1	–

For the year ended 31 December 2024

8 Analysis of staff costs, trustee remuneration and expenses and the cost of key management (continued)

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £445,273 (2023: £350,000).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £451 (2023: £1,825) incurred by 3 (2023: 5) members relating to attendance at meetings of the trustees and other meetings.

9 Staff numbers

Staff are split across the activities of the charity as follows (head count based on average headcount figures):

	2024 No.	2023 No.
Raising funds	6	6
Charitable activities	5	4
Governance and support	9	9
	<u>20</u>	<u>19</u>

10 Related party transactions

Some members of the General Council are trustees of charities to which the Fund makes grants. The Grants Committee's procedures require all such interests to be declared and for these members to abstain from voting. Within the General Council no single member exercises control or influences over any particular grant approval.

The following grants were awarded subject to the above in 2024

- £30,000 was awarded to the FISH Platform, an organisation for which Robert Greenwood acts as secretary.
- £292,876 was awarded to The Nautilus Welfare Fund. Martyn Gray is employed as a Director at Nautilus International which manages some projects funded from the grant to The Nautilus Welfare Fund.
- £49,614 was awarded to Ports Skills and Safety, an organisation for which Debbie Cavaldoro acts as CEO.

During the year, legal advice was sought from Potheary Witham Weld Solicitors amounting to £720 (2023: £4,200). The firm's partner Mr Gerald Kidd served as a Trustee and is also member of the General Council. £nil was outstanding at the end of December 2024 (2023: £4,200 outstanding at end December 2023 settled in January 2024).

Seaservers Limited is the trading subsidiary of The Seafarers' Charity, see note 20 for details of transactions between Seaservers Limited and The Seafarers' Charity.

Aggregate unrestricted donations from related parties were £110 (2023: £30).

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

For the year ended 31 December 2024

12 Tangible fixed assets

	Freehold property £'000	Fixtures and fittings £'000	Total £'000
Cost or valuation			
At the start of the year	4,000	128	4,128
Additions in year	–	5	5
Disposals in year	–	(87)	(87)
At the end of the year	4,000	46	4,046
Depreciation			
At the start of the year	50	112	162
Charge for the year	51	7	58
Eliminated on disposal	–	(87)	(87)
At the end of the year	101	32	133
Net book value			
At the end of the year	3,899	14	3,913
At the start of the year	3,950	16	3,966

The above freehold land and buildings are 7 & 8 Hatherley Street, London which is occupied by the charity. A property assessment was made in November 2019 by Gerald Eve LLP, using the Royal Institute of Chartered Surveyors appraisal valuation, which indicated the recoverable amount was materially in line with the then carrying value of the properties. The carrying value was reduced from this valuation during 2022 reflecting a further review of the market value of the property. Trustees have considered market movements in the value of properties in the general area and consider no change to the carrying value of the property is needed for 2024.

The original historical cost value (from 2012) was £1,325k.

Land with a value of £1,470,000 (2023: £1,470,000) is included within freehold property and not depreciated. All of the above assets are used for charitable purposes.

For the year ended 31 December 2024

13 Listed investments

	2024 £'000	2023 £'000
Fair value at the start of the year	34,061	33,879
Additions at cost	4,969	21,961
Disposal proceeds	(7,824)	(23,280)
Increase in cash balances	382	(33)
Net gain/(loss) on change in fair value	1,764	1,534
	33,352	34,061

Investments comprise:

	2024 £'000	2023 £'000
Interest bearing stocks	3,650	7,473
Equities and collectives	24,918	24,904
Cash and cash equivalents	4,784	1,684
	33,352	34,061

Investments include an investment of £11,664 in Seaservers Limited, an unlisted company wholly owned by the charity. The accounts of the subsidiary have not been consolidated on the grounds of immateriality (see note 20)

14 Debtors

	2024 £'000	2023 £'000
Other debtors	5	9
Amounts due from subsidiary undertakings	2	16
Prepayments	53	25
Accrued income	66	449
	126	499

With the exception of listed investments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 15 below.

For the year ended 31 December 2024

15 Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Trade creditors	41	27
Taxation and social security	27	26
Grants payable	287	330
Accruals	108	142
	463	525

In addition to grants payable recognised above, a further £402,490 of grants have been awarded for financial years 2025 and beyond that are contingent on performance criteria being met before they are paid (prior year: £368,701 for 2024 and beyond).

16 Pension scheme

The Seafarers' Charity operates a defined contribution scheme for all employees. The assets of the schemes are held in separate funds administered by independent pension providers.

17 Financial instruments

	2024 £'000	2023 £'000
Financial assets measured at fair value through profit and loss		
Investments	33,352	34,061

18a Analysis of net assets between funds (current year)

	General unrestricted £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	3,562	27	324	3,913
Investments	26,108	3,755	3,489	33,352
Net current assets	5	–	–	5
Net assets at 31 December 2024	29,675	3,782	3,813	37,270

18b Analysis of net assets between funds (prior year)

	General unrestricted £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	3,615	27	324	3,966
Investments	25,882	4,436	3,743	34,061
Net current assets	411	–	–	411
Net assets at 31 December 2023	29,908	4,463	4,067	38,438

For the year ended 31 December 2024

19a Movements in funds (current year)

	At 1 January 2024 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 December 2024 £'000
Permanently endowed funds:					
Endowed general purposes	1,236	83	(6)	–	1,313
Inglis fund	1,146	76	(6)	(172)	1,044
South African Women's Auxillary service	470	32	(2)	(30)	470
David Richards Trust	958	64	(5)	(265)	752
Henry Herbert Wills fund	257	17	(1)	(39)	234
Total permanently endowed funds	4,067	272	(20)	(506)	3,813
Restricted funds:					
Restricted income and allocated total return from endowment funds	3		(506)	506	3
Royal Naval Officers fund	8	8	(14)	–	2
Beryl Joyce Threadkell legacy	31	2	–	–	33
Sheila Constance Woods legacy	4	–	–	–	4
Merchant Navy fund	77	41	(107)	–	11
Restricted activities	280	119	(113)	(262)	24
Projects	39	3	–	–	42
Fishing First restricted fund	138	(153)	15	–	–
International Fund for Fishing Safety	201	253	(296)	–	158
Merchant Navy South Africa scholarship	241	16	(101)	–	156
Royal Navy War Libraries fund	253	17	(36)	–	234
Arthur T Jeffress fund	3,188	213	(365)	–	3,036
Sea Veterans Fund	–	28	(30)	–	(2)
Maritime Charities Group Fund	–	81	–	–	81
Total restricted funds	4,463	628	(1,553)	244	3,782
Unrestricted funds:					
Designated funds:					
Seafarers' Impact boosting fund	11,855	–	–	(804)	11,051
Future Seafarers fund	18,053	–	–	(604)	17,449
Total designated funds	29,908	–	–	(1,408)	28,500
Revaluation reserve	–	–	–	–	–
General funds	–	2,635	(3,130)	1,670	1,175
Total unrestricted funds	29,908	2,635	(3,130)	262	29,675
Total funds	38,438	3,535	(4,703)	–	37,270

The narrative to explain the purpose of each fund is given at the foot of the note below.

For the year ended 31 December 2024

19b Movements in funds (prior year restated)

	At 1 January 2023	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 December 2023 £'000
Permanently endowed funds:					
Endowed general purposes	1,179	64	(7)	–	1,236
Inglis fund	1,093	60	(7)	–	1,146
South African Women's Auxillary service	509	28	(3)	(64)	470
David Richards Trust	1,032	58	(7)	(125)	958
Henry Herbert Wills fund	283	16	(2)	(40)	257
Total permanently endowed funds	4,096	226	(26)	(229)	4,067
Restricted funds:					
Restricted income and allocated total return from endowment funds	–	3	(229)	229	3
Royal Naval Officers fund	–	8	–	–	8
Beryl Joyce Threadkell legacy	29	2	–	–	31
Sheila Constance Woods legacy	84	5	(85)	–	4
Merchant Navy fund	27	150	(100)	–	77
Restricted activities	265	85	(70)	–	280
Projects	37	2	–	–	39
IAPH restricted fund	16	1	(17)	–	–
Fishing First restricted fund	160	(6)	(16)	–	138
Merchant Navy South Africa scholarship	262	15	(36)	–	241
Royal Navy War Libraries fund	275	15	(37)	–	253
Arthur T Jeffress fund	3,456	192	(460)	–	3,188
Total restricted funds	4,611	689	(1,066)	229	4,463
Unrestricted funds:					
Designated funds:					
Seafarers' Impact boosting fund	12,500	–	–	(645)	11,855
Future Seafarers fund	17,204	–	–	849	18,053
Total designated funds	29,704	–	–	204	29,908
Revaluation reserve	25			(25)	–
General funds	–	3,386	(3,207)	(179)	–
Total unrestricted funds	29,729	3,386	(3,207)	–	29,908
Total funds	38,436	4,301	(4,299)	–	38,438

For the year ended 31 December 2024

19 Movements in funds – purposes of funds

Purposes of restricted funds

Royal Naval Officers' Fund

To assist officers of the Royal Navy in need or distress

Beryl Joyce Threadkell Legacy

Funds made available for the Felixstowe Committee

van de Kastele Fund

For the education of children of any UK seafarer

Sheila Constance Wood Legacy

To assist Naval Officers' Widows

Merchant Navy Fund

Funds for Merchant Navy

Sailors' International Relief Fund (SIRF)

International Fund for Fishing Safety

A fund operated in partnership with the Lloyds Register Foundation to fund safety projects that will have a significant impact on improving fishing safety globally

Fishing First Restricted Fund

Donations given to support the Fishing First Safety Management projects

Projects and restricted activities

Various grants restricted as per the donor's request.

Arthur T Jeffress Fund

To assist officers and members of the Royal Navy and the Merchant Navy in need or distress

Merchant Navy South Africa Scholarship Fund

To further the educational and future career needs of seafarers' children

Royal Naval War Libraries Fund

To further the educational and future career needs of seafarers' children

Sea Veterans Fund

To assist men and women who served at sea during armed conflicts

Maritime Charities Group Fund

A fund held on behalf of the Maritime Charities Group, an informal partnership of charities working together to support seafarers and their families.

Purposes of Endowment funds

Endowed General Purposes

To relieve sickness, poverty and distress of seafarers.

Inglis Fund

To further the educational and future career

South African Women's Auxiliary Service

To further the educational and future career needs of seafarers' children.

David Richards Trust

To assist officers and men of the Royal Navy, the Merchant Navy and the Fishing Fleet in need or distress

Henry Herbert Wills Fund

To assist officers and men of the Royal navy, the Merchant Navy and the fishing fleet in need or distress.

For the year ended 31 December 2024

19 Movements in funds – purposes of funds (continued)

Purposes of designated funds

The Seafarers' Impact Boosting Fund

The Trustees have decided to reduce our reserves by 50% in real terms from 2015 to 2035, allowing us to set aside funds to boost our impact funding during this period. The value of this fund at the end of 2024 was £11.1m (2023: £11.9m).

The Future Seafarers' Fund

To ensure our ability to meet the longer-term needs of seafarers and their families, 50% of the real value of our reserves from 2015 has been set aside to

- maintain a meaningful level of grant giving to support our work beyond 2035
- retain up to 5 years' worth of grant giving in the event the charity were to cease to function, thus ensuring other maritime charities reliant on our support are not immediately subject to financial stress and have some assurance of funding during the aftermath.
- to support the running down costs of the charity for 5 years in the event it was to cease trading or require a major restructuring.

The value of this fund was £18.6m at the end of 2024 (2023: £18.1m).

20 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Seaservers Limited, a company registered in England. The company number is 00890342. The registered office address is 8 Hatherley Street, London, SW1P 2QT.

The subsidiary is used for non-primary purpose trading activities. The accounts of Seaservers have not been consolidated into these financial statements on the grounds of immateriality. Available profits are distributed under Gift Aid to the parent charity.

Mr P. G. Butterworth and Mrs D. Layde also served as directors of the subsidiary during the year.

Seaservers Limited underwent a financial restructure during December 2024 which involved converting some outstanding debt into equity held by the Charity. This unlisted equity holding is held at the historic cost of £11,664 in the accounts of the Charity at 31 December 2024.

A summary of the results of the subsidiary (year end March) is shown below:

	2024 £'000	2023 £'000
Turnover	-	-
Cost of sales	-	(10)
Gross profit/(loss)	-	(10)
Administrative expenses	-	(1)
Profit/(loss) on ordinary activities before taxation	-	(11)
Taxation on profit on ordinary activities	-	-
Profit/(loss) for the financial year	-	(11)
Retained earnings		
Total retained earnings brought forward	(38)	(27)
Profit/(loss) for the financial year	-	(11)
Total retained earnings carried forward	(38)	(38)
The aggregate of the assets, liabilities and reserves was:		
Assets	16	17
Liabilities	(54)	(55)
Reserves	(38)	(38)

Amounts owed to the parent undertaking are shown in note 14.

Administrative expenses above include a management charge of £nil (2023: £1,000) from the parent entity.

For the year ended 31 December 2024

22a Total return approach for investment of permanent endowment funds (current year)

	Individual funds					Total funds		
	Special Purposes Fund £'000	Inglis Fund £'000	South African Women's Auxillary service £'000	David Richards Trust £'000	Henry Herbert Wills fund £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
At the beginning of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	–	426
Unapplied total return	971	1,106	436	933	195	–	3,641	3,641
Total	1,236	1,146	470	958	257	426	3,641	4,067
Movements in the year								
Gift of endowment funds	–	–	–	–	–	–	–	–
Recoupment of trust for endowment	–	–	–	–	–	–	–	–
Allocation from trust for investment	–	–	–	–	–	–	–	–
Investment return:								
Dividends and interest	27	25	10	21	6		89	89
Realised and unrealised gains/(losses)	56	51	21	43	12		183	183
Less: investment management costs	(6)	(6)	(2)	(5)	(1)		(20)	(20)
Total	77	70	29	59	17	–	252	252
Unapplied total return allocated to income in the year	–	(172)	(30)	(265)	(39)	–	(506)	(506)
Net movements in the reporting period	77	(102)	(1)	(206)	(22)	–	(254)	(254)
At the end of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	–	426
Unapplied total return	1,048	1,004	435	727	173	–	3,387	3,387
Total	1,313	1,044	469	752	235	426	3,387	3,813

For the year ended 31 December 2024

22b Total return approach for investment of permanent endowment funds (prior year)

	Individual funds					Total funds		
	Special Purposes Fund £'000	Inglis Fund £'000	South African Women's Auxillary service £'000	David Richards Trust £'000	Henry Herbert Wills fund £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
At the beginning of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	-	426
Unapplied total return	914	1,053	475	1,007	221	-	3,670	3,670
Total	1,179	1,093	509	1,032	283	426	3,670	4,096
Movements in the year								
Gift of endowment funds	-	-	-	-	-	-	-	-
Recoupment of trust for endowment	-	-	-	-	-	-	-	-
Allocation from trust for investment	-	-	-	-	-	-	-	-
Investment return:								
Dividends and interest	19	17	8	17	4	-	65	65
Realised and unrealised gains/(losses)	45	43	20	41	12	-	161	161
Less: investment management costs	(7)	(7)	(3)	(7)	(2)	-	(26)	(26)
Total	57	53	25	51	14	-	200	200
Unapplied total return allocated to income in the year	-	-	-	(265)	(40)	-	(305)	(305)
Net movements in the reporting period	57	53	25	(214)	(26)	-	(105)	(105)
At the end of the year								
Gift component of the permanent endowment	265	40	34	25	62	121	-	426
Unapplied total return	971	1,106	436	933	195	-	3,641	3,641
Total	1,236	1,146	470	958	257	121	3,641	4,067

SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

England & Wales - Charity number 226446

Accounts



ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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REFERENCE AND ADMINISTRATIVE DATA



Patron

Her Majesty Queen Elizabeth II (1951-2022)
His Majesty King Charles III (from May 2024)

President

HRH The Duke of Edinburgh KT KG GCVO

Vice Presidents

The Chaplain of the Fleet
Admiral of the Fleet Sir Benjamin Bathurst GCB DL
Admiral Sir Jock Slater GCB LVO DL
Sir John Ritblat FRICS
F. M. Everard CBE
Captain D. C. Glass OBE MNM (Merchant Navy Medal)
Rt. Rev & Rt Hon Dame Sarah Mullally DBE
The Rt. Hon. The Lord Mayor of the City of London
The Rt. Worshipful The Lord Mayor of Westminster

Trustees

Mr Paul Butterworth AFNI (**Chair**)
Mr William Reid (**Deputy Chair**)
Mr Duncan Bain FCA (Chair of the Finance and Audit Committee)
Mrs Fleur Bassett (Surgeon Rear Admiral Fleur Marshall KHP RN)
Mr Nigel Blazeby (Chair of the Impact Committee from 19 September 2023)
Ms Deborah Cavaldoro
Captain Lee Clarke AFRIN (Chair of the Development Committee from 5 December 2023)
Mr Peter French (Chair of the Governance and Risk Committee from 28 June 2023)
Mr Martyn Gray
Mr Robert Greenwood MNM (Chair of the Impact Committee until 19 September 2023)
Mr Gerald Kidd
Ms Monica Kohli (Appointed 28 June 2023)
Mr William Lawes
Rear Admiral Iain Lower CB (Chair of the Development Committee) (Retired 5 December 2023)
Mr Jeremy Monroe (Chair of the Governance and Risk Committee) (Retired 28 June 2023)
Ms Natalie Shaw MBE FCIPD

Chief Executive

Mrs Deborah Layde

Operational name

The charity, Seafarers UK (King George's Fund for Sailors), operates under the name The Seafarers' Charity.

Registered office and operational address

8, Hatherley Street, London, SW1P 2QT

Charity Number 226446 (in England and Wales).
 SC038191 (in Scotland).

Auditors

Sayer Vincent LLP
110 Golden Lane, London, EC1Y 0TG

Bankers

National Westminster Bank plc
280 Bishopsgate
London, EC2M 4RB

Investment Managers

Ruffer LLP
80 Victoria Street
London, SW1E 5JL

Meridiem Investment Management Ltd (formerly Veritas Investment Partners)
Riverside House, 2a Southwark Bridge Road
London SE1 9HA

Abrdn Asset Managers
50 Lothian Road
Festival Square
Edinburgh, EH3 9WJ

1. SUMMARY

The trustees present their report and the audited financial statements for the year ended 31 December 2023.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the charity's Royal Charter and the Statement of Recommended Practice (SORP) - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

2. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

We support those who work at sea and their families globally. Our Vision is a world where seafarers and their families are valued and are free of need and disadvantage. Our Mission is to tackle the disadvantages of a seafaring life by leading collaboration, funding and advocacy that improves seafarers' lives. We seek to achieve this through working with, and grant funding, delivery partners and through directly commissioned advocacy and research.

We undertook a refresh of our strategy at the end of 2023, and this work now takes us through to 2030 with updated goals and Key Performance Indicators (KPIs) to ensure Trustees can clearly see the progress that is being made throughout the organisation as we work towards our goals. Our five strategic outcomes remain the same in terms of what we wish to achieve for seafarers and their families. These are Enhanced Financial Resilience; Better Working Lives at Sea; Improved Health and Wellbeing; Safer Working Lives at Sea; and Social Justice.

Trustees consider the Charity Commission guidance on public benefit when planning future activities, setting grant-making policies and in making grants. The positive impact expected from each grant is considered before a grant is awarded and monitored. This enables Trustees to be confident that the Charity achieved significant public benefit for several groups and individuals across the UK, the Commonwealth and globally. A diverse range of public benefit is provided by the number of charities and organisations we support each year, as they work to prevent the relief of poverty, advancement of health, and help people in need caused by disadvantage. Further information on the impact we have made can be found in the section below on achievement and performance and in our separately published Impact report, which can be found at <https://www.theseafarerscharity.org/what-we-do/our-impact>

3. ACHIEVEMENTS AND PERFORMANCE

Our grant-making is informed by the front-line work of the delivery partners we fund. We work closely with our delivery partners to enable greater impact to be achieved through supporting networking and collaboration, convening working groups and joining up aligned initiatives. Our position as the largest independent grant funder of maritime welfare services

affords unique insight and opportunities at the heart of an eco-system of maritime welfare services for people working at sea, and their families.

In 2023 there were 67 grants awarded to 50 different organisations who support the safety and welfare of seafarers, whether working or retired, in many different ways and with a wide range of welfare and support services. These services range from ship visiting, debt advice, hardship grants, relationship counselling and support for victims of sexual violence and harassment at sea. A total of just over £2.4m was awarded in grants and direct spending on advocacy, further details of which can be found on our website. Of this amount:

- £2.3m (96%) was awarded to charities registered in the UK. Outside of the UK we supported the International Christian Maritime Association, a seafarers' centre in the Falkland Islands and Mortrans Welfare Fund to aid Ukrainian seafarers and their families who have been displaced or impacted by the war in Ukraine.
- £1.9m (79%) contributed to an organisation's essential core costs, with the remaining 21% (£0.5m) awarded to support bespoke projects and innovations that benefit the welfare and safety of seafarers.
- £1.3m (54%) in grants supported services provided just for UK seafarers, whereas 46% (£1.1m) supported services for all seafarers – including global seafarers and UK citizens who are active seafarers.
- Of the total amount awarded, 84% (£2.0m) paid for welfare services such as ship visiting and hardship grants, whereas 16% (£0.4m) paid for preventative services which aim to tackle systemic problems at the root cause (such as bullying, sexual harassment and safety improvements).

In March 2023 we published our new funded research on The Port-based Welfare Needs of Women Seafarers from the Seafarers International Research Centre at Cardiff University. The research focused on women working on cargo ships and revealed their feelings of isolation and fear of sexual violence and harassment in a male dominated work environment as well as the lack of basic support for menstruation and other gender specific needs. To raise awareness of the report and the welfare needs of women seafarers that had been identified, an online seminar was held in partnership with the International Christian Maritime Association.

As a consequence of the research, online seminar and subsequent discussions that have taken place, many maritime welfare charities are now taking steps to recruit more female ship visitors, to ensure seafarer centres are stocked with feminine products and to proactively check in on women known to be part of a vessel's crew. To achieve Better Working Lives for women seafarers, The Seafarers' Charity also funded Sailors Society to develop peer group support for women seafarers globally. We committed funding to support the core costs of Salute Her UK to deliver trauma counselling in a single sex environment for women seafarers who have experienced sexual violence or harassment. In a new partnership with UK P&I Club and TK Foundation we committed co-funding for a three-year period to support the first member of staff to be employed at Safer Waves. Safer Waves is a new charity that supports all seafarers – male and female – who have experienced sexual violence or gender discrimination while working at sea. In 2024 we will develop a new campaign aimed at promoting and improving the safety of women seafarers. The research on The Port-based Welfare Needs of Women Seafarers is an example of how our funding of

research can help identify seafarers' welfare needs and inform our funding priorities to support these needs.

Growing concerns about the impact on seafarers' mental health of bullying, harassment, discrimination and violence at sea led The Seafarers' Charity to join forces with other similar maritime welfare charities with a global reach and shared values to achieve Better Working Lives at Sea. We want to raise awareness of the support that exists and ensure that seafarers know that they do not, and should not, have to tolerate inappropriate behaviour and toxic leadership when working at sea. The network aims to promote effective joined-up working, avoid duplication and to complement, contribute to, accelerate and amplify existing initiatives to create safe, positive working cultures for all seafarers. One newly funded initiative arising from this collaboration is our funding support for the development of a new training course from The Nautical Institute on Leadership and Management in a Maritime Context. The training aims to enhance leadership and management skills and to promote a shift in cultural expectations about acceptable workplace behaviours. It is anticipated that, over time, this may lead to a reduction in unacceptable behaviour onboard, improved leadership and, consequently, an improvement in the mental health and welfare of seafarers.

Another increasing area of concern and newly identified need is the welfare of crew working on superyachts. In partnership with UK Sailing Academy (UKSA) we convened two Superyacht Crew Welfare Roundtables which brought together many industry professionals, crewing agents, charities, and trade unions to consider how welfare support for superyacht crew could be strengthened. From the roundtables a small working group was formed. The group, now known as Changing Tack on Crew Welfare is chaired by The Seafarers' Charity and brings together the combined strengths of UKSA, the International Seafarers Welfare & Assistance Network (ISWAN) who run the Yacht Crew Helpline and Nautilus International who have over 4,000 superyacht crew in trade union membership. Early in 2024 the Changing Tack on Crew Welfare working group shared its work in an online seminar with the superyacht industry. Meanwhile there are a number of projects in development to strengthen and raise awareness of the range of support available to support superyacht crew to have Better Working Lives at Sea.

This year we renewed and stepped up our commitment to delivering on our Royal Charter object to promote Safer Working Lives at Sea. We were pleased to announce two new partnerships to improve fishing safety. The first, with the National Federation of Fisherman's Organisations (NFFO), aims to support improvements in fishing safety in the UK. During the year this included funding support for employment of the NFFO's Risk, Safety and Training Lead, a series of Fish Safe short educational YouTube films and funding a series of tests run by the Wolfson Unit on fishing vessel stability.

Our second fishing safety project aims to improve fishing safety throughout the globe. We were pleased to be asked by the Lloyd's Register Foundation to manage a new International Fund for Fishing Safety. Funded by the Lloyd's Register Foundation, we will work in partnership with the Fishing Industry Safety and Health (FISH) Platform (an international group of fishing safety experts) to identify and fund safety projects that will have the greatest impact on improving fishing safety. The Fund is specifically targeted on the Global South which is home to 80% of the world's fishers. We view this as an exciting development in our push to ensure Safer Working Lives at Sea for fishers all around our world.

Both of our fishing safety partnerships were spotlighted in a funded meeting of MPs at the All-Party Parliamentary Group (APPG) on Fisheries. In September, representatives from The Seafarers' Charity, NFFO and FISH Platform presented to Parliamentarians. From the APPG a policy brief has been developed which sets out our view that UK regulation of fishing safety needs to be improved through working with industry and developing an enhanced safety culture.

Broader maritime safety is the subject of a new podcast called Sea Views that we funded for the first time in 2023. Already the podcast has produced interesting episodes on new green fuels, toxic leadership, maritime pilots and the role of P&I Insurance. In 2024 we will explore what more we can do to support seafarers to have safer working lives at sea.

We were pleased to formally recognise the work of three of our funded charities who demonstrated accessibility, innovation and collaboration. Representatives from the International Seafarers Welfare & Assistance Network, CHIRP Maritime and Fishing Into the Future were presented with the President's Award by our President His Royal Highness, the Duke of Edinburgh at our Annual Meeting held at Waterman's Hall in June.

We continued our staff led Equity, Diversity and Inclusion journey which we began in 2020 following the death of George Floyd. We were delighted when our efforts were recognised by being shortlisted for the Safety4Sea's Crew Welfare Diversity & Inclusion Award for focusing on the welfare needs of women on cargo ships. We were also amongst the finalists for the Diversity and Inclusion Champion Award at the Maritime UK Awards 2023.

4. FUNDRAISING ACTIVITIES AND PRACTICES

The Seafarers' Charity is committed to fundraising in a legal, honest, respectful and transparent way. We aspire to do what is right for our supporters and remain fully committed to the principles laid out in our 'Supporter Promise' on our website ([Supporter Promise | The Seafarers' Charity \(theseafarerscharity.org\)](https://theseafarerscharity.org)).

The Seafarers' Charity carries out its core fundraising activities through a dedicated team working remotely and at its London office as well as through a small number of regional volunteers who engage in some fundraising activities across the UK.

The Charity's Development Team generates income through a mix of donations received from charitable trusts and foundations, corporate partnerships, individual donations and legacies, as well as fundraising challenge events.

In 2023 our fundraising performance was successful, and we exceeded our target budget by £0.5m. A notable highlight was support generated posthumously from legacy donors which contributed £1.4million to our fundraising income and is already supporting the generation of seafarers who come after our legacy donors. In addition, our year end Trust and Foundation income was boosted by the donation of the proceeds from the sale of a Victoria Cross awarded to a former Furness Withy employee. Harold Mugford was awarded the Victoria Cross for his valiant efforts during the Great War. The proceeds came to us via our long association with the Laurence Misener Charitable Trust.

As mentioned on page 5, our collaboration with Lloyd's Register Foundation initiated the creation of the International Fund for Fishing Safety, which The Seafarers' Charity will manage, and which received an initial £0.2m at the end of 2023 for the setup of this fund. There is more on this partnership on page 5 and in the Financial Review section, on page 8.

Development Committee Trustees agreed a new fundraising strategy focusing on positive return on investment and building on what we do well. Legacy income comprises 60% of funds raised and to leverage this strength we will intensify efforts towards connecting with potential legacy donors. Furthermore, in 2024, we aim to leverage our ties within the maritime sector, re-establish corporate partnerships and engage with companies who share our values to enhance the welfare of seafarers. This alignment will bolster our support for and subscription to fundraising challenge events, regular donors, sponsorships, and future legacy commitments. The Seafarers' Charity aims to expand its income through innovation. The Charity also seeks to build stronger relationships.

Fundraising standards

Committed to fundraising excellence, The Seafarers' Charity is registered with the Fundraising Regulator, adhering to its Code of Fundraising Practice. We value supporter feedback for continual improvement and received no formal fundraising complaints this year. We remain vigilant in monitoring our practices to maintain excellence. The Fundraising Regulator badge prominently displayed on our website and materials underscores our adherence to best practices, alongside compliance with General Data Protection Regulations.

General Data Protection legislation (GDPR)

The Seafarers' Charity has fostered a culture of GDPR compliance, respecting supporters' privacy. We only contact supporters who explicitly give their consent. We provide opt-out options and comply with GDPR regulations in all our communications. We are diligent in the management of data, ensuring all supporter data is properly protected, correctly used and safely stored. Our policies are transparent in our notices on our website and we uphold data protection through regular training of our staff and via internal controls and safeguards.

Supporter data and working with third-party fundraisers

We never share personal data with third party organisations for their own use. However, we collaborate with third-party organisations to assist with data processing, particularly those organisations with fundraising expertise. These external partners are carefully vetted and selected and share our commitment to privacy and data protection. We have written agreements with all third-party partner organisations involved in fundraising activities, outlining the legal obligations regarding data collection, storage, processing and sharing.

We have strengthened our data governance framework to ensure accountability, transparency, and compliance across all data processing activities. We have introduced a 'Know your Donor' policy to establish a clear process and procedure to ethically manage fundraising income. In addition, we have enhanced our workflows and communication channels to ensure we are timely in responding to individuals' rights over their personal data.

Volunteers

Our regional volunteers and longtime supporters, notably in Felixstowe and Bath, have continued to contribute to our fundraising income in 2023. We also have a key volunteer in our head office who provides support to us in a variety of ways, namely on policy development and governance insight, as well as contributing to external committees as needed. We are very grateful for their support.

Protecting vulnerable people

Understanding and protecting people in vulnerable circumstances is of paramount importance to us: we recognise that we may occasionally come into contact with people who are in a potentially vulnerable situation, or who may lack the capacity to make an informed decision about their giving. We follow guidelines regarding people in potentially vulnerable situations, and how to manage any interactions we may have with them. Our policy is informed by the Institute of Fundraising's 'Treating Donors Fairly Guidance'.

5. FINANCIAL REVIEW

The overall financial position of the charity has been stable during the year with a very small overall surplus of £2,000 for financial year 2023. Investment returns exceeded inflation after a disappointing 2022, although they were around 2% lower than our long-term annual investment return target. An increase of £0.6m in annual legacy giving offset the slight underperformance of investments against our long-term targets. Reserves were stable at £38.5m reflecting a reduction in real terms of £1.5m over the year, slightly above our annual target for reducing the real value of reserves by 50% between 2015 and 2035.

Our stable financial position and strong financial resources remain critical factors in our ability to support the maritime welfare sector in a sustainable and stable way through times of financial challenge like we have seen in the last few years. We were able to spend over £3m again in 2023 on activity related directly to making impact. This spend was possible despite us not benefitting in 2023 from a large financial funding partnership as we had in 2022 when we raised £0.4m additional funds for our Seafarers International Relief Fund and International Ports and Harbours Association funds. However, we were delighted to sign an agreement with Lloyds Register Foundation during 2023 that will provide funds over 2023/24 for a further £0.5m direct impact spend on initiatives to improve safety at sea. Section 3 on achievements and performance highlights some of the ways in which the £3m spent on impact during 2023 has been used to make a real difference to seafarers in the UK, Commonwealth and globally.

Our approach to fundraising has benefitted from a strategic review and refresh during 2023. During 2023, we consolidated our fundraising spend on our areas of strength around donations and legacies from our loyal individual supporters, donations from Trusts and Foundations who continue to be so generous in their funding and our 24 Peaks and London Marathon events that allow a wider audience to play a part in our vital work through both participation and sponsorship. We have plans to devote further financial resources to develop these strengths alongside working more closely with partner organisations with an interest in providing additional funding to the maritime welfare sector such as the Lloyds Register Foundation. While pleased that our overall return on fundraising investment after allocated costs rose to 2.3 x costs during 2023, compared with 1.7 x costs during 2022, we

continue to target increasing returns on the financial resources we invest in fundraising as we implement our refreshed strategy.

Investment Policy

The investments are maintained for the Charity's current and future needs. The investment policy balances the need for capital protection with the desire to secure investment returns. The Investment Managers are set targets to utilise their professional expertise. The Finance and Audit Committee oversee the management and performance of our investment managers. Investment managers report and discuss actual performances at each Finance and Audit Committee; this is then conveyed to each Trustee Board. The investment managers are allowed to use certain derivatives for protection purposes. The Seafarers' Charity promotes the health of seafarers and does not invest in any company which derives 10% or more of their income from tobacco products. The Seafarers' Charity also ensures that our asset managers apply effective social, environmental, and ethical policies that support our charitable objectives and values.

Reserves Policy

The Seafarers' Charity is grateful to past supporters who have enabled the charity to build a healthy level of reserves over the last 50 years. This financial strength is critical to the crucial role that The Seafarers' Charity plays in the ecosystem of maritime welfare support in the UK and globally. Uniquely, as an independent charity, we are able to rely on our financial strength to allow us to make long term commitments where others are unable to do this in an uncertain world. This is vital to smaller welfare charity partners in the sector who as a result of our financial strength are able to plan and invest confidently in the medium to long term projects needed to make a lasting impact on seafarers' welfare.

The needs of people who work in the maritime industry have been increasing in recent years and we believe they will continue to do so in the decades to come. This will be driven by known factors such as the growing global maritime trade and the continued cost of living pressures combined with greater uncertainties arising from more unpredictable major global factors (natural events such as tsunamis and extreme weather as well as wars, piracy, and civil unrest) and moves to increased automation in the maritime industry.

As a result, the Trustees of The Seafarers' Charity have adopted an approach to use reserves both to underpin meeting this growing need and to ensure that we remain a key supporter of seafarers for the longer term.

To that end, the Trustees have designated the following funds;

1. The Seafarers' Impact Boosting Fund. The Trustees have decided to reduce our reserves by 50% in real terms from 2015 to 2035, allowing us to boost our impact funding during this period by c.£1.3m per year including across endowment funds. The value of this fund at the end of 2023 was £11.9m.
2. The Future Seafarers' Fund. To ensure our ability to meet the longer-term needs of seafarers and their families, 50% of the real value of our reserves from 2015 has been set aside to
 - maintain a meaningful level of grant giving to support our work beyond 2035
 - to retain up to 5 years' worth of grant giving in the event the charity were to cease to function, thus ensuring other maritime charities reliant on our support are not

immediately subject to financial stress and have some assurance of funding during the aftermath.

- to support the running down costs of the charity for 5 years in the event it was to cease trading or require a major restructuring.

The value of this fund was £18.1m at the end of 2023.

Following declines in inflation adjusted investment values over the last few years, the value of our unrestricted reserves remained below its target value at the end of 2023 by around £3.5m. We have allocated this deficit to the Future Seafarers' Fund. The Trustees continue to monitor our reserves against targets on a regular basis throughout the year. While we expect our investment performance to return to target levels over the long term, if this does not happen then Trustees will re-consider how the Seafarers' Impact Boosting Fund should be run off in the period up until 2035.

As a result of this overall deficit in unrestricted reserves, there are no funds allocated to the General Reserve at present. Any contingency funds needed to manage immediate risks that materialise will be drawn from the Future Seafarers' Fund on a temporary basis allowing time for this fund to be replenished prior to 2035.

Approach to managing endowment funds

The Trustees adopted the total return approach to managing six of our endowment funds during 2022 and this was extended to the remaining Endowment funds during 2023. The flexibility permitted by this approach has allowed the Trustees to adopt the same run-off policy for these endowment funds as has been applied to our unrestricted funds (reducing the real value of the funds by 50% over the period from 2015-2035). A prior year adjustment was made to re-state the 2023 split between endowment funds and restricted funds to reflect adopting this approach for the remaining Endowment funds.

The Trustees undertook an investigation of how our endowment funds were classified as endowment funds historically. As a result of this investigation, it was found that three funds (the Arthur T. Jeffress fund, the Merchant Navy South Africa Scholarship fund and the Royal Naval War Libraries fund) had been classified as endowment funds by previous Trustees rather than the donors. The Trustees decided to reclassify these funds as restricted funds during 2023. A prior year adjustment to re-state the split between endowment funds and restricted funds was made on the basis that this represented a change in accounting policy for these three funds.

Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Seaservers Limited, a company registered in England (company number 00890342). Seaservers Limited had a cumulative operating deficit of £38,336 at the end of its last financial year on 31st March 2023 following a material reduction in income from its principal source of funding over the last couple of years. The Trustees have made a provision to reduce the carrying value of the intercompany loan the charity made to Seaservers Limited when it was set up. The principal activity of Seaservers Limited aligns with the objectives of the charity and the principal activity has been undertaken directly by the charity during 2022 and 2023. The Directors of Seaservers Limited will decide on the future of the company during 2024 in conjunction with the Charity.

6. PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees assess and understand the risks facing the Charity. The Trustee Board has delegated the day-to-day responsibility for the management of the risks to the Chief Executive and the Leadership Team (LT). The LT is responsible for the identification and assessment of risk and developing mitigation strategies and controls. The risk register is reviewed regularly at the LT meetings and reported to the Governance and Risk sub-committee.

The Governance and Risk sub-committee is responsible for overseeing and scrutinising the risk management systems, ensuring processes for managing risks are fit for purpose and implemented appropriately by management. The sub-committee monitors key risks exposures and escalates to the Trustee Board where necessary. The Trustee Board review the overall risk register.

The principal risks affecting the Charity continue to be around fundraising, investment values, potential cyber-attacks and maintaining the strong public reputation of the charity. The risks around achieving our fundraising targets have increased with the cost-of-living crisis and the LT and Trustees have updated our fundraising strategy during 2024 to enable us to focus on proven areas of success as well as some exciting new partnership initiatives we believe will support us in making an increased impact for seafarers in the future. Following a poor investment result in 2022, 2023 saw investment returns return to closer to our longer-term expectations and The Seafarers' Charity is in a good financial position that enables us to manage this risk through our financial strategy. The charity continues to invest in updating IT systems and training staff to identify cyber attacks. The charity has also undertaken a full strategic review of communications during the first part of 2024 with the aim of increasing the impact and effectiveness of our public communications.

7. PLANS FOR THE FUTURE

The Charity continues to implement its long term Thrive strategy which was refreshed during 2023. 2023's work focused on fundraising return on investment and the development of joint working initiatives with maritime corporates to release funds to address widely systemic long-term issues such as personal safety on board for all seafarers, male and female. To understand better how our grant funding produces change for seafarers we worked with the National Council of Voluntary Organisations (NCVO) to further improve grant monitoring and evaluation needed to meet our Mission and to better understand the impact of our grant making.

We recognise that fundraising and communications underpin our charitable work and in 2023 we further developed our fundraising and communication strategies to be implemented in 2024 to take us to 2030 and beyond.

A long-term analysis of past fundraising streams' returns on investment drove our in-year fundraising strategy development. We will now build on what we already do well, stopping what no longer works. Co-funding with corporate partners will be key to enabling a wide range of targeted welfare and safety support for seafarers. Whilst these partnerships deliver much needed funding, our work also unlocks corporate connections, knowledge and insight

to assist further in the alleviation of the welfare and safety needs of seafarers. We foresee that our collaborative working groups will continue to produce results in 2023 and beyond, including on programme development areas such as support for women's safety at sea and for superyacht crews.

The Trustee Board, together with our financial strength, affords us a strong independent position within the maritime sector. We are not accountable to ship owners, government or any other body other than our trustees. This means we are free to use our funding and our voice to speak up on behalf of seafarers and to highlight issues such as suicide at sea and sexual violence and harassment that others may be under pressure to keep concealed. Our financial strength means that we don't just talk about these problems but can actually put our funding behind supporting seafarers impacted by such issues and, ultimately, seek ways to prevent systemic issues in the first place so that seafarers have better working lives at sea. In 2024 we will continue our convening and funding work with specialist partners and funded organisations, on topics such as bullying and harassment in the superyacht sector. Our approach challenges convention, seeks new ways of working and utilises the input, skills, and abilities of a wide variety of interested partners as we work jointly towards long term solutions.

8. STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure

The Seafarers' Charity is a non-statutory body incorporated by Royal Charter. The Charter was originally granted in 1920 and, together with the Byelaws, provides the rules and guidelines under which The Seafarers' Charity operates. After approval by the Privy Council, Supplemental Charters were granted in 1949, 1960, 1976, 1992 and 2010.

Aims and purposes

The Charity's aims or purposes ('objects') set the framework for our grant-funding strategy and management and are:

- the relief of seafarers, their families or dependants who are in need, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth.
- the education and training of people of any age to prepare for work or service at sea, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth.
- the promotion of the efficiency and effectiveness of the maritime charitable sector within the Commonwealth.
- the promotion of safety at sea by providing support to organisations established within the Commonwealth.

Governance

Our Trustee Board consists of 15 Trustees of whom 4 are women, 7 have served at sea and 14 are, or were, involved with the maritime industry. Fourteen are UK based and one Trustee is based on the Isle of Man.

The Trustee Board meets three times a year to set and oversee our strategy and objectives, make decisions on strategic direction, and monitor effectiveness. The Board has delegated authority to Trustee sub-committees (Governance and Risk, Finance and Audit, Development, and Impact). Day-to-day operations and management are delegated to the Chief Executive and Leadership Team who provide regular reports to the sub-committees.

Trustee sub-committees perform a vital role in handling the information produced by the Leadership Team to be able to review the performance of the Charity, to advise and guide on key areas of activity, and provide recommendations, if necessary, to the Trustee Board. The Chair of each committee reports to the Trustee Board; minutes of committee meetings are available to all Trustees. The Seafarers' Charity is committed to maintaining the highest standards of governance and looks to continually improve its practices based on Charity Commission recommendations and the Charity Governance Code.

Appointment of Trustees

Appointment to the Trustee Board is done via an open recruitment and appointment process based on applicants' skills and experience matched against those required on the Board. The Nominations committee make recommendations to the Trustee board to co-opt new trustees during the year and subject to approval of the membership of the Corporation they are formally elected at the Annual Meeting.

Trustees are appointed for an initial term of up to three years and may be reappointed for two further terms of three years. The number of Trustees is subject to a maximum of 30 and must be greater than seven.

Trustee induction and training

Once appointed, trustees go through an induction programme to make sure they understand their role, the charity and applicable legislation. The content of the induction programme is reviewed annually and includes a mixture of formal training and meetings with Leadership Team and staff.

Declaration of interests

At each Trustee Board and sub-committee meeting, there is a standing agenda item for each Trustee to declare their interests. All Trustees complete a Register of Interests form annually and update it as required. The Register of Interests is also completed by members of the Leadership Team.

Risk Management

The Trustees assess and understand the risks facing the Charity. Risk management is covered under section 6 – principal risks and uncertainties.

Remuneration policy

Our pay and benefits help us to attract and retain the best people and keep colleagues engaged throughout their employment. Each role is benchmarked using external consultants 'Croner Rewards' who maintain an extensive pay database against which to evaluate our roles, ensuring we pay a competitive salary compared to similar organisations.

We are an accredited Living Wage employer, so we can ensure everyone who works for us can earn enough to live on. We aim to extend this to our supply chain when reviewing contracts. The Trustee Board reviews and approves annual pay increases, in line with inflation and affordability, for all staff. Trustees approved a pay rise of 6% for staff from 1 January 2024.

No Trustees are remunerated by the Charity. Travel and incidental expenses can be claimed. Remuneration of key management personnel is reviewed annually in the same way as other staff and benchmarked against other salaries in the sector.

Equity, Diversity, and Inclusion (EDI)

We are committed to being a diverse and inclusive charity to enable better support for seafarers, whether UK citizens or global seafarers, as supported by our partner charities.

Not only do we ensure we meet our statutory requirements in EDI, but we also aim to go beyond this by taking positive action and building a culture that champions diversity and inclusion internally as well as through supporting partner charities to achieve this.

It is clear that EDI is integral to good governance; thus, we encourage those we fund to work towards the Charity Governance Code, with Principles 5 and 6 as a priority if not already addressed. Our website details our work on EDI under our influence section.

9. 2023 CORPORATE AND INSTITUTIONAL SUPPORTERS

Trusts

Ann Jane Green Trust
Bedhampton Charitable Trust
Blair Foundation
Charities Trust
Dudley and Geoffrey Cox Charitable Trust
J B Bibby Fund
Joseph Strong Frazer Trust
Lloyd's Register Foundation
Martin Charitable Trust
Michael Cornish Charitable Foundation
Miss Mary Dunlop Murdoch Andrew Charitable Trust
Mrs F.B. Laurence Charitable Trust
PF Charitable Trust
R.W. Mann Trust
Sir Jeremiah Colman Gift Trust
Sir John and Lady Amory's Charitable Trust
The Annie Tranmer Charitable Trust
The Anson Charitable Trust
The Barbour Foundation
The Castanea Trust
The Chandris Foundation
The Charles Wolfson Charitable Trust
The Duffield (Tiverton) Charitable Trust
The Elizabeth and Prince Zaiger Trust
The Fort Foundation
The Frederick and Phyllis Cann Trust
The Gerald Bentall Charitable Trust
The Goldcrest Charitable Trust
The Hugh Fraser Foundation
The Loseley Christian Trust
The Peter Dixon Charitable Trust
The Russell Trust
The Swire Charitable Trust
The Sylvia and Colin Shepherd Charitable Trust
William Allen Young Charitable Trust

Corporates

Buxted Construction Ltd
Carnival Corporate Shipbuilding
Foreland Shipping Ltd
Furness Group Twenty Five Club
Halcyon Recruitment Ltd
HMS Penelope Association
Maersk
South West Company of Mariners
The United Kingdom Mutual Steam Ship Assurance Association
Thomas Miller Ltd
Carisbrook Shipping
Friday Shipping

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES



Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. 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 Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Annual Report has been approved by the trustees on 14 May 2024 and signed on their behalf by

Duncan Bain FCA
Trustee and Chair of the Finance and Audit Committee

Opinion

We have audited the financial statements of Seafarers UK (King George's Fund for Sailors) (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, 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 FRS 102 *The Financial Reporting Standard applicable in the UK and 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 31 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
- Have been prepared in accordance with the requirements of the Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Seafarers UK (The Seafarers' Charity, King George's Fund for Sailors'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 contained within the annual report. Our opinion on the financial

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)



statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)



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 is available 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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Date: 14 May 2024

Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

For the year ended 31 December 2023

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	2022 restated Total £'000
Income from:									
Donations and legacies	2	1,573	428	–	2,001	1,124	658	–	1,782
Other trading activities	3	156	–	–	156	84	–	–	84
Investments	4	469	76	65	610	332	51	44	427
Total income		2,198	504	65	2,767	1,540	709	44	2,293
Expenditure on:									
Raising funds									
Cost of generating voluntary income		777	–	–	777	931	–	–	931
Cost of fundraising events		160	–	–	160	171	–	–	171
Costs of managing investments		259	31	26	316	286	40	35	361
Charitable activities		2,011	1,035	–	3,046	2,209	1,398	–	3,607
Total expenditure	5	3,207	1,066	26	4,299	3,597	1,438	35	5,070
Net income/(expenditure) before net gain (losses) on investments	7	(1,009)	(562)	39	(1,532)	(2,057)	(729)	9	(2,777)
Net gains/(losses)/ on investments	13	1,188	185	161	1,534	(1,821)	(284)	(240)	(2,345)
Net income/(expenditure) after net gains/(losses) on investments		179	(377)	200	2	(3,878)	(1,013)	(231)	(5,122)
Transfers between funds		–	229	(229)	–	(49)	267	(218)	–
Net income / (expenditure) before other recognised gains and losses		179	(148)	(29)	2	(3,927)	(746)	(449)	(5,122)
Losses on revaluation of fixed assets		–	–	–	–	(778)	–	–	(778)
Net movement in funds		179	(148)	(29)	2	(4,705)	(746)	(449)	(5,900)
Reconciliation of funds:									
Total funds brought forward		29,729	4,611	4,096	38,436	34,434	664	9,238	44,336
Prior period adjustment	23	–	–	–	–	–	4,693	(4,693)	–
Total funds brought forward (as restated)		29,729	4,611	4,096	38,436	34,434	5,357	4,545	44,336
Total funds carried forward	19a	29,908	4,463	4,067	38,438	29,729	4,611	4,096	38,436

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

As at 31 December 2023

	Note	£'000	2023 £'000	2022 restated £'000
Fixed assets:				
Tangible assets	12		3,966	4,030
Investments	13		34,061	33,879
			<u>38,027</u>	<u>37,909</u>
Current assets:				
Debtors	14	499		419
Cash at bank and in hand		437		805
		<u>936</u>		<u>1,224</u>
Liabilities:				
Creditors: amounts falling due within one year	15	(525)		(697)
Net current assets			<u>411</u>	<u>527</u>
Total net assets	18a		<u><u>38,438</u></u>	<u><u>38,436</u></u>
The funds of the charity:	19a			
Permanently endowed funds			4,067	4,096
Restricted income funds			4,463	4,611
Unrestricted income funds:				
Designated funds		29,908		29,704
Revaluation reserve		-		25
General funds		-		-
		<u>-</u>		<u>-</u>
Total unrestricted funds			<u>29,908</u>	<u>29,729</u>
Total charity funds			<u><u>38,438</u></u>	<u><u>38,436</u></u>

Approved by the trustees on 14 May 2024 and signed on their behalf by

Mr P Butterworth
Chairman

Mr D Bain
Chairman, Finance & Audit Committee

For the year ended 31 December 2023

	Note	2023 £'000	£'000	2022 restated £'000	£'000
Cash flows from operating activities					
Net expenditure for the reporting period (as per the statement of financial activities)		(1,532)		(2,777)	
Depreciation charges		69		49	
Dividends, interest and rent from investments		(610)		(427)	
(Increase)/Decrease in debtors		(83)		183	
Decrease in creditors		(174)		(81)	
Net cash (used in) operating activities			(2,330)		(3,053)
Cash flows from investing activities:					
Dividends, interest and rents from investments		610		427	
Purchase of fixed assets		–		(5)	
Proceeds from sale of investments		23,280		25,270	
Purchase of investments		(21,928)		(22,435)	
Net cash provided by investing activities			1,962		3,257
Change in cash and cash equivalents in the year			(368)		204
Cash and cash equivalents at the beginning of the			805		601
Cash and cash equivalents at the end of the year			437		805

For the year ended 31 December 2023

1 Accounting policies

a) Statutory information

The Seafarers' Charity (King George's Fund for Sailors) is an unincorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address and principal place of business is 8 Hatherley Street, London, SW1P 2QT.

b) Basis of preparation

The financial statements 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 (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For the year ended 31 December 2023

1 Accounting policies (continued)

e) Income

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Dividends and Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Permanent endowment funds are funds normally arising as a result of a will where the income but not the capital sum can usually be spent

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, legacies, generating funds and investments.
- Expenditure on charitable activities includes the costs of grant making and related activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

For the year ended 31 December 2023

1 Accounting policies (continued)

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold buildings	2%
● Fixtures and fittings	10%
● Computer equipment	20%
● Office equipment	15%

Freehold land is not depreciated.

For the year ended 31 December 2023

1 Accounting policies (continued)

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Investments in subsidiaries

Investments in subsidiaries are at cost.

p) Debtors

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

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

t) Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

u) Pensions

The Fund operates a defined contribution scheme with the Aviva PLC for employees who choose to participate in the scheme. Participating staff are required to contribute a minimum of 5% of basic salary to which the Fund will contribute a further 7.5% of their basic salaries plus an amount equivalent to the reduced liability of Employer's National Insurance. Contributions are recognised in the SOFA in the year they were incurred.

For the year ended 31 December 2023

2 Income from donations and legacies

	Unrestricted £'000	Restricted £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	2022 restated Total £'000
Gifts	80	42	122	84	56	140
Corporate gifts	184	288	472	220	377	597
Grants received	–	(15)	(15)	5	220	225
Legacies	1,309	113	1,422	815	5	820
	<u>1,573</u>	<u>428</u>	<u>2,001</u>	<u>1,124</u>	<u>658</u>	<u>1,782</u>

Negative restricted grants received reflect the return of a donation following an agreed decrease in the scope of a project

3 Income from other trading activities

	Unrestricted £'000	Restricted £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	2022 restated Total £'000
Fundraising events	114	–	114	81	–	81
Recharges to other organisations	42	–	42	3	–	3
	<u>156</u>	<u>–</u>	<u>156</u>	<u>84</u>	<u>–</u>	<u>84</u>

4 Income from investments

	Unrestricted £'000	Endowment & Restricted £'000	2023 Total £'000	Unrestricted £'000	Endowment & Restricted £'000	2022 restated Total £'000
Dividends and interest	411	124	535	262	95	357
Rental income	58	17	75	70	–	70
	<u>469</u>	<u>141</u>	<u>610</u>	<u>332</u>	<u>95</u>	<u>427</u>

For the year ended 31 December 2023

5a Analysis of expenditure (current year)

	Raising funds							
	Cost of generating voluntary income £'000	Cost of fundraising events £'000	Costs of managing investments £'000	Charitable activities £'000	Governance costs £'000	Support costs £'000	2023 Total £'000	2022 Total £'000
Staff costs (note 8)	283	30	10	266	127	333	1,049	1,111
Other staff costs	1	1	–	3	10	5	20	22
Event and fundraising costs	64	100	–	–	2	7	173	145
Investment management costs	–	–	254	–	–	–	254	337
Grants–general	–	–	–	2,179	–	–	2,179	2,881
Grants–advocacy and campaigns	–	–	–	237	3	15	255	275
Other	32	1	52	79	25	180	369	299
	380	132	316	2,764	167	540	4,299	5,070
Support costs	303	21	–	216		(540)	–	–
Governance costs	94	7	–	66	(167)		–	–
Total expenditure 2023	777	160	316	3,046	–	–	4,299	
Total expenditure 2022	931	171	361	3,607	–	–		5,070

During 2023, the charity sold the investments it previously owned directly that were managed by Ruffer Investment Managers and invested the proceeds in a collective investment scheme managed by Ruffer and running the same investment strategy. Investment fees charged within the collective investment vehicle are not included in the investment management costs noted above, and the investment income from the collective investment vehicle is stated net of investment fees charged directly to the collective investment vehicle.

For the year ended 31 December 2023

5b Analysis of expenditure (prior year)

	Raising funds						
	Cost of generating voluntary income £'000	Cost of fundraising events £'000	Costs of managing investments £'000	Charitable activities £'000	Governance costs £'000	Support costs £'000	2022 Total £'000
Staff costs (note 8)	396	53	10	252	107	293	1,111
Other staff costs	3	3	–	2	8	6	22
Event and fundraising costs	66	77	–	–	2	–	145
Investment management costs	–	–	337	–	–	–	337
Grants–general	–	–	–	2,881	–	–	2,881
Grants–advocacy and campaigns	–	2	–	227	–	–	275
Other	61	1	3	16	102	162	299
	526	136	350	3,378	219	461	5,070
Support costs	232	20	6	132	71	(461)	–
Governance costs	173	15	5	97	(290)	–	–
Total expenditure 2022	931	171	361	3,607	–	–	5,070

For the year ended 31 December 2023

6 Grant making

Details of all grant awards in both periods can be found on the The Seafarers' Charity website at:
<https://www.theseafarerscharity.org/grant-funding/grant-funding-programmes>

7 Net income / (expenditure) for the year

This is stated after charging:

	2023 £'000	2022 £'000
Depreciation	69	49
Operating lease rentals receivable:		
Property	–	70
Auditor's remuneration (including VAT):		
Audit	19	18
Other services	–	–
	88	137

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £'000	2022 £'000
Salaries and wages	854	875
Redundancy and termination costs	–	14
Social security costs	73	90
Employer's contribution to defined contribution pension schemes	60	71
Other forms of employee benefits	15	21
Recruitment	47	40
	1,049	1,111

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,000 – £69,999	–	1
£70,000 – £79,999	1	–
£80,000 – £89,999	–	1
£100,000 – £109,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £350,000 (2022: £448,862).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,825 (2022: £812) incurred by 5 (2022: 3) members relating to attendance at meetings of the trustees and other meetings.

For the year ended 31 December 2023

9 Staff numbers

Staff are split across the activities of the charity as follows (head count based on average headcount figures):

	2023 No.	2022 No.
Raising funds	6	8
Charitable activities	4	5
Governance and support	9	10
	19	23

10 Related party transactions

Some members of the General Council are trustees of charities to which the Fund makes grants. The Grants Committee's procedures require all such interests to be declared and for these members to abstain from voting. Within the General Council no single member exercises control or influences over any particular grant approval.

During the year, legal advice was sought from Potheary Witham Weld Solicitors amounting to £4,200 (2022: £10,350). The firm's partner Mr Gerald Kidd served as a Trustee and is also member of the General Council. £4,200 was outstanding at the end of December 2023 and settled in January 2024 (2022: £nil outstanding at end December 2022).

Seaservers Limited is the trading subsidiary of The Seafarers' Charity, see note 20 for details of transactions between Seaservers Limited and The Seafarers' Charity.

Aggregate unrestricted donations from related parties were £30 (2022: £615).

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

For the year ended 31 December 2023

12 Tangible fixed assets

	Freehold property £'000	Fixtures and fittings £'000	Total £'000
Cost or valuation			
At the start of the year	4,000	221	4,221
Additions in year	–	–	–
Disposals in year		(93)	(93)
At the end of the year	4,000	128	4,128
Depreciation			
At the start of the year	–	191	191
Charge for the year	50	19	69
Eliminated on disposal		93	93
At the end of the year	50	112	162
Net book value			
At the end of the year	3,950	16	3,966
At the start of the year	4,000	30	4,030

The above freehold land and buildings are 7 & 8 Hatherley Street, London which is occupied and carrying out the operations of the charity. The property assessment was made in November 2019 by Gerald Eve LLP, using the Royal Institute of Chartered Surveyors appraisal valuation, which indicated the recoverable amount was materially in line with the current carrying value of the properties. The carrying value was reduced from this valuation during 2022 reflecting a further review of the market value of the property. Trustees have considered market movements in the value of properties in the general area and consider no change to the carrying value of the property is needed for 2023.

The original historical cost value (from 2012) was £1,325k.

Land with a value of £1,470,000 (2022: £1,470,000) is included within freehold property and not depreciated. All of the above assets are used for charitable purposes.

For the year ended 31 December 2023

13 Listed investments

	2023 £'000	2022 restated £'000
Fair value at the start of the year	33,879	39,060
Additions at cost	21,961	20,017
Disposal proceeds	(23,280)	(21,460)
Increase/(decrease) in cash balances	(33)	(1,393)
Net gain/(loss) on change in fair value	1,534	(2,345)
	34,061	33,879

Investments comprise:

	2023 £'000	2022 restated £'000
Interest bearing stocks	7,473	10,560
Equities and collectives	24,904	21,320
Cash and cash equivalents	1,684	1,999
	34,061	33,879

14 Debtors

	2023 £'000	2022 restated £'000
Other debtors	9	27
Amounts due from subsidiary undertakings	16	27
Prepayments	25	42
Accrued income	449	323
	499	419

With the exception of listed investments and property, both assets and liabilities are measured at amortised cost. The carrying values of these are shown above and also in note 15 below.

15 Creditors: amounts falling due within one year

	2023 £'000	2022 restated £'000
Trade creditors	27	34
Taxation and social security	26	22
Grants payable	330	500
Accruals	142	141
	525	697

In addition to grants payable recognised above, a further £368,701 of grants have been awarded for financial years 2024 and beyond that are contingent on performance criteria being met before they are paid.

For the year ended 31 December 2023

16 Pension scheme

The Seafarers' Charity operates a defined contribution scheme for all employees. The assets of the schemes are held in separate funds administered by independent pension providers.

17 Financial instruments

	2023 £'000	2022 restated £'000
Financial assets measured at fair value through profit and loss		
Investments	34,061	33,879

18a Analysis of net assets between funds (current year)

	General unrestricted £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	3,615	27	324	3,966
Investments	25,882	4,436	3,743	34,061
Net current assets	411	–	–	411
Net assets at 31 December 2023	29,908	4,463	4,067	38,438

18b Analysis of net assets between funds (prior year restated)

	General unrestricted £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	4,030	–	–	4,030
Investments	25,172	4,611	4,096	33,879
Net current assets	527	–	–	527
Net assets at 31 December 2022	29,729	4,611	4,096	38,436

For the year ended 31 December 2023

19a Movements in funds (current year)

	At 1 January 2023 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 December 2023 £'000
Permanently endowed funds:					
Endowed general purposes	1,179	64	(7)	–	1,236
Inglis fund	1,093	60	(7)	–	1,146
South African Women's Auxillary service	509	28	(3)	(64)	470
David Richards Trust	1,032	58	(7)	(125)	958
Henry Herbert Wills fund	283	16	(2)	(40)	257
Total permanently endowed funds	4,096	226	(26)	(229)	4,067
Restricted funds:					
Restricted income and allocated total return from endowment funds	–	3	(229)	229	3
Royal Naval Officers fund	–	8	–	–	8
Beryl Joyce Threadkell legacy	29	2	–	–	31
Sheila Constance Woods legacy	84	5	(85)	–	4
Merchant Navy fund	27	150	(100)	–	77
Restricted activities	265	85	(70)	–	280
Projects	37	2	–	–	39
IAPH restricted fund	16	1	(17)	–	–
Fishing First restricted fund	160	(6)	(16)	–	138
International Fund for Fishing Safety	–	217	(16)	–	201
Merchant Navy South Africa scholarship	262	15	(36)	–	241
Royal Navy War Libraries fund	275	15	(37)	–	253
Arthur T Jeffress fund	3,456	192	(460)	–	3,188
Total restricted funds	4,611	689	(1,066)	229	4,463
Unrestricted funds:					
Designated funds:					
Seafarers' Impact boosting fund	12,500	–	–	(645)	11,855
Future Seafarers fund	17,204	–	–	849	18,053
Total designated funds	29,704	–	–	204	29,908
Revaluation reserve	25			(25)	–
General funds	–	3,386	(3,207)	(179)	–
Total unrestricted funds	29,729	3,386	(3,207)	–	29,908
Total funds	38,436	4,301	(4,299)	–	38,438

During 2023 the Trustees reviewed the history of the classification of the Arthur T. Jeffress fund as a permanent endowment fund and concluded that the classification was based on a decision made historically by Trustees rather than a stipulation of the original donor. The Trustees decided to reclassify the fund as restricted but not endowed during 2023. Following investigations the Royal Navy War Libraries fund and the Merchant Navy South Africa Scholarship funds were both re-classified as non endowed restricted funds during 2023 as the classification as an endowment fund was made by previous trustees rather than the original donors.

The narrative to explain the purpose of each fund is given at the foot of the note below.

For the year ended 31 December 2023

19b Movements in funds (prior year restated)

	At 1 January 2022 .	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 December 2022 £'000
Permanently endowed funds:					
Endowed general purposes	1,241	12	(74)	–	1,179
Inglis fund	1,151	11	(69)	–	1,093
South African Women's Auxillary service	600	6	(36)	(61)	509
David Richards Trust	1,211	12	(73)	(118)	1,032
Henry Herbert Wills fund	340	3	(21)	(39)	283
Total permanently endowed funds	4,543	44	(273)	(218)	4,096
Restricted funds:					
Restricted income and allocated total return from endowment funds	–	–	(218)	218	–
Royal Naval Officers fund	72	1	(90)	17	–
van de Kastele fund	5	–	(5)	–	–
Beryl Joyce Threadkell legacy	31	–	(2)	–	29
Sheila Constance Woods legacy	182	2	(100)	–	84
Merchant Navy fund	39	67	(79)	–	27
Restricted activities	226	53	(14)	–	265
Projects	37	–	–	–	37
IAPH restricted fund	–	16	–	–	16
Fishing First restricted fund	–	219	(84)	25	160
Seafarers' International Relief Fund	51	306	(364)	7	–
Merchant Navy South Africa scholarship	310	3	(51)	–	262
Royal Navy War Libraries fund	325	3	(53)	–	275
Arthur T Jeffress fund	4,081	39	(664)	–	3,456
Total restricted funds	5,359	709	(1,724)	267	4,611
Unrestricted funds:					
Designated funds:					
Strategic operational fund	29,629	286	(1,793)	(28,122)	–
Seafarers' Impact boosting fund	–	–	–	12,500	12,500
Future Seafarers fund	–	–	–	17,204	17,204
Total designated funds	29,629	286	(1,793)	1,582	29,704
Revaluation reserve	852	–	(827)	–	25
General funds	3,953	1,254	(3,576)	(1,631)	–
Total unrestricted funds	34,434	1,540	(6,196)	(49)	29,729
Total funds	44,336	2,293	(8,193)	–	38,436

For the year ended 31 December 2023

19 Movements in funds – purposes of funds

Purposes of restricted funds

Royal Naval Officers' Fund

To assist officers of the Royal Navy in need or distress

Beryl Joyce Threadkell Legacy

Funds made available for the Felixstowe Committee

van de Kastele Fund

For the education of children of any UK seafarer

Sheila Constance Wood Legacy

To assist Naval Officers' Widows

Merchant Navy Fund

Funds for Merchant Navy

Sailors' International Relief Fund (SIRF)

Funds raised from a partnership between the shipping industry and maritime welfare charities to support seafarers internationally

International Association of Ports and Harbours Fund (IAPH)

Funds raised to support port and harbour workers internationally

International Fund for Fishing Safety

A fund operated in partnership with the Lloyds Register Foundation to fund safety projects that will have a significant impact on improving fishing safety globally

Fishing First Restricted Fund

Donations given to support the Fishing First Safety Management projects

Seafarers' Fund for Fishing Safety

A Global Fishing Safety Fund to support fisher-led safety initiatives that improve fisher safety and health

Projects and restricted activities

Various grants restricted as per the donor's request.

Arthur T Jeffress Fund

To assist officers and members of the Royal Navy and the Merchant Navy in need or distress

Merchant Navy South Africa Scholarship Fund

To further the educational and future career needs of seafarers' children

Royal Naval War Libraries Fund

To further the educational and future career needs of seafarers' children

Purposes of Endowment funds

Endowed General Purposes

To relieve sickness, poverty and distress of seafarers.

Inglis Fund

To further the educational and future career

South African Women's Auxiliary Service

To further the educational and future career needs of seafarers' children.

David Richards Trust

To assist officers and men of the Royal Navy, the Merchant Navy and the Fishing Fleet in need or distress

Henry Herbert Wills Fund

To assist officers and men of the Royal navy, the Merchant Navy and the fishing fleet in need or distress.

For the year ended 31 December 2023

19 Movements in funds – purposes of funds (continued)

Purposes of designated funds

The Seafarers' Impact Boosting Fund

The Trustees have decided to reduce our reserves by 50% in real terms from 2015 to 2035, allowing us to set aside funds to boost our impact funding during this period. The value of this fund at the end of 2023 was £12.5m.

The Future Seafarers' Fund

To ensure our ability to meet the longer-term needs of seafarers and their families, 50% of the real value of our reserves from 2015 has been set aside to

- maintain a meaningful level of grant giving to support our work beyond 2035
- retain up to 5 years' worth of grant giving in the event the charity were to cease to function, thus ensuring other maritime charities reliant on our support are not immediately subject to financial stress and have some assurance of funding during the aftermath.
- to support the running down costs of the charity for 5 years in the event it was to cease trading or require a major restructuring.

The value of this fund was £17.4m at the end of 2023.

20 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Seaservers Limited, a company registered in England. The company number is 00890342. The registered office address is 8 Hatherley Street, London, SW1P 2QT.

The subsidiary is used for non-primary purpose trading activities. The accounts of Seaservers have not been consolidated into these financial statements on the grounds of immateriality. Available profits are distributed under Gift Aid to the parent charity.

The trustees Mr P. G. Butterworth, Mr J.J.M. Monroe, Mrs D. Layde also served as directors of the subsidiary during the year.

A summary of the results of the subsidiary is shown below:

	2023 £'000	2,022 £'000
Turnover	–	6
Cost of sales	(10)	(18)
Gross profit/(loss)	(10)	(12)
Administrative expenses	(1)	6
Profit/(loss) on ordinary activities before taxation	(11)	(18)
Taxation on profit on ordinary activities	–	–
Profit/(loss) for the financial year	(11)	(18)
Retained earnings		
Total retained earnings brought forward	(27)	(9)
Profit/(loss) for the financial year	(11)	(18)
Total retained earnings carried forward	(38)	(27)
The aggregate of the assets, liabilities and reserves was:		
Assets	17	27
Liabilities	(55)	(54)
Reserves	(38)	(27)

Amounts owed to the parent undertaking are shown in note 14.

Included within administrative expenses above is a management charge of £1,100 (2022: £1,000) from the parent entity.

For the year ended 31 December 2023

22a Total return approach for investment of permanent endowment funds (current year)

	Individual funds					Total funds		
	Special Purposes Fund £'000	Inglis Fund £'000	South African Women's Auxillary service £'000	David Richards Trust £'000	Henry Herbert Wills fund £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
At the beginning of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	-	426
Unapplied total return	914	1,053	475	1,007	221	-	3,670	3,670
Total	1,179	1,093	509	1,032	283	426	3,670	4,096
Movements in the year								
Gift of endowment funds			-	-	-	-	-	-
Recoupment of trust for endowment			-	-	-	-	-	-
Allocation from trust for investment			-	-	-	-	-	-
Investment return:								
Dividends and interest	19	17	8	17	4		65	65
Realised and unrealised gains/(losses)	45	43	20	41	12		161	161
Less: investment management costs	(7)	(7)	(3)	(7)	(2)		(26)	(26)
Total	57	53	25	51	14	-	200	200
Unapplied total return allocated to income in the year	-	-	(64)	(125)	(40)		(229)	(229)
Net movements in the reporting period	57	53	(39)	(74)	(26)	-	(29)	(29)
At the end of the year								
Gift component of the permanent endowment	265	40	34	25	62	426		426
Unapplied total return	971	1,106	436	933	195	-	3,641	3,641
Total	1,236	1,146	470	958	257	426	3,641	4,067

For the year ended 31 December 2023

22b Total return approach for investment of permanent endowment funds (prior year restated)

	Individual funds					Total funds		
	Special Purposes Fund £'000	Inglis Fund £'000	South African Women's Auxillary service £'000	David Richards Trust £'000	Henry Herbert Wills fund £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
At the beginning of the year								
Gift component of the permanent endowment	265	40	34	25	62	426	-	426
Unapplied total return	976	1,111	566	1,186	278	-	4,117	4,117
Total	1,241	1,151	600	1,211	340	426	4,117	4,543
Movements in the year								
Gift of endowment funds			-	-	-	-	-	-
Recoupment of trust for endowment			-	-	-	-	-	-
Allocation from trust for investment			-	-	-	-	-	-
Investment return:								
Dividends and interest	12	11	6	12	3	-	44	44
Realised and unrealised gains/(losses)	(65)	(60)	(31)	(64)	(18)	-	(238)	(238)
Less: investment management costs	(9)	(9)	(5)	(9)	(3)	-	(35)	(35)
Total	(62)	(58)	(30)	(61)	(18)	-	(229)	(229)
Unapplied total return allocated to income in the year	-	-	(61)	(118)	(39)	-	(218)	(218)
Net movements in the reporting period	(62)	(58)	(91)	(179)	(57)	-	(447)	(447)
At the end of the year								
Gift component of the permanent endowment	265	40	34	25	62	121	-	426
Unapplied total return	914	1,053	475	1,007	221	-	3,670	3,670
Total	1,179	1,093	509	1,032	283	121	3,670	4,096

For the year ended 31 December 2023

23 Prior period adjustment

	Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
Reserves position	31 December 2022				1 January 2022			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Funds previously reported	29,729	664	8,043	38,436	34,434	664	9,238	44,336
Adjustments on restatement								
Adjustment 1	-	(46)	46	-	-	(23)	23	-
Adjustment 2	-	3,456	(3,456)	-	-	4,081	(4,081)	-
Adjustment 3	-	263	(263)	-	-	310	(310)	-
Adjustment 4	-	276	(276)	-	-	325	(325)	-
Funds restated	29,729	4,613	4,094	38,436	34,434	5,357	4,545	44,336

	Unrestricted	Restricted	Endowment	Total
Impact on income and expenditure	31 December 2022			
	£'000	£'000	£'000	£'000
Net income / (expenditure) as previously reported	(4,705)	(2)	(1,193)	(5,900)
Adjustments on restatement				
Adjustment 1	-	(23)	23	-
Adjustment 2	-	(625)	625	-
Adjustment 3	-	(47)	47	-
Adjustment 4	-	(49)	49	-
Net income / (expenditure)	(4,705)	(746)	(449)	(5,900)

Details of adjustments

Adjustment 1	Prior year endowment investment income was reallocated from restricted funds to the endowment funds following the change of accounting policy adopted in 2023 to move to the total return approach for the remaining endowment funds that didn't adopt the policy during 2022.
Adjustment 2	Following an investigation, the Trustees ascertained that the Arthur T Jeffress fund was classified as an endowment fund by previous Trustees rather than by the donor. The Trustees decided in 2023 to remove this discretionary endowment classification and add the funds to restricted funds.
Adjustment 3	Following an investigation, the Trustees ascertained that the Merchant Navy South Africa fund was classified as an endowment fund by previous Trustees rather than by the donor. The Trustees decided in 2023 to remove this discretionary endowment classification and add the funds to restricted funds.
Adjustment 4	Following an investigation, the Trustees ascertained that the Royal Navy War Libraries fund was classified as an endowment fund by previous Trustees rather than by the donor. The Trustees decided in 2023 to remove this discretionary endowment classification and add the funds to restricted funds.

SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

England & Wales - Charity number 226446

Accounts



ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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Patron (1951-2022)

Her Majesty Queen Elizabeth II

Thank you Ma'am. Your contribution and support will forever be remembered

President

HRH The Duke of Edinburgh KG GCVO

Vice Presidents

The Chaplain of the Fleet

Admiral of the Fleet Sir Benjamin Bathurst GCB DI

Admiral Sir Jock Slater GCB LVO DL

Sir John Ritblat FRICS

F. M. Everard CBE

Captain D. C. Glass OBE MNM

Rt Rev & Rt Hon Dame Sarah Mullally DBE

The Rt. Hon. The Lord Mayor of the City of London

The Rt. Worshipful The Lord Mayor of Westminster

Trustees

Mr Paul Butterworth AFNI **(Chair)**

Mr William Reid **(Deputy Chair)**

Mr Duncan Bain FCA (Chair of the Finance and Audit Committee)

Surgeon Commodore Peter Buxton OBE (Retired 14 June 2022)

Mr Mark Carden (Retired 14 June 2022)

Mr Mark Dickinson (Retired 14 June 2022)

Mr Peter French

Mr Robert Greenwood MNM (Chair of the Impact Committee)

Mr Gerald Kidd

Mr William Lawes

Rear Admiral Iain Lower CB

Mr Jeremy Monroe (Chair of the Governance and Risk Committee)

Ms Natalie Shaw MBE FCIPD

Ms Nusrat Ghani MP (Resigned 22 September 2022)

Mrs Fleur Bassett (Surg Cdre Fleur Marshall KHP RN) (Appointed 14th June 2022)

Mr Martyn Gray (Appointed 14th June 2022)

Ms Deborah Cavaldoro (Appointed 14th June 2022)

Mr Nigel Blazeby (Appointed 14th June 2022)

Captain Lee Clarke (Appointed 14th June 2022)

Chief Executive

Mrs Deborah Layde – Appointed July 2022

Mrs Catherine Spencer OBE – Resigned July 2022

REFERENCE AND ADMINISTRATIVE DATA



Operational name

The charity, Seafarers UK (King George's Fund for Sailors), operates under the name The Seafarers' Charity.

Registered office and operational address

8, Hatherley Street, London, SW1P 2QT

Charity Number

226446

Auditors

Sayer Vincent LLP
Invicta House 108-114 Golden Lane
London, EC1Y 0TL

Bankers

National Westminster Bank plc
280 Bishopsgate
London, EC2M 4RB

Investment Managers

Ruffer LLP
80 Victoria Street
London, SW1E 5JL

Veritas Investment Partners (UK) Limited
Riverside House
2a Southwark Bridge Road
London SE1 9HA

1. SUMMARY

The trustees present their report and the audited financial statements for the year ended 31 December 2022.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the charity's Royal Charter and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

2. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

We support those who work at sea and their families both in the UK and internationally. Our vision is a world where seafarers and their families are valued and are free of need and disadvantage. Our mission is to tackle the disadvantages of a seafaring life by leading collaboration, funding and advocacy that improves seafarers' lives. We seek to achieve this through working with and grant funding delivery partners and through directly commissioned advocacy and research.

Our current five year strategy focusses on five strategic outcomes that we aim to achieve for seafarers and their families. These are Enhanced Financial Resilience; Better Working Lives at Sea; Improved Health and Wellbeing; Safer Working Lives at Sea; and Social Justice.

The trustees have had regard to the Charity Commission's guidance on public benefit.

Trustees consider the Charity Commission guidance on public benefit when planning future activities, setting grant-making policies and in making grants. The positive impact expected from each grant is considered before a grant is awarded and monitored. This enables Trustees to be confident that the Charity achieved significant public benefit for several groups and individuals across the UK and the Commonwealth. A diverse range of public benefit is provided by the number of charities and organisations we support each year, as they work to prevent the relief of poverty, advancement of health, and help people in need by means of disadvantage. Further information on the impact we have made can be found in the section below on achievement and performance and in our separately published Impact report, which can be found at <https://www.theseafarerscharity.org/what-we-do/our-impact>

3. ACHIEVEMENTS AND PERFORMANCE

The past three years have seen crises such as COVID-19 and the war in Ukraine disrupt and impact the working lives of seafarers. Over these three years of crisis, The Seafarers' Charity has injected over £10m in funding to support those at sea, and also their families at home who are experiencing the cost of living crisis. The uncertainty of extended contracts, a lack of shore leave, the dangers of being on a vessel stranded in the Black Sea and Sea of Azov and redundancies in the sector mean that financial support for the welfare of seafarers has never been needed more.

In 2022 we were proud to award over £2.9m in grant funding to 61 different delivery partners working to support seafarers at sea and at home. This amount included £365,000 raised from the international shipping community and awarded via the Seafarers International Relief Fund (SIRF) which is managed by The Seafarers' Charity. It was agreed to change the remit of SIRF from providing pandemic support to seafarers in India and Philippines, to instead support seafarers and their families impacted by the war in Ukraine. For the most part support in Ukraine was delivered by the International Seafarers Welfare & Assistance Network and the Mortrans Welfare Fund, based in Ukraine, working together to award individual hardship grants for basic needs. Grant support for accommodation costs in both Poland and Aberdeen was also provided as necessary for those who needed to flee their war torn homes and for seafarers on shore leave in Aberdeen who did not want to risk returning to the Ukraine.

Our grant funding is focused on supporting the safety and welfare of seafarers through five strategic outcomes identified in our Thrive strategy. This is what our funding achieved in 2022:

Better working lives at sea

£787,027 was awarded in grants to 14 organisations to support seafarers to have better working lives at sea. This included funding welfare support at seafarer centres in Bristol, the Humber, Port Stanley in the Falklands Islands, and various African ports. A regular contribution is awarded towards the core costs of the large international maritime welfare charities such as the Mission to Seafarers, Stella Maris and the Sailors Society, whose welfare staff provide a friendly face and support for visiting seafarers at ports around the world. The Sailors Society also received funding for their Crisis Response Network. The Mission to Seafarers were awarded a grant for their advocacy work in the United Arab Emirates – a known hot spot for seafarer abandonment. The International Seafarers Welfare & Assistance Network were awarded grant support for Seafarer Help – a 24/7 confidential multilingual helping providing information and advice on contractual, relationship and personal issues. The UK Fishing Fleet received funding to support their participation in fisheries management via a grant for Fishing Into The Future. The Cornish Fish Producers Organisation also received a grant to deliver the Fathom Podcast which aims to delve deeper into issues affecting UK fishing.

Enhanced Financial Resilience

£750,833 was awarded in grants to 14 organisations to enhance the financial resilience of seafarers. This amount includes financial support for the Advice and Information Line which provides a Citizens Advice telephone service offering advice on welfare benefits, debt, housing and other issues to UK seafarers and their families.

If you are interested in further detail on our impact, you can find our Impact Report on our website (www.theseafarerscharity.org). Some highlights of our achievements in making a positive impact for seafarers and their families in our target areas during 2022 are noted below.

Enhanced financial resilience

Grants totalling £142,000 were awarded to enable a project to support 200 seafarers per year suffering financial hardship in Hull, Portsmouth and Southampton through the Nautilus Welfare Fund for a further 2 years. The project secured £442k in benefits and grants for seafarers in hardship in 2021.

We also provided financial support to initiatives to ease the impact on children of seafarers of living in poverty, to provide bespoke financial training courses for seafarers, to provide vital emergency support to Filipino seafarers and their families devastated by Typhoon Rai and to provide emergency support to a family of a serving member of the Royal Navy on the arrival of triplets with significant health support needs.

Better working lives at sea

£120,000 of grant funding enabled a partner organisation to provide a free digital service to support families across the world affected by traumatic events like piracy, abandonment and natural disasters. This reduced the long term damage that traumatic events can have on seafarers' and their families' mental health.

We also provided support to enable the continuation of a podcast providing access to enable cross industry discussion of topics vital to fishers, the set up of a representative body and legal advice for small scale inshore fishers, and to fund three chaplains providing suicide prevention support and counselling to distressed seafarers suffering from isolation.

Safer working lives at sea

A grant of £150,000 was made to allow a partner organisation to fund a project enabling fishers to access financial support for enhancing the safety culture on vessels and keeping seafarers safe at sea.

We also completed a pilot project for our Fishing First safety audit initiative that aims to improve safety and welfare standards in fishing around the UK coastline and provided funding for the complementary Confidential Human Factors Incident Reporting Programme ("CHIRP") to reduce risk in the merchant and fishing fleets.

Improved Health and wellbeing

An £80,000 grant funded two welfare roles to support the wellbeing of students training to become seafarers on professional yachts. We also provided a grant to fund the development of an App providing confidential help to seafarers facing an emotional crisis.

Increased social justice

We are proud that our staff led initiatives on equality, diversity and inclusion ("EDI") have been shared with a number of our partner organisations, helping to embed a better understanding of EDI in the design and provision of services by partner organisations.

We have provided grants to help respond to human rights abuses in the Middle East region, to support the health and wellbeing of LGBT+ Armed Forces members affected by the ban on LGBT+ personnel serving in the Armed forces prior to 2000 and to fund development of a number of resources to help migrant workers better understand their labour rights within UK waters.

4. FUNDRAISING ACTIVITIES AND PRACTICES

The Seafarers' Charity is committed to fundraising in a legal, honest, respectful and transparent way. We aspire to do what is right for our supporters and remain fully committed to the principles laid out in our 'Supporter Promise' (available on request).

The Seafarers' Charity carries out its core fundraising activities through a dedicated team working remotely and at its London office as well as through a small number of regional volunteers who engage in small-scale fundraising activities across the UK.

The Charity's Development Team generates income through a mix of grants received from charitable trusts and foundations, corporate donations, partnerships and sponsorship, individual donations and legacies, as well as fundraising and challenge events.

During 2022 our fundraising performance was mixed although overall our fundraising was only slightly below our target for the year. We were successful in raising over £300,000 in an emergency appeal for Ukrainian seafarers which was used to provide much needed relief to seafarers impacted by the war. We have also been successful in raising additional grant funding to support our Fishing First Safety Management initiatives. However like many charities in the sector our fundraising was impacted adversely as donors and potential donors had to reduce giving due to the cost of living crisis in the UK.

The Trustees conducted a review of our fundraising strategy during 2022 in the light of our experience over the last couple of years, which were impacted by the Covid 19 pandemic. The Trustees have agreed a revised fundraising strategy commencing in 2023 which will increase our focus on fundraising in areas of known strength such as legacy donors, our family of personal donors and our valued Trust and foundations donors. At the same time, the charity will focus on untapped areas of niche strength which we believe offer opportunities for increasing our income. This will include leveraging our research and advocacy work by seeking to persuade corporations and agencies to back projects of significant impact in areas of specific need. We are already encouraged by evidence of some initial success in this area.

Fundraising standards

As part of our commitment to ensuring the highest standards in fundraising, The Seafarers' Charity is registered with the Fundraising Regulator, and adheres to the standards of the Fundraising Codes of Practice.

We are keen to hear from our supporters if they believe there is something we did not get right, so we can learn where we can improve. During the year, we received no formal complaints about our fundraising activities. We will continue to monitor our practices and processes to ensure we uphold the highest of standards.

We display the Fundraising Regulator badge on our website and in fundraising collateral to demonstrate our commitment to best practice.

General Data Protection legislation (GDPR)

We have embedded an excellent culture of awareness and good practice across the organisation to ensure the data we hold is GDPR compliant. We are always looking to maintain these high standards, and continually strive to make improvements where we can identify opportunities. We take privacy seriously so that our supporters can trust us with their data.

We only contact supporters who have given unambiguous and explicit permission for us to contact them using their specified method, for marketing activity, including fundraising support. All our communications to supporters include information on how to opt-out of any future communications and are checked for compliance before they go to print.

The Charity's policies relating to the GDPR are reflected in the Data Protection Notice that is included in all direct communications with supporters, as well as the Privacy Policy which is displayed on our website. We are signed up to the Fundraising Preference Service and maintain our own suppression list. We ensure that all personal information that we need in running the Charity is properly protected, correctly used and safely stored. All employees are mandated to regularly complete training on the GDPR.

Supporter data and working with third-party fundraisers

We never pass on any personal data to third party organisations for their own purposes. We do, however, ask third-party organisations to help process our data and work closely with several external organisations who have specific fundraising expertise and that take privacy and data protection as seriously as we do. This is supported by written agreements with all our third-party partner organisations who support the Charity's fundraising activities. All such agreements are subject to legal contract, including how data is collected, stored, processed and shared.

Volunteers

Our regional volunteers have engaged in small select fundraising activities during 2022.

Protecting vulnerable people

Understanding and protecting people in vulnerable circumstances is of paramount importance to us: we recognise that we may come into contact with people who are in a potentially vulnerable situation, or who may lack the capacity to make an informed decision about their giving. We follow guidelines regarding people in potentially vulnerable situations, and how to manage any interactions we may have with them. Our policy is informed by the Institute of Fundraising's 'Treating Donors Fairly Guidance'.

5. FINANCIAL REVIEW

The overall financial position of the charity has deteriorated during the year due to the dramatic underperformance of the investment portfolios against their inflation +3.5% target. With inflation running at 10.8% during 2022, our target annual portfolio returns were a hefty 14.3%. The combined portfolios generated an actual return of -6% giving an underperformance of over 20% vs the inflation linked target following a period of excess returns in previous years. This was equivalent of a c£7m

deficit in the investment result versus our sustainable annual target. Unrestricted reserves are now at 90% of target following this investment loss, which is at the low end of our target range of 90%-110% of target. Trustees will continue to monitor this closely during 2023 and in accordance with our financial strategy will make a reduction in our long term sustainable rate of return assumptions if necessary. Should this be necessary then it would likely reduce the level of the charity's own funds that would be available for impact spending in future years.

Other than our investment losses, our overall income of £2.3m was broadly in line with targets during the year. Fundraising was mixed with £0.3m of emergency funds raised for seafarers adversely affected by the war in Ukraine and £0.2m raised to support our Fishing First Safety Management initiative offset by a decline in underlying non legacy giving. Our principal sources of income continue to be fundraising (see section 4 for further details) and the returns from our reserves (see section on reserves policy for further details).

Our direct charitable expenditure of £3.4m, which the Trustees regard as a key indicator of our financial success as a charity, was £0.6m above target. This reflected the application of funds raised for Ukraine Seafarers (£0.3m) and a further £0.2m released from endowment funds. The latter followed the application of our unrestricted reserves run-off approach to endowment funds enabled by a move during 2022 to adopt the total return approach to managing six of the endowment funds. Charitable spend in 2022 was £0.4m lower than in 2021, reflecting the reduced level of emergency funding raised in 2022 (for Ukrainian seafarers) compared with 2021 (for seafarers suffering hardship due to the Covid 19 pandemic and Typhoon Rai).

Expenditure on support and governance of £0.7m was in line with target and £29,000 lower than in 2021 despite inflation running at 10.8% over 2022. This reflected our ongoing drive to reduce spend in these areas so as to maximise the financial resources we can apply directly to our charitable activities.

Overall, the Trustees were pleased that the financial strategy adopted in 2021, with its focus on sustainable long term investment returns rather than short term market fluctuations, has given confidence to sustain our level of impact spend through 2022 and into 2023 despite these shorter term investment market falls.

Investment Policy

The investments are maintained for the Charity's current and future needs. The investment policy balances the need for capital protection with the desire to secure investment returns. The Investment Managers are set targets to utilise their professional expertise. The Finance and Audit Committee take an overview of the total impact and individual portfolio performances. Investment managers report and discuss actual performances at each Finance and Audit Committee; this is conveyed to each General Council. The investment managers are allowed to use certain derivatives for protection purposes, after prior approval from the Finance and Audit Committee. The Seafarers' Charity promotes the health of seafarers and does not invest in any

company which derives 10% or more of their income from tobacco products. The Seafarers' Charity also ensures that our asset managers apply effective social, environmental and ethical policies that support our charitable objectives and values.

Reserves Policy

The Seafarers' Charity is fortunate to have built a healthy level of reserves over the last 50 years which has enabled us to make a consistent and growing impact on seafarer welfare through our maritime charity partners both in the UK and abroad. We aim to use our financial resources to meet entrenched need for seafarers past and present but also advocate for change where it is needed and to address new demand as and where it arises. Thanks to our expert assessment and monitoring, we can respond quickly to emerging need wherever it arises. Our financial stability is a key factor in underpinning that ability.

The needs of people who work in the maritime industry have been increasing in recent years and we believe they will continue to do so in the decades to come. This will be driven by known factors such as the growing global maritime trade and the continued cost of living pressures combined with greater uncertainties arising from more unpredictable major international factors (natural events such as tsunamis and extreme weather as well as wars, piracy and civil unrest) and moves to increased automation in the maritime industry.

As a result, the Trustees of The Seafarers' Charity have adopted an approach to use reserves both to underpin that growing need and to ensure that we remain a key supporter of seafarers for the longer term.

To that end, the Trustees have decided;

1. To reduce our reserves by 50% in real terms from 2015 to 2035, allowing us to boost our impact funding by c.£1.3m per year including across endowment funds. The £12.5m of reserves earmarked for this are contained in the designated reserve called the Seafarers Impact Boosting Fund.
2. To ensure our ability to meet the longer term needs of seafarers and their families, to set aside a designated reserve to;
 - Maintain a meaningful level of grant giving beyond 2035
 - To retain up to 5 years' worth of grant giving in the event the charity were to cease to function, thus ensuring other maritime charities reliant on our support are not immediately subject to financial stress and have some assurance of funding during the aftermath.
 - To support the reduced running down costs of the charity for 5 years in the event it were to cease trading or require a major restructuring.

The £17.2m of reserves earmarked for these are contained in the designated reserve called the Future Seafarers' Fund.

Following recent declines in investment values, the value of the Future Seafarers' Fund was below its target value at the end of 2022. Consequently, there are no funds allocated to the General Reserve at present. Any contingency funds needed to manage immediate risks that materialise will be drawn

from the Future Seafarers Fund on a temporary basis allowing time for this fund to be replenished prior to 2035.

Approach to managing endowment funds

The Trustees adopted the total return approach to managing six of our endowment funds during 2022. The flexibility permitted by this approach has allowed the Trustees to adopt the same run-off policy to these endowment funds as has been applied to our unrestricted funds (reducing the real value of the funds by 50% over the period from 2015-2035). A prior year adjustment was made to re-state the 2021 split between endowment funds and restricted funds to reflect this approach.

Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Seaservers Limited, a company registered in England (company number 00890342). Seaservers Limited had a cumulative operating deficit of £27,000 at the end of its last financial year on 31st March 2022 following a material reduction in income from its principal source of funding. The Trustees have made a provision to reduce the carrying value of the intercompany loan the charity made to Seaservers Limited when it was set up. The principal activity of Seaservers Limited aligns with the objectives of the charity and the principal activity has been undertaken directly by the charity during 2022. The Directors of Seaservers Limited will make a decision on the future of the company during 2023 in conjunction with the Charity.

6. PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees assess and understand the risks facing the Charity. The General Council has delegated the day-to-day responsibility for the management of the risks to the Chief Executive and the Leadership Team (LT). The LT is responsible for the identification and assessment of risk and developing mitigation strategies and controls. The risk register is regularly reviewed at the LT meetings and reported to the Governance and Risk sub-committee.

The Governance and Risk sub-committee is responsible for overseeing and scrutinising the risk management systems, ensuring processes for managing risks are fit for purpose and implemented appropriately by management. The sub-committee monitors key risks exposures and escalates to the General Council where necessary. The General Council additionally review the overall risk register.

The principal risks affecting the Charity are around fundraising and investment values. The risks around us achieving our fundraising targets have increased with the cost of living crisis. The LT and Trustees are in the process of updating our fundraising strategy to enable us to focus on proven areas of success as well as some exciting new initiatives we believe will support us making an increased impact for seafarers in the future. As noted in the financial review, 2022 was a bad year for investment returns but The Seafarers' Charity is in a good financial position that enables us to manage this risk through our financial strategy.

The risks arising from the COVID-19 pandemic continued to reduce during the year although the Trustees and LT continue to monitor the outbreaks and the impact of these.

7. PLANS FOR THE FUTURE

The Charity continues to implement its 5 year Thrive strategy introduced in 2021. This sets out how we will work with delivery partners, how we will fundraise and how we will collaborate with the maritime sector.

The Leadership Team and Trustees continue to evaluate the lessons learned from implementing this strategy over the last 2 years and will adapt future implementation plans to reflect these. In particular the Trustees have decided to re-focus our Fundraising team on activities that have been proven to be resilient over recent years, through both the Covid 19 pandemic and the current cost of living crisis. At the same time, our Impact focussed Thrive strategy has enabled us to identify and start to make progress in meeting need a number of areas where seafarer need is acute at the moment. This includes work around safety management for fishers and advocacy and action to support women seafarers. As well as focussing on areas of proven fundraising success, we are also excited to be launching initiatives to grow our fundraising to support such specific initiatives, thereby increasing the impact that we can make.

8. STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal structure

The Seafarers' Charity is a non-statutory body incorporated by Royal Charter. The Charter was originally granted in 1920 and, together with the Byelaws, provides the rules and guidelines under which The Seafarers' Charity operates. After approval by the Privy Council, Supplemental Charters were granted in 1949, 1960, 1976, 1992 and 2010. The latest amendments to the Charter and Byelaws were approved by the Privy Council in 2010.

Aims and purposes

The Charity's aims or purposes ('objects') are:

- the relief of seafarers, their families, or dependants, who are in need, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth.
- the education and training of people of any age to prepare for work or service at sea, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth.
- the promotion of the efficiency and effectiveness of the maritime charitable sector within the Commonwealth.
- the promotion of safety at sea by providing support to organisations established within the Commonwealth.

The aims of the Charity set the framework for our grant-funding strategy and management.

Governance

Our Trustee Board, known as the General Council, has 15 Trustees and meet three times a year to set and oversee our strategy and objectives, make decisions on strategic direction, and monitor effectiveness. The General Council has delegated authority to Trustee sub-committees (Governance

and Risk, Finance and Audit, Development and Impact). Day-to-day operations and management are delegated to the Chief Executive and Leadership Team who provide regular reports to the sub-committees. Trustee sub-committees perform a vital role in handling the information produced by the Leadership Team to be able to review performance of the Charity and advise and guide on key areas of activity, and provide recommendations, if necessary, to the General Council. The Chair of each committee reports to the General Council and minutes of committee meetings are available to all Trustees. The Seafarers' Charity is committed to maintaining the highest standards of governance and looks to continually improve its practices based on best practice.

Appointment of Trustees

Appointment to the General Council is done via an open recruitment process and overseen by the Nominations Committee which sits as required to ensure the right mix of skills are maintained on the Council. Members of the General Council are approved and appointed at the Annual Meeting. Trustees were appointed for an initial term of up to five years. They may be reappointed for a further period of five years, after which the Trustee must step down. From 2022 Trustees are appointed for an initial term of up to three years and may be reappointed for two further terms of three years. The number of Trustees is subject to a maximum of 30 and must be greater than seven.

Trustee induction and training

Trustees are co-opted during the year by the General Council and, subject to approval of the membership of the Corporation they are formally elected at our Annual Meeting. All Trustees undergo a formal induction to the charity, the content of which is reviewed annually and includes a mixture of formal training and meetings with leadership team and staff.

Declaration of interests

At each General Council and sub-committee meeting, there is a standing agenda item for each Trustee to declare their interests. All Trustees complete a Register of Interests form annually. The Register of Interests is also completed by members of the Leadership Team.

Risk Management

The Trustees assess and understand the risks facing the Charity. The General Council has delegated the day-to-day responsibility for the management of the risks to the Chief Executive and the Leadership Team. The Leadership Team is responsible for the identification and assessment of risk and developing mitigation strategies and controls. The risk register is regularly reviewed at the Leadership Team meetings and reported to the Governance and Risk sub-committee. The Governance and Risk sub-committee is responsible for overseeing and scrutinising the risk management systems, ensuring processes for managing risks are fit for purpose and implemented appropriately by management. The sub-committee monitors key risks exposures and escalates to the General Council where necessary.

The General Council additionally review the overall risk register.

The risk management framework is designed to support informed decision-making regarding risks which may affect the achievement of the Charity's objectives. It is also designed to manage and minimise the likelihood of risks occurring rather than to eliminate the risks.

Remuneration policy

Our pay and benefits help us to attract and retain the best people and keep colleagues engaged throughout their employment. Each role is benchmarked using external consultants 'Croner Rewards' who maintain an extensive pay database against which to evaluate our roles, ensuring we pay a competitive salary compared to similar organisations.

We are an accredited Living Wage employer, so we can ensure everyone who works for us can earn enough to live on. We aim to extend this to our supply chain when reviewing contracts. The General Council reviews and approves annual pay increases in line with inflation and affordability for all colleagues. The General Council approved a pay rise of 8% for staff from 1 January 2023. No Trustees are remunerated by the Charity. Travel and incidental expenses can be claimed. Remuneration of key management personnel is reviewed annually in the same way as colleagues and benchmarked against other salaries in the sector.

9. 2022 CORPORATE AND INSTITUTIONAL SUPPORTERS

Corporate Supporters

Abbey Support
Ardmore Shipping
Australian Mariners Welfare Society
Buxted Construction Ltd
Bureau International Containers
Denholm Group
Hafnia Pools
Halcyon Recruitment
Harland & Wolff
IMCA
Maersk
North P&I
Ocean Yield Malta
Pacific Basin Shipping (HK) Ltd
The Pasha Group
Thomas Miller Ltd
TMI Marine (UK) Ltd
Total Marine Solutions
WISTA UK

9. 2022 CORPORATE AND INSTITUTIONAL SUPPORTERS (continued)

Trusts and Foundations

Ann Jane Green Trust
Blair Foundation
Castanea Trust
Dudley and Geoffrey Cox Charitable Trust
Gerrard and Audrey Couch Charitable Trust
Joseph Strong Frazer Trust
Martin Charitable Trust
Mary Andrew Charitable Trust
Nautilus International
Sir Jeremiah Colman Gift Trust
Sir John and Lady Amory's Charitable Trust
The 29th May 1961 Charitable Trust
The Annie Tranmer Charitable Trust
The Anson Charitable Trust
The Bryan Christopher Corrigan Charitable Trust
The Bryan Guinness Charitable Trust Ltd
The Caledonia Investments Charitable Foundation
The Chandris Foundation
The Charles Wolfson Charitable Trust
The Chellaram Foundation
The Culra Charitable Trust
The Duffield (Tiverton) Charitable Trust
The E and N Watson Charitable Trust
The Elaine Barratt Charitable Trust
The Elizabeth and Prince Zaiger Trust
The Gerald Bentall Charitable Trust
The Hemby Charitable Trust
The Joan Mary Woodham Hurrell Charitable Trust
The Laurence Misener Charitable Trust
The Leslie Mary Carter Charitable Trust
The Loseley Christian Trust
The Michael and Anna Wix Charitable Trust
The Oakley Charitable Trust
The Order of Saint Joachim Charitable Trust
The Peter Dixon Charitable Trust
The Phillips Charitable Trust
The Privy Purse Charitable Trust
The Robert Clutterbuck Charitable Trust
The Russell Trust
The Simon Gibson Charitable Trust
The Stafford Trust
The Sylvia and Colin Shepherd Charitable Trust

9. 2022 CORPORATE AND INSTITUTIONAL SUPPORTERS (continued)

Trusts and Foundations (continued)

The TK Foundation

The Verdon-Smith Family Charitable Trust

The W M Mann Foundation

The West Hall Charitable Fund

The Worshipful Company of Shipwrights

Trafigura Foundation

White Foundation

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES



Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005. 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 Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' Annual Report has been approved by the trustees on 11 May 2023 and signed on their behalf by

Duncan Bain
Trustee and Chair of the Finance and Audit Committee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)



Opinion

We have audited the financial statements of Seafarers UK (King George's Fund for Sailors) (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 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
- Have been prepared in accordance with the requirements of the Charities Act 2011 and of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 Seafarers UK (King George's Fund for Sailors)'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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)



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

We have nothing to report in this regard.

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)



- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available 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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Date: 2 June 2023

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Seafarers UK (King George's Fund For Sailors)
Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	Endowment £'000	2021 restated Total £'000
Income from:									
Donations and legacies	2	1,124	658	–	1,782	1,294	1,099	–	2,393
Other trading activities	3	84	–	–	84	55	–	–	55
Investments	4	332	6	89	427	395	96	–	491
Total income		1,540	664	89	2,293	1,744	1,195	–	2,939
Expenditure on:									
Raising funds									
Cost of generating voluntary income		931	–	–	931	783	–	–	783
Cost of fundraising events		171	–	–	171	123	–	–	123
Costs of managing investments		286	5	70	361	279	7	81	367
Charitable activities		2,209	1,398	–	3,607	2,849	1,266	–	4,115
Total expenditure	5	3,597	1,403	70	5,070	4,034	1,273	81	5,388
Net expenditure before net (losses)/gains on investments	7	(2,057)	(739)	19	(2,777)	(2,290)	(78)	(81)	(2,449)
Net (losses)/gains on investments	13	(1,821)	(35)	(489)	(2,345)	3,984	102	1,159	5,245
Net expenditure after net (losses)/gains on investments		(3,878)	(774)	(470)	(5,122)	1,694	24	1,078	2,796
Transfers		(49)	772	(723)	–	–	–	–	–
Net income / (expenditure) before other recognised gains and losses		(3,927)	(2)	(1,193)	(5,122)	1,694	24	1,078	2,796
Losses on revaluation of fixed assets		(778)	–	–	(778)	–	–	–	–
Net movement in funds		(4,705)	(2)	(1,193)	(5,900)	1,694	24	1,078	2,796
Reconciliation of funds:									
Total funds brought forward		34,434	666	9,236	44,336	32,740	707	8,093	41,540
Prior period adjustment	23	–	–	–	–	–	(65)	65	–
Total funds brought forward (as restated)		34,434	666	9,236	44,336	32,740	642	8,158	41,540
Total funds carried forward	19a	29,729	664	8,043	38,436	34,434	666	9,236	44,336

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

Seafarers UK (King George's Fund For Sailors)

Balance sheet

As at 31 December 2022

	Note	£'000	2022 £'000	£'000	2021 £'000
Fixed assets:					
Tangible assets	12		4,030		4,853
Investments	13		33,879		39,058
			<u>37,909</u>		<u>43,911</u>
Current assets:					
Debtors	14	419		602	
Cash at bank and in hand		805		601	
		<u>1,224</u>		<u>1,203</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(697)		(778)	
Net current assets			<u>527</u>		<u>425</u>
Total net assets	18a		<u><u>38,436</u></u>		<u><u>44,336</u></u>
The funds of the charity:	19a				
Permanently endowed funds			8,043		9,236
Restricted income funds			664		666
Unrestricted income funds:					
Designated funds		29,704		29,629	
Revaluation reserve		25		852	
General funds		-		3,953	
		<u></u>	<u>29,729</u>	<u></u>	<u>34,434</u>
Total unrestricted funds			<u>29,729</u>		<u>34,434</u>
Total charity funds			<u><u>38,436</u></u>		<u><u>44,336</u></u>

Approved by the trustees on 11th May 2023 and signed on their behalf by

Mr P Butterworth
Chair

Mr D Bain
Chair, Finance & Audit Committee

Seafarers UK (King George's Fund For Sailors)

Statement of cash flows

For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities			
Net expenditure for the reporting period (as per the statement of financial activities)		(2,777)	(2,449)
Depreciation charges		49	38
Dividends, interest and rent from investments		(427)	(491)
Decrease/(Increase) in debtors		183	(201)
Decrease in creditors		(81)	(186)
Net cash (used in) operating activities		(3,053)	(3,289)
Cash flows from investing activities:			
Dividends, interest and rents from investments		427	491
Purchase of fixed assets		(5)	(1)
Proceeds from sale of investments		25,270	16,333
Purchase of investments		(22,435)	(13,531)
Net cash provided by investing activities		3,257	3,292
Change in cash and cash equivalents in the year		204	3
Cash and cash equivalents at the beginning of the		601	598
Cash and cash equivalents at the end of the year		805	601

1 Accounting policies

a) Statutory information

The Seafarers' Charity (King George's Fund for Sailors) is an unincorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address and principal place of business is 8 Hatherley Street, London, SW1P 2QT.

b) Basis of preparation

The financial statements 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 (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

1 Accounting policies (continued)

e) Income

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Dividends and Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Permanent endowment funds are funds normally arising as a result of a will where the income but not the capital sum can usually be spent

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in seeking donations, legacies, generating funds and investments.
- Expenditure on charitable activities includes the costs of grant making and related activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Notes to the financial statements

For the year ended 31 December 2022

1 Accounting policies (continued)

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold buildings	2%
● Fixtures and fittings	10%
● Computer equipment	20%
● Office equipment	15%

Freehold land is not depreciated.

1 Accounting policies (continued)

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Investments in subsidiaries

Investments in subsidiaries are at cost.

p) Debtors

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

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

t) Financial instruments

The charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

u) Pensions

The Fund operates a defined contribution scheme with the Aviva PLC for employees who choose to participate in the scheme. Participating staff are required to contribute a minimum of 5% of basic salary to which the Fund will contribute a further 7.5% of their basic salaries plus an amount equivalent to the reduced liability of Employer's National Insurance. Contributions are recognised in the SOFA in the year they were incurred.

Notes to the financial statements

For the year ended 31 December 2022

2 Income from donations and legacies

	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
Gifts	84	56	140	107	168	275
Corporate gifts	220	377	597	95	853	948
Grants received	5	220	225	–	78	78
Legacies	815	5	820	1,092	–	1,092
	<u>1,124</u>	<u>658</u>	<u>1,782</u>	<u>1,294</u>	<u>1,099</u>	<u>2,393</u>

3 Income from other trading activities

	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
Fundraising events	81	–	81	54	–	54
Recharges to other organisations	3	–	3	1	–	1
	<u>84</u>	<u>–</u>	<u>84</u>	<u>55</u>	<u>–</u>	<u>55</u>

4 Income from investments

	Unrestricted £'000	Endowment & Restricted £'000	2022 Total £'000	Unrestricted £'000	Endowment & Restricted £'000	2021 Total £'000
Dividends and interest	262	96	358	303	96	399
Rental income	70	–	70	92	–	92
	<u>332</u>	<u>96</u>	<u>428</u>	<u>395</u>	<u>96</u>	<u>491</u>

Notes to the financial statements

For the year ended 31 December 2022

5a Analysis of expenditure (current year)

	Raising funds							
	Cost of generating voluntary income £'000	Cost of fundraising events £'000	Costs of managing investments £'000	Charitable activities £'000	Governance costs £'000	Support costs £'000	2022 Total £'000	2021 Total £'000
Staff costs (note 8)	396	53	10	252	107	293	1,111	998
Other staff costs	3	3	–	2	8	6	22	10
Event and fundraising costs	66	77	–	–	2	–	145	55
Investment management costs	–	–	337	–	–	–	337	349
Grant making	–	–	–	2,881	–	–	2,881	3,566
Campaigns and communications	46	2	–	227	–	–	275	68
Other	15	1	3	16	102	162	299	342
	526	136	350	3,378	219	461	5,070	5,388
Support costs	232	20	6	132	71	(461)	–	–
Governance costs	173	15	5	97	(290)	–	–	–
Total expenditure 2022	931	171	361	3,607	–	–	5,070	
Total expenditure 2021	783	123	367	4,115	–	–		5,388

Notes to the financial statements

For the year ended 31 December 2022

5b Analysis of expenditure (prior year)

	Raising funds						
	Cost of generating voluntary income £'000	Cost of fundraising events £'000	Costs of managing investments £'000	Charitable activities £'000	Governance costs £'000	Support costs £'000	2021 Total £'000
Staff costs (note 8)	372	38	–	188	127	273	998
Other staff costs	2	–	–	2	2	4	10
Event and fundraising costs	42	13	–	–	–	–	55
Investment management costs	–	–	349	–	–	–	349
Grant making	–	–	–	3,566	–	–	3,566
Campaigns and communications	11	–	–	–	–	57	68
Other	21	1	2	72	29	217	342
	448	52	351	3,828	158	551	5,388
Support costs	228	48	11	194	70	(551)	–
Governance costs	107	23	5	93	(228)	–	–
Total expenditure 2021	783	123	367	4,115	–	–	5,388

Notes to the financial statements

For the year ended 31 December 2022

6 Grant making

Details of all grant awards in 2022 and 2021 can be found on the The Seafarers' Charity website at:
<https://www.theseafarerscharity.org/grant-funding/grant-funding-programmes>

In addition to the amounts committed and accrued as reported in note 5, the trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued as expenditure at 31 December 2022 was £75,000 (2021: £nil).

7 Net income / (expenditure) for the year

This is stated after charging:

	2022 £'000	2021 £'000
Depreciation	49	38
Operating lease rentals receivable:		
Property	70	92
Auditor's remuneration (including VAT):		
Audit	8	25
Other services	16	-
	16	-

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £'000	2021 £'000
Salaries and wages	875	814
Redundancy and termination costs	14	-
Social security costs	90	85
Employer's contribution to defined contribution pension schemes	71	64
Other forms of employee benefits	20	23
Recruitment	40	12
	1,111	998

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£60,000 – £69,999	1	-
£70,000 – £79,999	-	1
£80,000 – £89,999	1	1
£90,000 – £99,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £448,862 (2021: £299,814).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £812.39 (2021: £nil) incurred by 3 (2021: nil) members relating to attendance at meetings of the trustees.

Notes to the financial statements

For the year ended 31 December 2022

9 Staff numbers

Staff are split across the activities of the charity as follows (head count based on average headcount figures):

	2022 No.	2021 No.
Raising funds	8	10
Charitable activities	5	7
Governance and support	10	6
	<u>23</u>	<u>23</u>

10 Related party transactions

Some members of the General Council are trustees of charities to which the Charity makes grants. The Impact Committee's procedures require all such interests to be declared and for these members to abstain from voting. Within the General Council no single member exercises control or influences over any particular grant approval.

During the year, legal advice was sought from Potheary Witham Weld Solicitors amounting to £10,350 (2021: £9,762). The firm's partner Mr Gerald Kidd served as a Trustee and is also member of the General Council. All balances were settled in the year and nothing was due at the year-end (2021: £nil).

During the year, the charity engaged the services of Watchful Ltd, a specialist maritime consultancy company, on one of our projects paying £73,755 for the services. Robert Greenwood is a director in the company.

During the year, the charity made grants totalling £29,350 to the National Federation of Fisherman's Organisations, an organisation that represents the Fishing industry in England and Wales. Nigel Blazeby is a co-opted member of the executive committee of this organisation.

Seaservers Limited is the trading subsidiary of The Seafarers' Charity, see note 21 for details of transactions between Seaservers Limited and The Seafarers' Charity.

Aggregate unrestricted donations from related parties were £615 (2021: £418).

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Notes to the financial statements

For the year ended 31 December 2022

12 Tangible fixed assets

	Freehold property £'000	Fixtures and fittings £'000	Total £'000
Cost or valuation			
At the start of the year	4,900	217	5,117
Additions in year	–	4	4
Revaluation	(900)	–	(900)
At the end of the year	4,000	221	4,221
Depreciation			
At the start of the year	92	172	264
Charge for the year	30	19	49
Eliminated on revaluation	(122)	–	(122)
At the end of the year	–	191	191
Net book value			
At the end of the year	4,000	30	4,030
At the start of the year	4,808	45	4,853

The above freehold land and buildings are 7 & 8 Hatherley Street, London which is occupied and used by the charity in carrying out its operations. A property assessment was made in November 2019 by Gerald Eve LLP, using the Royal Institute of Chartered Surveyors appraisal valuation. The value from this assessment has been adjusted based on external advice to reflect an estimated reduction in the market value of the property since 2019.

Land with a value of £1,470,000 (2021: £1,470,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 December 2022

13 Listed investments

	2022 £'000	2021 £'000
Fair value at the start of the year	39,060	36,615
Additions at cost	22,435	13,531
Disposal proceeds	(25,271)	(16,333)
Net (loss)/gain on change in fair value	(2,345)	5,245
	33,879	39,058

Investments comprise:

	2022 £'000	2021 £'000
Interest bearing stocks	10,560	10,858
Equities	21,320	26,015
Cash	1,999	2,185
	33,879	39,058

14 Debtors

	2022 £'000	2021 £'000
Other debtors	27	5
Amounts due from subsidiary undertakings	27	52
Prepayments	42	68
Accrued income	323	477
	419	602

With the exception of listed investments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 15 below.

15 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	34	17
Taxation and social security	22	25
Grants payable	500	577
Accruals	141	159
	697	778

16 Pension scheme

The Seafarers' Charity operates a defined contribution scheme for all employees. The assets of the schemes are held in separate funds administered by independent pension providers.

Notes to the financial statements

For the year ended 31 December 2022

17 Financial instruments

	2022 £'000	2021 £'000
Financial assets measured at fair value through profit and loss		
Investments	33,879	39,058

18a Analysis of net assets between funds (current year)

	General unrestricted £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	4,030	–	–	4,030
Investments	25,172	664	8,043	33,879
Net current assets	527	–	–	527
Net assets at 31 December 2022	29,729	664	8,043	38,436

18b Analysis of net assets between funds (prior year)

	General unrestricted £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	4,853	–	–	4,853
Investments	29,156	666	9,236	39,058
Net current assets	425	–	–	425
Net assets at 31 December 2021	34,434	666	9,236	44,336

Notes to the financial statements

For the year ended 31 December 2022

19a Movements in funds (current year)

	At 1 January 2022 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 December 2022 £'000
Permanently endowed funds:					
Endowed general purposes	1,229	12	(74)	(12)	1,155
Inglis fund	1,140	11	(69)	(11)	1,071
Merchant Navy South Africa scholarship	310	3	(19)	(32)	262
Royal Navy War Libraries fund	325	3	(20)	(33)	275
South African Women's Auxiliary service	600	6	(36)	(61)	509
Arthur T. Jeffess fund	4,081	39	(247)	(417)	3,456
David Richards Trust	1,211	12	(73)	(118)	1,032
Henry Herbert Wills fund	340	3	(21)	(39)	283
Total permanently endowed funds	9,236	89	(559)	(723)	8,043
Restricted funds:					
Restricted income and allocated total return from endowment funds	23		(700)	723	46
Royal Naval Officers fund	72	1	(90)	17	-
van de Kastelee fund	5	-	(5)	-	-
Beryl Joyce Threadkell legacy	31	-	(2)	-	29
Sheila Constance Woods legacy	182	2	(100)	-	84
Merchant Navy fund	39	67	(79)	-	27
Restricted activities	226	53	(14)	-	265
Projects	37	-	-	-	37
IAPH restricted fund	-	16	-	-	16
Fishing First restricted fund	-	219	(84)	25	160
Seafarers' International Relief Fund	51	306	(364)	7	-
Total restricted funds	666	664	(1,438)	772	664
Unrestricted funds:					
Designated funds:					
Strategic operational fund	29,629	286	(1,793)	(28,122)	-
Seafarers' Impact boosting fund	-	-	-	12,500	12,500
Future Seafarers fund	-	-	-	17,204	17,204
Total designated funds	29,629	286	(1,793)	1,582	29,704
Revaluation reserve	852	-	(827)	-	25
General funds	3,953	1,254	(3,576)	(1,631)	-
Total unrestricted funds	34,434	1,540	(6,196)	(49)	29,729
Total funds	44,336	2,293	(8,193)	-	38,436

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 December 2022

19b Movements in funds (prior year)

	At 1 January 2021 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 December 2021 £'000
Permanently endowed funds:					
Endowed general purposes	1,085	155	(11)	–	1,229
Inglis fund	1,006	144	(10)	–	1,140
Merchant Navy South Africa scholarship	271	42	(3)	–	310
Royal Navy War Libraries fund	284	44	(3)	–	325
South African Women's Auxiliary service	524	81	(5)	–	600
Arthur T. Jeffess fund	3,568	549	(36)	–	4,081
David Richards Trust	1,058	164	(11)	–	1,211
Henry Herbert Wills fund	297	46	(3)	–	340
Total permanently endowed funds	8,093	1,225	(82)	–	9,236
Restricted funds:					
Restricted income and allocated total return from endowment funds	–	23	–	–	23
Royal Naval Officers fund	141	32	(101)	–	72
van de Kastele fund	70	16	(81)	–	5
Beryl Joyce Threadkell legacy	25	9	(3)	–	31
Sheila Constance Woods legacy	199	45	(62)	–	182
Merchant Navy fund	49	49	(59)	–	39
Restricted activities	212	116	(102)	–	226
Projects	11	78	(52)	–	37
Seafarers' International Relief Fund	–	864	(813)	–	51
Total restricted funds	707	1,232	(1,273)	–	666
Unrestricted funds:					
Designated funds:					
COVID designated Fund	524	–	(524)	–	–
Strategy Fund	10,899	–	–	(10,899)	–
Strategy Operational Fund	–	–	–	29,629	29,629
Total designated funds	11,423	–	(524)	18,730	29,629
Revaluation reserve	883	–	(31)	–	852
General funds	20,434	5,728	(3,479)	(18,730)	3,953
Total unrestricted funds	32,740	5,728	(4,034)	–	34,434
Total funds	41,540	8,185	(5,389)	–	44,336

19 Movements in funds – purposes of funds

Purposes of restricted funds

Royal Naval Officers' Fund

To assist officers of the Royal Navy in need or distress

Beryl Joyce Threadkell Legacy

Funds made available for the Felixstowe Committee

van de Kastele Fund

For the education of children of any UK seafarer

Sheila Constance Wood Legacy

To assist Naval Officers' Widows

Merchant Navy Fund

Funds for Merchant Navy

Sailors' International Relief Fund (SIRF)

Funds raised from a partnership between the shipping industry and maritime welfare charities to support seafarers internationally

International Association of Ports and Harbours Fund (IAPH)

Funds raised to support port and harbour workers internationally

Fishing First Restricted Fund

Donations given to support the Fishing First Safety Management projects

Projects and restricted activities

Various grants restricted as per the donor's request.

Purposes of Endowment funds

Endowed General Purposes

To relieve sickness, poverty and distress of seafarers.

Inglis Fund

To further the educational and future career

Merchant Navy South Africa

To further the educational and future career needs of seafarers' children

Scholarship Fund

To further the educational and future career needs of seafarers' children

Royal Naval War Libraries Endowment Fund

To further the educational and future career needs of seafarers' children

South African Women's Auxiliary Service

To further the educational and future career needs of seafarers' children.

Arthur T. Jeffress Fund

To assist officers and men of the Royal Navy, the Merchant Navy and the Fishing Fleet in need or distress

David Richards Trust

To assist officers and men of the Royal Navy, the Merchant Navy and the Fishing Fleet in need or distress

Henry Herbert Wills Fund

To assist officers and men of the Royal Navy, the Merchant Navy and the Fishing Fleet in need or distress.

Notes to the financial statements

For the year ended 31 December 2022

19 Movements in funds – purposes of funds (continued)

Purposes of designated funds

The strategic operational fund has been divided to create a more transparent link with our reserves policy as stated in the Annual Report.

The Seafarers' Impact Boosting fund is money set aside to increase our impact annually over the period from 2015–2035 as we reduce the real value of our reserves by 50% over the period.

The Future Seafarers' Fund is money set aside to ensure we can meaningfully support the future generation of seafarers and their families. This also includes a reserve to ensure that should a decision be made to wind down the charity in the future, we have the financial resources needed to continue to operate in an orderly way for a period of time so as not to cause immediate financial stress on our impact partners.

20 Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods:

	Property 2022 £'000	2021 £'000
Less than one year	–	–
One to five years	–	–
	<u>–</u>	<u>–</u>

21 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Seaservers Limited, a company registered in England. The company number is 00890342. The registered office address is 8 Hatherley Street, London, SW1P 2QT.

The subsidiary is used for non-primary purpose trading activities. The accounts of Seaservers have not been consolidated into these financial statements on the grounds of immateriality. Available profits are distributed under Gift Aid to the parent charity.

The trustees Mr P. G. Butterworth, Mr J.J.M. Monroe, Mrs D. Layde are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2022 £'000	2021 £'000
Turnover	6	18
Cost of sales	(18)	(23)
Gross profit/(loss)	(12)	(5)
Administrative expenses	(6)	(6)
Profit/(loss) on ordinary activities before taxation	(18)	(5)
Taxation on profit on ordinary activities	–	–
Profit/(loss) for the financial year	(18)	(5)
Retained earnings		
Total retained earnings brought forward	(9)	(3)
Profit/(loss) for the financial year	(18)	(5)
Total retained earnings carried forward	(27)	(8)
The aggregate of the assets, liabilities and reserves was:		
Assets	27	59
Liabilities	(54)	(67)
Reserves	(27)	(8)

Amounts owed to the parent undertaking are shown in note 14.

Included within administrative expenses above is a management charge of £1,000 (2021: £1,000) from the parent entity.

Notes to the financial statements

For the year ended 31 December 2022

22a Total return approach for investment of permanent endowment funds (current year)

	Individual funds						Total funds		
	Merchant Navy South Africa scholarship £'000	Royal Navy War Libraries fund £'000	South African Women's Auxillery service £'000	Arthur T. Jeffess fund £'000	David Richards Trust £'000	Henry Herbert Wills fund £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
At the beginning of the year									
Gift component of the permanent endowment	10	15	34	183	25	62	329	-	329
Unapplied total return	300	310	566	3,898	1,186	278	-	6,538	6,538
Total	310	325	600	4,081	1,211	340	329	6,538	6,867
Movements in the year									
Gift of endowment funds	-	-	-	-	-	-	-	-	-
Recoupment of trust for endowment	-	-	-	-	-	-	-	-	-
Allocation from trust for investment	-	-	-	-	-	-	-	-	-
Investment return:									
Dividends and interest	3	3	6	39	12	3	-	66	66
Realised and unrealised gains/(losses)	(17)	(18)	(31)	(216)	(64)	(18)	-	(364)	(364)
Less: investment management costs	(2)	(2)	(5)	(31)	(9)	(3)	-	(52)	(52)
Total	(16)	(17)	(30)	(208)	(61)	(18)	-	(350)	(350)
Unapplied total return allocated to income in the year	(32)	(33)	(61)	(417)	(118)	(39)	-	(700)	(700)
Net movements in the reporting period	(48)	(50)	(91)	(625)	(179)	(57)	-	(1,050)	(1,050)
At the end of the year									
Gift component of the permanent endowment	10	15	34	183	25	62	329	-	329
Unapplied total return	252	260	475	3,273	1,007	221	-	5,488	5,488
Total	262	275	509	3,456	1,032	283	329	5,488	5,817

Notes to the financial statements

For the year ended 31 December 2022

22b Total return approach for investment of permanent endowment funds (prior year)

	Individual funds						Total funds		
	Merchant Navy South Africa scholarship £'000	Royal Navy War Libraries fund £'000	South African Women's Auxillery service £'000	Arthur T. Jeffess fund £'000	David Richards Trust £'000	Henry Herbert Wills fund £'000	Trust for investment £'000	Unapplied total return £'000	Total endowment £'000
At the beginning of the year									
Gift component of the permanent endowment	10	15	34	183	25	62	329	–	329
Unapplied total return	261	269	490	3,385	1,033	235	–	5,673	5,673
Total	271	284	524	3,568	1,058	297	329	5,673	6,002
Movements in the year									
Gift of endowment funds	–	–	–	–	–	–	–	–	–
Recoupment of trust for endowment	–	–	–	–	–	–	–	–	–
Allocation from trust for investment	–	–	–	–	–	–	–	–	–
Investment return:									
Dividends and interest	3	3	6	38	12	3	–	65	65
Realised and unrealised gains/(losses)	39	41	75	510	152	43	–	860	860
Less: investment management costs	(3)	(3)	(5)	(35)	(11)	(3)	–	(60)	(60)
Total	39	41	76	513	153	43	–	865	865
Unapplied total return allocated to income in the year	–	–	–	–	–	–	–	–	–
Net movements in the reporting period	39	41	76	513	153	43	–	865	865
At the end of the year									
Gift component of the permanent endowment	10	15	34	183	25	62	329	–	329
Unapplied total return	300	310	566	3,898	1,186	278	–	6,538	6,538
Total	310	325	600	4,081	1,211	340	329	6,538	6,867

Notes to the financial statements

For the year ended 31 December 2022

23	Prior period adjustment							
	Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
Reserves position	31 December 2021				1 January 2021			
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Funds previously reported	34,434	731	9,171	44,336	32,740	707	8,093	41,540
Adjustments on restatement								
Adjustment 1	–	(65)	65	–	–	–	–	–
Funds restated	34,434	666	9,236	44,336	32,740	707	8,093	41,540
	Unrestricted	Restricted	Endowment	Total				
Impact on income and expenditure	£'000	£'000	£'000	£'000				
Net income / (expenditure) as previously reported	1,694	24	1,078	2,796				
Adjustments on restatement								
Adjustment 1	–	(65)	65	–				
Net income / (expenditure)	1,694	(41)	1,143	2,796				
Details of adjustments								
Adjustment 1	Prior year endowment investment income was reallocated from restricted funds to the endowment funds following							

SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

England & Wales - Charity number 226446

Accounts



ANNUAL REPORT

2021



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Ambitious. Proactive. Real. We're seeking out ways to tackle the core, systemic issues so seafarers can live dignified lives.

The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors) is a Registered Charity No. 226446 in England and Wales, incorporated under Royal Charter. Registered in Scotland, No. SC038191.

Telephone: 020 7932 0000 Email: contact@theseafarerscharity.org Website: www.theseafarerscharity.org

Message from the Chair of the Board

Paul Butterworth



As I write this foreword to The Seafarers' Charity Annual Report for 2021, world attention has shifted from the global crisis of COVID-19 to the invasion of Ukraine. The maritime and shipping sector – and therefore seafarers – are already being affected and we can only hope that a swift resolution and a return to peace is forthcoming.

Whilst the pandemic would now appear to be under control, seafarers continue to be greatly impacted. The numbers of those stranded at sea have reduced, but this is still an issue. Throughout the second year of remote working and further disruption to normal living, The Seafarers' Charity has continued to respond swiftly and effectively to emerging need. Welfare is the underpinning driver of our Impact strategy and delivery. Our trustees and senior management have been laser-like in their focus on meeting our charitable objectives and in ensuring we can assist our beneficiaries not only in terms of financial aid, but also in governance advice and guidance.

The easing of UK restrictions has seen a gradual return to in-person events. The Development Team have been chomping at the bit to restart our programme of fundraising activities and it is great to see the plans coming together. Our 'virtual' Maritime Quizzes were great fun and enjoyed by all.

One of the key responsibilities of the General Council is to ensure proper governance within the Charity. Over the course of the last year, we have introduced a series of Key Performance Indicators for all areas of activity; this helps Trustees to hold the Executive to account whilst at the same time offering direction and guidance at the strategic level. This has already started to bear fruit in terms of transparency and effectiveness.

At our (hopefully last!) virtual Annual General Meeting (AGM), we said goodbye to four long-serving and incredibly valued Trustees. May I place on record, the thanks of us all to the Lord Mountevans, Captain Roger Barker MNM, Ms Dyan Sterling and Mr Peter Tomlin MBE. To have benefitted from their knowledge, corporate memory, strategic guidance and passionate enthusiasm during the most testing period in recent times was hugely appreciated. Particular thanks to Roger Barker, who, for many years, was a hugely effective Deputy Chair of Council. We welcomed existing Trustee Mr William Reid as Roger's successor as Deputy Chair where his knowledge of charity finances and governance is proving to be of real value. Of course, in saying goodbye we also welcome new Trustees. Ms Nusrat Ghani MP, the former Maritime Minister and champion of seafarer welfare, and Rear Admiral Iain Lower, Assistant Chief of the Naval Staff, were formally confirmed as new Trustees at the 2021 AGM and already they are both bringing energy, knowledge and passion to the General Council.

Whilst we emerge from the restrictions of the last two years, the Trustees look forward to The Seafarers' Charity powering ahead with a settled strategy, clear branding and a hugely committed team. On behalf of the General Council may I thank our Chief Executive Catherine Spencer and all the team, for their focus, determination and commitment over the last year; it has been wonderful to witness.

Introduction from the Chief Executive Officer

Catherine Spencer



The Seafarers' Charity pledges to do more for seafarers, creating a legacy of improvement. As the maritime sector's biggest grant awarding charity, our existing work with our long-term delivery partners provides expert quality care and services to seafarers.

Complementing this work, we are investing in proactive activities to reduce hardship. We have also developed our fundraising ability.

Our strategy, Thrive, released in March 2021, defined five outcomes to focus our work – social justice, financial resilience, safety, health & wellbeing, and better working lives. We still provide regular grants for core costs, but our new work is tackling the root cause of problems through collaboration and research. We are increasing our understanding of what causes seafarers to fall into disadvantage and then creating interventions to prevent it.

As we moved through 2021, we focused on implementing our vision for The Seafarers' Charity. We strengthened collaborations with long-term partners and worked with new organisations such as Befrienders Worldwide, providing support to those considering suicide. Grant awards to new organisations such as Safer Waves, demonstrate our proactive work. Our new financial strategy defines the annual budget, and better explains how we use our investments.

In addition to our annual £2m in services during the pandemic, in April 2020 our Trustees released an extra £2m into a COVID-19 Emergency Fund, to mitigate its impact. During that first pandemic year we awarded £1.5m additional support to help organisations adapt, enabling them to continue providing essential services. The remaining £0.5m was awarded in 2021, supporting seafarers,

through our delivery partners, to reduce hardship caused by the pandemic. This has included work focused on the UK, and internationally supporting seafarers centres to remain in future operation, and supporting new online services reaching seafarers across the world. Good governance and careful investing has ensured we could inject money into the sector.

The Seafarers International Relief Fund (SIRF) was established for emergencies as COVID-19 swept through the world for a second time. Working collaboratively with maritime industries, the International Chamber of Shipping and long-term partners, we raised over \$1.1m USD (£864,000 GBP), which was immediately awarded to provide humanitarian aid to seafarers and their families in India and more latterly the Philippines.

We're grateful that our donors recognise that seafarers face extraordinary challenges, little understood by the public. In January 2021, *The Guardian* reported that half a million seafarers were trapped at sea. Their plight continued throughout 2021, and though improved, the situation is still not resolved. COVID-19, we hope, may diminish but it has demonstrated the enduring need for a strong maritime welfare system to carry on providing care and services.



Who We Are

The Seafarers' Charity has been improving the lives of seafarers and their families for more than 100 years. We were set up in 1917, during the First World War, as a central organisation, originally as the King George's Fund for Sailors.

We are a secular charity providing support for seafarers during all aspects of their lives and ensuring that the delivery charities and organisations we partner with provide excellent services and offer value for money for donors.

Our 2021 strategy, Thrive, reflects our heritage and our vision, 'A world where seafarers and their families are valued and are free of need and disadvantage'. We are at the centre of the maritime welfare charities' structure, injecting the most money into the sector to support existing delivery partners. Our annual grant award programme exceeds £2m. At exceptional times, as recently experienced during the COVID-19 pandemic, we utilise our reserves – in 2020/21 an additional £2m was awarded in grants to mitigate the impact of unexpected challenges.

We don't just fulfil our traditional grant funding role; we are now investing in the future through advocacy and research to understand how we can ensure fewer seafarers and their families endure hardship. In a perfect world there would be no need for The Seafarers' Charity to exist, but while there is still significant need, we will keep working towards one in which seafarers can work, live, and retire with dignity.

What We Do

We support those who work at sea and their families. Our current strategy is focused on five strategic outcomes identified as areas where, with support, either through working with our delivery partners, or through advocacy and research, we can make more progress towards our vision and mission.

Vision

A world where seafarers and their families are valued and are free of need and disadvantage.

Mission

Tackling the disadvantages of a seafaring life by leading collaboration, funding and advocacy to improve seafarers' lives.



We provide a range of funding, as importantly we recognise that many of the essential services that seafarers rely on are only possible with our funding of core organisational costs. We use our unrestricted reserves to support our operational costs, and we use money we have raised from our generous donors – whether corporates or individuals – alongside returns from our endowment funds to support our grant funding programme. As a donor you can be assured that 100% of the money you donate goes towards providing additional funding capacity. We are a proud grant funder, but to ensure that we can keep on supporting the wide range of services and support relied on by seafarers and the maritime sector, we need to increase our fundraising income and activity. Our traditional supporter base in the UK is declining, thus encouraging the maritime industry to support more of the services that underpin globally focused welfare services is a key aim that we must meet. We are, therefore, innovative, and much needed grant funders, expecting the maritime welfare sector to continually adapt and improve, but we are also fundraisers to ensure that we can meet the needs of merchant seafarers around the world, and support UK fishers.

The world of seafaring has changed rapidly, and we have evolved to meet the challenges. The number of UK seafarers has diminished year on year. Fortunately, acute need among working age merchant navy in the UK has reduced significantly, helped by, for example, the Merchant Navy Ratings Pension Scheme and better terms and conditions of employment, meaning that those retiring from the service now have increased financial independence

and a pension to support them into retirement. However, pockets of deprivation and need are still seen among elderly seafarers, and thus, we continue funding services, such as Nautilus Welfare Fund's Mariners Park. Alarming need is seen in the UK's small-scale fishing industry, and our work in this area has been impressive, filling a significant gap to provide health and welfare services and financial resilience training that will support the fisher, and in turn contribute to the local economy. Further afield there is need in nations where many seafarers originate. This includes Commonwealth countries such as India, and across the global South. We recognise that the issues that inspired the creation of The Seafarers' Charity have moved beyond the UK, as some in the shipping industry chase lower wages, often resulting in lower working standards.

There is still a great deal to do, but we are making excellent progress. Our work provides for immediate hardship, while creating a better future. We have increased our collaboration and advocacy, and, when appropriate, commissioned research to help us understand how we can create a world in which seafarers can thrive.

Our Values

We are a responsible and reliable organisation that seafarers, donors and delivery partners can trust.

We live our values in both our work with our partners and throughout our Charity.

Integrity

We do the right thing. Compassion and transparency are embedded in how we work.

Collaborative

We inspire a culture of creative partnerships to achieve the best impact and outcomes.

Innovative

We embrace effective new ideas and ways of working.

Bold

We ensure impact through brave and well-considered decision-making.

Our strategy guides our work to 2024 and will be regularly reviewed.

Our Impact and Outcomes in 2021

Impact achieved with grant funding

In 2021 The Seafarers' Charity awarded £2,924,547 in 74 grants to 56 organisations. This amount excludes in excess of £813K in grant awards from the Seafarers International Relief Fund (SIRF). It does, however, include our regular £2m annual injection to support maritime welfare services, plus circa £0.5m carried over from the £2m COVID-19 Emergency Fund. £260,440 was released by Trustees in 2021 to support our new strategy. Grant awards of £58,300 were made from the Merchant Navy Fund for the welfare needs of the UK's current and former merchant seafarers.

With almost £3m awarded in grant funding, £2,265,218 (77%) supported maritime welfare services delivered within the UK. The £659,329 (23%) awarded for welfare services delivered outside the UK supported seafarer centres around the world, or specific in-country operations of UK registered charities. A notable exception was a grant awarded to the German maritime charity Deutsche Seemannsmission to support the welfare needs of Kiribati seafarers.

Always working to ensure that our grant funding is effective, we meet regularly with other funders such as the Maritime Charities Group as well as through regular meetings with those we co-fund in areas of strategic importance e.g., ITF (International Transport Workers' Federation) Seafarers' Trust, TK Foundation, Trinity House, and Fishmongers' Company Fisheries Charitable Trust.

We award grants to support the core costs of many of the largest frontline maritime welfare charities. In 2021 we broadened our reach to support ten new organisations for the first time. Some, such as Safer Waves (who have developed an email support service for those experiencing

violence and harassment) and Befrienders Worldwide (who launched an emotional counselling service aimed at preventing suicides at sea) have identified niche but critical issues. We have introduced these new funded welfare services to our large existing community of funded welfare services to enable partnership working.

In 2021 the Grants Team evolved into a newly formed Impact Team under the leadership of an Impact Director. The new focus is on using increased collaboration, research and advocacy to develop proactive funded solutions to meet seafarers' emerging welfare needs. We created the new post of Head of Impact, a part-time Advocacy Manager for six months, and in the final quarter of the year we were joined by a new Impact Associate. This post was recruited from the 2027 Programme which supports working class people into grant making careers. Our team also benefitted from the support of a freelance 0.4 FTE Project Manager throughout the year specifically to support our work on fishing.

The development and management of SIRF meant that our hardworking volunteer Trustees met for a record number of times. In 2021 Trustees met on 16 occasions; this included weekly meetings at the height of the COVID-19 crisis in India, when staff and Trustees turned around grant applications within 24 hours of receipt. We are extremely grateful to our hardworking Trustees and staff for the exceptional commitment they demonstrated to supporting seafarers over the past two years of the pandemic.

Our sole focus is on delivering our strategy and we have reached out to older and newer delivery partners to develop new grant funded solutions to support seafarers.

The next pages detail how we support our five strategic outcomes for seafarers.



Enhanced Financial Resilience

Responding to the financial challenges experienced by current and former seafarers is our largest area of grant funding, with almost £1m (£993,955) awarded in 19 grants to 15 organisations including Shipwrecked Mariners' Society, the Fishermen's Mission, The Sailors' Children's Society, Naval Children's Charity, the Royal Liverpool Seamen's Orphan Institution, all of whom support UK seafarers and their families with hardship grants when they experience financial problems. Stella Maris and ISWAN's Seafarers' Emergency Fund also received funding to support individual grant payments to international seafarers experiencing hardship.

The Seafarers' Advice and Information Line (a bespoke Citizens Advice telephone advice service), an England and Wales (Cardiff) wide team of caseworkers at Nautilus Welfare Fund and Seafarer Help run by ISWAN are key delivery partners providing free advice for seafarers to support financial resilience. The advisers provide information on debt problems, applying for welfare benefits, housing issues, employment contracts, or problems with relationships onboard.

Our 2020 research, Fishing Without a Safety Net, focused on financial resilience and the unique personal finance challenges experienced by fishers. In 2021 this research provided an evidence base to inform £112,440 worth of funding for interventions which together formed a Safety Net to support the financial resilience of fishing families. The creation of the Safety Net epitomises our novel approach to using research and working proactively with partners to develop innovative solutions to tackle welfare problems.



Better Working Lives

We award significant annual grants to support the core costs of maritime welfare charities who provide maritime ministries and ship visiting. 15 grants were awarded to nine organisations worth a total of £824,300. This is our second largest area of grant funding. It has the most significant direct effect on seafarers when they step ashore for the first time after a long voyage and are greeted with a friendly face.

In their 200th year of operating, we announced a £70,000 grant to Sailors' Society's port chaplaincy service for ports in Scotland, and a grant of £120,000 to their Crisis Response Network helping seafarers who have experienced abandonment, criminalisation, or other extreme hardship. Mission to Seafarers and Stella Maris were also supported with grants to support their core costs.

In recognition of the importance of communication with loved ones, we continued our partnership with the Merchant Navy Welfare Board (MNWB) and the Department of Transport to provide mobile Wi-Fi routers (known as MiFi) for seafarers longing to connect with their family. We contributed to the Port Visitor platform, developed within the MNWB & ISWAN International Port Welfare Partnership, funded in partnership with TK Foundation and the ITF Seafarers' Trust.

The Fathom Podcast run by the Cornish Fish Producers' Organisation is a digital information service that received continued funding in 2021. This innovative podcast has engaged key Government officials and policy stakeholders responsible for fisheries management. In early 2022 we learned that the National Federation of Fishermen's Organisations will fund several episodes – recognising the value of this new communication tool for fishers, the fishing industry and policymakers.



Improved Health and Wellbeing

More than £0.5m (£503,897) was awarded to 16 organisations to deliver services which improve the health and wellbeing of seafarers. Grants were awarded for localised health and wellbeing services for seafarers on the remote Scottish islands of Barra & Vatersay and Islay & Jura, and bespoke accommodation in Queen Victoria Seaman's Rest (QVSR) in East London and Mariners Park, Wallasey, who in addition to a subsidy for care home costs also received part funding towards a physiotherapy post managed by Age UK Wirral.

Former seafarers throughout the UK benefit from the Age UK Silver Line telephone friendship groups and Not Forgotten Association's range of social activities. Both services tackle loneliness and prevent isolation of retired seafarers. Meanwhile, access to free relationship counselling services from Relate supports seafarers' relationships which can be impacted by extended periods of time apart.

In 2021 we awarded a grant to UK Sailing Academy to employ two Welfare Officer posts to support new cadets training to work on professional yachts.

Befrienders Worldwide received funding for the first time for their new international emotional support service for seafarers contemplating suicide. Launched on 1 November 2021, the number of calls received within the first few days demonstrated the need for this service, as well as provided an indication of the extent of the problem for seafarers who have been so badly impacted during the pandemic. Calls for help have remained high.

Our multi-year £700K funding of the Sea Fit partnership project to support fishers' health led by Fishermen's Mission and Seafarers Hospital Society reached its conclusion in 2021. Although many planned events had been hit by pandemic restrictions, the project demonstrated the value of accessible health interventions at locations where people work.



Safer Working Lives at Sea

In 2021 six grants worth £127,950 were awarded to five organisations. The largest was to CHIRP Maritime for an international and confidential reporting programme, lessons from which are widely distributed to share best practice on safety and avoiding accidents. We created a short film highlighting our support for CHIRP Maritime to raise awareness of their work and encourage seafarers to submit reports on accidents, incidents and near misses. This promotional film demonstrates our support for the charities that we fund.

A grant to Seafood Cornwall Training supported their safety training for Cornish fishers. We also co-funded a new Welfare and Safety Officer post at the National Federation of Fishermen's Organisations.

During the final quarter of 2021, The Seafarers' Charity applied for, and received, £135,500 in grant funding from the Marine Management Organisation and Trinity House Department of Transport Safety Fund. This external funding enabled the Fishing First Safety Management Project to develop the national infrastructure to facilitate external audits of safety management practices onboard fishing vessels.

The Seafarers' Charity provided a secretariat with project management, communications and management of an industry led Steering Group, delivered in partnership with the free online safety management system, SafetyFolder. This project will conclude in 2022 and will transform safety management practices within the notoriously dangerous UK fishing industry. We received substantial support from the Nautical Institute, who developed the Lead Auditor training course for the project.



Social Justice

This is a new area for The Seafarers' Charity, but we will increase our portfolio of grant funding for social justice interventions that support the rights of seafarers. In our first year, seven grants worth £230,400 were awarded to six organisations to support new work. Research published in 2022 will support women working in fishing and on cargo ships, as well as migrants working in the UK fishing industry.

In addition to support for their core costs, Mission to Seafarers received funding to support their work with seafarers abandoned in the United Arab Emirates. We collaborated with other charities to provide a small grant to help Sailors' Society remove six Indian seafarers from Iran who had experienced criminalisation and imprisonment.

A £95,000 grant was awarded to Deutsche Seemannsmission to support over 100 Kiribati seafarers stranded for almost one year in COVID-19 quarantine in Fiji, due to their government's borders lockdown. We held meetings with the ICS and IMO to enable the Kiribati seafarers to return to their homes and loved ones.

We welcome more grant requests to support the social justice of seafarers in 2022.



Seafarers International Relief Fund

In 2021, The Seafarers' Charity created the Seafarers International Relief Fund (SIRF), a restricted grant fund, funded by the maritime industry. See page 14 for full details.



In Transition

Our new strategy focuses on five outcomes for seafarers. We reached the end of our funding period for maritime training and careers awareness initiatives that had previously received considerable funding. These included the Marine Society and Sea Cadet Marine Engineering Project which received a final grant payment of £225,545 of its £1.3m+ multi-year funding; the last payment for a five-year rolling bursary programme with the UK Sailing Academy; and a total of four grants worth £254,045 were awarded to four organisations.



Grants awarded in 2021

The Seafarers' Charity's grant funding aims to support five areas of need experienced by many seafarers throughout their working lives and during retirement.

- Enhanced financial resilience
- Better working lives at sea
- Safer working lives
- Improved health and wellbeing
- Increased social justice
- Other





COVID-19 Emergency Fund

In 2020 a £2m COVID-19 Emergency Fund was established by Trustees. At the end of 2020, a remaining amount of circa £0.5m was carried over into 2021.

During the year, the COVID-19 Emergency Fund was used to support seafarers' centres from as far apart as Felixstowe to Papua New Guinea, Mombasa, Tahiti and South Africa. Seafarer Centres were particularly vulnerable to the impact of COVID-19 due to local lockdown and restrictions on shore leave for crew. Many faced severe disruption to their services for seafarers and risk of closure because of the restrictions and consequent inability to generate sales income to sustain their operations.

Our funding support helped to make up for their loss of income, and to ensure that they were able to re-stock, re-open and begin serving visiting seafarers once lockdown restrictions were lifted.

Government border closures had a crippling impact on more than 170 seafarers from Kiribati who, at the end of their contracts, were unable to return home to their Pacific island. They were first stranded in Germany, and then a quarantine centre in Fiji, for over a year. A grant of £95,000 was awarded to Deutsche Seemannsmission to support the welfare needs of some 70+ remaining Kiribati seafarers.

Launch of the Seafarers International Relief Fund

The Seafarers International Relief Fund (SIRF) was launched in May 2021. It was established by leading maritime welfare charities and shipping industry players.

This innovative international emergency fund was swiftly developed as a direct response to the COVID-19 devastation rampaging through India, home to over 240,000 seafarers. Soon after the launch it was clear that urgent need was also necessary in the Philippines.

In a sobering echo of our origins as KGFS, when we were conceived by far-sighted ship owners and officers and championed by His Majesty King George V responding to the crisis of WW1, we knew we had to step up to the plate. The Seafarers' Charity designed and developed the governance structures, operating practices and administered all aspects of the Fund. SIRF was designed together by stakeholders to enable it to be reactivated at times of future international emergencies affecting serving seafarers and their families, as it has most recently with the crisis in Ukraine.

Thanks to the generosity of industry players, philanthropic organisations and individuals, SIRF raised over £864k in record time. Working in collaboration with ICMA, ISWAN, Mission to Seafarers, Sailors' Society and Stella Maris we were able to identify and assess need on the



ground, work through logistics and get help to where it was most needed in an effective and efficient way. Within weeks of launch grants were made, enabling delivery of agile charitable responses to urgent humanitarian crises to support seafarers and their immediate families.

SIRF funded a wide range of welfare services, including delivery of personal protective equipment, food distribution and provision of food vouchers, priority vaccinations and medication, COVID-19 Care Kits, emotional support and bereavement counselling, financial assistance and hardship grants. SIRF helped over 100,000 seafarers and dependants.

The Seafarers' Charity drew on its funds to support core costs, and covered costs of the fund, to enable fundraised income to be put to work in full. A balance of £51K remained at Fiscal Year End in the SIRF to enable swift reactivation in the face of further seafarer humanitarian crisis; this balance was used to kickstart the Ukraine response.

SIRF is a wonderful example of collaboration and partnership not only between maritime welfare charities but also between the wider maritime industry and the charities. Several

Catherine Spencer, Chief Executive of The Seafarers' Charity: "We are thrilled to have exceeded our target of US\$1m. This was an ambitious goal, but one that reflected the catastrophic impact of the pandemic, particularly in India, where many seafaring communities have been badly affected. All SIRF donors, big and small, have mobilised in support of seafarers and every dollar has helped to deliver urgent, life-saving support to those most in need."

working groups were established overnight, and all players came together regularly to ensure SIRF was a success from every perspective.

We are enormously grateful to all those who donated to SIRF, to our tireless delivery partners, and especial thanks to Mark Cameron of Ardmore Shipping and Guy Platten of the International Chamber of Shipping who sparked the initial discussion and gave their time and resource so generously.

Please refer to our website for detailed information on SIRF - www.seafarersinternationalrelieffund.org

Our Influence

Our restructure in 2020 added the use of research, our voice and our convening power, to our traditional grant funding role thereby increasing our impact and positive influence on the working, and retired, lives of seafarers and their families.

We share information and engage as a constituent member of the Merchant Navy Welfare Board where we participate in both the Serving Seafarers and Older Seafarers working groups, and the COVID-19 Working Group. During 2021 we developed a team of volunteer Advocates; several now represent The Seafarers' Charity at regional port welfare committees and provide feedback on local issues. We will develop this team of hard working volunteers and our advocacy further during 2022. Throughout the pandemic we took part in regular meetings with Defra's fisheries team, and the Marine Management Organisation, in meetings with industry and with other maritime charities. Additionally, we attend relevant All-Party Parliamentary Groups to influence and in support of seafarers.

During 2020 we highlighted the lack of an international database on deaths at sea; there is no data on suicides, thus the scale of the problem of suicides is hidden and ignored. Lack of information makes it difficult to identify interventions which may address the problem. In 2021 we were pleased to discover that the Australian Maritime Safety Authority (AMSA) had proposed an amendment to the Maritime Labour Convention 2006 that will be considered in 2022. Subsequent discussions and information sharing with AMSA, maritime charities, and the Maritime & Coastguard Agency (MCA) have resulted in greater awareness of suicides at sea. We are continuing to develop our work in this and will further publicise this hidden issue during 2022. Detailed discussion with the MCA encouraged them to recently commission research on the impact of suicide at sea.

The increased use of virtual meetings has made it easier to bring people together in collaboration

and discussion. We have established project working groups with external partners who explore different issues which may result in new funding opportunities to improve seafarer welfare. For example:

- Equality, diversity and inclusion of maritime welfare charities' trustee boards is explored in a working group with the Merchant Navy Welfare Board, Trinity House and Queen Victoria Seamen's Rest.
- The working conditions of fishing crew is explored in a working group consisting of ITF union and University of Nottingham which met weekly throughout 2021 and is planning to release research on this subject in 2022.
- A Steering Group chaired by the Nautical Institute and consisting of the MCA and fishing industry stakeholders and retailers are meeting monthly to oversee our Fishing First Safety Management Project delivered by the SafetyFolder which aims to transform safety management practices on UK fishing vessels.
- We have continued to convene regular meetings for the charities who received funding from the Seafarers International Relief Fund. This is helping to share good practice and identify gaps where further collaboration may be helpful.
- A working group consisting of representatives from the Fishermen's Mission, SAIL (Seafarers' Advice & Information Line), Seafish, Fishing into The Future, Whitby District Fishing School, Seafood Cornwall Training, and Mindfully Wired Communications worked with us to develop the content of a new financial capability training module for new entrants

to fishing, as well as a Financial Champions webinar for those working in local fishing ports to enable them to support fishers.

The development of financial capability training for fishers was one element within our creation of a Safety Net for fishing families. It was also one of the recommendations within our 2020 research on Fishing Without a Safety Net. In June 2021 we were delighted to hear Victoria Prentis, the Fisheries Minister, refer to our research as an "excellent report" when responding to a question in the House of Commons. The Fishing Without a Safety Net research exemplifies our novel approach to utilising research and evidence to inform our grant funding and to proactively create grant funded solutions. At the end of 2020 we presented our research findings to a Seafish Common Language Ethics Group, and the research also featured on a Fathom podcast. By September 2021, we delivered on the recommendations for grant funded solutions that were recommended in the Fishing Without a Safety Net report and launched the Safety Net for Fishing Families. At the end of 2021, these grant funded solutions were presented to the All-Party Parliamentary Group on Fisheries at a session focused on the financial resilience of fishing communities.

The Safety Net consists of financial capability training embedded within Seafish's new entrant training programme, a Financial Champions webinar and a new website full of information resources, as well as access to affordable and bespoke credit union services for all fishing families in the UK for the first time. We worked with Commsave Credit Union to develop an innovative tax budgeting and payment service for self-employed fishers, as well as creating a short-term loan product to provide match funding to support access to Government grants. The training, webinar, website and the Credit Union are legacy items which will have a long-term impact on helping fishing families to manage their money and hopefully avoid hardship. In 2022, the Safety Net will be expanded to support UK merchant seafarers too.

More information is available on the Safety Net website - <https://fishingsafetynet.co.uk/>

In 2021, we moved on from the individual personal finance challenges experienced by people reliant on an income from commercial fishing to start a new project exploring some of the structural issues impacting the labour conditions and welfare of crew working on UK fishing vessels. This work included a research survey conducted by the Rights Lab at the University of Nottingham, with the findings set to be published in a research report due for publication in 2022. Subsequent discussions with the MCA in respect of working conditions and labour abuses in the UK fishing industry resulted in the MCA taking forward our suggestion of a simple form to enable maritime welfare charities and others to report confidential concerns.

In 2021, we awarded a grant to the Seafarers' International Research Centre (SIRC) at Cardiff University to take forward new research on the port welfare needs of female seafarers working on cargo ships. It is anticipated that this research will be published late in 2022. Although there are currently a low number of women working on cargo ships, we believe their welfare needs should not be overlooked. At present it is assumed that their needs are the same as their male counterparts – and this is something which the research is set to explore. This research will play a substantial role in informing our future funding of port welfare services.

A third research project due to report in 2022 is a partnership with the Fishmongers' Company's Fisheries Charitable Trust. The research, carried out by the All-Party Parliamentary Group on Fisheries, seeks to explore ideas for how Government can best support the UK fishing industry post Brexit.

More information, and regular updates, about our research, advocacy and current projects can be found in a new Our Influence section on our website - www.theseafarerscharity.org/what-we-do/our-influence



Building a Better Future for Seafarers in an Uncertain World

At the start of 2021 we forecast an 11.7% increase in fundraising income from 2020, acknowledging the investment into leadership and resource into improving the effectiveness and impact of our fundraising activities.

At that time, none of us could have foreseen the ongoing depth and breadth of the impact of COVID-19 restricting our activities and affecting the wider economic landscape. We were also aware that the huge support we received for our emergency appeals would be unlikely to be repeated.

However, our team, our supporters, individuals, corporate firms, maritime industry leaders, those leaving gifts in wills, quizzers, eventers, friends and trusts and foundations rose magnificently to the challenge, resulting in an extraordinary increase of 136% on the previous year's income and 111% ahead of original budget. This is the largest amount of fundraised income since our Centenary in 2017.

This phenomenal increase was, predominantly, the result of collaboratively launching SIRC, the Seafarers International Relief Fund, detailed on page 14. The maritime industry, individuals and philanthropic organisations responded generously and swiftly by donating over £864k. SIRC was an incredible boost to our work in 2021 and should be seen as an extraordinary response to an appalling humanitarian crisis. It may be difficult to achieve similar funding levels in 2022.

In addition, several incredibly generous people left us gifts in their wills as part of their lasting legacy and commitment to improving the lives of seafarers. We are so grateful for this support.

Events activity and thus income was decimated by restrictions, and we achieved less than we had originally planned. However, we were thrilled to have 17 runners in the London Marathon – many of whom had committed pre-COVID-19 and dealt with the frustrations and uncertainty of cancellations and rescheduling. We are so thankful to each one of our valiant runners. It was a wonderful and humbling experience meeting them. We took advantage of digital opportunities and ran several successful events including our Maritime Quiz and Facebook 400,000 Steps for Seafarers Challenge. We continue our partnership with Asahi UK Ltd and are grateful for their support through their tasty Gales Seafarers' Ale. Our signature event, 24 Peaks Challenge, returns this year after a COVID-19 enforced break, and we are delighted by engagement from corporates to date.

We are enormously proud of all our supporters donating to The Seafarers' Charity, enabling us to achieve an ever-greater positive impact on seafarer welfare. This incredible commitment from our supporters and friends, all of whom have been dealing with and managing their own challenges yet harnessed their time, energy and resources to support our hidden heroes of the sea, is truly heartening. How this generosity has translated into welfare support grants can be seen in our Impact section on page 9.

Our focus for 2021 was to increase engagement, lay the foundations for attracting new donors, and increase our visibility with the aim of increasing our fundraising income. In addition to achieving our highest fundraising income in four years we attracted over 40% new donors than our initial target. Most new donors were individuals, followed by events fundraisers. We aim to achieve even greater growth in 2022.

Throughout 2021 we implemented a different approach to planning and managing our fundraising activities to ensure that expenditure on fundraising was wise with clear detailed aims. We challenged ourselves and were determined to be agile in the face of ongoing uncertainty, only spending budget when we were confident of its return value. We closed the year spending £215k less than planned at the same time as restructuring and hiring several new experienced personnel to fill the gaps identified in 2020. Going forward, our expenditure will increase as we have full years of additional resource, and as we return to events and fundraising activity, additional expenditure will be required to generate strong income returns.

Insight from across the charitable sector suggests that 2022 will be another challenging year for fundraising with concerns around cost-of-living rises, continued economic uncertainty, the ongoing impact of COVID-19, and world events. We will focus our efforts on expanding our supporter base, engaging a broader audience, telling our story to more people, enabling us to do what we exist to do – Doing more for seafarers, And doing it even better.

Our plans include improved supporter engagement, capitalising on our King George's Fund for Sailors origins, increase in digital engagement, continued growth in new donors, investing into our legacy proposition, events, and partnering with corporates and philanthropic organisations.

Sharing our story

We launched our refreshed brand, developed accompanying marketing materials and completed our full-scale website. We have restructured and invested in our Marketing Communications Team to enable us to increase messages about our impact work and raise our profile across a range of mediums and audiences. In the coming year you will see more digital messaging and increased engagement from a wide supporter and beneficiary base. We will continue our popular twice yearly printed flagship publication Seaview,

alongside our newsletter Seapost. Along with many charities we will be commemorating and celebrating the Platinum Jubilee and our ongoing Royal patronage.

Merchant Navy Fund and Fly The Red Ensign

The Merchant Navy Fund, a collaborative initiative set up in partnership with the Merchant Navy Welfare Board, enjoys the support of incredibly generous individuals who wish to exclusively support active and retired Merchant Navy seafarers. A small supporter base donates a higher-than-average amount signalling that Merchant Navy welfare support really matters to people.

In 2022 we celebrate ten years of the Merchant Navy Fund and have a series of activities planned to celebrate the cause, thank our supporters, and in collaboration with partners access and engage more individuals with an affinity with the Merchant Navy.

Fly The Red Ensign, launched in 2015, is our way of honouring the many brave men and women who kept the UK afloat during both World Wars and celebrate our dependence on modern-day merchant seafarers who are responsible for more than 90% of the UK's imports. We encourage flying the British Merchant Navy's official flag (Red Ensign) on Merchant Navy Day on 3rd September.

In 2021, in the face of restrictions, we saw almost double the number of downloads of our digital media toolkits and 25 new organisations taking part. Events were held up and down the country. Our plans for 2022 include increased PR activity to broaden participation and aligning the Merchant Navy Fund 10 Year anniversary.

We will work with partners to spread the word and amplify the message.

Delivering on Our Strategic Plan

Our strategy, launched in March 2021, has a bold vision, putting those who work at sea at its heart. It is the first strategy the Charity has developed and sets out how we will work with our delivery partners, how we will fundraise and how we will collaborate across the sector.





Key Performance Indicators

The best Key Performance Indicators (KPIs) provide a strategic level view on the health of the organisation. While each department may need its own indicators and measures, KPIs should assess areas that are critical to the organisation's success, and therefore if not achieved will signal failure.

Thankfully our KPIs demonstrate that we are on track. They embrace the areas of our organisation, covering:

- **Achievement of mission** – measuring the percentage of grants which work toward the achievement of our mission (further detailed work on our impact is under development).
- **Working towards our mission** – proactive grant funded solutions, measuring the proportion of funding awarded to new projects specifically designed to tackle the root cause of problems, or to provide new services for newly identified issues.
- **Collaboration** – measuring how much we are working with stakeholders and partners to ensure that the sector is working at its most efficient, and developing new projects and activities.
- **Advocacy** – determining whether advocacy work is effective. Planned to start in 2022 we took advantage of opportunities to work with the Australian Maritime Safety Authority to push for better recording of death at sea.
- **Fundraising** – the overall target for fundraising ensures we have an effective and efficient fundraising operation (more detailed targets are reported to the Development Committee).
- **Budget** – to ensure that we are not over budget we measure how our spend is performing against our planned budget and monitor our budget development.
- **Employee engagement** – measuring employee's engagement to identify areas to focus on for improvement to ensure employees are valued.
- **Communications and visibility** – measured by social media reach. Granular detail is discussed at the Development Committee.
- **Reduction of risk** – considers to what extent we have reduced risk when identified.
- **Legislative Report to the General Council** – covering all our internal operations including a successfully completed audit.

Financial strategy and sustainability

As a charity, we are always looking at ways in which our impact reduces or even eliminates the need for us to exist in the future. We set an expectation five years ago that over a 20-year period our impact, coupled with increased automation in maritime industries, would mean that the number of seafarers needing our support and advocacy would reduce by 50% over 20 years. We use this expectation as the basis for the delicate balancing of how we seek to use our financial strength for the benefit of future as well as current seafarers.

We aim to utilise our reserves over the next 15 years in such a way that by 2035 our reserves will have halved their value in real terms compared with 2015. This allows us to release reserves in a sustainable way to increase our current impact while also allowing us to be prepared to support future generations of seafarers. Our ambitious strategic operational plans reflect the additional benefit of us being able to release these reserves with confidence in coming years.

Our financial strategy, which was reviewed and updated in 2021, aims to ensure that we use resources to make the largest possible impact on seafarers in need. This objective informs our rigorous assessments of where money can be spent for maximum benefit. Our current operating model means that the costs of running the organisation, including managing, and making grants from our endowment funds, are covered fully by the expected real returns and sustainable run-off of unrestricted reserves. Fundraising is a core part of our financial strategy to increase our overall impact and we can assure donors that we will use 100% of the money our Fundraising Team raises to make additional grants that are expertly targeted to make the biggest possible impact on seafarers in need. The Trustees monitor the overall contribution of our fundraising activity on a regular basis to ensure it continues to increase our impact.

Further details of our reserves policy can be found in the Financial Performance and Review section on pages 28 and 29.



Our International Work

The Seafarers' Charity has long provided grant awards to organisations that deliver internationally. Our work has always included seafarers of all nationalities and we are proud to continue awarding grant awards to support seafarers across the world. Our international work reflects our five strategic outcomes in a programme of grant awards to create wrap-around care.

Most global maritime welfare organisations providing support to international seafarers of any nationality and faith, are headquartered in the UK, reflecting the UK's rich heritage as a centre of maritime excellence. However, we work with the best organisations to fulfil the goal, which this year included the Deutsche Seemannsmission to support seafarers from the tiny Pacific state of Kiribati. We welcome grant applications from organisations outside of the UK.

Seafarers have endured significant hardships during COVID-19. Due to fears over the virus spreading many have been denied shore leave and have worked many months over their contracts. The comfort of those of us on dry land, still receiving food and consumer goods, is because seafarers and key workers have kept supply lines open. This has been at the expense of seafarers enduring, at times, severe hardship.

Some of our work in 2021 was to mitigate the impact of COVID-19, the most substantial enabled by the Seafarers International Relief Fund, which is covered in more detail on page 14. The scale and speed at which we were able to respond to the humanitarian need in India and the Philippines was made possible through close collaboration across industry and charities.

The Seafarers' Charity works with experts from delivery organisations and local experts to understand the issues affecting seafarers and how we can best support those that work at sea.



Better Working Lives at Sea

To ensure life at sea is more tolerable and to ensure that seafarers have access to help when needed we support the International Seafarers' Welfare and Assistance Network. Over thirty thousand seafarers used their services, available online, to ensure advice, and when needed, access to a hardship fund were within reach. Their services are provided in over 25 languages, and 96 different nationalities used their services last year. Additional support is provided by the Sailors' Society Crisis Response Network, which provides a free rapid response trauma care and counselling service for survivors of piracy attacks, natural disasters and crises at sea.



Financial Resilience

Seafarers can face significant hardship when they have not received wages owed to them or cannot access work. We support ISWAN's Seafarers Emergency Fund and the Stella Maris Emergency Fund to provide emergency funds when needed.



Health and Wellbeing

Seafarers around the world can now access Befrienders Worldwide thanks to a new grant award to provide emotional support to prevent suicide – a growing issue due to the challenges endured during COVID-19.

Additional grants from the Seafarers International Relief Fund supported work in India and the Philippines, providing vaccines and food in areas where seafarers could not access work due to COVID-19.

In addition to our grant awards programme, our advocacy work has included collaborating with the Australian Maritime Safety Authority to campaign for transparent recording of death at sea.



Safety

Improving safety at sea is a key tenet of our work. We're proud to support the Confidential Human Factors Reporting Programme (CHIRP) for Maritime; as the name suggests it provides a confidential method to report accidents, incidents and near misses to enable sharing of best practice on safety management.



Social Justice

Our social justice grants awards include working with Mission to Seafarers, and more recently with Deutsche Seemannsmission to provide humanitarian relief to seafarers trapped at sea. We are grateful to the International Chamber of Shipping for the significant work they have done to secure travel for Kiribati seafarers.



Our People

Our employees are vital to The Seafarers' Charity, and it has been another extraordinary year. Employees have been adaptable and determined throughout the continuation of the COVID-19 pandemic.

Our adaptive response in 2020 continued throughout 2021 with internal communications continuing to play a key part of optimal performance. Working on Microsoft Teams continued to provide functionality and enabled communication internally and externally. Increased frequency of team outcomes focused sessions, together with the introduction of weekly team catch-ups, which adapted over the year in line with feedback, enabled continual improvement to build a strong charity, ensuring our messaging was appropriate and proportionate.

We continued to recruit during 2021 and although we were working remotely, we strived to ensure all new joiners received a comprehensive remote induction and were welcomed as part of their team and Charity from day one.

The team's skills, experience, commitment and dedication enabled the Charity to deliver exceptional work over the last 12 months; this is complemented by the incredible contribution we receive from our volunteers.

We plan to return to an office environment in 2022. We will retain several new ways of working and conduct our activities and collaboration in a more flexible and agile way.

We are consulting with colleagues regarding the return to the office to understand how we can best meet the needs of the Charity and staff.



Remuneration

Our pay and benefits help us to attract and retain the best people and keep colleagues engaged throughout their employment. Each role is benchmarked using external consultants 'Croner Rewards' who maintain an extensive pay database in which to evaluate our roles against, ensuring we pay a competitive salary compared to similar organisations.

We are an accredited Living Wage employer, so we can ensure everyone who works for us can earn enough to live on. We aim to extend this to our supply chain when reviewing contracts. The General Council reviews and approves annual pay increases in line with inflation and affordability for all colleagues. The General Council approved a pay rise of 5% for staff from 1 January 2022.

No Trustees are remunerated by the Charity. Travel and incidental expenses can be claimed.

Remuneration of key management personnel is reviewed annually in the same way as colleagues and benchmarked against other salaries in the sector. A list of key staff is available on page 65.

Staff wellbeing

The COVID-19 pandemic has had a significant impact on the lives of all our staff; we have been committed to supporting the mental health of our employees. We have provided access to support. We promoted our Employee Assistance Programme and additionally introduced a mental health first aider to provide support and signposting to staff requiring help. Other training opportunities and activities in this area have been championed by our Diversity Working Group and have included, in early 2022, Mental Health awareness and training for all staff.

Equality, diversity and inclusion

We are committed to being a diverse and inclusive charity in order to reflect the diversity of the

seafarers that we serve; seafaring is by its very nature a global industry and the diversity and heritage is rich. The more we understand the many needs of seafarers the better we can serve them through our funding of organisations.

In June 2020, we created a staff led Diversity Working Group to examine how we as a charity, and as individuals, could learn more and do more to understand and address the issues around diversity. Our aim is to be more inclusive and explore how we can better embed equality, diversity and inclusion (EDI) into all aspects of our Charity culture, policies and processes. This also aligns with our relationships with our charity delivery partners. Staff have really engaged with the initiatives implemented and we have all learned from the open and honest conversations around diversity. Early in 2020, we held a webinar to share our analysis of Trustee Board diversity of organisations that we fund to support them in the future, including an open offer of grants of up to £5,000 to help partners on their diversity and governance journey.

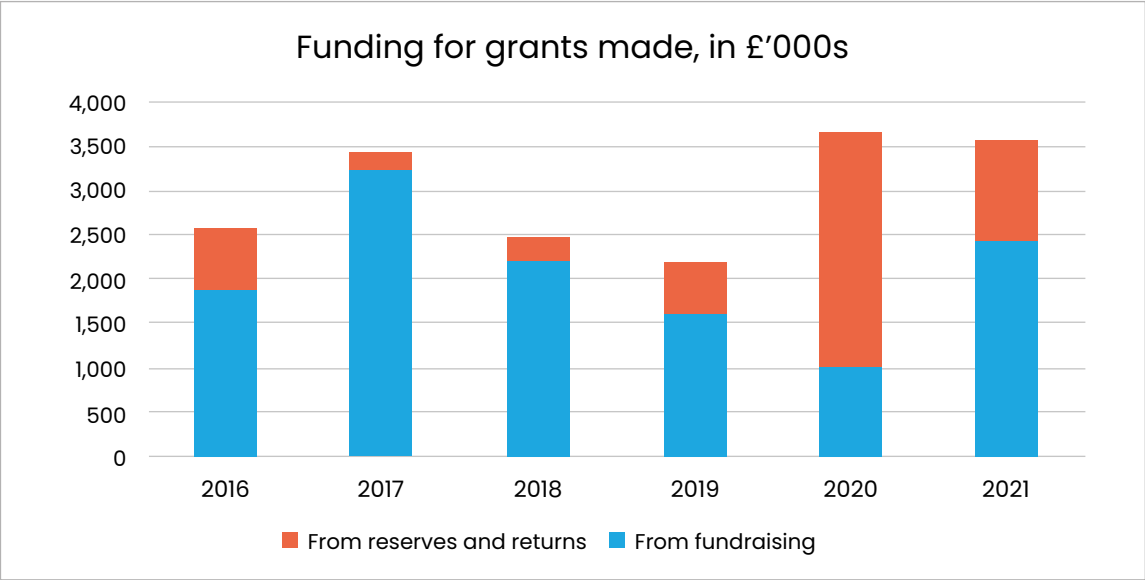
Internally the Diversity Group has initiated a series of training courses for all staff, including Equality, Diversity and Inclusion Essentials training to help us understand more about our responsibilities for promoting equality, tackling all forms of discrimination, and fostering good relationships between diverse groups of people in the workplace. We also arranged Mental Health Awareness training, updated our EDI policy and have written a reference document around Mental Health and its Impact on Different Communities.

In 2020, The Seafarers' Charity signed the Maritime UK Women in Maritime Pledge, in 2021 we signed the Mental Health Pledge, and at this stage we also started working towards becoming a Maritime UK Diversity in Maritime Charter organisation.

This work is vital; we are always learning and aim for continuous improvement, but we absolutely know that improved diversity is better for our Charity, our results and our support of the maritime charities sector.

Financial Performance and Review

We were delighted that during 2021 charitable activity spend was £4.1m, only slightly less than the previous exceptional year. This was enabled in part by the success of our fundraising but also by the continued release of reserves enabled by our financial strategy.



Overall, we spent nearly £2.5m more than we received in income, before taking into account investment gains. Our financial sustainability model indicates that this was around £1m higher than can be absorbed through our sustainable long-term plan for utilising reserves. However, Trustees felt able to support this spend at such a critical time for many seafarers due to the Charity being in a strong financial position at the onset of the COVID-19 pandemic. In part, this reflected the strong investment returns we have produced over the last five years.

The £3.6m of impact grants we made also benefitted from the success of the Seafarers International Relief Fund. We raised a staggering

£864k over a few months from generous donors to support relief work for seafarers in India and the Philippines affected by the COVID-19 pandemic and then Typhoon Rae/Odette. As well as many new supporters, we continue to be indebted to the generosity of those who have supported us for many years and who leave us legacies in their Will. Legacies this year were over £1m and are a crucial part of us being able to make the impact we do. We continue to monitor closely the value generated by our Fundraising Team.

We invested an additional £400k in the Fundraising Team this year to support current and future fundraising. At the same time we

were pleased to see that overall income rose by £1.4m compared with 2020. 2021 saw strong investment returns with gains on investments of £5.3m as markets recovered from the initial shock of the COVID-19 pandemic. This compares with our expected long-term return of around £1.3m per annum. The start of 2022 saw a significant fall in investment markets due to the war in Ukraine and resulting higher inflationary pressures (MSCO World Index fell by 6% in the first 3 months of 2022). Our reserves remain slightly above target levels despite this fall, and we are pleased that our reserves management approach has allowed us to maintain planned charitable activity spend for 2022 without the need for cutbacks.

We continue to invest in strengthening our support and governance functions. Our focus on impact means that as well as trying to maximise money available for grants, we also invest in support functions that enable us to continue to target our grants for maximum impact. This year we have redesigned our website, upgraded our IT support and continued to promote awareness of the work that we do, which is a critical aspect of us being able to identify areas in which we can make the best impact for seafarers.

During 2021, we developed our financial strategy, setting out longer-term financial targets and clearer annual reserve targets. These are based on our aim to reduce the real value of our reserves by 50% over a 20-year period from 2015. At the end of 2021, our unrestricted reserves were around £3m above target, reflecting the impact of higher than sustainable investment returns over the last five years. Markets have been volatile during the first part of 2022, but at the time of writing our reserves were around £1m higher than target. This financial strategy, focused on long-term goals with the resilience to ride out short-term setbacks, supports the impact we can make as a charity by enabling us to plan and make longer-term commitments. Such longer-term commitments are essential to our partners seeking to make long-term impacts in areas of hardship and need.

Reserves Policy

Our reserves policy seeks to use our financial strength to support seafarers in this and coming generations, as well as provide a contingency against operational risks. Our policy is to utilise 50% of the real value of our reserves to provide additional support to seafarers over the period from 2015 to 2035. During 2021, we revised the presentation of our reserves in the financial statements to show a strategic operational reserve which, while diminishing annually in real terms, is set aside to support future generations of seafarers. This replaced our designated strategic fund.

At 31st December 2021, our general undesignated reserves were £3.8m, slightly above our target of £3m to cover operational risks. The excess above target reflects short term investment gains during 2021 and explains why our reserves have temporarily risen rather than fallen during 2021. The principal operational risks from a financial perspective are a sudden short term reduction in fundraising and a sharp fall in investment markets.

Investment policy

The investments are maintained for the Charity's current and future needs. The investment policy balances the need for capital protection with the desire to secure investment returns. The Investment Managers are set targets to utilise their professional expertise. The Finance and Audit Committee take an overview of the total impact and individual portfolio performances. Investment managers report and discuss actual performances at each Finance and Audit Committee; this is conveyed to each General Council. The investment managers are allowed to use certain derivatives for protection purposes, after prior approval from the Finance and Audit Committee. The Seafarers' Charity promotes the health of seafarers and does not invest in any company which derives 10% or more of their income from tobacco products.

Structure, Governance, Management

Legal structure

The Seafarers' Charity is a non-statutory body incorporated by Royal Charter. The Charter was originally granted in 1920 and, together with the Byelaws, provides the rules and guidelines under which The Seafarers' Charity operates. After approval by the Privy Council, Supplemental Charters were granted in 1949, 1960, 1976, 1992, and 2010. The latest amendments to the Charter and Byelaws were approved by the Privy Council in 2010.

The Charity's aims or purposes ('objects') are:

- the relief of seafarers, their families, or dependants, who are in need, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth.
- the education and training of people of any age to prepare for work or service at sea, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth.
- the promotion of the efficiency and effectiveness of the maritime charitable sector within the Commonwealth.
- the promotion of safety at sea by providing support to organisations established within the Commonwealth. The aims of the Charity set the framework for our grant-funding strategy and management.

Our Trustee Board, known as the General Council, has 14 Trustees, meet three times a year to set and oversee our strategy and objectives, make decisions on strategic direction, and monitor effectiveness. The General Council has delegated authority to Trustee sub-committees.

Day-to-day operations and management are delegated to the Chief Executive and Senior Leadership Team who provide regular reports to the sub-committees.

Trustee sub-committees perform a vital role in handling the information produced by the SLT to be able to review performance of the Charity and advise and guide on key areas of activity, and provide recommendations, if necessary, to the General Council. The Chair of each committee reports to the Board and minutes of committee meetings are available to all Trustees.

The Seafarers' Charity is committed to maintaining the highest standards of governance and looks to continually improve its practices based on best practice. During 2021, using the principles and recommended practice for good governance within the Charity Governance Code, a review was undertaken of the future format for sub-committees to enable the refocus of Council agendas to be primarily based on strategy, performance, risk and long-term planning for the Charity, thus better utilising the skilled resource of General Council more effectively and efficiently during meetings.

The review recommended to refine and adjust the objectives of two of the four main committees.

Audit and Governance (Governance and Risk 2022)

- Ensuring the Charity's governance arrangements, and ensuring they comply with The Seafarers' Charity Royal Charter (Governing Document) and are consistent with best practice. Ensures the Charity has effective internal control and risk management systems operating within approved policies and the law.

Finance and Investment (Finance and Audit 2022)

- Overseeing monitoring and keeping under review the financial performance and viability of the Charity. Ensuring the integrity and transparency of published financial information.

Impact

- To provide direction and oversight for the work of the Impact Team in line with the Charity's 2021-2024 'Thrive' Strategy and the Grantmaking Strategy approved in 2020 to achieve best impact and outcomes against an agreed annual budget.

Development

- Overseeing The Seafarers' Charity's approach to generating income via the fundraising and engagement strategy to create sufficient funds to meet the needs of the Charity.

Appointment of Trustees

Appointment to the General Council is done via an open recruitment process and overseen by the Nominations Committee which sits as required to ensure the right mix of skills are maintained on the Council. Members of the General Council are approved and appointed at the Annual Meeting.

Trustees are appointed for an initial term of up to five years. They may be reappointed for a further period of five years, after which the Trustee must step down. From 2022 Trustees will be appointed for an initial term of up to three years and may be reappointed for two further terms of three years.

The number of Trustees is subject to a maximum of 30 and must be greater than seven.

Declaration of interests

At each General Council and sub-committee meeting, there is a standing agenda item for each Trustee to declare their interests. All Trustees complete a Register of Interests form annually. The Register of Interests is also completed by members of the Senior Leadership Team.

Statement of Responsibilities of the Trustees

Law applicable to charities requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005.

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 Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Public Benefit

Trustees consider the Charity Commission guidance on public benefit when planning future activities, setting grant-making policies and in making grants. The positive impact expected from each grant is considered before a grant is awarded and monitored. This enables Trustees to be confident that the Charity achieved significant public benefit for several groups and individuals across the UK and the Commonwealth.

A diverse range of public benefit is provided by the number of charities and organisations we support each year, as they work to prevent the relief of poverty, advancement of health, and help people in need by means of disadvantage.

Risk Management

Principal risks and uncertainties

The Trustees assess and understand the risks facing the Charity. The General Council has delegated the day-to-day responsibility for the management of the risks to the Chief Executive and the Senior Leadership Team (SLT).

The SLT is responsible for the identification and assessment of risk and developing mitigation strategies and controls. The risk register is regularly reviewed at the Senior Leadership meetings and reported to the Governance and Risk sub-committee.

The Governance and Risk sub-committee is responsible for overseeing and scrutinising the risk management systems, ensuring processes for managing risks are fit for purpose and implemented appropriately by management. The sub-committee monitors key risks exposures and escalates to the General Council where necessary. The General Council additionally review the overall risk register.

The risk management framework is designed to support informed decision-making regarding risks which may affect the achievement of the Charity's objectives. It is also designed to manage and minimise the likelihood of risks occurring rather than to eliminate the risks.

COVID-19 continued to be a risk throughout 2021, particularly the risks surrounding additional variants and corresponding restrictions.

The Trustees and SLT continue to monitor the outbreaks and the impact of these; we have been

effective in our responses during the last year because of the mitigations taken. The Seafarers' Charity is in a good financial position to continue to manage this risk. The Charity has a diversified investment portfolio which has proved resilient through the pandemic.

Information security and data protection

With the increasing reliance on technology and remote working, a focus on the resilience of the IT system and infrastructure is vital in safeguarding information and maintaining business continuity. The first line of defence to protect information is by providing staff with cybersecurity awareness and Data Protection GDPR awareness training. All staff undertake this at commencement of employment and annually thereafter. We also have an open culture where staff report any suspected threats for investigation.

As cybersecurity is constantly evolving it is important the Charity is continually reviewing and strengthening its IT security to ensure our data and ways of working are secure. During 2021 we reviewed our outsourced IT support requirements and moved to a provider that would better fit our current needs.

Financial performance sustainability

Although we do not expect our financial position to be adversely affected in the short term, we have reinvented fundraising events to account for COVID-19 and social distancing requirements, as we expect individual giving to be lower than previous years. We constantly monitor our financial performance to highlight any potential risks. We undertake regular cashflow reporting and forecasting, analysis of income and expenditure, and measuring investment management performance.

Organisational change: ways of working change

An upgrade of technology enabled the transition to successful working from home throughout the pandemic. Staff have embraced remote working. As we move out of restrictions the Charity is reviewing working arrangements that both benefits the work/life balance for employees and fits the needs of the Charity. This is an opportunity and challenge to find a solution and working model that is conducive to our needs and ensures our operations are optimised for maximum efficiency.

Attracting and retaining talented staff

The current competitive employment market and subsequent hiring difficulties for organisations is set to persist into 2022. The potential inability to attract and retain skilled staff could lead to capacity issues and mean we are unable to reach our objectives.

We review our required skills and new roles as required, and we undertake regular benchmarking of remuneration and benefits. We have ongoing expectation setting and performance management.

We identified the need to understand and evolve our culture where staff are motivated, productive, and our stakeholders' needs are met, especially as we move to new ways of working to retain and attract talent.



Our Fundraising Practices

The Seafarers' Charity is committed to fundraising in a legal, honest, respectful and transparent way. We aspire to do what is right for our supporters and remain fully committed to the principles laid out in our 'Supporter Promise' (available on request).

The Seafarers' Charity carries out its core fundraising activities through a dedicated team working remotely and at its London office as well as through a small number of regional committees who engage in small-scale fundraising activities across the UK.

The Charity's Development Team generates income through a mix of grants received from charitable trusts and foundations, corporate donations, partnerships and sponsorship, individual donations and legacies, as well as fundraising and challenge events.

Fundraising standards

As part of our commitment to ensuring the highest standards in fundraising, The Seafarers' Charity is registered with the Fundraising Regulator, and adheres to the standards of the Fundraising Codes of Practice.

We are keen to hear from our supporters if they believe there is something we did not get right, so we can learn where we can improve.

During the year, we received no formal complaints to our fundraising activities. We will continue to monitor our practices and processes to ensure we uphold the highest of standards.

We display the Fundraising Regulator badge on our website and in fundraising collateral to demonstrate our commitment to best practice.

General Data Protection legislation (GDPR)

We have embedded an excellent culture of awareness and good practice across the organisation to ensure the data we hold is GDPR compliant. We are always looking to maintain these high standards, and continually strive to make improvements where we can identify opportunities. We take privacy seriously so that our supporters can trust us with their data.

We only contact supporters who have given unambiguous and explicit permission for us to contact them using their specified method, for marketing activity, including fundraising support. All our communications to supporters include information on how to opt-out of any future communications and are checked for compliance before they go to print.

The Charity's policies relating to the GDPR are reflected in the Data Protection Notice that is included in all direct communications with supporters, as well as the Privacy Policy which is displayed on our website. We're signed up to the Fundraising Preference Service and maintain our own suppression list. We ensure that all personal information that we need in running the Charity is properly protected, correctly used and safely stored. All employees are mandated to regularly complete training on the GDPR.

Supporter data and working with third-party fundraisers

We never pass on any personal data to third-party organisations for their own purposes. We do, however, ask third-party organisations to help process our data and work closely with several external organisations who have specific fundraising expertise and that take privacy and data protection as seriously as we do. This is supported by written agreements with all our third-party partner organisations who support the Charity's fundraising activities. All such agreements are subject to legal contract, including how data is collected, stored, processed and shared.

Volunteers and regional committees

Our regional committees have engaged in small select activities although COVID-19 has restricted events and activities. We hope to engage with them again in 2022.

Protecting vulnerable people

Understanding and protecting people in vulnerable circumstances is of paramount importance for us: we recognise that we may come into contact with people who are in a potentially vulnerable situation, or who may lack the capacity to make an informed decision about their giving. We follow guidelines regarding people in potentially vulnerable situations, and how to manage any interactions we may have with them. Our policy is informed by the Institute of Fundraising's 'Treating Donors Fairly Guidance'.

The Annual Report has been approved by the Trustees on 26th May 2022 and signed on their behalf by:

Mr P. Butterworth
Chairman

Mr D. Bain
Chairman, Finance
& Audit Committee



Statement of Financial Activities

For the year ended 31 December 2021

		Unrestricted	Restricted	Endowment	2021 Total	Unrestricted	Restricted	Endowment	2020 Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income from:									
Donations and legacies	2	1,294	1,099	-	2,393	725	233	-	958
Other trading activities	3	55	-	-	55	44	1	-	45
Investments	4	395	96	-	491	430	121	-	551
Total income		1,744	1,195	-	2,939	1,199	355	-	1,554
Expenditure on:									
Raising funds									
Cost of generating voluntary income		783	-	-	783	315	-	-	315
Cost of fundraising events		123	-	-	123	169	-	-	169
Costs of managing investments		279	7	81	367	351	-	39	390
Charitable activities		2,849	1,266	-	4,115	3,840	799	-	4,639
Total expenditure	5	4,034	1,273	81	5,388	4,675	799	39	5,513
Net expenditure before net gains on investments	7	(2,290)	(78)	(81)	(2,449)	(3,476)	(444)	(39)	(3,959)
Net gains on investments	13,14	3,984	102	1,159	5,245	2,868	112	798	3,778
Net movement in funds		1,694	24	1,078	2,796	(608)	(332)	759	(181)
Reconciliation of funds:									
Total funds brought forward		32,740	707	8,093	41,540	33,348	1,039	7,334	41,721
Total funds carried forward	20a	34,434	731	9,171	44,336	32,740	707	8,093	41,540

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Balance Sheet

as at 31 December 2021

			2021		2020
	Note	£'000	£'000	£'000	£'000
Fixed assets:					
Tangible assets	12		4,853		4,888
Investment properties	13		-		-
Investments	14		39,058		36,615
			43,911		41,503
Current assets:					
Debtors	15	602		403	
Cash at bank and in hand		601		598	
		1,203		1,001	
Liabilities:					
Creditors: amounts falling due within one year	16	(778)		(964)	
Net current assets			425		37
Total net assets	19a		44,336		41,540
The funds of the Charity:	20a				
Permanently endowed funds			9,171		8,093
Restricted income funds			731		707
Unrestricted income funds:					
Designated funds		29,629		11,423	
Revaluation reserve		852		883	
General funds		3,953		20,434	
Total unrestricted funds			34,434		32,740
Total Charity funds			44,336		41,540

Approved by the Trustees on 26 May 2022 and signed on their behalf by:

Mr P. Butterworth
Chairman

Mr D. Bain
Chairman, Finance & Audit Committee

Statement of Cash Flows

for the year ended 31 December 2021

			2021		2020
	Note	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net expenditure for the reporting period (as per the Statement of Financial Activities)		(2,449)		(3,959)	
Depreciation charges		38		47	
Dividends, interest and rent from investments		(491)		(551)	
Increase in debtors		(201)		(196)	
Decrease in creditors		(186)		(245)	
Net cash (used in) operating activities			(3,289)		(4,904)
Cash flows from investing activities:					
Dividends, interest and rents from investments		491		551	
Purchase of fixed assets		(1)		(8)	
Proceeds from sale of investments		16,333		16,589	
Purchase of investments		(13,531)		(12,256)	
Net cash provided by investing activities			3,292		4,876
Change in cash and cash equivalents in the year			3		(28)
Cash and cash equivalents at the beginning of the year			598		626
Cash and cash equivalents at the end of the year			601		598

Notes to the Financial Statements

for the year ended 31 December 2021

1	Accounting policies	13	Investment properties
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3	Income from other trading activities	15	Debtors
4	Income from investments	16	Creditors
5	Analysis of expenditure	17	Pension scheme
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7	Net income / (expenditure)	19	Analysis of net assets between funds
8	Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel	20	Movements in funds
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1 Accounting policies

a) Statutory information

The Seafarers’ Charity (King George’s Fund for Sailors) is an unincorporated Charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address and principal place of business is 8 Hatherley Street, London, SW1P 2QT.

b) Basis of preparation

The financial statements 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 (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ

from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The Charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

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

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from Government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified

of the executor’s intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Endowment funds are restricted funds which the original donor indicated were to be held permanently. Returns generated are utilised for charitable purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the Charity in seeking donations, legacies, generating funds and the cost of managing its investments.
- Expenditure on charitable activities includes the costs of grant making and related activities undertaken to further the purposes of the Charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the Charity’s objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the Charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the Charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity’s activities.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|-----|
| • Freehold buildings | 2% |
| • Fixtures and fittings | 10% |
| • Computer equipment | 20% |
| • Office equipment | 15% |

Freehold land is not depreciated.

n) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities. The valuation method used to determine fair value will be stated in the notes to the accounts.

o) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading “Net gains/(losses) on investments” in the statement of financial activities. The Charity does not acquire put options, derivatives or other complex financial instruments.

p) Investments in subsidiaries

Investments in subsidiaries are at cost.

q) Debtors

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

r) Short-term deposits

Short-term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

s) Cash at bank and in hand

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

t) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

u) Financial instruments

The Charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of

bank loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities.

Full details are given in the financial instruments note.

v) Pensions

The Fund operates a defined contribution scheme with the Aviva PLC for employees who choose to participate in the scheme. Participating staff are required to contribute a minimum of 5% of basic salary to which the Fund will contribute a further 7.5% of their basic salaries plus an amount equivalent to the reduced liability of Employer’s National Insurance. Contributions are recognised in the SOFA in the year they were incurred.

2 Income from donations and legacies

			2021			2020
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Gifts	107	168	275	204	205	409
Corporate gifts	95	853	948	29	6	35
Grants received	-	78	78	-	-	-
Legacies	1,092	-	1,092	492	22	514
	1,294	1,099	2,393	725	233	958

3 Income from other trading activities

			2021			2020
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fundraising events	54	-	54	41	-	41
Recharges to other organisations	1	-	1	3	1	4
	55	-	55	44	1	45

4 Income from investments

			2021			2020
	Unrestricted	Endowment & Restricted	Total	Unrestricted	Endowment & Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Dividends and interest	303	96	399	349	98	447
Rental income	92	-	92	81	23	104
	395	96	491	430	121	551

5a Analysis of expenditure (current year)

Raising funds

	Cost of generating voluntary income	Cost of fundraising events	Costs of managing investments	Charitable activities	Governance costs	Support costs	2021 Total	2020 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	372	38	-	188	127	273	998	1,056
Other staff costs	2	-	-	2	2	4	10	15
Event and fundraising costs	42	13	-	-	-	-	55	145
Investment management costs	-	-	349	-	-	-	349	330
Grant making	-	-	-	3,566	-	-	3,566	3,658
Campaigns and communications	11	-	-	-	-	57	68	167
Other	21	1	2	72	29	217	342	142
	448	52	351	3,828	158	551	5,388	5,513
Support costs	228	48	11	194	70	(551)	-	-
Governance costs	107	23	5	93	(228)	-	-	-
Total expenditure 2021	783	123	367	4,115	-	-	5,388	
Total expenditure 2020	315	169	390	4,639	-	-		5,513

5b Analysis of expenditure (prior year)

Raising funds

	Cost of generating voluntary income	Cost of fundraising events	Costs of managing investments	Charitable activities	Governance costs	Support costs	2020 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	121	95	-	436	60	344	1,056
Other staff costs	1		-	1	7	6	15
Event and fundraising costs	57	27		25	18	18	145
Investment management costs	-	-	330	-	-	-	330
Grant making	-	-	-	3,658	-	-	3,658
Campaigns and communications	5	3	-	94	-	65	167
Other	3	1	21	77	40	-	142
	187	126	351	4,291	125	433	5,513
Support costs	110	23	9	195	96	(433)	-
Governance costs	18	20	30	153	(221)	-	-
Total expenditure 2020	315	169	390	4,639	-	-	5,513

6 Grant making

Details of all grant awards in 2021 can be found on the The Seafarers’ Charity website at: <https://www.theseafarerscharity.org/grant-funding/grants-awarded>

7 Net income / (expenditure) for the year

This is stated after charging:

	2021	2020
	£'000	£'000
Depreciation	38	47
Operating lease rentals receivable:		
Property	92	104
Auditor’s remuneration (excluding VAT):		
Audit	16	15
Underaccrual from prior year	-	5

An additional £4k of fees were paid to Sayer Vincent for non audit work during 2021.

8 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£'000	£'000
Salaries and wages	814	838
Redundancy and termination costs	-	35
Social security costs	85	87
Employer’s contribution to defined contribution pension schemes	64	60
Other forms of employee benefits	23	16
Recruitment	12	20
	998	1,056

Redundancy costs reported for 2020 were a part of the restructure process.

The following number of employees received employee benefits (excluding employer pension costs and employer’s national insurance) during the year between:

	2021	2020
	£'000	£'000
£60,000 – £69,999	-	-
£70,000 – £79,999	1	1
£80,000 – £89,999	1	-
£90,000 – £99,999	1	1

The total employee benefits (including pension contributions and employer’s national insurance) of the key management personnel were £299,814 (2020: £259,678).

The Charity Trustees were neither paid nor received any other benefits from employment with the Charity in the year (2020: £nil). No Charity Trustee received

payment for professional or other services supplied to the Charity (2020: £nil).

Trustees’ expenses represents the payment or reimbursement of travel and subsistence costs totalling £0 (2020: £499) incurred by 0 (2020: 4) members relating to attendance at meetings of the Trustees.

9 Staff numbers

Staff are split across the activities of the Charity as follows (head count based on average headcount figures):

	2021	2020
	£'000	£'000
Raising funds	10	4
Charitable activities	7	7
Governance and support	6	7
	23	18

10 Related party transactions

Some members of the General Council are trustees of charities to which the Fund makes grants. The Impact Committee’s procedures require all such interests to be declared and for these members to abstain from voting. Within the General Council no single member exercises control or influences over any particular grant approval.

During the year, legal advice was sought from Pothecery Witham Weld Solicitors amounting to £9,762 (2020: £1,020). The firm’s partner Mr Gerald Kidd served as a Trustee and is also a member of the General Council. All balances were settled in the year and nothing was due at the year-end (2020: £nil).

Seaservers Limited is the trading subsidiary of The Seafarers’ Charity, see note 22 for details of transactions between Seaservers Limited and The Seafarers’ Charity.

Aggregate donations from related parties were £418 (2020: £623).

11 Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold property	Fixtures and fittings	Total
Cost or valuation	£'000	£'000	£'000
At the start of the year	4,900	216	5,116
Additions in year	-	1	1
At the end of the year	4,900	217	5,117
Depreciation			
At the start of the year	62	166	228
Charge for the year	31	7	38
At the end of the year	93	173	266
Net book value			
At the end of the year	4,807	44	4,851
At the start of the year	4,838	50	4,888

The above freehold land and buildings are 7 & 8 Hatherley Street, London, which is occupied and carrying out the operations of the Charity. The property assessment was made in November 2019 by Gerald Eve LLP, using the Royal Institute of Chartered Surveyors appraisal valuation, which indicated the recoverable amount was materially in line with the current carrying value of the properties. The Trustees have re-appraised the valuation at 31 December 2021 and believe that the valuation continues to reflect the market value of the property.

Land with a value of £1,470,000 (2020: £1,470,000) is included within freehold property and not depreciated.

13 Investment properties

	2021	2020
	£'000	£'000
Fair value at the start of the year	-	2,630
Re-classified as tangible fixed assets (Note 12)	-	(2,630)
Fair value at the end of the year	-	-

In December 2020 the Trustees agreed to sell both 7 & 8 Hatherley Street. As such at 31 December 2020, 7 Hatherley Street no longer met the definition of an investment property and was transferred to tangible fixed assets.

The Charity's property in the Bahamas, with a carrying value of £1, was disposed of during the year.

14 Listed investments

	2021	2020
	£'000	£'000
Fair value at the start of the year	36,615	37,170
Additions at cost	13,531	12,256
Disposal proceeds	(16,333)	(16,589)
Net gain on change in fair value	5,245	3,778
	39,058	36,615

	2021	2020
Investments comprise:	£'000	£'000
Interest bearing stocks	10,858	12,426
Equities	26,015	21,875
Cash	2,185	2,314
	39,058	36,615

15 Debtors

	2021	2020
	£'000	£'000
Other debtors	5	34
Amounts due from subsidiary undertakings	52	50
Prepayments	68	53
Accrued income	477	266
	602	403

With the exception of listed investments, both assets and liabilities are measured at amortised cost. The carrying values of these are shown above and also in note 16 below.

16 Creditors: amounts falling due within one year

	2021	2020
	£'000	£'000
Trade creditors	17	40
Taxation and social security	25	32
Grants payable	577	710
Amounts due to subsidiary undertakings	-	2
Accruals	159	180
	778	964

17 Pension scheme

The Seafarers’ Charity operates a defined contribution scheme for all employees. The assets of the scheme are held in separate funds administered by independent pension providers. The total cost of pensions for the year incurred by The Seafarers’ Charity was £64K (2020: £60k).

18 Financial instruments

	2021	2020
Financial assets measured at fair value through profit and loss	£'000	£'000
Investments	39,058	36,615

19a Analysis of net assets between funds (current year)

	General unrestricted	Restricted funds	Endowment funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	4,853	-	-	4,853
Investments	29,156	731	9,171	39,058
Net current assets	425	-	-	425
Net assets at 31 December 2021	34,434	731	9,171	44,336

19b Analysis of net assets between funds (prior year)

	General unrestricted	Restricted funds	Endowment funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	4,888	-	-	4,888
Investments	27,815	707	8,093	36,615
Net current assets	37	-	-	37
Net assets at 31 December 2020	32,740	707	8,093	41,540

20a Movements in funds (current year)

	At 1 January 2021	Income & gains	Expenditure & losses	Transfers	At 31 December 2021
	£'000	£'000	£'000	£'000	£'000
Permanently endowed funds:					
Endowed general purposes	1,085	154	(10)	-	1,229
Inglis Fund	1,006	144	(10)	-	1,140
Merchant Navy South Africa Scholarship	271	39	(3)	-	307
Royal Navy War Libraries Fund	284	41	(3)	-	322
South African Women's Auxiliary Service	524	75	(5)	-	594
Arthur T. Jeffress Fund	3,568	511	(36)	-	4,043
David Richards Trust	1,058	152	(11)	-	1,199
Henry Herbert Wills Fund	297	43	(3)	-	337
Total permanently endowed funds	8,093	1,159	(81)	-	9,171
Restricted funds:					
Restricted income from endowment funds	-	88	-	-	88
Royal Naval Officers’ Fund	141	32	(101)	-	72
van de Kastelee Fund	70	16	(81)	-	5
Beryl Joyce Threadkell Legacy	25	9	(3)	-	31
Sheila Constance Wood Legacy	199	45	(62)	-	182
Merchant Navy Fund	49	49	(59)	-	39
Restricted activities	212	116	(102)	-	226
Projects	11	78	(52)	-	37
Seafarers International Relief Fund	-	864	(813)	-	51
Total restricted funds	707	1,297	(1,273)	-	731
Unrestricted funds:					
Designated funds:					
COVID-19 designated fund	524	-	(524)	-	-
Strategy fund	10,899	-	-	(10,899)	-
Strategic operational fund	-	-	-	29,629	29,629
Total designated funds	11,423	-	(524)	18,730	29,629
Revaluation reserve	883	-	(31)	-	852
General funds	20,434	5,728	(3,479)	(18,730)	3,953
Total unrestricted funds	32,740	5,728	(4,034)	-	34,434
Total funds	41,540	8,185	(5,389)	-	44,336

20b Movements in funds (prior year)

	At 1 January 2020	Income & gains	Expenditure & losses	Transfers	At 31 December 2020
	£'000	£'000	£'000	£'000	£'000
Permanently endowed funds:					
Endowed general purposes	983	107	(5)	-	1,085
Inglis Fund	912	99	(5)	-	1,006
Merchant Navy South Africa Scholarship	246	27	(2)	-	271
Royal Navy War Libraries Fund	258	28	(2)	-	284
South African Women's Auxiliary Service	474	52	(2)	-	524
Arthur T. Jeffress Fund	3,232	352	(16)	-	3,568
David Richards Trust	959	104	(5)	-	1,058
Henry Herbert Wills Fund	270	29	(2)	-	297
Total permanently endowed funds	7,334	798	(39)	-	8,093
Restricted funds:					
Restricted income from endowment funds	-	106	(106)	-	-
Royal Naval Officers’ Fund	293	49	(201)	-	141
van de Kasteele Fund	118	15	(63)	-	70
Beryl Joyce Threadkell Legacy	50	6	(31)	-	25
Sheila Constance Wood Legacy	332	41	(174)	-	199
Merchant Navy Fund	44	78	(73)	-	49
Restricted activities	192	61	(41)	-	212
Projects	10	20	(19)	-	11
COVID-19 restricted fund	-	91	(91)	-	-
Total restricted funds	1,039	467	(799)	-	707
Unrestricted funds:					
Designated funds:					
COVID-19 designated fund	-	-	(1,476)	2,000	524
Strategy fund	-	4,067	(3,168)	10,000	10,899
Individual regular welfare grants	2,869	-	-	(2,869)	-
Port-based welfare services	5,363	-	-	(5,363)	-
Health and care services	1,435	-	-	(1,435)	-
Hardship and poverty grants	1,083	-	-	(1,083)	-
Welfare support services	1,644	-	-	(1,644)	-
Maritime education and training	3,365	-	-	(3,365)	-
Children and youth welfare	2,977	-	-	(2,977)	-
Advice and information services	3,858	-	-	(3,858)	-
Accommodation and supported housing	3,764	-	-	(3,764)	-
Total designated funds	26,358	4,067	(4,644)	(14,358)	11,423
Revaluation reserve	914	-	(31)	-	883
General funds	6,076	-	-	14,358	20,434
Total unrestricted funds	33,348	4,067	(4,675)	-	32,740
Total funds	41,721	5,332	(5,513)	-	41,540

20c Movements in funds – purposes of funds

Purposes of restricted funds

Royal Naval Officers’ Fund

To assist Royal Navy officers in need or distress

Beryl Joyce Threadkell Legacy

Funds made available for the Felixstowe Committee

van de Kasteele Fund

For the education of children of any UK seafarer

Sheila Constance Wood Legacy

To assist Royal Naval Officers’ Widows

Merchant Navy Fund

Funds for UK Merchant Navy

Projects

Projects are various grants restricted as per the grant maker’s request

Purposes of endowment funds

Endowed General Purposes

To relieve sickness, poverty and distress of seafarers

Inglis Fund

To further the educational and future career needs of seafarers’ children

Merchant Navy South Africa Scholarship Fund

To further the educational and future career needs of seafarers’ children

Royal Naval War Libraries Endowment Fund

To further the educational and future career needs of seafarers’ children

South African Women’s Auxiliary Service

To further the educational and future career needs of seafarers’ children

Arthur T. Jeffress Fund

To assist officers and men of the Royal Navy, the Merchant Navy and the Fishing Fleet in need or distress

The David Richards Trust

To assist officers and men of the Royal Navy, the Merchant Navy and the Fishing Fleet in need or distress

Henry Herbert Wills Fund

To assist officers and men of the Royal navy, the Merchant Navy and the Fishing Fleet in need or distress

Purpose of designated funds

The COVID-19 fund was established during 2020 to support seafarers affected by the impact of the COVID-19 pandemic.

The designated strategy fund was replaced by a strategic operational fund as part of the revised reserving methodology that was adopted during 2021. This methodology is described in the reserves section of the Annual Report. The strategic operational fund holds assets allocated to support future generations of seafarers.

21 Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods:

	Property	
	2021 £'000	2020 £'000
Less than one year	-	74
One to five years	-	86
	-	160

22 Subsidiary undertaking

The Charity owns the whole of the issued ordinary share capital of Seaseviers Limited, a company registered in England. The company number is 00890342. The registered office address is 8 Hatherley Street, London, SW1P 2QT.

The subsidiary is used for non-primary purpose trading activities. The accounts of Seaseviers have not been consolidated into these financial statements on the grounds of immateriality. Available profits are distributed under Gift Aid to the parent Charity.

The Trustees Mr P. G. Butterworth, Mr J. J. M. Monroe, and Mrs C. Spencer are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2021	2020
	£'000	£'000
Turnover	18	25
Cost of sales	(23)	(29)
Gross (loss)	(5)	(4)
Administrative expenses	-	-
(Loss) on ordinary activities before taxation	(5)	(4)
Taxation on profit on ordinary activities	-	-
(Loss) for the financial year	(5)	(4)
Retained earnings		
Total retained earnings brought forward	(3)	1
(Loss) for the financial year	(5)	(4)
Distribution under Gift Aid to parent Charity	-	-
Total retained earnings carried forward	(8)	(3)
The aggregate of the assets, liabilities, and reserves was:		
Assets	59	59
Liabilities	(67)	(62)
Reserves	(8)	(3)

Amounts owed to and from the parent undertaking are shown in notes 15 and 16.

Included within administrative expenses above is a management charge of £1,000 (2020: £250) from the parent entity.



Independent Auditor's Report to the Trustees of The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors)

Opinion

We have audited the financial statements of The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors) (the 'Charity') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, 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 FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Charity's affairs as at 31 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
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors)'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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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, are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance and Audit Committee, which included obtaining and reviewing supporting documentation, concerning the Charity’s policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available 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 section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Reference and Administrative Details

Name and registered office

The Seafarers’ Charity (Seafarers UK, formerly King George’s Fund for Sailors) is a registered charity, number 226446, in England and Wales, incorporated under Royal Charter, and registered in Scotland under number SC038191. The registered office is 8 Hatherley Street, London, SW1P 2QT. Seaseviers Limited is a wholly owned subsidiary of the Charity through which Seaview newsletter is published, and sponsorships and commercial events are operated.

The Officers of The Seafarers’ Charity

Patron: Her Majesty The Queen	Trustees Duncan Bain FCA (*F)
President: HRH The Earl of Wessex KG GCVO CD ADSC (P)	Surgeon Commodore Peter Buxton OBE QHPRN (*I)
Chair: Paul Butterworth LLB (Hons) AFNI	Mark Carden (I)
Deputy Chair: William Reid (from June 2021) (F)	Mark Dickinson (I)
Captain Roger Barker FNI MNM (I) (Retired June 2021)	Peter French (D)
	Robert Greenwood (*I)
	Gerald Kidd (A)
	William Lawes (F) (D)
	The Lord Mountevans (A) (Retired June 2021)
	Jeremy Monroe (*A) (I) (D)
	Natalie Shaw FCIPD MBE (F)
	Dyan Sterling (I) (D) (Retired June 2021)
	Peter Tomlin (I) (Retired June 2021)
	Nusrat Ghani MP
	Rear Admiral Iain Lower (A)

Key to General Council Sub-Committee membership:

A Member of the Audit and Governance Committee
F Member of the Finance and Investment Committee
D Member of the Development Committee
I Member of the Impact Committee
* Chair of Committee

Management:

Chief Executive Officer:
Catherine Spencer

Impact Director:
Deborah Layde

Development Director:
Keziah Cunningham

Finance Manager:
Oksana Nikolenko

Finance Director:
Nigel Jones (Appointed September 2021)

Head of Internal Operations:
Cheryl Gallop

Vice Presidents

The Chaplain of The Fleet
Admiral of the Fleet Sir Benjamin Bathurst GCB DL
Admiral Sir Jock Slater GCB LVO DL
Sir John Ritblat FRICS
F. M. Everard CBE
Captain D. C. Glass OBE MNM
Rt Rev & Rt Hon Dame Sarah Mullally DBE
The Rt. Hon. The Lord Mayor of the City of London
The Rt. Worshipful The Lord Mayor of Westminster

Bankers

National Westminster Bank plc
280 Bishopsgate
London, EC2M 4RB

Auditors

Sayer Vincent LLP
Invicta House 108-114 Golden Lane
London, EC1Y 0TL

Investment Managers

Ruffer LLP
80 Victoria Street
London, SW1E 5JL

Veritas Investment Partners (UK) Limited
Riverside House
2a Southwark Bridge Road
London SE1 9HA

2021 Institutional Supporters

Corporate Supporters:

Asahi UK
J & J Denholm
Holman Fenwick Willan LLP
Buxted Construction
Maersk Shipping
The Baltic Exchange
Ince & Co

Trusts and Foundations:

A G Manly Charitable Trust
Ann Jane Green Trust
Association of Average Adjusters
Bedhampton Charitable Trust
Castanea Trust
Dudley and Geoffrey Cox Charitable Trust
Edith Murphy Foundation
Gerrard and Audrey Couch Charitable Trust
J B Bibby Fund
James Weir Foundation
Joseph Strong Frazer Trust
Kirby Laing Foundation
Mary Andrew Trust
Masonic Charitable Foundation
Michael Cornish Charitable Foundation
Mordaunt Foundation
PF Charitable Trust
Shepherd & Wedderburn Foundation
Sir James Knott Trust
Sir Jeremiah Colman Gift Trust
Sir John and Lady Amorys Charitable Trust
The Annie Tranmer Charitable Trust
The Anson Charitable Trust
The Baltic Charitable Fund
The Blair Foundation
The Bryan Guinness Charitable Trust Ltd
The Charles Littlewood Hill Trust
The Chellaram Foundation
The Clarkson Foundation
The Cordon Charity
The Culra Charitable Trust
The D R Fine Charitable Trust

The Diana Edgson Wright Charitable Trust
The Duffield (Tiverton) Charitable Trust
The Elaine Barratt Charitable Trust
The Elizabeth and Prince Zaiger Trust
The Florence Turner Trust
The Fort Foundation
The Frederick & Phyllis Cann Trust
The Gerald Bentall Charitable Trust
The Hobson Charity Limited
The Hyne Trust
The Kenneth Russell-Hardy Will Trust
The Laurence Misener Charitable Trust
The Loseley and Guildway Charitable Trust
The Oakley Charitable Trust
The Payne-Gallwey Charitable Trust
The Peter Dixon Charitable Trust
The Privy Purse Charitable Trust
The Richard & Joan Blake Charitable Trust
The Simon Gibson Charitable Trust
The Swire Charitable Trust
The Sylvia and Colin Shepherd Charitable Trust
The Verdon-Smith Family Charitable Trust
The W M Mann Foundation
The West Hall Charitable Fund
The Worshipful Company of Environmental Cleaners
Trinity House

‘The Seafarers’ Charity pledges to do more for seafarers, creating a legacy of improvement. As the maritime sector’s biggest grant awarding charity, our existing work with our long-term delivery partners provides expert quality care and services to seafarers.’

**Catherine Spencer,
Chief Executive Officer**



the seafarers' charity

The Seafarers' Charity
8 Hatherley Street,
London SW1P 2QT

020 7932 0000
contact@theseafarerscharity.org

www.theseafarerscharity.org



SEAFARERS UK (KING GEORGE'S FUND FOR SAILORS)

England & Wales - Charity number 226446

Accounts



ANNUAL REPORT

2020



The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors) is a Registered Charity No. 226446 in England and Wales, incorporated under Royal Charter. Registered in Scotland, No. SC038191.

Telephone: 020 7932 0000 Email: contact@theseafarerscharity.org Website: www.theseafarerscharity.org

Doing more
for seafarers.
And doing it
even better.

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Message from the Chair of the Board

Paul Butterworth



Welcome to the first Annual Report under our new name of The Seafarers' Charity and my first contribution as your Chair of the General Council, a role I assumed at the 'virtual' AGM last July, having been a Trustee for three years.

My initial pleasant duty is to place firmly on record my personal thanks for the smoothest of handovers, to my predecessor, Vice Admiral Peter Wilkinson CB CVO BA. In total, Peter spent 10 years as the Chair, and played a vital role in guiding our Charity through numerous challenges during his tenure, with a gentle but encouraging hand on the tiller. In the finest traditions of the Royal Navy, one hands over command of a ship (or, in Peter's case, a submarine!) in a matter of hours; the transition of chairing our Charity was well thought through and executed, thanks for which are entirely due to him. I speak for all Trustees, staff and beneficiaries in expressing our gratitude for his many years of devoted service to the seafaring community. Thank you Peter.

There is no organisation that will not start a review of the last year without commenting that without exception, it has been a unique period. You will hear elsewhere in this Annual Report just how The Seafarers' Charity has responded to the COVID-19 global pandemic and fought hard – along with many other organisations – to raise awareness of those stranded at sea, far beyond their contractual terms with no idea when they might be allowed ashore again. It falls to me to thank our Chief Executive, Catherine Spencer, and all her team, for their outstanding work since our last Annual Report. Not only have they dealt with a strategy review, a brand refresh, 100% remote working

from home and what is unquestionably the busiest and most demanding year on record in terms of grant funding, Catherine and the team have done so with a cheerfulness and passion which has been fantastic to witness. A huge 'well done' to everyone on behalf of the General Council.

Our plans to reinvigorate the effectiveness of the Charity, encapsulated in our new strategic and implementation plan, have been supported by the evolution of our name from Seafarers UK to The Seafarers' Charity. We have long recognised that 'Seafarers UK' was not working as well as it could. Inserting the word 'Charity' provides recognition at first glance of what we do. Due to the global nature of shipping, and the fact that since our inception our support has always been broader than just the UK, it was prudent to remove 'UK' from our name to enable our fundraising team to seek contributions from a wider pool. Feedback has been overwhelmingly positive – and the reintroduction of King George's Fund for Sailors (KGFS) as a watermarking logo has proved hugely popular!

Finally, it would be remiss of me not to also thank my fellow Trustees. This has been a busy period and they have all stepped up in terms of commitment and diligence. The Seafarers' Charity is in good heart, with a reinvigorated look and team, raring to get going, to boost our fundraising and advocacy and, there by, our grant-making.

Introduction from the Chief Executive Officer

Catherine Spencer



In an exceptionally stormy year, we have continued to achieve and deliver for seafarers. We welcomed our new Chair of the General Council (Board), Paul Butterworth, and have worked with the Trustees to navigate a new direction which will deliver more for seafarers.

In early 2021, we announced that the Charity is now to be known as The Seafarers' Charity. We worked throughout 2020 to understand the needs of seafarers and fishers, and how to address these through our Charity and delivery partners.

We made the most of the extraordinary circumstances, driven by the knowledge that however difficult the situation in the UK has been, there have been hundreds of thousands of seafarers trapped at sea delivering the goods we need, while UK fishers have endured a staggeringly difficult year. It is their commitment and dedication that has shaped our work in creating a new strategy with an outcomes-focused approach.

Our loyal donors responded spectacularly to our COVID-19 Emergency Appeal, making it our most successful appeal in recent years.

In common with other charities, many of our fundraising revenue streams were decimated by the impact of COVID-19. Our new Development Director joined us during the pandemic, contributing to our strategy, particularly on work to rebuild our Fundraising Team and to significantly increase income.

The importance of the Charity's role was emphasised by the need for additional funds to support the response to COVID-19.

The Trustees of The Seafarers' Charity unanimously voted to release £2.0m. Split 75% merchant seafarers, 25% fishers, it enabled charities to continue supporting seafarers in most need. Immense work from our newly named Impact Team (formerly the Grants Team), excellent commitment from our Trustees and trebling the frequency of grant award meetings ensured that The Seafarers' Charity has been able to add exceptional support to the sector.

In summary, 2020 will long be remembered as a dire year for everyone who has suffered the consequences of the pandemic. However, Seafarers UK, now as The Seafarers' Charity, used the time usefully to award the largest ever amount of grants to support the sector, develop a new impactful strategy, and design an evolved identity, reintegrating the best of the past with a future to reduce seafarer hardship.

I am immensely proud to work for such a small organisation, that has had such a large impact during testing times, and thankful to my colleagues and supportive Chair of the General Council and Trustees for their incredible commitment and work this year.



Who we are

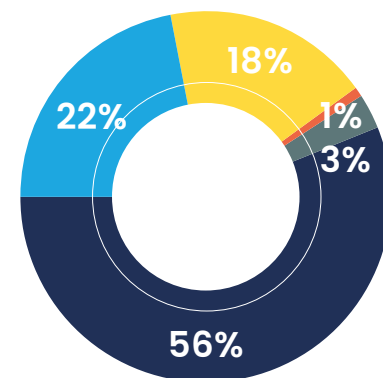
The Seafarers' Charity, formerly Seafarers UK, was announced when we revealed our new ambitious strategy. The strategy will reduce need by identifying the systemic problems that create disadvantage to tackle them at source.

We have been the UK's national maritime charity since 1917 and our legal name remains as Seafarers UK (King George's Fund for Sailors). Now we're embarking on our next voyage to reignite our work and commitment to all who work at sea.

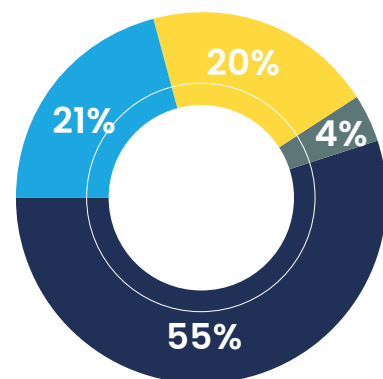
Our fresh identity, 'The Seafarers' Charity', is a clear progression from Seafarers UK. From first contact, it's more obvious what we do and better reflects where we work.

The Seafarers' Charity is proud of the work we do nationally within the United Kingdom, as well as the work we have always done internationally, and particularly in the Commonwealth. Thus, our new name reflects our global outlook. We've added the word 'Charity' to make it clear what we do. The Seafarers' Charity recognises that seafarers work internationally. We will continue to support seafarers in the UK and abroad as we have done since we were founded. In 2020, 78% of grants awarded were to support both UK and visiting international seafarers, 22% directly supported international work.

2020 Main Grants by Location



2020 COVID-19 Grants by Location



● International ● Scotland
● England ● UK-wide
● Wales

We're also integrating the use of 'King George's Fund for Sailors' as an emblem, alongside 'The Seafarers' Charity'. It is a name that we're proud of and many of our loyal supporters still like. Through the inclusion of 'King George's Fund for Sailors', we will commemorate our heritage and the thousands of seafarers whom we've helped since the First World War, when the need for a national maritime charity was first recognised.

Finally, having a name that includes the word 'Charity' will make it easier for us to fundraise – so we can keep supporting seafarers.



Grants Awarded

In a typical year, our annual grants programme awards more than £2.0m to support both core and project costs of many well-known maritime welfare charities such as Stella Maris, Mission to Seafarers, International Seafarers' Welfare Assistance Network (ISWAN) and Fishermen's Mission, amongst others. But 2020 was a year unlike any other - COVID-19, lockdowns and leaving the EU hurt seafarers in need in the UK and beyond. We reacted quickly and increased our grants spend to meet these needs.

Our grant-making was driven by the need to respond to the impact of the coronavirus pandemic. Not only were many of our grant-funded delivery partners constrained in their ability to generate income as their usual fundraising activities were curtailed, but at the same time they needed to innovate and find new ways to respond to the growing welfare needs of seafarers who reached out for charitable support, and in much greater numbers, than at any other time.

We ensured essential welfare services could continue for seafarers who found themselves at the sharp end of the coronavirus pandemic following the closure of international borders. We are fortunate that The Seafarers' Charity Trustees proposed a drawdown of an additional £2.0m from our reserves to support the maritime community in this exceptional year. This enabled the creation of our COVID-19 Emergency Fund.

Responding to COVID-19 resulted in changes to how we work. Normally, there are three in-person meetings of our Grants Committee and a grants budget of £2.0m. As additional funds were needed and, in many cases, needed quickly, nine Grants Committee meetings were held to meet demand. This tripling of our workload enabled an additional £1,567,193 of funds to be distributed to 40+ maritime welfare organisations specifically to support seafarers through the coronavirus crisis.

We were able to use the COVID-19 Emergency Fund to award additional financial support to many maritime charities providing advice, financial aid, and welfare support to active seafarers. Examples include.

- ISWAN who received an extra £80,000 to help with repatriation and abandonment of seafarers, as well as medical and other emergencies.
- Mission to Seafarers received extra funding to transform their quay-side ship visiting service into an online digital chaplaincy, as well as to ensure that their seafarer centres and transport for visiting seafarers were COVID secure.
- Queen Victoria Seamen's Rest (QVSR) received additional grant funding to respond to the needs of seafarers from six cruise ships who suddenly found themselves stranded in Tilbury as borders closed and visiting cruise companies discontinued their journeys.

A significant grant award was £200,000 which created the UK Maritime Anchor Fund for working-age merchant seafarers who had their employment affected by the coronavirus pandemic. This new Fund provides a holistic package of financial support, advice, and free mental health care as well as relationship counselling from Relate.

This integrated approach was in recognition that the problems caused by COVID-19 are often complex and require more than a single solution.

In partnership with the Merchant Navy Welfare Board and the Department for Transport, we awarded a grant to provide port-based maritime welfare charities with MiFi units – in effect a mobile Wi-Fi access point. This was welcomed by seafarers who could use the MiFi units to connect with family and friends at home, as well as download new films, books, games, and other online entertainment.

However, it wasn't just those working at sea that were impacted. Former and retired seafarers also required support. Both QVSR's hostel on the East India Dock Road, East London, and Mariner's Park, Wallasey, accommodate many elderly and retired seafarers. Each received additional grant funding to support the extra cost of providing Personal Protective Equipment

and the employment of agency staff to cover for unwell and shielding staff members so they could continue to take care of their elderly former seafarer residents.

From the £2.0m COVID-19 Emergency Fund, £500,000 was allocated specifically to support the needs of commercial fishers who experienced the double impact of declining exports arising from the lockdown of the European hospitality sector, closely followed by a UK-wide lockdown of domestic hospitality. From this amount, £200,000 was awarded to The Fishermen's Mission to support their distribution of hardship grants to fishers in need. A separate amount of £250,000 provided match funding for a Rapid Response Grants Programme (RRGP) in partnership with the Fishmongers' Company Charitable Trust and this grant enabled fishing businesses to diversify, with many transitioning to selling directly to consumers. Direct selling helped fishers to continue fishing and prevented their reliance

£432,807

remaining in the COVID-19
Emergency Fund for
distribution in 2021.

£200,000

was awarded to The Fishermen's
Mission to provide hardship welfare
grants to fishers and their families

£250,000

provided match funding
for a Rapid Response
Grants Programme (RRGP)
in partnership with the
Fishmongers' Company
Charitable Trust

£1,067,193

was allocated to the
international merchant
seafaring community

£50,000

was reserved for
organisations working with
fishers around the UK

on welfare grants. The remaining £50,000 was awarded to several fishing associations around the coast to enable them to support and make hardship grants to those in need.

The COVID-19 Emergency Fund ensured the support and future continuation of welfare services for the maritime community. We awarded grants to seafarers' centres both in the UK and in Africa that were unable to generate sufficient income from their own sales and services as a result of being locked down and seafarers not being allowed ashore. At the end of the year there is £432,807 remaining in the COVID-19 Emergency Fund for distribution in 2021.

In addition to the COVID-19 Emergency Fund our usual annual grant funding programme to support maritime welfare services continued. Two interesting new grants awarded this year included:

A grant to fund the national Relate charity to provide free relationship counselling for seafarers. This recognises that it can be difficult to sustain a relationship that has prolonged periods of separation. Importantly, it also ensures

parity of welfare provision with the Royal Navy who already benefit from access to this grant-funded service.

Funding to support the development of an online safety management system for commercial fishers. The free online Safety Folder, as recognised by the Maritime & Coastguards Agency, supports risk assessments and management of regular inspections and compliance checks for essential safety equipment. Thereby helping to support safety improvements in the fishing industry.

By the end of 2020, a total of 81 grant awards had been made to 55 organisations, including 8 grants awarded from the Merchant Navy Fund (a joint fund with the Merchant Navy Welfare Board) to support UK merchant seafarers.

A total of £3,568,373 in grant funding was injected into the maritime community by The Seafarers' Charity to support the wellbeing and welfare of active and retired seafarers during this difficult year.

COVID-19 Emergency Fund
£2.0m

£1,067,193

was allocated to the
international merchant
seafaring community

£500,000

was allocated specifically
to support the needs of
commercial fishers



Research and Sector Efficiency

A significant amount of exploratory work to inform and develop our new strategy commenced in January.

We invited a small number of key partners to join us in a Scenario Planning session to consider what maritime welfare would look like in 2025.

The National Council of Voluntary Organisations (NCVO) worked with us to develop a Theory of Change. The Directory of Social Change (DSC) led a new piece of research into Understanding Perceptions of delivery partners and external stakeholders to inform our future direction.

Our new research report, Fishing Without a Safety Net, examining the financial resilience of UK fishers, was launched at a successful webinar in October. A follow-on from our 2018 Fishing for a Future report, the new research report, by Dr Paul A Jones from Liverpool John Moores University, exemplifies our new strategic approach to our grant funding. The research made recommendations for charities in respect of a UK-wide credit union, financial capability training, enabling access to appropriate financial services for fishers and raising awareness of the range of support that exists. Since July 2020 we have engaged numerous stakeholders in exploring these recommendations and we anticipate you will be hearing more about our evidence-based grant-funded solutions arising from this research by the second half of 2021.

Sector collaboration and efficiency was assisted by our continued membership of the Maritime Charities Group (MCG). During the year, we said goodbye to Valerie Coleman, the MCG Programme Manager who was a valued and insightful colleague. The administration of the new MCG Programme Manager is now managed by the Nautilus Welfare Fund.

The coronavirus crisis meant that collaboration and sharing was vital, and we have collaborated and participated in numerous meetings and initiatives aimed at supporting seafarers throughout this year:

- We met on a regular basis with other maritime charitable funders such as ITF Seafarers' Trust, TK Foundation and Fishmongers' Company Charitable Trust to ensure needs were met, duplication of funding avoided, and joint funding facilitated. We launched the new UK Maritime Anchor Fund in partnership with Seafarers' Hospital Society and the Seafarers' Advice and Information Line (SAIL). Nautilus and The RMT Union assisted in promoting this new grant-funding support for UK merchant seafarers to their members.
- We are grateful to the Merchant Navy Welfare Board for their organisation, hosting and chairing regular COVID-19 meetings for the sector.
- We were involved in and contributed to regular industry and charity telephone conferences led by Defra and had a seat at the Fishing Industry Safety Group meetings.
- We continued our funding partnership with Greenwich Hospital and Seafarers' Hospital Society to fund SAIL – a Citizens Advice freephone service for seafarers.





Campaigning



We continued our campaigning, adjusting in the light of what was possible during the pandemic. Seafarers Awareness Week has been an annual summer event. An initial plan for an industry-wide safety campaign, collaborating with a wide range of industry stakeholders, was recognised as unachievable as the maritime sector focused on stranded crew and diminishing returns.

We refocused our efforts to an online campaign, specifically on seafarer suicide, highlighting the lack of official data on suicide and, more broadly, death at sea. Excellent media coverage during the week was followed with meetings with Protection & Indemnity Clubs (P&I Clubs) to better understand the issues. The Maritime Labour Organization have also recognised the problem, and the challenges. It is important that credible data is available to enable the maritime sector and maritime welfare charities to develop proactive services and solutions. Further collaborative work is ongoing, although the impact of coronavirus is still a priority for most in the sector, slowing down progress. We will continue to work with ISWAN, Mission to Seafarers and others on this issue.

Our 'Fly the Red Ensign' event for Merchant Navy Day was more difficult to run than in normal years, due to social distancing, but still went ahead. We developed a social media toolkit to spread awareness and, with 1,034 participants from town, borough and parish councils to local Merchant Navy Associations and more, Fly the Red Ensign was a highly regarded event.

Our new strategy will increase the impact of our advocacy. We want to affect change, thus, in the future our campaigns will be issue-specific, led by our understanding of the root cause. The general 'Seafarers Awareness Week' will be replaced by issue-led campaigns managed by our Impact Team, and specific fundraising campaigns and events led by our Development Team.

Our excellent Fishing without a Safety Net research, and ensuing actions, is a good example of how we will use research and existing information to create real change from 2021 onwards.

SEAFARERS UK COVID-19 EMERGENCY APPEAL



We have an incredibly loyal supporter base, and we are so thankful to each and every one. It is testament to our generous supporters that through our various appeals, most notably our Emergency Appeal, we have had our most successful Appeals year in the recent history of The Seafarers' Charity – raising more than £100,000 and exceeding our pre-COVID-19 target.

Despite the cancellation of live events, we were delighted that supporters created their own challenges to support us, including the Virtual London Marathon, and we are deeply grateful.

Cumulatively, this meant we exceeded our re-forecasted target for the year by £269,000.

We have worked to better engage our existing supporters and increase our reach whilst raising our profile. Finding new ways to engage and solicit financial support from a broader base of people is vital for our fundraising success – now and into the future. It is heartening that through improved messaging, improved insight into our supporter base, and investing in digital we have attracted double the number of new donors in 2020 compared to 2019.



Our Development Director joined us halfway through the year. A comprehensive analysis was conducted to assess the effectiveness of our fundraising activities and key messaging. The analysis highlighted gaps in our capabilities and skill sets which in turn guided our investment into resource that will, over time, produce returns. COVID-19 and its impact on our fundraising has accelerated our thinking, has forced us to adapt, innovate, and become more creative in how we fundraise. Lockdown has pushed the digital agenda forward significantly for everyone and we have capitalised on this opportunity. We have seen an uptick in digital engagement which we plan to increase further in 2021. A robust approach to metrics and indicators will keep us firmly on track, ensuring our work is effective and gets results. Our focus for 2021 is to continue refining how we engage with loyal supporters and to inspire new supporters, particularly in a younger demographic to ensure The Seafarers' Charity flourishes and is well placed to meet the continuing demand for our support. By connecting our heritage, our history, to our future, and maritime welfare need, we will build relationships, inspire a broad range of donors and supporters to help improve the lives of seafarers.

We are investing in our capability and expertise within corporate fundraising, working and partnering with corporate organisations across the maritime sector, to raise our profile and need for support.



Fundraising

COVID-19 has had a devastating impact on fundraising across the charitable sector. In line with most other charities, our most impacted income streams are events and legacies.

The cancellation of live events, like the London Marathon, and 24 Peaks, meant that we had to radically re-forecast our projected event income. Delays in probate have meant that legacy income has been vastly reduced. Trusts and Foundations have taken a varied approach throughout the pandemic – some ramping up their grant giving to tackle the fall-out from COVID-19 directly,

others pausing decision-making until investment income is more stable. In recognition of the dire environment, we revised our forecast down substantially mid-year. Fundraising performance for the year exceeded the mid-year forecast, closing on a 32% reduction in voluntary income from our original 2020 budget.

Thrive.

An outcomes-focused approach for strengthening support to seafarers 2021-2024

Thrive is our new strategy that sets out an ambitious plan for further reducing deprivation and need among all who work at sea. Since 1917, we've helped hundreds of thousands of seafarers and their families, at all stages of their lives, through our grant awards to expert delivery partners.

Our new approach will get to the core of issues and determine solutions to enable seafarers to live dignified lives. We want to fund preventative solutions, which keep seafarers free of hardship. We will still help those who fall into difficulty, through grant awards to our delivery partners, but we'll dive deeper into core problems to better enable seafarers to thrive.

Vision

Our vision encapsulates what we want to achieve.

A world where seafarers and their families are valued and are free of need and disadvantage.

And we've developed an implementation plan to help us achieve our Mission.

Mission

Tackling the disadvantages of a seafaring life by leading collaboration, funding, and advocacy to improve seafarers' lives.

Our Values

We are a responsible and reliable organisation that seafarers, donors, and delivery partners can trust.

We live our values in both our work with our partners and throughout our Charity.

Integrity

We do the right thing. Compassion and transparency are embedded in how we work.

Collaborative

We inspire a culture of creative partnerships to achieve the best impact and outcomes.

Innovative

We embrace effective new ideas and ways of working.

Bold

We ensure impact through brave, and well-considered decision-making.

Our strategy will guide our work to 2024 and will be regularly reviewed.



Ensuring The Seafarers' Charity Delivers Value for Money

Our organisational objectives will lead work to improve the organisation. This will ensure that we are an efficient, effective, and capable charity. We will continue to ensure that we offer excellent value for money.

Our organisational objectives:

- proactively working with delivery partners to gain maximum impact, through grant funding;
- collaborating on quality research to identify need and opportunity;
- championing and promoting innovation, excellence, creativity, and cooperation across the sector to enhance efficiency and effectiveness to deliver the best outcomes for seafarers;
- investing in our fundraising work to ensure we can support seafarers of the past, present, and future;
- advocating and campaigning for real change to improve seafarers' life voyages;
- increasing the visibility of our work to all audiences through a wide variety of media.

Creating Positive Impact for Seafarers

We will continue to deal with the challenges seafarers are facing immediately, as well embracing innovation and collaboration. The Seafarers' Charity will ambitiously pursue a better future for seafarers. We want everyone who works at sea to thrive.

We will provide grant funding for:

- welfare interventions to support seafarers who are disadvantaged and experiencing hardship due to their seafaring life;
- positive solutions, which empower seafarers to build a better life.

This will be combined with collaboration, research, and advocacy to create change, to reduce the hardships experienced by seafarers, and to enable an environment in which seafarers have better lives.



Strategic Outcomes to Produce Results

Our approach will be outcomes-focused and will ask more of everyone currently involved in the welfare, employment, and representation of seafarers to create real and positive change. We want to enable solutions that tackle root causes.

Therefore, we are focusing resources on achieving five long-term outcomes for seafarers to reduce the need and enable greater independence. Our traditional approach to alleviating hardship will evolve. We will create visible improvement in the lives of seafarers and their families through the delivery of the well-considered strategic outcomes.

Our strategic outcomes have been developed from an in-depth review of the needs of seafarers, the purpose of The Seafarers' Charity, and the needs of maritime welfare charities. These will be supported through collaboration, grant funding, and advocacy to improve seafarers' lives and achieve a world where seafarers and their families are valued and are free of need and disadvantage.



Enhanced Financial Resilience

Seafarers and their families, at work and in retirement, have access to confidential and independent advice, information, and financial help during challenging times which can support their economic resilience and build independence.

We will deliver this through information and advice lines, hardship, and welfare grants, as well as access to business support for fishers.

Better Working Lives at Sea

People working at sea are valued as key workers. They work within sustainable and ethical supply chains and are the backbone of the global economy.

We will deliver this through virtual and port-based welfare services, via an international chain of seafarer centres, port welfare committees, and ship visitors.

Raised Safety Standards and Practices

Seafarers are kept safe and return from their seafaring voyages without experiencing accidents or harm.

We will deliver this through supporting better safety practices, risk reduction, and enhanced safety culture.

Improved Health and Wellbeing

Seafarers and their families can obtain health and welfare services that support their mental and physical health and wellbeing at the appropriate time and location; onboard and onshore, while at sea, and during retirement. This includes suitable retirement accommodation in the community of their choice.

We will deliver this through mental and physical health and wellbeing support, as well as accommodation and care homes and initiatives to tackle loneliness and support relationships.

Increased Social Justice

Seafarers and their families have access to welfare services and programmes that are responsive to the unique needs of working at sea and provide support during retirement. This includes respect for diversity and cultural differences, reducing the fear of bullying or harassment, and supporting human rights.

We will deliver this through access to services and outreach programmes, as well as diversity and inclusivity. We will encourage understanding of the concept of human rights at sea.

Supporting the Maritime Welfare Ecosystem

An example of some of our delivery partners, working with us to achieve better results for seafarers



What does this mean for grant applications?

We will assess every grant and activity against our strategic outcomes to ensure that we deliver a positive impact. We will continue to provide support to our existing delivery partners who deliver vital frontline services. This will be complemented by new ways of working, which will enable seafarers to thrive and support independence.

We want to help seafarers who are currently struggling while working towards a new future, where need and hardship are alleviated.

Who do we support?

Our focus to 2024 will support current or previously employed seafarers and their families. Employment may be as a merchant seafarer, the UK Fishing Fleet, Royal Navy, or Royal Fleet Auxiliary. Essentially, our Royal Charter allows us to support any person who is employed, or engaged, or works in any capacity on board a ship to which the Maritime Labour Convention 2006 (MLC, 2006) applies. We have always supported seafarers' families and those who have come ashore and/or retired from a seafaring life.

Seafaring is a global business – we support seafarers throughout the world and in the UK, and those who work in the UK Fishing Fleet and UK waters.

How we Developed our New Plan

To ensure that we thoroughly understood the needs of the seafarer, our existing charity, and the maritime welfare sector, we undertook an extensive review to map out the future. We consulted internal and external stakeholders. Work from September 2019 used a variety of methods to provide information and evidence to better understand the role of The Seafarers' Charity and determined how we can better support seafarers through maritime welfare charities and other delivery partners.

Work has included:

- a review of information and communications from regular, new, and potential donors to understand what they want the Charity to achieve;
- an initial exercise to understand how colleagues and Trustees regarded the Charity and how they wanted it to look in the future. During strategy development, words to describe the future included 'leader', 'innovative', 'advocate', and 'campaigning';
- the Theory of Change (National Council for Voluntary Organisations) uncovered the ultimate impact needed and enabled mapping out activities and outcomes required to make that impact happen;
- Future Scenario Planning (Harper Professional Services) encouraged the examination of possible changes to the maritime sector in the future, what needs should be anticipated, and how The Seafarers' Charity can best support seafarers through maritime welfare charities;
- a SWOT analysis of all activities reviewed strengths and weaknesses of the current structure, and opportunities and threats to consider when creating the new strategy;
- an External Stakeholder Survey and Research report provided information from the maritime welfare charity sector and other maritime organisations (Directory of Social Change). As well as providing information, we asked questions that tested reaction to our strategic intent;
- an away day which invited colleagues to determine our Vision, Mission, and Values;
- analyses of the fundraising needs of The Seafarers' Charity revealed a need to provide focus and realign our name to match our purpose.

Measuring Success

The strategic plan has guided the creation of our implementation and reporting plan.

The implementation and reporting plan sets out our objectives, goals, and targets.

We will persistently measure our performance to ensure we deliver impact.

Key Performance Indicators will be reported to The Seafarers' Charity's General Council.

The General Council and Senior Leadership Team will evaluate performance to keep our plan on track.

Our People

We want all our staff and volunteers – our people – to feel engaged with our organisation and our work.

We developed our mission and values to improve our strength as an organisation by promoting a culture of integrity, collaboration, and the openness for staff to bring new and bold innovations to open feedback.

We aim to make the Charity a place where staff feel safe and respected. In 2020, we implemented a staff-led working group to explore how we can become a more diverse and inclusive organisation, by improving policies and processes and to introduce training for all staff. We have also increased our emphasis on wellbeing introducing an Employee Assistance programme and weekly positive message meetings.

Remuneration

In the past two years, we have made improvements to our pay and benefits to bring them in line with the wider charity sector, helping us to attract and retain the best people and keep colleagues engaged throughout their employment.

Each role is benchmarked using external consultants 'Croner Rewards' who maintain an extensive pay database in which to evaluate our roles against, ensuring we pay a competitive salary compared to similar organisations.

In March 2020, we became an accredited Living Wage employer, so we can ensure everyone who works for us can earn enough to live on. We aim to extend this to our supply chain when reviewing contracts.

The General Council reviews and approves annual pay increases in line with inflation and affordability for all colleagues. Due to the COVID-19 pandemic and the impact on our income, the difficult decision was reached to not award a pay increase to staff for the year starting 2021; however, in recognition of the additional time and effort the team contributed through the year, the Trustees awarded £100.00 in vouchers to all staff in January 2021.

No Trustees are remunerated by the Charity. Travel and incidental expenses can be claimed.

Remuneration of key management personnel is reviewed annually in the same way as colleagues and benchmarked against other salaries in the sector. A list of key staff is available on page 65.



Structure, Management and Governance

Legal structure

The Seafarers' Charity is a non-statutory body incorporated by Royal Charter. The Charter was originally granted in 1920 and, together with the Byelaws, provides the rules and guidelines under which The Seafarers' Charity operates. After approval by the Privy Council, Supplemental Charters were granted in 1949, 1960, 1976, 1992, and 2010. The latest amendments to the Charter and Byelaws were approved by the Privy Council in 2010.

The Trustees are members of the General Council, which is the ultimate governing body. The General Council sets policy and is responsible for the conduct of The Seafarers' Charity's affairs and for ensuring that the Charity operates formally in accordance with the Royal Charter, the Byelaws, and the law, as well as observing recognised best practice in all functional areas.

The Charity’s aims or purposes (‘objects’) are:

- the relief of seafarers, their families or dependants, who are in need, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth;
- the education and training of people of any age to prepare for work or service at sea, by providing support to organisations established within or (in exceptional circumstances) outside the Commonwealth;
- the promotion of the efficiency and effectiveness of the maritime charitable sector within the Commonwealth;
- the promotion of safety at sea by providing support to organisations established within the Commonwealth.

The aims of the Charity set the framework for our grant-funding strategy and management.

The General Council is responsible for all major policy decisions and for approving strategy and objectives. They meet three times a year. Items not reserved for the General Council are delegated to the Chief Executive Officer and the Executive Team or to one of the following main committees:

Audit and Governance Committee

Ensures that The Seafarers’ Charity has effective internal controls and risk management systems and is operating within approved policies and processes and the law.

Ensures the integrity of the published Annual Report. Reviews governance arrangements and

makes appropriate recommendations to ensure that the Charity complies with the governing documents.

Finance and Investment Committee

Oversees, monitors and reviews the financial position of the Charity and its subsidiary to ensure long- and short-term viability, responsible for investment policy and monitoring of the investment portfolio performance.

Development Committee

Oversees the fundraising and engagement strategy to create sufficient funds to meet the needs of the Charity.

Impact Committee

Evaluates all qualifying applications for funds in pursuance of The Seafarers’ Charity’s objectives against an agreed annual budget and ensuring follow-up monitoring and evaluation of grants made.

Appointment and Training of Trustees

New Trustees are co-opted during the year by the General Council and, subject to the approval of the membership of the Corporation, they are formally elected for a five-year term of office at the next Annual Meeting. They may subsequently serve one further term of five years.

All Trustees are provided with a range of training opportunities and guidance to help them meet their responsibilities.

The balance of Trustees is kept under review with regards to skills and diversity.



Statement of Responsibilities of the Trustees

Law applicable to charities requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the period and of its financial position at the end of the period.

In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005.

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 Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Governance and Compliance

Each year, the Audit and Governance Committee receive a report on complaints and any compliance issues affecting the Charity. No major issues or concerns were highlighted in 2020.

In 2019/2020, a governance review was undertaken by Almond Tree Consulting, the review found that the Charity is generally well governed with no critical failings in its governance, the report highlighted some areas for improvements to establish the Charity in the best possible position for the future. A sub-committee of Trustees and the Executive Team undertook an evaluation of the recommendations to take forward. These included a Trustees' Code of Conduct and Handbook, management of Conflict of Interests, a review of the structure and make-up of the General Council and committees, and a more transparent and rigorous Trustee recruitment and development process, including enhancing diversity.

These recommendations are currently being undertaken.

Public Benefit

Trustees consider the Charity Commission guidance on public benefit when planning future activities, setting grant-making policies and in making grants. The positive impact expected from each grant is considered before a grant is awarded and monitored. This enables Trustees to be confident that the Charity achieved significant public benefit for a number of groups and individuals across the UK and the Commonwealth.

A diverse range of public benefit is provided by the number of charities and organisations we support each year, as they work to prevent the relief of poverty, advancement of health, and help people in need by means of disadvantage.

The Charity has the ability to reach groups from cradle to grave as long as the beneficiary has satisfactory links with the UK and Commonwealth maritime community.

Principal Risks and Uncertainties

The Trustees identify, assess, and understand the risks facing the Charity and are satisfied an appropriate risk framework is in place to manage these.

The main uncertainty currently facing the Charity is the impact of the ongoing coronavirus pandemic. The Trustees and Executive Team continue to monitor the situation and follow the Government's advice. The Charity acknowledges that we face a period of uncertainty.

The Charity has been monitoring the level of grant applications as the coronavirus pandemic proved disruptive to many beneficiaries. The level of grant applications is strong but manageable and this is expected to continue through 2021 as the impact of Brexit on the sector is revealed.

Although we do not yet know the long-term financial impact, the Charity is in a good financial position to help manage this risk. The Charity has a diversified investment portfolio which has proved resilient through the pandemic.

The recruitment of a Development Director has led to improvements in our fundraising messaging and approach. We have become more adaptable, flexible, and better placed to explore digital options and ideas. Although income levels were down against the budget set at the beginning of the year, the level of return was better than anticipated. We are investing in recruiting fundraising specialists in 2021 and

with the improved financial analysis through the implementation of a new finance system, we will be able to provide deeper insight into performance.

Stability and security of the IT Infrastructure has been improved to allow staff to work remotely to ensure as far as possible that our work continues. There are plans in place to improve the infrastructure to ensure the systems are secured further and are effective in managing our data into the future.

The Seafarers' Charity understands that risk cannot be eliminated, and the process undertaken is designed to manage and minimise the likelihood of risks occurring. The risk register is regularly reviewed by the Executive Team, providing a consistent approach to identifying, assessing, and dealing with the risks. The Audit and Governance Committee reviews and monitors the identification and mitigation of both new and existing risks; high-level risks are referred to the General Council for evaluation.

The Charity continues to review its risk management process and activities, and seeks opportunities to improve these.

Aside from the COVID-19 risks mentioned above the principal ongoing risks to the Charity are:



Cyber-attacks

These are increasing in frequency and sophistication. To mitigate the risk, we have mandatory cybersecurity awareness training for all staff, undertake external security assessment of our network, and our IT defences are continually under review. Work continues to maintain full compliance with data protection and GDPR legislation with regular staff training.



Future working

Working remotely has opened up opportunities to consider alternative working arrangements – we are carefully considering the possibility of selling our current premises, current market permitting, and moving to a property that would better fit our requirements now and into the future. We will be reviewing the needs of the organisation along with the needs of our staff.



Financial sustainability and performance

Although we do not expect our financial position to be adversely affected in the short-term, we constantly monitor our financial performance to highlight any potential risks. We undertake regular cashflow reporting and forecasting, analysis of income and expenditure, and measuring investment management performance.



Reputation (adverse publicity legal/regulatory compliance)

We have a number of policies to mitigate the likelihood and impact of an event that could negatively impact the Charity's reputation including whistleblowing, safeguarding, a register of interests for staff and Trustees along with robust financial procedures.



Our Fundraising Practices

The Seafarers' Charity is committed to fundraising in a legal, honest, and transparent way. We aspire to do what is right for our supporters and remain fully committed to the principles laid out in our 'Supporter Promise' (available on request).

In 2020, the Seafarers' Charity carried out its core fundraising activities through a dedicated team at its London office and its representative in Scotland, as well as through a small number of regional committees who engage in small-scale fundraising activities across the UK.

The Charity's Development Team generates income through a mix of grants received from charitable trusts and foundations, corporate donations and sponsorship, individual donations and legacies, as well as fundraising and challenge events.

Fundraising standards

As part of our commitment to ensuring the highest standards in fundraising, The Seafarers' Charity is registered with the Fundraising Regulator, and adheres to the standards of the Fundraising Codes of Practice.

We are keen to hear from our beneficiaries if they believe there is something we did not get right, so we can learn where we can improve.

During the year, we received no formal complaints to our fundraising activities – we did receive one issue of concern which was related to an administrative error and the recipients' receipt of unwanted fundraising material. We have learnt from the concerns raised and, working with managers, have put steps in place to minimise this happening in the future. We relayed the actions we are taking to the individuals with concerns.

We display the Fundraising Regulator badge on our website and in fundraising collateral to demonstrate our commitment to best practice.

General Data Protection Legislation (GDPR)

During 2020, we continued to ensure that the data we held was GDPR compliant. We only contact supporters who have given unambiguous and explicit permission for us to contact them using their specified method, for marketing activity, including fundraising support. All our communications to supporters include information on how to opt-out of any future communications and are checked for compliance before they go to print.

The Charity's policies relating to GDPR are reflected in the Data Protection Notice that is included in all direct communications with supporters, as well as the Privacy Policy which is displayed on our website. We're signed up to the Fundraising Preference Service and maintain our

own suppression list. We ensure that all personal information that we need in running the Charity is properly protected, correctly used, and safely stored. All employees are mandated to complete training on GDPR as well.

Supporter data and working with third-party fundraisers

We never pass on any personal data to third-party organisations for their own purposes. We do, however, ask third-party organisations to help process our data and work closely with a number of external organisations who have specific fundraising expertise and that take privacy and data protection as seriously as we do. This is supported by written agreements with all our third-party partner organisations who support the Charity's fundraising activities. All such agreements are subject to legal contract, including how data is collected, stored, processed, and shared.

Volunteers and Regional Committees

Due to COVID-19, most planned activities and events by our regional committees had to be cancelled in 2020, but we hope to engage with them again in the later part of 2021, depending on lockdown restrictions being in place.

Responsible fundraising

Our fundraising policies and procedures, along with The Seafarers' Charity's Safeguarding Policy, ensure and outline how we protect people who might be vulnerable in our fundraising and supporter practices, including how we identify potential vulnerability and how we aim to respond in relevant circumstances. We are committed to supporting people who may be in vulnerable circumstances in an appropriate way, ensuring we adhere to the Treating Donors Fairly guidelines.

Financial Performance and Review

The financial statements are presented in the standard format required by SORP FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. The Statement of Financial Activities (SOFA) shows the gross income from all sources and the split of activity between restricted and unrestricted funds, and endowment funds.

Overview

It can be seen from the SOFA on page 38 that income for 2020 is £1,554k, compared with £2,362k for 2019, a decrease of 34.2%. Our income streams in 2020 were detrimentally impacted by COVID-19.

Total expenditure in 2020 amounted to £5,513k compared to £4,242k for 2019. In addition to our 'normal' grant award programme, Trustees released £2.0m from investments to form a COVID-19 Emergency Fund. £1,567.2k was used in 2020, the residual £432.8k is expected to be used in 2021. The Seafarers' Charity accessed support of £14.7k from the Government Furlough Scheme in 2020 to mitigate against the loss of income due to COVID-19.

The increased grant-making activity caused net expenditure for the year to increase to (£3,959k) compared to (£1,880k) for 2019.

Details of grants awarded, campaigning, and fundraising work can be found on pages 7 and 8 and 13 to 15, respectively.

Assistance to Other Organisations

During 2020, we supported organisations with financial grants and administration support,

including the Annual National Service for Seafarers and the Maritime Charities Group.

The cost of assisting other organisations was £3.3k compared to £23.7k in the previous year, which was a combination of administration charges and recouping costs. This significant reduction is due to the cancellation of the Annual National Service for Seafarers because of COVID-19 restrictions, causing a drop in related income and expenditure due to reduced administration needs.

Investment Policy

The investments are maintained for the Charity's current and future needs. The investment policy balances the need for capital protection with the desire to secure investment returns. The Investment Managers are set targets to utilise their professional expertise. The Finance and Investment Committee take an overview of the total impact and individual portfolio performances. Investment managers report and discuss actual performances at each Finance and Investment Committee; this is conveyed to each General Council. The investment managers are allowed to use derivatives for protection purposes, after prior approval from the Finance and Investment Committee.

The Seafarers' Charity promotes the health of seafarers and does not invest in any company which derives 10% or more of their income from tobacco products.

Investment Portfolio

The end-of-year market value of the investment portfolio was £36.6m compared to £39.8m in 2019, a decrease of £2.3m after investment property valued £2.63m was transferred to tangible assets and after withdrawals of £4.0m for cashflow requirements.

The COVID-19 pandemic has had a significantly adverse effect on global investment markets many of which are still struggling to regain their pre-pandemic levels and we are comforted by the impressive returns achieved by our investment managers.

Three investment managers are mandated to manage the Charity's investment funds, namely Ruffer LLP, Veritas Investment Management LLP and UBS.

Ruffer aims to maintain the investment value on a 12-month rolling basis and to outperform cash returns. In 2020, Ruffer produced a positive total return of 11.8%.

Veritas aims to protect and grow the capital value to achieve a total return of RPI plus 4% on an annual basis. For 2020, Veritas produced a total return of 12.2%.

We also have an investment in a fund managed by UBS which is in the process of wind-down with funds being returned to investors. The market value decreased by £92.8k over the year to £510,009 following distributions made during the year of £52,430.

Property

The property assets consist of 7 and 8 Hatherley Street, London. 8 Hatherley Street is occupied by the Charity. No. 7 Hatherley Street consists of ground floor offices and three residential flats.

The residential properties are let through agents and the offices are let directly to the Armed Forces Covenant Fund Trust Ltd. Rental income received is £104k vs £111k in 2019 due to a slight rent decrease due to the impact of COVID-19 on rental residential market prices.

7 and 8 Hatherley Street were revalued as at 31 December 2018 by Arnold and Baldwin Ltd Chartered Surveyors using the Royal Institute of Chartered Surveyors appraisal valuation at £2.63m and £2.27m respectively. In light of the decision by the Trustees to sell both properties, 7 Hatherley Street has been transferred in the Balance Sheet from Investment Properties to Tangible Assets.

Reserves Policy

The Reserves Policy is reviewed annually and forms an integral part of the charity's financial strategy. The charity has total reserves of £41.5m. £8.1m are permanently endowed funds and £0.7m are restricted funds. The balance of £32.7m are unrestricted general funds. Of these £10.9m have been designated to support delivery of our strategy and £0.5m remains in our COVID-19 Emergency Fund which is restricted to supporting needs arising from the pandemic. The remaining unrestricted and undesignated funds of £21.3m enable the charity to commit to grant funding, plus our operational expenditure, for a three-year period currently amounting to £14.1m which leaves £7.2m in unrestricted funds. This policy enables the charity to give grant funded maritime welfare charities three years' notice of the discontinuation of our future grant funding and the need for them to identify alternative funding sources.

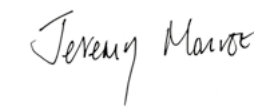
The Trustees' Annual Report has been approved by the Trustees on 14 May 2021 and signed on their behalf by:



Mr P. Butterworth
Chair of the Board



Mr D. Bain
Chair, Finance and Investment Committee



Mr J. Monroe
Chair, Audit and Governance Committee

Statement of Financial Activities

For the year ended 31 December 2020

		Unrestricted	Restricted	Endowment	2020 Total	Unrestricted	Restricted	Endowment	2019 Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income from:									
Donations and legacies	2	725	233	-	958	1,170	244	-	1,414
Other trading activities	3	44	1	-	45	183	-	-	183
Investments	4	430	121	-	551	609	156	-	765
Total income		1,199	355	-	1,554	1,962	400	-	2,362
Expenditure on:									
Raising funds									
Cost of generating voluntary income		315	-	-	315	477	-	-	477
Cost of fundraising events		169	-	-	169	301	-	-	301
Costs of managing investments		351	-	39	390	395	-	23	418
Charitable activities		3,840	799	-	4,639	2,609	437	-	3,046
Total expenditure	5, 20	4,675	799	39	5,513	3,782	437	23	4,242
Net expenditure before net gains on investments	7	(3,476)	(444)	(39)	(3,959)	(1,820)	(37)	(23)	(1,880)
Net gains on investments	13,14	2,868	112	798	3,778	2,924	95	618	3,637
Net movement in funds		(608)	(332)	759	(181)	1,104	58	595	1,757
Reconciliation of funds:									
Total funds brought forward		33,348	1,039	7,334	41,721	32,244	981	6,739	39,964
Total funds carried forward	20a	32,740	707	8,093	41,540	33,348	1,039	7,334	41,721

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Balance sheet

as at 31 December 2020

	Note	£'000	2020 £'000	£'000	2019 £'000
Fixed assets:					
Tangible assets	12		4,888		2,297
Investment properties	13		-		2,630
Investments	14		36,615		37,170
			41,503		42,097
Current assets:					
Debtors	15	403		207	
Cash at bank and in hand		598		626	
		1,001		833	
Liabilities:					
Creditors: amounts falling due within one year	16	(964)		(1,209)	
Net current assets / (liabilities)			37		(376)
Total net assets	19a		41,540		41,721
The funds of the Charity:	20a				
Permanently endowed funds			8,093		7,334
Restricted income funds			707		1,039
Unrestricted income funds:					
Designated funds		11,423		26,358	
Revaluation reserve		883		914	
General funds		20,434		6,076	
Total unrestricted funds			32,740		33,348
Total Charity funds			41,540		41,721

Approved by the Trustees on 14 May 2021 and signed on their behalf by:



Mr P. Butterworth
Chair of the Board



Mr D. Bain
Chair, Finance and
Investment Committee



Mr J. Monroe
Chair, Audit and
Governance Committee

Statement of Cash Flows

for the year ended 31 December 2020

	Note	£'000	2020 £'000	£'000	2019 £'000
Cash flows from operating activities					
Net expenditure for the reporting period (as per the Statement of Financial Activities)		(3,959)		(1,880)	
Depreciation charges		47		47	
Dividends, interest and rent from investments		(551)		(765)	
(Increase)/decrease in debtors		(196)		240	
Decrease in creditors		(245)		(189)	
Net cash (used in) operating activities			(4,904)		(2,547)
Cash flows from investing activities:					
Dividends, interest and rents from investments		551		765	
Purchase of fixed assets		(8)		(18)	
Proceeds from sale of investments		16,589		16,249	
Purchase of investments		(12,256)		(14,934)	
Net cash provided by investing activities			4,876		2,062
Change in cash and cash equivalents in the year			(28)		(485)
Cash and cash equivalents at the beginning of the year			626		1,111
Cash and cash equivalents at the end of the year			598		626

Notes to the Financial Statements

for the year ended 31 December 2020

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1 Accounting policies

a) Statutory information

The Seafarers’ Charity (Seafarers UK, formerly King George’s Fund for Sailors) is an unincorporated charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

The registered office address and principal place of business is 8 Hatherley Street, London, SW1P 2QT.

b) Basis of preparation

The financial statements 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 (FRS 102) – (Charities SORP FRS 102), and the Charities Act 2011.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature

of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The Charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Trustees consider that there are no material uncertainties about the Charity’s ability to continue as a going concern. The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be

measured reliably and the Charity has been notified of the executor’s intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services, and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the Charity, which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- costs of raising funds relate to the costs incurred by the Charity in seeking donations, legacies, generating funds and investments;
- expenditure on charitable activities includes the costs of grant-making and related activities undertaken to further the purposes of the Charity and the associated support costs;
- other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the Charity’s objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the Charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the Charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity’s activities.

l) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful life.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|------------|
| • Freehold buildings | 2% |
| • Fixtures and fittings | 10% |
| • Computer equipment | 20% |
| • Office equipment | 15% |

Freehold land is not depreciated.

n) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the SOFA. The valuation method used to determine fair value will be stated in the notes to the accounts.

o) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the SOFA. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading ‘Net gains/ (losses) on investments’ in the SOFA. The Charity does not acquire options, derivatives or other complex financial instruments.

p) Investments in subsidiaries

Investments in subsidiaries are at cost.

q) Debtors

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

r) Short-term deposits

Short-term deposits include cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

s) Cash at bank and in hand

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

t) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

u) Financial instruments

The Charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank

loans which are subsequently measured at amortised cost using the effective interest method. Non-basic financial instruments are measured at fair value with any gain or loss going to the SOFA. Full details are given in the financial instruments note.

v) Pensions

The Fund operates a defined contribution scheme with the Aviva PLC for employees who choose to participate in the scheme. Participating staff are required to contribute a minimum of 5% of basic salary to which the Fund will contribute a further 7.5% of their basic salaries plus an amount equivalent to the reduced liability of Employer’s National Insurance. Contributions are recognised in the SOFA in the year they were incurred.

2 Income from donations and legacies

			2020			2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Gifts	204	205	409	205	224	429
Corporate gifts	29	6	35	2	-	2
Legacies	492	22	514	963	20	983
	725	233	958	1,170	244	1,414

Within gifts is £14.7k of government grants received as part of the coronavirus job retention scheme.

3 Income from other trading activities

			2020			2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fundraising events	41	-	41	159	-	159
Recharges to other organisations	3	1	4	24	-	24
	44	1	45	183	-	183

4 Income from investments

			2020			2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Dividends and interest	349	98	447	521	133	654
Rental income	81	23	104	88	23	111
	430	121	551	609	156	765

5a Analysis of expenditure (current year)

Raising funds								
	Cost of generating voluntary income	Cost of fundraising events	Costs of managing investments	Charitable activities	Governance costs	Support costs	2020 Total	2019 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	121	95	-	436	60	344	1,056	1,099
Other staff costs	1		-	1	7	6	15	12
Event and fundraising costs	57	27		25	18	18	145	194
Investment management costs	-	-	330	-	-	-	330	352
Grant-making	-	-	-	3,658	-	-	3,658	2,191
Campaigns and communications	5	3	-	94	-	65	167	323
Other	3	1	21	77	40	-	142	71
	187	126	351	4,291	125	433	5,513	4,242
Support costs	110	23	9	195	96	(433)	-	-
Governance costs	18	20	30	153	(221)	-	-	-
Total expenditure 2020	315	169	390	4,639	-	-	5,513	
Total expenditure 2019	477	301	418	3,046	-	-		4,242

5b Analysis of expenditure (prior year)

Raising funds							
	Cost of generating voluntary income	Cost of fundraising events	Costs of managing investments	Charitable activities	Governance costs	Support costs	2019 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	193	89	1	237	160	419	1,099
Other staff costs	4	2	-	-	6	-	12
Event and fundraising costs	54	96	-	-	4	40	194
Investment management costs	-	-	352	-	-	-	352
Grant funding	-	-	-	2,191	-	-	2,191
Campaigns and communications	28	19	-	276	-	-	323
Other	5	-	16	31	19	-	71
	284	206	369	2,735	189	459	4,242
Support costs	164	64	1	2,135	95	(459)	-
Governance costs	29	31	48	176	(284)	-	-
Total expenditure 2019	477	301	418	3,046	-	-	4,242

6 Grant funding

Details of all grant awards in 2020 can be found on the The Seafarers’ Charity website at: www.theseafarerscharity.org/assets/uploads/documents/Grants-awarded-in-2020.pdf

Details of all grant awards in 2019 are available on request.

7 Net income / (expenditure) for the year

	2020	2019
	£'000	£'000
Depreciation	47	47
Operating lease rentals receivable:		
Property	104	111
Auditor's remuneration (excluding VAT):		
Audit	15	14
Underaccrual from prior year	5	-

8 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020	2019
	£'000	£'000
Salaries and wages	838	899
Redundancy and termination costs	35	16
Social security costs	87	91
Employer's contribution to defined contribution pension schemes	60	70
Other forms of employee benefits	16	23
Recruitment	20	-
	1,056	1,099

Redundancy costs above is a part of restructure process.

The following number of employees received employee benefits (excluding employer pension costs and Employer’s National Insurance) during the year between:

	2020	2019
	£'000	£'000
£60,000 – £69,999	-	3
£70,000 – £79,999	1	1
£90,000 – £100,000	1	-

The total employee benefits (including pension contributions and Employer’s National Insurance) of the key management personnel were £259,678 (2019: £322,406). The Charity Trustees were neither paid nor received any benefits from employment with the Charity in the year (2019: £nil). No Charity Trustee received payment for professional or

other services supplied to the Charity (2019: £nil). Trustees’ expenses represent the payment or reimbursement of travel and subsistence costs totalling £499 (2019: £2,027) incurred by 4 (2019: 5) members relating to attendance at meetings of the Trustees.

9 Staff numbers

Staff are split across the activities of the Charity as follows (head count based on average headcount figures):

	2020	2019
	£'000	£'000
Raising funds	4	5
Charitable activities	7	7
Governance and support	7	8
	18	20

10 Related party transactions

Some members of the General Council are Trustees of charities to which the Fund makes grants. The Grants Committee’s procedures require all such interests to be declared and for these members to abstain from voting. Within the General Council, no single member exercises control or influences over any particular grant approval.

During the year, legal advice was sought from Potheary Witham Weld Solicitors amounting to £1,020 (2019: £5,940). The firm’s partner Mr Gerald Kidd served as a Trustee and is also member of the General Council. All balances were settled in the year and nothing was due at the year-end (2019: £nil).

Seaservers Limited is the trading subsidiary of The Seafarers’ Charity, see Note 22 for details of transactions between Seaservers Limited and The Seafarers’ Charity.

Aggregate donations from related parties were £623 (2019: £660).

11 Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Freehold property	Fixtures and fittings	Total
Cost or valuation	£'000	£'000	£'000
At the start of the year	2,270	208	2,478
Additions in year	-	8	8
Transfer from Investment Property (see Note 13)	2,630	-	2,630
At the end of the year	4,900	216	5,116
Depreciation			
At the start of the year	31	150	181
Charge for the year	31	16	47
At the end of the year	62	166	228
Net book value			
At the end of the year	4,838	50	4,888
At the start of the year	2,239	58	2,297

The above freehold land and buildings are 7 and 8 Hatherley Street, London. No. 8 Hatherley Street is occupied to carry out the operations of the Charity. The properties were valued at 31 December 2018 by Arnold and Baldwin Ltd, Chartered Surveyors using the Royal Institute of Chartered Surveyors appraisal valuation.

Land with a value of £1,470,000 (2019: £735,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

13 Investment properties

	2020	2019
	£'000	£'000
Fair value at the start of the year	2,630	2,630
Re-classified as tangible fixed assets (Note 12)	(2,630)	-
Fair value at the end of the year	-	2,630

In December 2020, the Trustees decided to sell both 7 and 8 Hatherley Street. As such, at 31 December 2020, 7 Hatherley Street no longer meets the definition of an investment property and has been transferred to tangible fixed assets.

The Charity's property in the Bahamas, currently carried at a value of £1, is in the process of being sold and has also been re-classified as a tangible fixed asset

14 Listed investments

	2020	2019
	£'000	£'000
Fair value at the start of the year	37,170	34,848
Additions at cost	12,256	14,934
Disposal proceeds	(16,589)	(16,249)
Net gain on change in fair value	3,778	3,637
	36,615	37,170

	2020	2019
Investments comprise:	£'000	£'000
Interest bearing stocks	12,426	12,185
Equities	21,875	23,519
Cash	2,314	1,466
	36,615	37,170

15 Debtors

	2020	2019
	£'000	£'000
Other debtors	34	28
Amounts due from subsidiary undertakings	50	55
Prepayments	53	58
Accrued income	266	66
	403	207

With the exception of listed investments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in Note 16 below.

16 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade creditors	40	13
Taxation and social security	32	32
Grants payable	710	990
Amounts due to subsidiary undertakings	2	2
Accruals	180	172
	964	1,209

17 Pension scheme

The Seafarers’ Charity operates a defined contribution scheme for all employees. The assets of the scheme are held in separate funds administered by independent pension providers. The total cost of pensions for the year incurred by The Seafarers’ Charity was £60k (2019: £71k).

18 Financial instruments

	2020	2019
Financial assets measured at fair value through profit and loss	£'000	£'000
Investments	36,615	37,170

19a Analysis of net assets between funds (current year)

	General unrestricted	Restricted funds	Endowment funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	4,888	-	-	4,888
Investments	27,815	707	8,093	36,615
Net current assets	37	-	-	37
Net assets at 31 December 2020	32,740	707	8,093	41,540

19b Analysis of net assets between funds (prior year)

	General unrestricted	Restricted funds	Endowment funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	2,297	-	-	2,297
Investment properties	2,630	-	-	2,630
Investments	28,797	1,039	7,334	37,170
Net current liabilities	(376)	-	-	(376)
Net assets at 31 December 2019	33,348	1,039	7,334	41,721

20a Movements in funds (current year)

	At 1 January 2020	Income & gains	Expenditure & losses	Transfers	At 31 December 2020
	£'000	£'000	£'000	£'000	£'000
Permanently endowed funds:					
Endowed general purposes	983	107	(5)	-	1,085
Inglis Fund	912	99	(5)	-	1,006
Merchant Navy South Africa Scholarship	246	27	(2)	-	271
Royal Navy War Libraries Fund	258	28	(2)	-	284
South African Women's Auxiliary Service	474	52	(2)	-	524
Arthur T. Jeffess Fund	3,232	352	(16)	-	3,568
David Richards Trust	959	104	(5)	-	1,058
Henry Herbert Wills Fund	270	29	(2)	-	297
Total permanently endowed funds	7,334	798	(39)	-	8,093
Restricted funds:					
Restricted income from endowment funds	-	106	(106)	-	-
Royal Naval Officers Fund	293	49	(201)	-	141
Van De Kastele Fund	118	15	(63)	-	70
Beryl Joyce Threadkell Legacy	50	6	(31)	-	25
Sheila Constance Woods Legacy	332	41	(174)	-	199
Merchant Navy Fund	44	78	(73)	-	49
Restricted Activities	192	61	(41)	-	212
Projects	10	20	(19)	-	11
Covid-19 Emergency Restricted Fund	-	91	(91)	-	-
Total restricted funds	1,039	467	(799)	-	707
Unrestricted funds:					
Designated funds:					
COVID-19 Emergency Designated Fund	-	-	(1,476)	2,000	524
Strategy fund	-	4,067	(3,168)	10,000	10,899
Individual regular welfare grants	2,869	-	-	(2,869)	-
Port-based welfare services	5,363	-	-	(5,363)	-
Health and care services	1,435	-	-	(1,435)	-
Hardship and poverty grants	1,083	-	-	(1,083)	-
Welfare support services	1,644	-	-	(1,644)	-
Maritime education and training	3,365	-	-	(3,365)	-
Children and youth welfare	2,977	-	-	(2,977)	-
Advice and information services	3,858	-	-	(3,858)	-
Accommodation and supported housing	3,764	-	-	(3,764)	-
Total designated funds	26,358	4,067	(4,644)	(14,358)	11,423
Revaluation reserve	914	-	(31)	-	883
General funds	6,076	-	-	14,358	20,434
Total unrestricted funds	33,348	4,067	(4,675)	-	32,740
Total funds	41,721	5,332	(5,513)	-	41,540

20b Movements in funds (prior year)

	At 1 January 2019	Income & gains	Expenditure & losses	Transfers	At 31 December 2019
	£'000	£'000	£'000	£'000	£'000
Permanently endowed funds:					
Endowed General Purposes	903	83	(3)	-	983
Inglis Fund	837	78	(3)	-	912
Merchant Navy South Africa Scholarship	226	21	(1)	-	246
Royal Navy War Libraries Fund	238	21	(1)	-	258
South African Women's Auxiliary Service	436	39	(1)	-	474
Arthur T. Jeffess Fund	2,968	274	(10)	-	3,232
David Richards Trust	881	81	(3)	-	959
Henry Herbert Wills Fund	250	21	(1)	-	270
Total permanently endowed funds	6,739	618	(23)	-	7,334
Restricted funds:					
Restricted income from endowment funds	-	135	(135)	-	-
Royal Naval Officers Fund	375	18	(100)	-	293
van de Kastele Fund	117	1	-	-	118
Beryl Joyce Threadkell Legacy	58	3	(11)	-	50
Sheila Constance Woods Legacy	325	7	-	-	332
Merchant Navy Fund	29	96	(81)	-	44
Restricted Activities	77	115	-	-	192
Projects	-	120	(110)	-	10
Total restricted funds	981	495	(437)	-	1,039
Unrestricted funds:					
Designated funds:					
Individual regular welfare grants	2,413	456	-	-	2,869
Port-based welfare services	5,357	1,068	(1,062)	-	5,363
Health and care services	1,515	306	(386)	-	1,435
Hardship and poverty grants	1,106	209	(232)	-	1,083
Welfare support services	1,722	347	(425)	-	1,644
Maritime education and training	3,334	676	(645)	-	3,365
Children and youth welfare	2,504	473	-	-	2,977
Advice and information services	3,762	719	(623)	-	3,858
Accommodation and supported housing	3,510	631	(377)	-	3,764
Total designated funds	25,223	4,885	(3,750)	-	26,358
Revaluation reserve	945	-	(31)	-	914
General funds	6,076	-	-	-	6,076
Total unrestricted funds	32,244	4,885	(3,781)	-	33,348
Total funds	39,964	5,998	(4,241)	-	41,721

20c Movements in funds – purposes of funds

Purposes of restricted funds

Royal Naval Officers’ Fund

To assist officers of the Royal Navy in need or distress

Beryl Joyce Threadkell Legacy

Funds made available for use in Suffolk

van de Kastele Fund

For the education of children of any UK seafarer

Sheila Constance Wood Legacy

To assist Naval Officers’ Widows

Event Sponsorship

To assist in the cost of hosting or running the event

Merchant Navy Fund

Funds for UK Merchant Navy

Trusts

Trust donations restricted as per the trust fund's request.

Purposes of endowment funds

Endowed General Purposes

To relieve sickness, poverty, and distress of seafarers.

Inglis Fund

Merchant Navy South Africa & Scholarship Fund

Merchant Navy South Africa Scholarship

Royal Navy War Libraries Fund

South African Women’s Auxiliary Service

To further the educational and future career needs of seafarers’ children.

Arthur T. Jeffress Fund

The David Richard’s Trust

Henry Herbert Wills Fund

To assist officers and men of the Royal Navy, the Merchant Navy, and the UK Fishing Fleet in need or distress.

Purpose of designated funds

The COVID-19 Emergency Fund has been carried over from 2020, the £2m reserves drawdown, and will most likely be awarded in 2021.

The Strategy Fund is being utilised during 2021 to support our new strategic and proactive approach to grant funding

21 Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods:

	2020	2019
	£'000	£'000
Less than one year	74	74
One to five years	86	121
	160	195

22 Subsidiary undertaking

The Charity owns the whole of the issued ordinary share capital of Seasevers Limited, a company registered in England. The company number is 00890342. The registered office address is 8 Hatherley Street, London, SW1P 2QT.

The subsidiary is used for non-primary purpose trading activities. The accounts of Seasevers have not been consolidated into these financial statements on the grounds of immateriality. Available profits are distributed under Gift Aid to the parent Charity.

The Trustees Mr P. G. Butterworth, Mr J. J. M. Monroe, Mrs C. Spencer are also directors of the subsidiary. A summary of the results of the subsidiary is shown below:

	2020	2019
	£'000	£'000
Turnover	25	15
Cost of sales	(29)	(21)
Gross (loss)	(4)	(6)
Administrative expenses	-	-
(Loss) on ordinary activities before taxation	(4)	(6)
Taxation on profit on ordinary activities	-	-
(Loss) for the financial year	(4)	(6)
Retained earnings		
Total retained earnings brought forward	1	7
(Loss) for the financial year	(4)	(6)
Distribution under Gift Aid to parent Charity	-	-
Total retained earnings carried forward	(3)	1
The aggregate of the assets, liabilities, and reserves was:		
Assets	59	64
Liabilities	(62)	(63)
Reserves	(3)	1



Independent Auditor's Report to the Trustees of The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors)

Opinion

We have audited the financial statements of The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors) (the 'Charity') for the year ended 31 December 2020 which comprise the SOFA, Balance Sheet, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 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;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 Seafarers' Charity's (Seafarers UK, formerly King

George's Fund for Sailors) ability to continue as a going concern for a period of at least 12 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 contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out in the Trustees' Annual Report, 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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, are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Finance and Investment Committee, which included obtaining and reviewing supporting documentation, concerning the Charity's policies and procedures relating to:
 - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available 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 section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Sayer Vincent LLP

Date: 17 May 2021

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Reference and Administrative Details

Name and registered office

The Seafarers’ Charity (Seafarers UK, formerly King George’s Fund for Sailors) is a registered charity, number 226446, in England and Wales, incorporated under Royal Charter, and registered in Scotland under number SC038191. The registered office is 8 Hatherley Street, London, SW1P 2QT. Seaservers Limited is a wholly owned subsidiary of the Charity through which Seaview newsletter is published, and sponsorships and commercial events are operated.

The Officers of The Seafarers’ Charity

Members of the General Council

President: HRH The Earl of Wessex KG GCVO CD ADC(P)	Mr D. Bain FCA (*Fi)	The Lord Mountevans (A)
Chair: Mr P. Butterworth (from July 2020)	Surgeon Commodore P. J. Buxton OBE QHPRN (*G)	Mr J. J. Monroe (*A)
Vice Admiral P. J. Wilkinson CB CVO BA (Resigned July 2020)	Mr M. Carden (G)	Mr W. Reid (Fi)
Deputy Chair: Captain R. H. Barker FNI MNM (G)	Mr M. Dickinson (G)	Ms N. Shaw FCIPD (Fi)
	Mr P. French (Fr)	Ms D. Sterling (G) (Fr)
	Mrs C. Gould (G) (Resigned July 2020)	Mrs E. A. Strouts (G) (Fr) (Retired July 2020)
	Mr R. Greenwood (G)	Mr P. Tomlin (G)
	Mr G. Kidd (A)	Ms N. Ghani (Appointed December 2020)
	Mr W. Lawes (Fi) (Fr)	Rear Admiral I. Lower (Appointed December 2020)

Key to General Council Sub-Committee membership:

A Member of the Audit and Governance Committee
Fi Member of the Finance and Investment Committee
Fr Member of the Fundraising and Communications Committee
G Member of the Grants Committee
* Chair of Committee

Management:

Chief Executive Officer: C. Spencer

Impact Director: D. Layde

Development Director: K. Cunningham
(Appointed June 2020 New Post)

Finance Manager: O. Nikolenko

Head of Internal Operations: C. Gallop

Director of Fundraising & Communications:
N. Shattock (Resigned January 2020)

Head of Finance: I. Ondhia FCCA
(Resigned February 2020)

Bankers

National Westminster Bank plc
280 Bishopsgate
London, EC2M 4RB

Auditors

Sayer Vincent LLP
Invicta House 108-114 Golden Lane
London, EC1Y 0TL

Vice Presidents

The Chaplain of The Fleet

Admiral of the Fleet Sir Benjamin Bathurst GCB DL

Admiral Sir Jock Slater GCB LVO DL

Admiral Sir Brian Brown KCB CBE (Deceased 27 April 2020)

Sir John Ritblat FRICS

F. M. Everard CBE

Captain D. C. Glass OBE MNM

Rt Rev & Rt Hon Dame Sarah Mullally DBE

The Rt. Hon. The Lord Mayor of the City of London

The Rt. Worshipful The Lord Mayor of Westminster

Investment Managers

Ruffer LLP
80 Victoria Street
London, SW1E 5JL

Veritas Investment Partners (UK) Limited
Riverside House
2a Southwark Bridge Road
London SE1 9HA

UBS AG – Wealth Management Division
5 Broadgate
London EC2M 2AN

2020 Corporate and Institutional Supporters

Corporate Supporters:

Andrew Marr International Ltd	Maritime Digital Hub
Belfast Harbour Commissioners	Nautilus International
Buxted Construction Ltd	Oil Companies International Marine Forum
Carnival plc	Propeller Club of London
Cockshott Peck Lewis Solicitors & Estate Agents	Ship Safe Training Group
DP World London Gateway	Shoreham Port
H8r0es Ltd	T E Dudley Ltd
J & J Denholm Ltd	The Hadley Shipping Co Ltd

Trusts and Foundations:

A & L Sussman Charitable Trust	The Charity of Stella Symons
A G Manly Charitable Trust	The Charles Littlewood Hill Trust
Ann Jane Green Trust	The David Laing Foundation
Bedhampton Charitable Trust	The Diana Edgson Wright Charitable Trust
Dover Castle Lodge	The Duffield (Tiverton) Charitable Trust
Dr & Mrs J D Olav Kerr Charitable Trust (No 2)	The E and N Watson Charitable Trust
Dr Philip Welch Charity	The Edith Lilian Harrison 2000 Foundation
Dudley and Geoffrey Cox Charitable Trust	The Elizabeth and Prince Zaiger Trust
G.M. Morrison Charitable Trust	The Florence Turner Trust
Gerrard and Audrey Couch Charitable Trust	The Fort Foundation
HRH The Duke of Edinburgh Trust	The Gerald Bentall Charitable Trust
Joseph Strong Frazer Trust	The Hugh Fraser Foundation
Martin Charitable Trust	The Hyne Trust
Masonic Charitable Foundation	The Laurence Misener Charitable Trust
Miss Mary Dunlop Murdoch Andrew Charitable Trust	The MacRobert Trust
PF Charitable Trust	The Michael and Anna Wix Charitable Trust
Sir Jeremiah Colman Gift Trust	The Misses Barrie Charitable Trust
Sir John and Lady Amory's Charitable Trust	The Pennycress Trust
The Anson Charitable Trust	The Privy Purse Charitable Trust
The Basil Samuel Charitable Trust	The Simon Gibson Charitable Trust
The Broughton Charitable Trust	The Sylvia and Colin Shepherd Charitable Trust
The Castanea Trust	The Verdon-Smith Family Charitable Trust
The Chandris Foundation	The Worshipful Company of Environmental Cleaners

the seafarers' charity

The Seafarers' Charity
8 Hatherley Street,
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contact@theseafarerscharity.org

www.theseafarerscharity.org



The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors) is a Registered Charity No. 226446 in England and Wales, incorporated under Royal Charter. Registered in Scotland, No. SC038191.

