

SEAFARERS HOSPITAL SOCIETY

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

SEAFARERS HOSPITAL SOCIETY

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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SEAFARERS HOSPITAL SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

Peter McEwen MBE MNM BSc Econ (Hons), Chair
Sandy Nairne CBE FSA, Deputy Chair
Graham Lane FCA, Honorary Treasurer
Mark Carden
Tim Carter PhD FFOM MNM
Rupert Chichester MA
Mike Jess BEM MSc
Frank Leonard MB ChB MSc MFOM RN (Rtd)
Charlotte Costa da Mendes MBBS MRCP
Rachel Dunn
Valerie Coleman (From 20 January 2021)

Charity registered number

231724

Principal office

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

Chief Executive Officer

Ms L Wilson (from 31 August 2019 – 8 May 2020) Interim CEO and Health Development Manager
Mrs Sandra Welch (from 11 May 2020) Chief Executive Officer

Independent auditors

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

Bankers

Royal Bank of Scotland, 62/63 Threadneedle Street, London EC2R 8LA, to 8 January 2021.
Nat West Bank, 2 Greenwich Church Street, London, SE10 9BQ, to 12 November 2020.
Unity Trust Bank plc., Nine Brindleyplace, 4 Oozells Square, Birmingham B1 2HE

Investment advisors

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

Honorary Archivist

Professor G C Cook MD DSc FRCP

SEAFARERS HOSPITAL SOCIETY.

CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

I present the Annual Report, my eleventh such report as Chair.

In 2020 the Society has been and is continuing to be, dealing with Covid-19, a global pandemic. As the Society reaches our Bicentenary in March 2021 we can reflect on the fact that in our history there has been previous pandemics, for example Smallpox, Cholera and Spanish Flu.

The Society's Trustees and Staff have again risen to the challenge of the current pandemic by continuing throughout to assist seafarers with grants and advice, often in partnership with other organisations.

The Trustees quickly agreed that it would be essential to drawdown more from the Society's investments to deal with Covid grants, while ensuring that funds would still be available for future years. As can be seen in the Report many Covid grants were provided and we now anticipate that the number of grants dealing with debts will increase as many seafarers income continue to fall and government assistance reduces later in 2021.

Staff have generally worked from home from March 2020 but with one of them visiting the office most days to ensure that grant applications arriving by post were dealt with promptly. This continued into 2021. The efforts of staff to deal with working from home and processing beneficiaries applications, speedily and with great empathy, is much appreciated by Trustees.

Sandra Welch was appointed as CEO from May 2020 with overall responsibilities but with direct involvement in health issues, the core purpose of the charity. Her background includes senior posts with the Sailors' Society and The Salvation Army. Since joining Sandra has made a positive contribution to the Society and indeed to the maritime charities world.

Lysanne Wilson continued to act as the Interim Chief Executive Officer in the period until a new CEO was appointed. She continued thereafter as HDM and then on a secondment to Seafarers UK. The Trustees thanked Lysanne for her work for the Society and wished her well for the future.

My personal thanks to all Trustees for speedily dealing with urgent decisions and adapting to working by Video Conference calls. Graham Lane, the Treasurer, was particularly helpful in dealing with the finance issues that arose in the period.



Peter McEwen MBE MNM BSc (Econ) Hons

Chair

Date 25th March 2021

SEAFARERS HOSPITAL SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report and accounts for the year ended 31 December 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

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

Organisational structure

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

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

Decision making

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

Recruitment and Appointment of New Trustees

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

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

Valerie Coleman was appointed as a new Trustee with effect from 20 January 2021. Her background includes being the Programme Development Manager of the Maritime Charities Group for some 13 years and 12 years with the CAB in several locations. Valerie has broad knowledge of the maritime charity welfare sector and working with UK Ex Service charities.

SEAFARERS HOSPITAL SOCIETY

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Risk Assessment

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

Our principal risks relate to 1. Significant loss of funds because of poor performance by investment manager or bank or through collapse of the investment market 2. Corruption or loss of computer records by virus and. To mitigate corruption of computer records by virus User password protection is in place with multi factor authentication across all mail boxes, as well as full Sophos anti-virus protection in place on all computers and server, with regular updates.

To mitigate significant loss of funds because of poor performance by investment manager or bank or through collapse of the investment market. The Investment Manager must adhere to the SHS Statement of Investment Principles, including asset allocation, reviewed annually and more frequently if necessary and advice also taken from investment manager in light of Covid-19.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Object

The Society fulfils its Object principally through grant making and project work. It aims to maximise the impact of this activity through collaboration with the work of other maritime organisations, as well as through the Seafarers' Advice & Information Line (SAIL, established by SHS 25 years ago). With the assistance of SAIL, seafarers are often able to obtain greater financial or welfare benefit than would be possible through grant making alone. In addition to specific financial support for the users of the Dreadnought Medical Service at St Thomas' Hospital, the Society plays an active part in promoting the effective delivery of priority healthcare to seafarers.

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

Covid-19

2020 saw a major pandemic, which in the near 200 years history of the Society was not the first, but certainly one of the worst. From March 2020 Covid-19 affected the whole of the UK medically with many people suffering serious illness and multiple deaths. Economically, repeated lockdowns, Regulations and Guidelines impacted on many industries. The Merchant Navy continued successfully dealing with the responsibility of supplying the UK with essential supplies from worldwide ports. There were redundancies and crew being furloughed which had financial consequences for many. In addition, crew changeovers became very difficult to arrange so many seafarers were at sea for prolonged periods, more than contract periods and in some cases beyond the maximum permitted in the MLC. This increased pressure on the physical and mental health of seafarers.

The Fishing industries also had major problems with markets (e.g. Restaurants and the retail trades) closing or at a minimum with heavily reduced demand. Many fishers were unable to work for long periods and had to rely on Universal Credit and other benefits.

The Society rose to the challenge with great flexibility from Trustees and Staff. Grants to individuals were increased significantly over March to July 2020. This was often with advice from partner organisations such as SAIL, SMS and TFM and financial support from Nautilus International and Seafarers UK.

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TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Further details of the response to Covid-19 are included elsewhere in the Report and the financial impact on the Society is detailed in the Finance Review and Investment policy on pages 14.

Activities

Of the £721,147 expended by the Society on charitable activities in 2020, grant expenditure amounted to £409,805 and £133,333 was spent on direct costs. A further £178,009 was spent on support costs, representing staff time, publicity costs and other resources directly related to advising and assisting applicants, liaising with caseworkers and other charities, as well as advancing projects and development work, all in seeking to best serve the needs of beneficiaries. This sum included £17,848 spent on governance costs.

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

During the year it continued to support the delivery of the SeaFit Programme for fishers in collaboration with Fishermen's Mission, funded by Seafarers UK. In addition, the Society led on the development of some major mental health and wellbeing initiatives, with the support of the MCG.

ACHIEVEMENTS AND PERFORMANCE

Grants to individuals

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

The assistance of caseworkers hugely benefits clients in helping to evaluate their needs holistically and present their grant applications. This is typically done on a face-to-face basis in their own homes. In 2020, and throughout the Covid-19 pandemic and subsequent lockdowns or restrictions, this was not always possible, and caseworkers used platforms such as Zoom, Skype and Facetime to complete forms. The Society greatly values the help and cooperation it receives from caseworkers and colleagues from the Merchant Navy Welfare Board (MNWB), Soldiers, Sailors, Airmen and Families Association - Forces Help (SSAFA), the Shipwrecked Mariners Society, The Fishermen's Mission, the Nautilus Welfare Fund, the Royal British Legion, and other maritime agencies.

In 2020 the Society continued during the global pandemic to provide grants despite unprecedented challenges. The team worked hard to support seafarers during these difficult times and, as far as possible, it was business as usual. The Society worked closely with partners to ensure that grant applications were processed as quickly as possible. In 2020 the Society awarded 455 miscellaneous grants to individuals, valued in total at £266,245 (2019: 338 grants valued at £265,467). The grants were awarded for disability aids and equipment such as electrically powered wheelchairs, adapted shower facilities, riser/recliner chairs, as well as for essential household goods, clothing, payment of priority debts, urgent living expenses, respite breaks, funeral costs and other pressing welfare requirements. This included 200 Covid-19 related grants totalling £97,613.

In 2019 it was agreed to reduce the qualifying years for seafarers to access a grant from the Society from seven-to-five years active service. In 2020 SHS made 35 grants to seafarers with less than seven years' service.

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In late 2020, thanks to Seafarers UK, a special Maritime Anchor Fund was set up for working seafarers suffering financial hardship due to Covid-19. This could be accessed from 1 December 2020 by working seafarers based in the UK. The fund includes financial support, benefits and debt advice from SAIL, grants from the Society, access to free relationship counselling from Relate and mental health and wellbeing advice and support from Togetherall which is funded by the Society.

In addition to this, a Nautilus Covid-19 hardship grant scheme was established, thanks to Nautilus International, for Nautilus members with Covid-19 related issues enabling, for example, members to apply for a hardship grant while waiting for a first benefit payment.

In total, £19,210 was spent on physiotherapy services in 2020, considerably lower than 2019 due to the closure of all clinics in the first national lockdown. Where possible the network tried to offer online consultations and exercise classes and self-help guides. In the latter half of the year Connect Health and the Network were able to resume face-to-face appointments.

In 2019 the Society agreed to make grants for physiotherapy to Mussel Farmers in the South West of England. Mussel Farming has become a niche maritime industry in the West Country in recent years and is included in the Responsible Fishing Scheme with Seafish and covered by the world-wide requirements of ILO 188. Uptake of the physiotherapy sessions was limited by Covid-19 etc.

Grants to Institutions

A total of £143,560 was awarded to institutions in 2020 (2019: £366,587). As well as grants to the Seafarers' Advice & Information Line of £125,690 this sum also included the Society's contribution of £6,300 towards Nautilus Welfare Fund's specialist dementia nurse pilot project at Mariners Park and £10,000 to the MCG. The reduction from 2019 was due to SAIL being funded by two other organisations with direct payments rather than via the Society.

Maritime Charities Group

The Society continued to play an active part in the work of the MCG, whose vision, is for a maritime charity sector that works collaboratively to achieve the greatest impact for seafarers and their families, and which fosters collaboration, by sharing information, commissioning research, supporting the education and welfare of seafarers and their families and the promotion of best practice within the maritime charity sector. The members of the Group comprise Lloyds Register Foundation, Seafarers UK, the MNWB, Greenwich Hospital, the ITF Seafarers Trust, Nautilus International/ Welfare Fund, the Royal Navy & Royal Marines Charity, and Trinity House. In 2019, the TK Foundation joined the Group.

The Society believes that the MCG plays a respected role in informing and developing policy for all involved in the maritime charity sector. This was highlighted by the commissioning of the Navigating Change report in October 2017, an updated view across the sector which built on the legacy of the 2007 Seafarers and their Families report. At the MCG conference in October 2019, an up-to-date view of the sector was offered, providing two informative days of reflection and debate on the issues faced by the sector.

Additionally in 2020 the Society chaired a workshop on Seafarers Mental Health and Wellbeing, aimed at looking to help shape the priorities for future developments within the maritime sector. This resulted in the development, publication and launch of the Seafarers' Mental Health Awareness and Wellbeing Training Standard, a guide that offers standards for designing mental health and wellbeing training courses for seafarers. The course was created by The Maritime Charities Group and the UK's Merchant Navy Training Board and are intended to address ongoing concerns with the varying quality of mental health awareness training.

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Seafarers' Advice and Information Line (SAIL)

The Seafarers' Advice and Information Line (SAIL) offers free, confidential and impartial advice and information to working and former UK-based seafarers and their dependants. This now includes Royal Navy and Royal Marines personnel. SAIL is run by Greenwich Citizens' Advice Bureau on behalf of the Seafarers Hospital Society and has been helping seafarers for 25 years.

The advisers at SAIL understand the difficulties often faced by people who work at sea and those they leave onshore. They can provide practical help and support in several ways including benefits, employment, housing, debt, consumer problems, legal matters, personal relationships and taxation.

The team includes a specialist money adviser who works with seafarers and their families to help them manage financial problems, and trains others to provide similar support.

The extension of SAIL's services to the Royal Navy and Royal Marines (RN/RM) community on an open self-referral basis since April 2016, funded by Greenwich Hospital, has proved popular and successful, with numbers using the service growing annually, Greenwich Hospital have committed to continuing to fund this service.

In terms of overall numbers, SAIL helped 1,748 unique (that is, new and existing) clients during 2020 (2019: 1,696 unique clients), including 1,265 new clients (2019: 1,133 new clients), both representing record levels. Measurable financial successes – comprising debt write offs, benefit entitlement (calculated over one year), charitable grants and other identified gains were again at a very high level, totalling a record £2,273,012 (2019: £935,988).

Meanwhile, individual issues on which clients sought advice, an indicator of the complexity of need, numbered a record 5,838 (2019: 5,178).

SAIL advised 1,148 new clients in 2020, excluding second tier and anonymous clients. The key profiling statistics are as follows:

- Age: 259 over retirement age, 889 under retirement age
- Gender: 873 male; 274 female; 1 identified as other
- Health/disability: 464 people had health issues or disabilities.

The split of SAIL clients for 2020 was:

- 350 new RN/RM/RFA
- 408 Fishers
- 388 Merchant Navy and two others.

Dreadnought Medical Service

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

The Covid-19 pandemic had a significant impact on the Service in 2020 as NHS England restricted and for some time stopped, all elective work in part of the year. This continued into 2021.

During 2020, due to the pandemic and the subsequent strain on the NHS, the GSST were unable to furnish statistics for new medical, surgical patients or dental patients treated by the Dreadnought medical service.

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TRUSTEES' REPORT (Continued)

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The Society provides a degree of financial support by funding, where there is need, travel costs incurred when attending the hospital. In 2020 it provided grants totalling £3,488 for this purpose.

Members of the Dreadnought Standing Joint Policy Committee, including the Society, Nautilus International, RMT and the Chamber of Shipping continue to keep the performance of the Dreadnought under review. The uncertain provision of this priority service for working seafarers has again been discussed in 2020, and the Committee has been working closely with GSTT to agree a way forward with the relevant Clinical Commissioning Groups and the NHS generally.

Health Development

SeaFit

The SeaFit brand has become an established name, synonymous with the fishing industry, and recognised in fishing ports throughout the UK. Evidence from the SeaFit Programme shows that fishers are more likely to seek help to improve their health and wellbeing when services are taken to them at the quayside. Using a holistic health and wellbeing approach, SeaFit has been able to initiate individual health improvements in a relatively short time. More fishers are being empowered to change their behaviour in making positive lifestyle choices, as they realise the importance of looking after their own health and wellbeing.

More Health and Wellbeing events were planned to take place in 2020 however, due to Covid-19 some of these had to be postponed. This did not impact the programme as the project team found new ways to interact with the fishers and deliver the programme digitally.

The impact of the various projects is extremely positive. The health provider partners, and the fishers have highlighted clear-cut health benefits for individuals, with many fishers engaged in dental, physical and/or mental health services having made quantifiable improvements to their health and wellbeing over the period on the Programme. The SeaFit Programme has begun to lay down a strong foundation for culture change amongst a hard to reach, predominantly male, workforce. Fishers and their family members who received support are experiencing improved health and are encouraging their peers and crew members to also seek treatment or advice. It is hoped that their improved health will in turn lead to more uninterrupted hours at sea thereby increasing their earning capacity which is particularly important with the uncertainty arising for the industries by Brexit.

To bring about significant and continued behavioural change, it is essential to ensure that there is a long-term commitment to support alternate ways of providing services, especially with current health and wellbeing provision nationally being under such strain, in particular dental and mental health services.

In addition to the established port locations, there is also a demand to continue to meet the health and wellbeing needs of other fishers and their families. Having a healthier fishing fleet results in increased working ability, and a longer-term impact resulting in, less stress, less accidents, less time off, less financial hardship and a longer career at sea.

Now is the time to keep services going, after all the work embedding and gaining trust with the fishers, families, GPs, and other stakeholders. Key relationships and referral routes to health providers have been well established within the fishing community. Due to the success of the project SHS in partnership with The Fisherman's Mission will be funding an extension to the project until the end of 2021. Investing in established services may prove cost effective in the long run, particularly when dealing with any psychological problems arising from Covid-19.

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TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

SeaFit impact at a glance

Engaged 1675 people with healthy lifestyle advisors
Conducted 493 health checks
Delivered 334 dental treatments
Delivered 239 face-to-face counselling sessions and engaged with 930 people
Held 46 health check events providing 328 health checks

The Society will explore how this project, and some elements of its services can be replicated to support merchant seafarers in 2021 and beyond.

Physiotherapy services

SHS spent a total of £19,210 on physiotherapy services in 2020, lower than 2019 due to the closure of all clinics in the first national lockdown of the pandemic. Where possible the network tried to offer online consultations and exercise classes and self-help guides. In the latter half of the year Connect Health and the Network were able to resume face-to-face appointments.

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

Schemes operated in association with Connect Physical Health and its partners cover the remaining UK based merchant navy and fishers. In 2020 the Society awarded 7 grants totalling, £1,598 for physiotherapy as well as supporting 15 telephone consultations to Physioline due to Covid-19. The treatment helped 7 officers, 14 ratings and 1 fisher.

Harbourside clinic in the West Cornwall area, and the 14 Network members treated a total of 108 seafarers. This included 63 fishers, and 45 merchant navy personnel.

The effectiveness of the Network and number of both fishers and merchant navy personnel accessing the service highlights the need for a responsive, flexible, proactive approach to rehabilitation. The offer of preventative advice and support has resulted in a positive effect on the health of these seafarers.

It was planned to expand this Network further in 2020 to other areas with fishing communities and appropriately qualified and willing local physiotherapy services, as this model of local, flexible provision is proving to be accessible, effective and popular with both fishers and merchant navy than the current provision, however, Covid-19 halted that process and will be reassessed in 2021.

Togetherall (formerly the Big White Wall)

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

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TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Take up continued to be relatively low but did increase, with 94 new registrations in 2020, compared to 29 in 2019. Whilst the Society will continue to provide this service, other complementary models of services are being explored. During the year, the Society had a small social media campaign around World Mental Health Day which saw an increase number of users for that month.

It is estimated that one in four people will experience a mental health problem in their lifetime, but many men are unlikely to seek help. Seafarers are under more pressure than most and, of course, obtaining help is likely to be particularly problematic given long spells at sea which is why access to a digital and virtual service such as this is vital. At the start of the Covid-19 pandemic the Society extended free mental health and wellbeing advice and support service to include working and retired seafarers and their families the Society will continue to fund this much needed service in 2021.

Brighter Smiles Campaign in Newlyn Primary School

In 2020, the Society's innovative longitudinal programme with Smile Together and Newlyn Primary School dedicated to eliminating tooth decay continued. The programme was progressing well and meeting, and in many cases exceeding anticipated performance and social impact, when it was sadly disrupted by the Covid-19 pandemic. Smile Together adjusted the provision of patient care accordingly to deliver emergency treatment through Urgent Dental Care Hubs on behalf of NHS England, and then as permitted slowly began to get back to practice in other locations with safety remaining a top priority.

A total of 4,454 Cornish children were regularly engaging in the Brighter Smiles programme of toothbrushing clubs, fluoride varnishing application and oral health education in 2020, until Brighter Smiles delivery in schools, nurseries and family hubs necessarily had to pause due to Covid-19. However, we found other ways to support the oral health of local children and communities, to help prevent decay during lockdown:

- The Brighter Smiles team created a series of four virtual oral health education sessions for children aged 4-6, each focusing on a different topic: The Functions of the Teeth; Toothbrushing; Tooth Decay; and Diet and Your Teeth.
- We distributed thousands of toothbrushes, tubes of toothpaste and oral health education packs to The Trussell Trust and other Foodbanks across Cornwall so that we could continue helping families look after their oral health at this time.
- More information was added to Patient Information Zone to help individuals and families look after their oral health at home.
- The Society received the go-ahead from Public Health England to resume the Brighter Smiles programme in educational environments from the start of the new academic year in 2020. It was slightly different as the teaching teams and the children given the Covid-19 safety precautions necessarily in place, but they were nonetheless successful.
- The project managed to achieve the following in Newlyn School and Nursery in the last year prior to the pandemic pausing our valuable work:
- 25 nursery children and 25 reception pupils were regularly participating in daily toothbrushing clubs with great excitement!
- Consent was received for applied fluoride varnish to 16 of the pupils (noting some are unable to participate due to asthma or allergy, and the 2nd FV application wasn't possible due to Covid-19). This provided a good opportunity to identify decay levels in a school community, particularly for children who don't regularly visit the dentist.
- Oral health education was delivered to the whole school with oral health education packs for every pupil.
- The pupils were very engaged with the programme and always pleased to see the team.

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Tooth decay is entirely preventable, as are its associated health and social concerns, such as pain, distress, and having to have extractions in hospital, which is the main reason children are admitted to hospital in the UK. This leads to school absences which may negatively impact a child's education. Using Smile Together's Brighter Smiles programme for improving children's oral health in school settings in Cornwall, oral health education (for children and parents, carers and teachers) was addressed, and the most clinically proven interventions to help reduce and eliminate tooth decay are employed. The grant, initially for five years, aims to reduce decay within children in this school, whose pupils are almost all the children of local fishers, with the school potentially becoming 'decay free'.

Matthew Boulter donation

Due to the excellent partnership between providers and charities in Newlyn, a local GP, Dr Matthew Boulter, highly supportive of the Mental Health project within the SeaFit Programme donated £10,000 in 2019 towards mental health and wellbeing for fishers and their families. It was agreed that both the Society and The Fishermen's Mission would match fund this generous donation, both contributing £5,000, to enable the current counsellor under the SeaFit programme to offer a further day a week for another year, as demand had exceeded her capacity within the Programme. In 2019 we offered 58 mental health appointments and due to the extra funding in 2020 the counsellor was able to more than double this number to 138 appointments.

Specialist dementia nurse pilot at the Nautilus Welfare Fund 's Mariners' Park

The Society has part funded a specialist dementia ("Admiral") nurse at Mariner's Park, as a pilot project, to provide a service targeted at those with dementia, both residents on the site as well as providing outreach into the local community. Admiral Nurses work alongside people with dementia, their families and carers, to provide one-to-one support, expert guidance providing practical solutions that people need. The 18-month extension to this project, with the Society providing one third of the funding, to enable the service to expand more widely in the community and further develop the training and support provided within Mariner's Park is coming to an end in 2020. The project has been a success and will be extended for a further two years. The lessons arising from will be shared with other providers in the sector.

Dementia and Older Seafarers

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

Towards the end of 2019, a draft report was circulated of the results of their research and it was hoped this would be published in 2020 when next steps for the project could be agreed, unfortunately due to Covid-19 the fieldwork needed to complete the report was not possible and the process has been delayed until 2021.

RESEARCH PROJECT

The Society plans to carry out a major research project in 2021. The primary objective of this proposed project is to increase the overall mental and physical health and wellbeing of seafarers, by performing a systematic review of published research regarding health related issues in the maritime workforce, along with recommendations to address concerns, and comparing them to those that have been recognised by Seafarers Hospital Society. To achieve these goals, the proposed study is a cross-sectional study of working seafarers that

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will describe the state of knowledge as it currently exists regarding seafarer health and wellbeing, recommended practices to maximise seafarer mental and physical health, and barriers to implementation of these recommendations. The Society will, as normal, seek partner organisations.

STRATEGIC REVIEW AGENDA

In 2020 the Society continued to complete actions under the Strategic Review agenda following the approval of a revised Strategy in May 2019. This will continue to be kept under review in 2021.

The Trustees adopted a new Communications Strategy, recognising that effective, integrated and coordinated communication is integral to carrying out the goal to achieve a healthier and more productive future for seafarers and their families. The global Covid-19 pandemic was unprecedented and affected people working in all sectors, but the maritime and healthcare sectors are among those hardest hits. The pandemic has not only highlighted the need for health and social care provision, but also pushed to the fore the health and wellbeing of those keyworkers – such as seafarers – into the public eye. These factors provide the charity with the catalyst to develop the communication strategy.

Investment is required to meet the growing need for information, advice and guidance, from both increasing capacity to the improved integration of available media: traditional media and marketing, social and online communications, branding, visual communications, as well as health and emergency risk communications post Covid-19. This is to be implemented in phases.

The Trustees adopted a revised Safeguarding Policy in 2020 to ensure continuing compliance with regulations and best practice which are reviewed and updated annually. The Society has also appointed a Safeguarding Lead Trustee.

Reviews re banking and financial record keeping arrangements were completed. Unity Trust Bank had been appointed and provided a secure range of electronic banking facilities which have increased efficiency and speeded up the payment of many grants. The previous accounts with RBS and Nat West were closed. Winchester Bourne Ltd had been given responsibility for maintaining the financial records of the Society and this also helped to improve efficiency.

Recognition under the Investors in People scheme was originally achieved in February 2017 when the Society received accreditation. A successful interim review took place in 2018. The further full assessment in June 2020 resulted in the Society successfully retaining the IIP accreditation for a further three years.

Pension arrangements, compliant with auto enrolment requirements, have been in place from April 2017.

BICENTENARY

The Society celebrates its bicentenary in 2021, and the Trustees looked at ways to mark the occasion by not only celebrating the past, but also looking to the future. Covid-19 has of course affected plans. Work on this took place during 2020, with for example, the development of a new website launched in February 2021. This includes an interactive timeline to promote the defining moments as a charity, as well as enabling visitors to the site to walk through the Society's illustrious history and view a special 200th video. In addition to this, the Society has restarted a quarterly electronic newsletter, the first of which was distributed in December 2020. To help tell the Society's compelling story there are also plans in place to create and produce a 200th brochure and hold a webinar in the autumn of 2021.

The Society will take every opportunity to reinforce the 200-year legacy of health and wellbeing services and welfare provision to demonstrate the Society's trustworthiness and expertise, so that our health information and

SEAFARERS HOSPITAL SOCIETY

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

activities become increasingly the basis for decisions. This will be done through regular website updates of health information and fact sheets, sharing core messaging with all partner organisations and strategic use of all relevant communications channels.

STAFFING

The appointment of a Chief Executive Officer with overall responsibilities, but with a direct involvement in health issues, which are of course at the heart of the Society's purpose since 1821, was completed in May 2020 with the appointment of Sandra Welch.

Lysanne Wilson acted as Interim Chief Executive Officer until the appointment of the new CEO in May 2020 when she reverted to her previous role and subsequently undertook a secondment on a project with Seafarers UK. She and the staff dealt very effectively with the challenges of the changeover and the new banking and accounting arrangements. The Trustees were very appreciative of her work with the Society and wished her well for the future.

New IT arrangements including a new database are in place for 2021. Delegations of decisions such as grants to staff have been increased which also shortens the time from application for a grant, to approval and payment.

The Trustees are very grateful to all staff for their contribution to the work of the Society in 2020 especially given the impact of Covid-19, which meant remote working from home while maintaining a daily presence in the office to deal with postal applications.

FINANCIAL REVIEW

Financial Summary

The figures for 2020 are significantly different to prior years for a number of reasons. Income in the year shows that grants previously received for administering SAIL were paid directly to the organisation. The SeaFit programme saw costs being paid directly by The Fisherman's Mission with the result the no grants were received by the Society for this activity in the year. Our expenditure on grants to Institutions reflects these changes. Investment income reduced in the year as a result of the impact of Covid-19 on Companies ability to pay dividends. Grants paid to individuals were significantly increasing during the early stages of the pandemic but applications then tailed off so the total for the year is similar to last year. Due to reduced activities arising from the pandemic there was a saving on costs in the year with the result that the final deficit of £470,817 is lower than expected. However, the reduction in the value of investments increased this figure to £609,113 and Trustees felt it appropriate to reflect any potential impairment in the value of the selected furniture and fixtures, shown under the other fixed assets. As a result, an amount of £47,124 has been charged to the SOFA.

The value of the Society's investments at the year-end was reduced as a result of the pandemic on world economies and cash withdrawals during the year to fund charitable activities fell. The overall decrease in funds for the year amounted to £609,113.

Total funds at the year-end were £7,760,298 (2019: £8,369,411). Trustees are of the opinion that the funds provide a level of reserves sufficient to fund the current, anticipated levels of expenditure over a prolonged period, notwithstanding the possibility that there will be a necessity to increase expenditure in 2021 because of the ongoing pandemic. Trustees are also mindful of the necessity to maintain sufficient funds for future activities and regularly review the value of the investment portfolio so as to ensure that current levels of expenditure can be maintained.

Policies on Investments and Reserves

Trustees are of the opinion that the level of reserves is sufficient to fund the current, anticipated levels of expenditure over a prolonged period, notwithstanding the possibility that there will be a necessity to increase expenditure in 2021 because of the ongoing pandemic. They are also mindful of the necessity to maintain sufficient funds for future activities and regularly review the value of the investment portfolio so as to ensure that current levels of expenditure can be maintained.

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

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

As at the end of December 2020 the actual holdings of investments were:

Sector	Market Value (£)	Sector(%)
UK Gilts & Fixed Interest	955,325	12.4%
International Fixed Interest	1,033,808	13.5%
UK Income	841,385	11.0%
Europe	455,209	5.9%
USA	1,746,835	22.8%
Thematic and Global	689,428	9.0%
South East Asia	584,604	7.6%
Japan	148,062	1.9%
Alternative Investments	875,654	11.4%
Cash	341,718	4.5%
Total	7,672,027	100.0%

The investment performance in the year was 0.34 compared to the Benchmark (ARC Sterling Balanced Asset PCI) of 4.84.

SEAFARERS HOSPITAL SOCIETY

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

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

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

In preparing these accounts, the Trustees are required to:

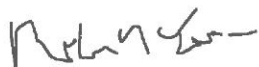
- select suitable accounting policies and then apply them consistently; observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 2015 Scheme approved by the Charity Commission. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditor

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

This report was approved by the Trustees, on 25 March 2021 and signed on their behalf by:



.....
Mr P McEwen MBE MNM,
Chair of Trustees

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

FOR THE YEAR ENDED 31 DECEMBER 2020

OPINION

We have audited the financial statements of Seafarers Hospital Society for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 [group/charity]'s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Chair's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

FOR THE YEAR ENDED 31 DECEMBER 2020 (Continued)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity 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 FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustees' responsibilities statement set out on page 12, 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, income tax and payroll tax.

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

FOR THE YEAR ENDED 31 DECEMBER 2020 (Continued)

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates.

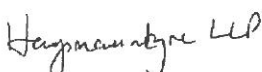
Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.



.....
Haysmacintyre LLP

10 Queen Street Place

London

EC4R 1AG

Date: 6 April 2021

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

SEAFARERS HOSPITAL SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
INCOME FROM					
Donations and grants	2	9,368	108,821	118,189	370,592
Other income	3	325	8,501	8,826	8,639
Investments	4	163,828	-	163,828	194,131
TOTAL INCOME		173,521	117,322	290,843	573,362
EXPENDITURE ON:					
Raising funds:					
Investment management		40,512	-	40,512	42,172
Charitable activity:					
Grants to institutions	5	135,059	8,501	143,560	366,587
Grants to individuals	5	241,559	24,686	266,245	265,467
Direct costs	6	124,933	8,400	133,333	247,746
Support costs	7	178,009	-	178,009	199,350
TOTAL EXPENDITURE		720,072	41,587	761,659	1,121,322
NET EXPENDITURE BEFORE INVESTMENT GAINS/(LOSSES)		(546,551)	75,735	(470,816)	(547,960)
Transfers between funds		11,485	(11,485)	-	-
Net gains/(losses) on investments	12	(138,297)	-	(138,297)	728,523
NET MOVEMENT IN FUNDS		(673,363)	64,250	(609,113)	180,563
RECONCILIATION OF FUNDS:					
Total funds brought forward		8,369,411	-	8,369,411	8,188,848
TOTAL FUNDS CARRIED FORWARD		7,696,048	64,250	7,760,298	8,369,411

The notes on pages 21 to 32 form part of these financial statements.

A full comparative Statement of Financial Activities can be found in note 19.

SEAFARERS HOSPITAL SOCIETY

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	10		49,060		96,582
Investments	11		7,672,027		8,257,011
			<u>7,721,087</u>		<u>8,353,593</u>
CURRENT ASSETS					
Debtors	12	7,185		19,726	
Cash at bank and in hand		81,417		29,140	
		<u>88,602</u>		<u>48,866</u>	
CREDITORS					
Creditors: Amounts falling due within one year	13	(49,391)		(33,048)	
NET CURRENT ASSETS			<u>39,211</u>		<u>15,818</u>
NET ASSETS			<u><u>7,760,298</u></u>		<u><u>8,369,411</u></u>
CHARITY FUNDS					
Unrestricted funds	15		7,696,048		8,369,411
Restricted funds	16		64,250		-
TOTAL FUNDS			<u><u>7,760,298</u></u>		<u><u>8,369,411</u></u>

The financial statements on pages to were approved by the trustees on 25 March 2021 and signed on their behalf by:

Mr P McEwen MBE MNM, Chair

Mr G Lane FCA, Honorary Treasurer

The notes on pages 21 to 32 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019 (Charities SORP (FRS 102)) and Financial Reporting Standard applicable the United Kingdom and Republic of Ireland (FRS 102) and 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 the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which has since been withdrawn.

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

1.2 Going concern

At the time of approving the accounts, given the level of reserves and with reference to the future cash flow projections, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the trust that a distribution will be made or when a distribution 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 granting a probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

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

1.4 Expenditure

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

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure (continued)

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

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

Costs of generating funds are third party costs incurred through managing the investment assets.

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

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

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

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

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

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

Office premises	Straight line over the life of the lease to 2024
Fixtures and fittings	15% straight line
Computer equipment and website	25% straight line
Other fixed assets	25% straight line

Selected furniture and fixtures, shown under 'Other fixed assets', were previously held at fair value. For 2020 the Trustees have considered it appropriate to recognise these assets at historic cost less depreciation and any impairment, aligning the measurement policy across tangible fixed assets. In doing so, the deemed historic cost has been set at the latest valuation. Following the prospective policy change, the selected furniture and fixtures were reviewed for impairment and a charge recognised, as set out in note 10.

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

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

1.6 Investments

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

1.7 Debtors

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

1.8 Cash at Bank and in hand

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

1.9 Liabilities and provisions

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

1.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.11 Pensions

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

1.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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

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

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

1.13 Employee benefits

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

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

2. INCOME FROM DONATIONS AND GRANTS

	Total Funds 2020 £	Total Funds 2019 £
Donations	9,368	1,388
Grants	108,821	369,204
	118,189	370,592

Analysis of grant income

Seafarers UK (SAIL)	-	118,400
Greenwich Hospital (SAIL)	-	122,398
Seafarers UK (SeaFit)	-	110,846
Seafarers UK (Fishing Project)	11,485	-
Seafarers UK (Anchor Fund)	50,000	-
Nautilus (COVID-19)	15,000	-
Contributions to shared grants	23,936	-
Contribution for Mental Health in Newlyn	-	10,000
Trinity House (Room hire)	8,400	7,560
	108,821	369,204

3. OTHER INCOME

	Total Funds 2020 £	Total Funds 2019 £
Reimbursement for SAIL accommodation costs	8,501	7,000
Other income	325	1,639
	8,826	8,639

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

4. INVESTMENT INCOME

	Total Funds 2020 £	Total Funds 2019 £
Investment income	163,826	193,938
Bank interest	2	193
	<u>163,828</u>	<u>194,131</u>

5. ANALYSIS OF GRANTS

	Total Funds 2020 £	Total Funds 2019 £
Grants to institutions		
Seafarers Advice and Information Line (SAIL)	125,690	342,618
MCG development programme	10,000	10,000
Health Develop Project Costs		
Nautilus Welfare dementia nurse	6,300	12,360
Miscellaneous	1,520	1,459
Annual National Service for Seafarers	50	150
Total grants to institutions	<u>143,560</u>	<u>366,587</u>
Grants to individuals		
General welfare assistance	242,584	227,457
COVID-19	963	-
Physiotherapy (Connect)	6,079	12,400
Physiotherapy (Harbourside network)	13,131	18,571
Dreadnought Medical Service – patient travel expenses	3,488	7,039
Total grants to individuals	<u>266,245</u>	<u>265,467</u>
Total grants payable	<u>409,805</u>	<u>632,054</u>

The reduction in the grant to SAIL arises because the funding from Seafarers UK and Greenwich Hospital was paid directly to Greenwich Citizens Advice Bureau whereas, in the previous year it was paid to the Society

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

6. DIRECT COSTS

	Total Funds 2020 £	Total Funds 2019 £
Wages and salaries	115,183	107,459
SeaFit project (excluding salary and travel costs)	3,750	115,977
Big White Wall online service	6,000	3,500
Trinity House (room hire)	8,400	7,560
Smile dental project	-	2,000
Mental Health in Newlyn	-	11,250
	133,333	247,746

7. SUPPORT COSTS

	Total Funds 2020 £	Total Funds 2019 £
Wages and salaries	27,224	103,706
Office costs	8,750	17,447
Building running and maintenance	20,271	14,501
Publicity costs	8,779	11,779
Legal and professional costs	20,779	8,310
Travel and subsistence	453	3,574
Staff recruitment and training	14,774	5,580
Depreciation	12,007	9,653
Impairment	47,124	-
Governance costs (See below)	17,848	24,798
	178,009	199,350

Governance costs

Auditors' remuneration – audit	10,200	9,600
Accountancy and professional fees	1,440	5,604
Wages and salaries	5,199	3,753
Annual Meeting	-	2,049
Trustees' expenses	1,009	3,792
	17,848	24,798

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

8. AUDITORS' REMUNERATION

	2020	2019
	£	£
Fees payable to the charity's auditor and its associates for the audit of the charity's annual accounts	10,200	9,600
Fees payable to the charity's auditor and its associates in respect of all other non-audit services not included above	1,440	2,400
	<u>11,640</u>	<u>12,000</u>

9. STAFF COSTS

Staff costs were as follows:

	2020	2019
	£	£
Wages and salaries	126,654	165,960
Social security costs	8,593	14,334
Other pension costs	12,359	18,623
Termination payments	-	16,000
	<u>147,606</u>	<u>214,917</u>

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

2020	2019
No.	No.
5	6

The number of employees who received remuneration exceeding £60,000 was none (2019: one between £60,000 -£70,000).

The total costs in relation to remuneration of key management personnel was £99,392 (2019: £145,964).

During the year, no Trustees received any remuneration (2019: £Nil).

During the year, no Trustees received any benefits in kind (2019: £Nil).

Two Trustees received reimbursement of travel and subsistence expenses amounting to £1,009 in the current year, (2019 – three Trustees - £3,792).

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

10. TANGIBLE FIXED ASSETS

	Office premises	Fixtures and fittings	Computer equipment & website	Other fixed assets	Total
	£	£	£	£	£
Cost					
At 1 January 2020	69,126	14,785	15,502	47,125	125,538
Additions	-	1,613	9,997	-	11,610
At 31 December 2020	69,126	16,398	25,499	47,125	158,148
Depreciation and Impairment					
At 1 January 2020	37,380	1,874	10,703	-	49,957
Charge for the year	6,352	4,099	1,556	-	12,007
Impairment for the year	-	-	-	47,124	47,124
31 December 2020	43,732	5,973	12,259	47,124	109,088
Net book value					
At 31 December 2020	25,394	10,425	13,240	1	49,060
At 31 December 2019	31,746	12,912	4,799	47,125	96,582

As a result of an impairment review as at the 31 December 2020 it was considered prudent to provide for impairment losses on other fixed assets of £47,124.

11. FIXED ASSET INVESTMENTS

Market value	Listed Securities £	Cash £	Total £
At 1 January 2020	8,009,020	247,991	8,257,011
Additions	2,799,704	-	2,799,704
Disposals at market value	(3,340,118)	-	(3,340,118)
Net losses	(138,297)	-	(138,297)
Other cash movements	-	93,727	93,727
At 31 December 2020	7,330,309	341,718	7,672,027

The post balance sheet movement on investments amounts to a fall in the market value of investments of £206,818 to £7,465,209 as at 28 February 2021.

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

12. DEBTORS

	2020	2019
	£	£
Prepayments and accrued income	7,185	16,832
Other debtors	-	2,984
	<u>7,85</u>	<u>19,726</u>

13. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Accruals	30,077	17,360
Deferred income	6,515	8,400
Other taxation and social security	3,239	2,784
Trade and other creditors	9,560	4,504
	<u>49,391</u>	<u>33,048</u>

The deferred income brought forward was fully released to income during the year and the closing balance is income received and deferred during the year.

14. FINANCIAL INSTRUMENTS

	2020	2019
	£	£
Financial assets measured at fair value through income and expenditure	<u>7,672,027</u>	<u>8,257,011</u>

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

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

15. STATEMENT OF FUNDS

CURRENT YEAR	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers In/(out) £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
General Funds	8,369,411	173,521	(720,072)	11,485	(138,297)	7,696,048
Restricted funds						
Seafarers UK (Anchor fund)	-	50,000	-	-	-	50,000
Contributions to shared grants	-	23,936	(23,936)	-	-	-
Nautilus COVID-19 support	-	15,000	(750)	-	-	14,250
Seafarers UK (Fishing project)	-	11,485	-	(11,485)	-	-
Reimbursement for SAIL accommodation costs	-	8,501	(8,501)	-	-	-
Trinity House (Room hire)	-	8,400	(8,400)	-	-	-
	-	117,322	(41,587)	(11,485)	-	64,250
Total of funds	8,369,411	290,843	(761,659)	-	(138,297)	7,760,298

Seafarers UK (Anchor fund) is for the provision of support grants to serving seafarers affected by Covid-19.

The contributions to shared grants are additional grants related to hardship arising from the impact of Covid-19 that are jointly funded with the Shipwrecked Mariners Society.

Nautilus Covid-19 support grant was received to fund hardship grants for Nautilus members with Covid-19 related issues.

The Seafarers UK (Fishing project) grant covers the cost of seconding a member of staff to work on a specific project – “Fishing without a safety net”.

The reimbursement for SAIL accommodation reflects the use of the Society’s support resources.

The Trinity House (room hire) grant is received to cover the Society’s annual meeting costs.

SEAFARERS HOSPITAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

15. STATEMENT OF FUNDS (continued)

PRIOR YEAR	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers In/(out) £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds						
General Funds	8,188,848	204,158	(752,118)	-	728,523	8,369,411
Restricted funds						
Seafarers UK (SAIL)	-	118,400	(118,400)	-	-	-
Greenwich Hospital (SAIL)	-	122,398	(122,398)	-	-	-
Trinity House (Room hire)	-	7,560	(7,560)	-	-	-
Seafarers UK (SeaFit)	-	110,846	(110,846)	-	-	-
Mental Health Newlyn	-	10,000	(10,000)	-	-	-
	-	369,204	(369,204)	-	-	-
Total of funds	8,118,848	573,362	(1,121,322)	-	728,523	8,369,411

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
CURRENT YEAR			
Tangible fixed assets	49,060	-	49,060
Fixed asset investments	7,672,027	-	7,672,027
Current assets	24,352	64,250	88,602
Current liabilities	(49,391)	-	(44,836)
	<u>7,696,048</u>	<u>64,250</u>	<u>7,760,298</u>
	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
PRIOR YEAR			
Tangible fixed assets	96,582	-	96,582
Fixed asset investments	8,257,011	-	8,257,011
Current assets	48,866	-	48,866
Current liabilities	(33,048)	-	(33,048)
	<u>8,369,411</u>	<u>-</u>	<u>8,369,411</u>

17. PENSION COMMITMENTS

The charity contributes to a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £12,359 (2019: 18,623). Contributions totalling £1,699 (2019: £1,519) were payable to the fund at the balance sheet date and are included in creditors.

18. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2019: none).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
INCOME FROM				
Donations and grants	2	1,388	369,204	370,592
Other income	3	8,639	-	8,639
Investments	4	194,131	-	194,131
TOTAL INCOME		204,158	369,204	573,362
EXPENDITURE ON:				
Raising funds:				
Investment management		42,172	-	42,172
Charitable activity:				
Grants to institutions	5	129,289	237,298	366,587
Grants to individuals	5	265,467	-	265,467
Direct costs	6	115,840	131,906	247,746
Support costs	7	199,350	-	199,350
TOTAL EXPENDITURE		752,118	369,204	1,121,322
NET EXPENDITURE BEFORE INVESTMENT GAINS/(LOSSES)		(547,960)	-	(547,960)
Net gains/(losses) on investments	11	728,523	-	728,523
NET MOVEMENT IN FUNDS		180,563	-	180,563
RECONCILIATION OF FUNDS:				
Total funds brought forward		8,188,848	-	8,188,848
TOTAL FUNDS CARRIED FORWARD		8,369,411	-	8,369,411