



The Royal Alfred Seafarers' Society

Annual Report 2016

*Caring for seafarers for
more than 150 years*





PATRON:
H.R.H. The Princess Royal



FRONT COVER PICTURE:
The Royal Alfred Seafarers' Society team at Chatham Historic Dockyard Trust.
With thanks to Chris Bell Photography

The Royal Alfred Seafarers' Society

Annual Report 2016



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Royal Alfred Seafarers



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royalalfredseafarerssociety



Registered as a Charity No. 209776

Our appreciation goes to Gary Davies of Maritime Photographic for kindly supplying the maritime images featured on pages 16, 17, 39, 43 and 47 of this report. For more information and to browse his full collection, visit www.maritimephotographic.co.uk

INTRODUCTION



Welcome to the Annual Report and Financial Statements of the Royal Alfred Seafarers' Society for the year 2016.

Having enjoyed a truly memorable 150th Anniversary year in 2015, we set ourselves on a steady course to again deliver the best possible care for the former seafarers and their dependants we serve, in our continued efficient and effective manner. I am pleased to report that this has been achieved and is detailed in the body of this report by those responsible, who make our work such a success. You will hear of the successful outcome of inspection by the Care Quality Commission as well as more awards for senior staff members in County competition. Pleasing recognition of excellence.

Whilst we are justly proud of our achievements, I would like to mention some of the supporting individuals and organisations who quietly and competently support the Society so well and who we greatly rely upon.

Rob Fawcett, a Care Home Consultant, conducts monthly quality assurance visits to Belvedere House where he examines wide ranging aspects of the care we provide and how we provide it. He speaks to residents and staff, inspects management and reporting systems, checks minutes of formal meetings and ensures that medicine audits have been correctly carried out. He examines our computerised care plans, checks QA audits and surveys, looks at any complaints, accidents, incidents and safeguarding issues. Rob checks on our staffing, health and safety, infection prevention as well as the premises we provide. All this is conducted with quiet efficiency and utmost integrity and we are very grateful for his part in our endeavours.



Volunteer Ros Ellis with a resident. We thank all those who give their time to help at Royal Alfred

As a charity we continue to succeed in meeting our responsibilities by carefully managing our finances. There are two key players who make this possible. Our auditor, Bernie Watson of Haysmacintyre, who for many years has been an active and diligent

provider of advice and wise counsel in all matters financial, ensuring that our annual accounts and financial statements are correct. His work and support is greatly appreciated.

Our success in financial terms is very much due to our wise predecessors who built up our investment portfolio sufficiently to provide a return, even in these times, that makes a huge contribution towards the cost of

providing care to those we serve who cannot meet these costs themselves. For a number of years our investments have been with Rathbones and our other key player is Alex Dow, our portfolio manager. He has provided an excellent level of expertise and continuity and we greatly appreciate his participation. At the end of 2016 the value of our investments passed £10 million for the first time, and this is a significant milestone, given all that we have achieved in expanding and improving our 'state of the art' care facilities at Belvedere House. Again, we greatly appreciate Alex and his strong support.

Finally, and still concentrating on our people, I turn to our Trustees. It is with great sadness that I report the passing of Joan Spiers, who died suddenly on 29th August, having joined the Society in 2011. Our thoughts are with her family.

On a positive note, we are pleased to welcome Susan Lochner, who joins us as

Belvedere House received an excellent review by the Care Quality Commission



a trustee at this year's AGM when, I'm afraid, we see the retirement of two of our longest serving trustees. David Gundry, Vice Chairman, has served for 27 years, during which time he has given wholehearted support to the Society, as has Malcolm Lowle, who retires after 24 years as a trustee. We thank them both, most sincerely, for all they have given over so many years.

In today's world of political, digital and cyber issues, it is important to think of our people. Those who we care for, those who support us in all we do and those who give freely of their time, experience and knowledge for many, many years. Seeking nothing in return. Our sincere thanks to you all.



**Captain Duncan Glass O.B.E., M.N.M.
Chairman**

FOREWORD



After the high pace of a most remarkable year in 2015, with Home extension, Patron's visit and 150th anniversary celebrations as key parts, I promised the staff at Weston Acres some respite in 2016 with a year of 'peaceful consolidation'.

This was delivered, by and large, although the suppression of 'bright ideas' during my long drives to and from home in Devon was a challenge; there remained, however, a steady trickle of Home improvements completed around the continuing room by room refurbishment of our upstairs nursing unit.

It was a year when the high quality of service delivery at Belvedere House was verified and recognised. Without doubt, the high point has to be the overall GOOD assessment from the unannounced Care Quality Commission

inspection, in which each of the five key areas of inspection, notably SAFE, EFFECTIVE, CARING, RESPONSIVE and WELL LED were rated GOOD supported by an outstanding, detailed written report. We must have missed the top 'outstanding' accolade by a whisper, although we had the unanimous praise of all four inspectors who shared our chagrin. This was a highly creditable achievement and neatly places our Home in the top 25 per cent of the country, and almost certainly nearer the top five per cent.

Later in the year this was capped by scooping two awards at the Surrey Care Association annual competition; the Society was awarded Care Provider of the Year and the prize for Outstanding Leader was won by our very own Dorota Serafin, Deputy Clinical Manager. These two awards were gained against some stiff opposition, and a strong team were present in the hope that we would be similarly successful in the other two categories in which we were finalists – but sadly not; we had to be satisfied with just the two top awards!

In July 2015, we were pleased to establish the new post of Home Trainer, in order to sharpen our already keen focus on the increasingly heavy training burden, and thus welcomed Mrs Sharon Hicks to the team. An essential part of ensuring quality of delivery, safety of staff and residents and staff job satisfaction, 18 months on has proved the wisdom of selecting Sharon and devoting time and effort in this area of business.

One particularly interesting development has been in the commencement of a maritime acquaint training programme, giving all staff and particularly the nursing and caring element, some potent experience of life as a

We won Care Provider of the Year at the Surrey Care Association Awards



seafarer and the challenges they have faced at sea. To that end, I took a group of some 25 staff members (accompanied by two of our tenants, Captain Derek Broome, a Merchant Navy veteran, and Bob Elliott, a former CPO RN), to Chatham Dockyard on a bright and clear autumn day. After tours of the submarine OCELOT and destroyer CAVALIER, and a snack lunch, we were treated to an hour of discussions with Admiral Sir Trevor Soar who not only chairs the historic dockyard trust but who was the last captain of OCELOT before she was de-commissioned!

The programme will now continue on a rolling basis, incorporating a merchant marine element.

Any British seafaring report for 2016 could not fail to remember the sacrifices of World War One at sea 100 years ago, when some 12,000 Merchant Navy personnel and fishermen lost their lives keeping the nation supplied, and the Royal Navy some 34,000 protecting the routes. Naturally, the focus in 2016 is the centenary of the Battle of Jutland, when although the Royal Navy suffered more casualties in the space of 36 hours – 6,000 to the German Navy's 2,500 – and lost more ships (14 to 11), the German High Seas fleet retreated to port at the end and did not threaten us again. It is a sad and poignant fact

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FOREWORD



that most World War One British seafarers have no known grave but the sea, and we should always remember their sacrifice for us. At the Royal Alfred, we are honoured to care for veterans and those who have served this country at sea.

We thus look back on a good year of achievement and progress, where Home occupancy has been an average of 97 per cent and sheltered housing close behind, thus fulfilling our Royal Charter obligations to the full – whilst balancing the books. It has always been our view here that our care standards were high, and many visiting people have commented thus, but this was properly and effectively substantiated by CQC inspectors in a most thorough and lengthy inspection. There will be no place for

complacency as we strive to maintain and excel this accolade. Amongst new challenges in 2017 will be delivery of our aspiration for the landscaping of our North Field at Weston Acres to produce an area including water feature, pathways, covered dining spot and 'quiet lodge' for all to enjoy – residents, families and staff alike; the year of 'peaceful consolidation' is over!

Commander Brian Boxall-Hunt O.B.E.
F.N.I. Royal Navy
Chief Executive



Clockwise from top left: the Mayor of the Borough of Reigate and Banstead meets residents at the annual Open Day; staff and residents enjoy a trip to Wimbledon; the 24 Peaks team tackle their 24 hour challenge; garden party celebrations for HM the Queen's 90th birthday; residents meet miniature donkey Mr Kipling at Christmas during a visit by animal-assisted therapy firm Pony Pals; and staff and residents gather outside St Paul's Cathedral for the National Service for Seafarers

OUR YEAR IN NUMBERS



150,000

CUPS OF TEA MADE



107
TEAM
MEMBERS



2

AWARDS
WON





78 EXERCISE
CLASSES



75,000 
MEALS SERVED

30 
VOLUNTEERS

24 PEAKS
CROSSED

BY THE ROYAL ALFRED TEAM

LIFE AT ROYAL ALFRED



Clockwise from top left: Care Assistant Kim Tema with the late John Clegg; Home Trainer Sharon Hicks enjoying crafts with resident John Hatfield; resident Barbara Newbury drawing; Care Assistant Andrea Williams-Dowman with resident Thelma Davis

OUR PEOPLE – CARING FOR SEAFARERS



The Royal Alfred Trustees and key Staff members

Members and officers

Patron

H.R.H. THE PRINCESS ROYAL

Vice-Patron

THE EARL OF INCHCAPE 1994

President

THE VISCOUNT COBHAM (Trustee from 2008) 2015

Vice-Presidents

CAPT. A. D. BRAITHWAITE O.B.E. R.D. R.N.R. 2013

(Trustee from 1976)

CAPT. A.P.M. DAVIS F.C.C.A. F.C.I.S. A.C.M.A. 2015

(Trustee from 1992)

CAPT. SIR MALCOLM EDGE K.C.V.O. F.N.I. 1988

J. A. H. WEST (Trustee from 1970) 2000

CAPT. SIR MILES B. WINGATE K.C.V.O. F.N.I. (Deceased 9.5.16) 1978

TRUSTEES AND MEMBERS OF THE BOARD OF MANAGEMENT:

Chairman

CAPT. D. C. GLASS O.B.E. M.N.M. 2003

Hon. Treasurer

J. S. WEDGE (Trustee from 2014) 2015

Vice-Chairman

D. M. GUNDRY J.P. F.C.I.P.D. F.I.C.S. 1990

CDRE. I. GIBB M.B.E. F.N.I. F.R.S.A. F.R.G.S. M.N.M. 1997

Mrs E. A. GIBB B.E.M. 2006

CAPT. M. R. LOWLE 1993

CAPT. A. McCOURT 2015

A. PARKER 2014

DR. R. D. REUBIN 2005

COUNCILLOR MRS D. ROSS-TOMLIN 2008

COUNCILLOR MRS J. SPIERS (Deceased 29.8.16) 2011

LT CDR. P. WAKE O.B.E R.D.* M.Sc. F.N.I. R.N.R. 2012

Co-opted Visiting Committee Members

Mrs. D. PARKER

P. E. SEAGER M.A. A.C.I.B.

T. H. WAY F.C.I.P.D.

Pension Fund Trustees

CAPT. A.P.M. DAVIS F.C.C.A. F.C.I.S. A.C.M.A. (Trustee from 1992)

P. G. DAWES LL.B F.C.I.S F.R.S.A

Ms B.A. KASEY R.G.N R.M.A Dip.H.E.

J. NEADS

A. R. QUINTON F.C.A.

Chief Executive

Commander B. P. Boxall-Hunt O.B.E. F.N.I. Royal Navy

Honorary Chaplain

The Reverend A. Barron

THE ROYAL ALFRED SEAFARERS' SOCIETY

Welcome to the 151st Annual Report and Financial Statements of The Royal Alfred Seafarers' Society for the year ended 31st December 2016.

This Annual Report presents the Society's audited Financial Statements for 2016 and summarises its activities during that year. It is laid out in accordance with the Charities Statement of Recommended Practice (SORP) 2015 guidelines. Besides advising subscribers and donors how their contributions have been put to use, it describes, for the information of all those concerned with

the welfare of seafarers, the establishments administered by the Society for the benefit of retired seafarers and their dependants.

Limited quantities of previous Annual Reports are available upon request. The most recent Reports can also be viewed and downloaded at www.royalalfredseafarers.com.

Registered charity (No. 209776)



Where it all happens – providing a safe haven for seafarers in the leafy environs of the Surrey countryside

OPERATIONS



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BUSINESS MANAGER:
Mrs. Karen Goddard

MEDICAL OFFICER RETAINED:
Dr. L. A. Nathan



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AUDITORS: Haysmacintyre

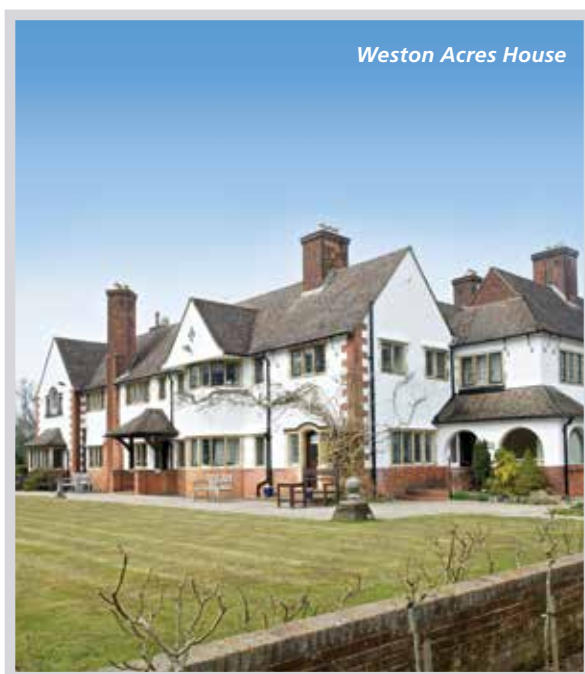
ACTUARY: J. A. Jolliffe

PR & MARKETING AGENTS:
Acceleris

LAWYERS: Wedlake Bell LLP

INVESTMENT MANAGERS:
Rathbones

ACCOUNTANTS:
Menzies



MANAGEMENT AND OBJECTIVES OF THE SOCIETY

The Royal Alfred Seafarers' Society is a registered charity incorporated under Royal Charter. As stated in this Royal Charter, the objects of the Society are:

- A)** to provide, carry on or maintain a Home or Homes or Housing for the care of aged, infirm or disabled seafarers or their widows or dependants.
- B)** to act as trustee or almoner for granting relief to seafarers as defined above or to the widows or dependants of any such seafarers. This function has been in abeyance since 1996.

The Society is governed by a Board of Management, consisting of not less than eight nor more than 18, whose members are Trustees. All powers of the Society are vested in and exercised by the Trustees, except in so far as by the Charter or the Bye-laws they are expressly required to be exercised by the Society in General Meeting. Potential Trustees are recruited largely by 'word of mouth' and introduced to the Society by an incumbent. Every candidate for membership of the Board shall be a "fit and proper person" nominated by at least one member of the Society, elected at an AGM and may serve for up to three years and a further term of three years if so elected. Any conflict of interest should be properly declared as appropriate.

All matters dealt with by the Board are decided by a simple majority of those members present, unless the Charter or byelaws otherwise

provide, each member having one vote excepting the Chairman of Board meetings who has a second or casting vote.

The Board is responsible for appointing a Chief Executive, who runs the Society on its behalf, and may appoint any other officers and employees to carry on the business of the Society. Some elements of the Society's affairs are either outsourced or draw on the expertise of retained consultancies, e.g. accounting, payroll, HR, H&S or clinical governance.

Belvedere House is subjected to regular inspection, at least annually, from the Care Quality Commission and the most recent results of these 'audits' of our establishment (July 2016) found us to be GOOD in all five key areas, accompanied by an outstanding written report which found no deficiencies.



SD Reliable

HOW THE SOCIETY IS MEETING ITS CURRENT OBJECTIVES

The Society, then known as The Belvedere Institution, had as its original objectives in 1865 the maintenance of establishments for the care of aged and infirm Merchant Seamen and the provision of grant assistance to those living in the wider community and in need of help. The grant-making function has been in abeyance since 1996, when our remaining beneficiaries were passed to the Shipwrecked Mariners' Society. Although the care of seafarers and their widows and dependants is at our core, the present Royal Charter gives much wider latitude as to who may be admitted to our Homes and Housing.

As our raison d'être thus remains, of course, the care of seafarers and their widows and dependants, it is incumbent upon the Board of Management to ensure that our Homes and Housing are available to all such persons, irrespective of their financial situation, who fit the current necessary criteria.

For some years now our facilities have maintained seafarer numbers at a substantial proportion of around two-thirds of the total complement, and this is now well above 90 per cent and continuing to rise steadily. During the year 2016 a total of 116 men and women were accommodated permanently in the Home and Housing, of whom 106 qualified as seafarers.

It is our aim to not only maintain the usual high proportion of seafarers in our care, but to actually increase it as much as possible. We realise that to do so will require the Society to maintain its high standards of care and extend its profile within the seafaring and ex-Service community; to this aim a marketing plan is used as a guide. Assisted by our marketing and advertising agent, this plan is now delivering solid success.

The Society has a Strategic Plan from which a rolling five year business and financial plan is derived and updated. Current strategic vision is to maintain the Weston Acres site whilst exploring options for providing care and accommodation services in other more traditional seafaring locations nationwide.

MS Queen Victoria



LIST OF SUBSCRIBERS

The Society is most grateful to Her Majesty and our other subscribers listed below:

Mr. J. G. Avery
W&R Barnett Limited
Mrs. J. G. Begg
Mrs. S. Bonnor
Mrs. M. C. Borwick
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Mr. D. Browne
Mr. M. R. F. Cartwright
The Rt Reverend J. K. Cavell
Mrs. A. L. Cawley
Mr. J. R. Chapman
Mr. J. C. Clarke
The Codfather, Woodmansterne
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Miss. A. R. Gardiner
Miss. M. Gardiner
Capt. I. C. Graham
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The Inchcape Foundation
Mr. A. E. Johnson-Newell
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The Royal Navy Club
Capt. E. M. Scott
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Seafarers UK
St Matthew with Holy Trinity Parochial Church
Council
St Peter's Church, Woodmansterne
Mr. C. R. Shaw
Mr. J. Tonner
Mr. J. N. Travers
Trinity House Maritime Charity
Mrs. S. A. Ward
The West Hartlepool Steam Navigation
Company
The Woodman Public House, Woodmansterne
Mr. P. J. J. Woollcombe
The Woolpack Public House, Banstead

*...and many others who wished to remain
anonymous.*

THE SOCIETY 'IN THE NEWS'



There was lots of activity at the Home in 2016, from an inspection by the Care Quality Commission to the 24 Peaks Challenge and our Open Day celebration.

Communications specialist Acceleris works on the Society's behalf to raise our profile in the press and online. The year saw Royal Alfred appearing in a range of maritime and nursing sector publications, as well as local titles, both in print and online. The coverage generated greatly helped to raise awareness of the Society, both locally and on a national level, and to increase the number of enquiries we receive.



For the second year an intrepid team from Royal Alfred completed the gruelling 24 Peaks Challenge, conquering 24 peaks in 24 hours to raise more than £4,000 for fellow maritime charity Seafarers UK.

Deputy Home Manager Dorota Serafin, Estates Manager Richard Condie, Carer Kim Tema, Care Assistant Cynthia Hugo and Maintenance Technician Nick Potroanchenu covered 31 miles across the Lake District over two days in July.

In June the Society welcomed the Mayor of the Borough of Reigate and Banstead, and members of the local community, to join staff and residents in celebrating seafarers across the country for Seafarers Awareness Week. A former soldier himself, the Mayor shared stories with the residents and everyone enjoyed entertainment from the Woodmansterne Primary School choir.



We received an unannounced visit from regulatory body the Care Quality Commission in October, which reviews the care and support we provide. The results of the inspection were very positive and the home was rated GOOD in all five key areas of assessment. We also received some strong testimonials from residents and families, all of which highlight the wonderful work the team at Royal Alfred does on a daily basis.

ROYAL ALFRED ONLINE

Social media, including the Society’s Facebook and Twitter accounts, continues to play an important role in day-to-day communications activity for Royal Alfred, sharing news about activities, birthdays and special occasions. The website also provides a vital hub of information for those wishing to learn more about the Society.

Social media

The Society’s social channels are regularly updated with a range of information including updates on residents and staff, photos of events and job vacancies. The number of ‘likes’ on the Facebook page has increased by nearly 20 per cent this year.



Website

A significant addition to the site in 2016 was the new 360 degree photographic tour.

The tour showcases features of the home including bedrooms, bathrooms, the newly refurbished lounge, memory room, gardens, bar and salon, as well as rooms in Weston Acres. It has proved to be especially useful for future residents and their families to be able to get a feel for the home and its facilities online, before visiting the Society itself. Take a look online at www.royalalfredseafarers.com



Royal Alfred Seafarers



@RASeafarers



www.royalalfredseafarers.com

ACTIVITIES AND EVENTS

The health and wellbeing of residents at Royal Alfred is our primary concern and one of the ways which we aim to achieve this is through exercise classes and activities.

For the past four years we have been working with personal trainer Joanne Lander who provides an innovative exercise class in our spacious lounge each week. The sessions can see up to 25 residents taking part and each activity is open to all residents, irrespective of their fitness levels.

The routines combine stretching, mobility and strength exercises, including using resistance equipment such as light weights to improve strength. Soft equipment including inflatable balls and cushions are also used to improve agility and reflexes.

Joanne is always looking for new ways to engage residents in the activities and the sessions are set to soft background music which not only helps coordination, but the residents thoroughly enjoy the songs and often sing along.

As well as increasing the residents' range of movement, mobility and balance, the classes also improve body posture and blood circulation, which reduces blood pressure and tackles obesity. Staff have also noticed that residents feel more confident about their physical abilities and many are becoming noticeably more independent.



Anne Kasey, Home Manager said:

"We have been extremely pleased with the positive impact Joanne's class has had upon our residents' attitude and we are glad to have included an exercise class in our schedule of interactive activities. The class has a tremendous turnout and it has been fantastic to see how small movement and lovely music brings our residents such joy and happiness."

Maria Jobson Administration Manager

I have been working at Royal Alfred since August 2014. I heard about the role through a friend and decided to apply. Prior to joining Royal Alfred I worked with the London Borough of Richmond and spent more than 10 years in the Civil Service.

I was also a Chief Clerk in the Army in Hong Kong. My time with the Army meant I was already familiar with the military terms and phrases when I joined Royal Alfred.

My role as Administration Manager involves making sure Belvedere House is running efficiently and my team is happy and working well. I am also the first point of contact for potential residents and their families. Whether it's answering questions or showing families around, myself and the administration team make sure they have all the information they need about the care available at Royal Alfred.

I really enjoy the variety my role offers as you never know what each day is going to have in store. At Royal Alfred we all pitch in, so if I have time and the activities coordinators need some help, I'll join in. We're a family and it's important that we support one another.

Visitors always comment about how welcoming and homely Belvedere House is and I think the sense of community at Royal Alfred is my favourite thing about working here.



“We’re a family and it’s important that we support one another”

Michael Saunders Volunteer

I came across Royal Alfred when I was looking for somewhere to volunteer. I popped in to the Volunteers Office in the Epsom Town Hall and they told me about the Society.

I used to be an Occupational Therapy Assistant in an elderly care centre and I have always had an interest in boats and sailing, my father also sailed recreationally, so I thought Royal Alfred would be a good match.

The Home is only a few miles from my house and I have been going twice a week to sit with the residents and have a chat, since June 2016. If activities are on I will join in with them, whether it's music therapy, or physical exercises with balloons or balls. It's lovely to see the enjoyment residents get from the sessions and sometimes me joining in can encourage those who are more reserved to participate too.

There is a lovely friendly atmosphere at Belvedere House and I enjoy walking around the grounds with people from the Home.

All of the residents have some great stories to tell and all come from different backgrounds. One lady I often speak with was in the Women's Auxiliary Air Force and as my father was an aircraft engineer, we always have lots to talk about.



“The residents have some great stories to tell!”

Elias Bomali Registered General Nurse

I started working at Belvedere House in June 2013 after seeing the job advertised locally. I have a background in the care sector and previously worked in respite centres in Liverpool and Croydon.

I am a Registered General Nurse so my job involves looking after residents and their medical needs. This can range from liaising with social workers and doctors to establish what care a resident requires, to speaking to families and answering any questions they may have about their relative's care.

My favourite part about working at Royal Alfred is the job satisfaction I get when I do something for a resident and I see how happy it makes them. My colleagues also make working here a pleasure. When I joined everyone was so lovely and supportive and I felt I could ask questions because everybody was really easy to talk to.

I think what sets Royal Alfred apart from other care homes is the people. Everyone plays their part in the Home which creates a happy working environment. All residents are treated with great respect and the choice of activities and outings they have makes a real difference. It's also important that the Manager's door is always open so if I ever need to talk about something, I know someone is there who will listen.



“My colleagues make working here a pleasure”

Robert Ball Tenant

I was born into a large family of fishermen, builders and undertakers in Bexhill-on-Sea and spent my formative years on our family's luggers, trawling and long-lining along the south-east coast.

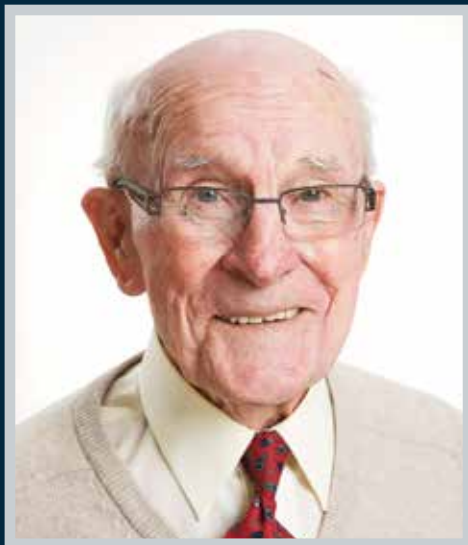
At the outbreak of World War Two I began a six month deck training course in Norfolk at the Prince of Wales Sea Training School. I left the school aged 15 and signed on to my first ship, the SS Cortona. During the war I served on a variety of cargo and troopships, eventually helping to move men and transport equipment during the liberation of France in 1944.

In March 2016, I was honoured to be awarded the Légion d'Honneur medal at the French Embassy for taking part in the D-Day landings.

I left the Merchant Navy three years after the war ended and joined the family construction company where I studied to become a civil engineer and quantity surveyor. After qualifying I lived and worked abroad in West Africa and the West Indies with my wife Ilse.

We retired and returned to Bexhill-on-Sea where we took up sailing together. Sadly my dear wife passed away in 2006.

I heard about the Royal Alfred through the Merchant Navy Association and after visiting the Weston Acres estate, moved into my flat in



December. I do not think I could have found a better place to spend the rest of my life. I love my flat and the view across the lawns makes me feel like I still have a garden of my own.

Everyone has been so welcoming and the staff are very caring but ensure we are still able to retain our independence. The other residents have such varied seafaring backgrounds and I feel very privileged to be surrounded by so many like-minded companions.

Darren Meade Care Assistant

I am relatively new to the Royal Alfred team as I started in January 2016. I heard about the care position through word of mouth and was lucky enough to secure the role.

My work as a Care Assistant means I have a responsibility for ensuring the wellbeing of residents, including helping them wash and dress, as well as assisting at meal times. I also support on resident outings and doctors rounds.

I've worked in the care sector for the past 12 years and have to say that Royal Alfred is one of the friendliest places to work. I'm very lucky to work with a great group of people who are all really kind and supportive.

I enjoy caring because I like being able to provide a helping hand to those who need it. It's a very satisfying job and when you get home from work it is nice to feel like you've made a difference to somebody's day.



"...it is nice to feel like you've made a difference"



STATEMENTS OF FINANCIAL GOVERNANCE

This edition is the second Royal Alfred Seafarers' Society Annual Report to closely follow the guidelines and requirements of the recent Charities SORP 2015 and FRS 102. It is hoped that the content of this Report provides valuable information not readily available in purely Financial Statements.

STATEMENT OF PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011, in having due regard to the Charity Commission's General Guidance on Public Benefit, and are reporting this here as they are required to do under the same directive.

We review our aims, objectives and activities each year. This review looks at what we have achieved and the outcomes of the work in the previous 12 months, then assesses the level of success of each activity and the benefits they have brought to those people for whom we are responsible for assisting under our Royal Charter. The Charity Commission's General Guidance on Public Benefit (mentioned above) is very much used to help us ensure that our aims, objectives and activities remain focused and that those set for the following year and beyond accord with this doctrine also.

RESERVES

The Board of Management keeps the Reserves Policy under regular review. The Society holds reserves in order to ensure as far as possible that its prime objectives may be met in the future. Total free reserves at present stand at £10.8 million, based on the standard calculation of Unrestricted Funds less Tangible Assets, and are required for any of the following purposes;

- To provide working capital
- To maintain up to 12 months' expenditure in reserves so as to ensure that our services are not compromised in the short term. In the year under review this figure amounts to £3.6 million
- To provide for the (anticipated future replacement or) major improvement of Care Home and Housing facilities. At today's values, it is estimated that the maximum commitment in this respect would be £8 million

The amount of the free reserves is, therefore, considered adequate.

INVESTMENT POLICY

The Society's policy is to:

- Maintain a diverse portfolio of quoted stocks
 - Maintain the value of the portfolio in real terms
 - Maximise the total return from capital and income combined while maintaining a medium level of risk
 - Delegate investment of available funds to the Investment Committee of the Board who, in turn, delegate investment management to external investment managers on a discretionary basis, with a defined mandate
-

RISK ASSESSMENT

As required, the Board of Management reviews the Society's Risk Management policy at regular intervals and the Risk Register at least annually. Having considered the primary areas of financial, operational, physical, regulatory and reputational risk, the Board is confident that the appropriate means of control have been adopted. Prudent management practices together with constant awareness of changes in the operating environments are felt to be in force. As the Society runs a Care Home, the two risks from a comprehensive risk register with most serious impact have been determined as follows (with the management controls);

- Risk. Outbreak of infection leading to loss of life. Controls: Tight Legionella and infection controls plus good training
- Risk. Serious accident leading to death of a resident or tenant. Controls: Risk assessments, comprehensive care plans, thorough and regular health and safety audits and good staff training

The management of the Society is responsible for the day-to-day management of risk and for passing to all levels of staff the necessity for constant awareness of all types of risk and of the need to act in such a way as to minimise any adverse events.

GOVERNANCE STATEMENTS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The 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 year, and of its position at the end of the year. 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 of the most recent Charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity, enabling them to oversee the finances whilst ensuring that the financial statements comply with the Charities Act 2011. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention or detection of fraud and other irregularities.

STAFF PAY AND BENEFITS POLICY

Society staff pay and benefits are set by reference to the annual surveys of information from Incomes Data Services, local information or other relevant bodies and are consistent within the Care Industry. The Society always aims to offer terms equivalent to or exceeding the market rate subject to the Society's financial capability. Controlled and monitored by:

- a) **Measurement:**
Annual review of salaries and benefits through appropriate comparisons with other relevant data.
- b) **Reference:**
Incomes Data Services, local information or other relevant bodies and shall be consistent within the Care Industry.
- c) **Audit:**
Comparison and calculation criteria held by CEO.
- d) **Report:**
By CEO to the Board of Management at annual pay review.

Additionally, it was the Society's declared intention in December 2014 that no member of staff should be paid less than £7.65 per hour, the National Living Wage quoted at the time. Subsequently, the Society is committed to, and on track for meeting HM Government's declared policy and levels of the new Government established National Living Wage in April 2016, with a current forecast of rising to £9 per hour in 2020.

The Society has a Group Pension Scheme, now run on an auto enrolment basis, open to all staff which matches an employee's contribution of 4 per cent gross annual salary with an employer's contribution of 8 per cent.

CONTRIBUTION OF GENERAL VOLUNTEERS

The Society highly values the contribution its 30 volunteers make to the smooth running of the Nursing Care Home and Sheltered Housing – both individually and collectively.

Tasks such as 'befriending', where a volunteer spends time with an individual resident or tenant to increase their quality of life, running the bar for special occasions when the regular bar staff are absent (it would close otherwise), or assisting with activities, help enormously. None of the help provided by volunteers has a financial implication i.e. they are over and above the provision of care and running of the Home, but add that significant little extra.

IN MEMORIAM

We gratefully acknowledge donations made to the Society during 2016 in memory of the following:

Mrs. M. C. Borwick
Mr. D. F. Emery
Mrs. C. Griffiths
Mrs. J. Hunt
Mr. M. Martin
Mrs. D. Mason
Mr. F. C. Muddle
Mr. R. E. Piper
Mr. G. R. Purcell
Mrs. G. Smith
Mrs. O. L. Stokes
Mr. L. G. Turner
Mr. P. Ward

LEGACIES

We gratefully acknowledge bequests to the Society from the following:

Mrs. M. Borwick
Mr. P. D. Duffey
Mr. F. J. Griffiths
Miss. C. L. Pearse
Mr. J. A. V. R. Richard

A fitting floral salute to a mariner who has "crossed the bar"



BELVEDERE HOUSE 2016



The Home Manager's Report

After the excitement of our anniversary year in 2015, this year we wanted to celebrate the people in Royal Alfred. Our priority is always to ensure our residents are safe, comfortable and well looked after. With this in mind, we began the year with a staff trip to the historic Chatham Dockyard which gave the care team the opportunity to learn more about what it is like to live and work at sea by touring a wartime destroyer and a submarine.



The teamwork continued into spring when everyone at Royal Alfred was involved in an exciting project which saw volunteers from the Woodlands Trust sow more than 800 crab apple, field maple and hornbeam

seeds in converted milk cartons, collected by staff at Royal Alfred. Our Estates team have been busy watering the seedlings, ready to transport to Langley Vale Wood, Epsom; where a First World War Centenary Wood will be created.

Our annual Open Day in June was a lovely opportunity to bring members of the community together with residents, staff and families, to mark Seafarers Awareness Week. We were also pleased to welcome the Mayor of the Borough of Reigate and Banstead who toured the facilities, and the choir from Woodmansterne Primary School joined us and sang beautifully for the guests.



Later in the summer staff and residents helped Ex Royal Navy submariner engineer Tony Simms celebrate 20 years at Royal Alfred. Tony has lived at Belvedere House since 1996 and is now our longest serving resident. To mark this special occasion, our Chief Executive, Commander Brian Boxall-Hunt, presented Tony with a Royal Navy submarine 'handbook'.

Everyone who works at Royal Alfred shows great commitment on a daily basis, so it was with pleasure that we received a resounding GOOD rating from the Care Quality Commission, following their unannounced inspection in October. Each of the five key areas: safe, effective, caring, responsive and well-led were highly rated, placing us safely in the top half of care homes in the country. We also received fantastic feedback from residents and families and I am tremendously proud of what everyone at the Home has achieved.

a capable, confident and skilled workforce to ensure the highest levels of care. It was a privilege to be awarded the title and just recognition of all the hard work staff put in every day to make Royal Alfred the home it is.

Our very own Deputy Clinical Manager, Dorota Serafin, also won the award for 'Frontline Leader of the Year', an achievement of which we were all incredibly proud.

At Royal Alfred we are committed to providing excellent care for our residents. One way we



The children's singing was enjoyed by all at our Open Day

In the spirit of celebrating team work, we were honoured to win 'Care Provider of the Year' at the prestigious Surrey Care Association Awards in November. The category sought care providers who have demonstrated an exceptional approach to social care services and the ability to develop

aim to achieve this is through animal assisted therapy, which is commonly used as an occupational therapy tool as it is proven to reduce stress levels and promote wellbeing. Petting the animals stimulates the residents' senses and can also encourage the recall of memories.

BELVEDERE HOUSE 2016

In December we arranged a visit from two very unusual guests, Mr Kipling the donkey and Morris the guinea pig. Mr Kipling, a Mediterranean miniature donkey, stands at just 30 inches in height and was very popular with residents. He spent more than an hour at the Home, as well as making a number of special visits to individual rooms to spread some Christmas cheer.



I would like to take this opportunity to thank the ‘Lest We Forget’ Association and The ‘Not Forgotten’ Association for their continued support for activities and outings at the Society. It is with this support that residents and tenants have been able to enjoy outings throughout the year, including visits to Wimbledon and Buckingham Palace, as well as a delightful summer boat trip. These activities always raise a smile and create treasured memories for all involved.



Throughout 2016 we maintained an average occupancy level of just over 96 per cent which is testament to the efforts of everyone at Royal Alfred.

We now turn our sights to 2017 which promises the landscaping of our North Field, as well as more events and celebrations. I wish to express my thanks to the team for their continued hard work and commitment to making life at Royal Alfred comfortable and safe for all who live and work here.

Anne Kasey
Clinical Manager



THANK YOU NOTES TO OUR CARING STAFF...



Ms A KERRY
Home Manager
The Royal Alfred Seafarers' Society
Belvedere House
Woodmanslane Lane
BANTSTEAD
Surrey
SM7 3HS

9 May 2014

Dear Ms Kerry

I am writing to you to decide who may be able to attend or who may wish to attend. I will leave it up to you to decide who may be able to attend or who may wish to attend. Anyone is welcome to come along and join our memorial service, or just pop in to the reception afterwards at the flatting house on Epson Downs. There are too many wonderful people at Belvedere House who cared for Daddy to name personally.

Although my father's time at Belvedere House was sadly short, it quickly became 'home away from home' for us all. Your amazing staff took such great care of Daddy and he was so lucky to have the home he deserved for his final days. He could not have been in a better place and we give thanks for that. It was so good to see him slipping away day by day and, in the end, hour by hour, we have been greatly comforted by the nurses and carers who eased his suffering, allowed him to maintain his dignity, saw to his daily needs and all with endless humility, professionalism and love. Finally, we were fortunate to spend what was to be our final visit on the Wednesday evening where Daddy seemed to be aware of us, our words and his favourite band music.

My mother was honoured to receive an extremely gracious letter from Commander Brian Boxall-Hunt CBE, Chief Executive, on the passing of my father, and proud to share it with us.

As promised, I will make sure our highest opinion of Belvedere House is registered in the appropriate place on line. You are also welcome to share this letter with whomever you see fit, in particular the staff who looked after Wally.

With kindest regards

Yours sincerely

J A Doh

Mrs Jill A Doh
On behalf of my mother, Joy Stocks, and our families



Cllr Keith Foreman
@KeithForeman1

Made very welcome last week by @RASeafarers
. Proud to have such a wonderful home in our area.

RETWEET 1 LIKE 1

11:48 PM - 12 Feb 2017

Dear Sirs,
I just felt I had to write and thank you and all involved in the planning and carrying out of the visit to The Merchant Navy Day Commemorative Service at Tower Hill last Sunday.

I am sure I speak for all of us from The Royal Alfred who were fortunate enough to be able to so well performed.

The delicious meal we had on the return journey was a most welcome end to a most thoughtful and memorable day.

Yours sincerely,

D.C Broome

Like Comment Share Chronological

Angela Asuum, Lilly Street, Karen Goddard and 7 others like this.



Julie Peek A very big personal Happy New Year and Thank You, for looking after my Uncle in the most kind, caring and entertaining way. You are all very special people. You sure run an incredible 'home'.

4 January at 08:25

I'm so sorry this is so late,
but I wanted to thank everyone
who looked after my mother
Colleen, with such kinder
loving care. I miss her terribly
and still find it hard
to believe she's gone.
Thank you all so much
from the bottom of my
heart

harriet mason

With love
X

Our Love to you all, we do hope
to keep in touch with you all,

Thank you

Hazel, Michael and the boys

xoxo



BRINGING HOME THE GOLD

Among the achievements of 2016, the Society also celebrated winning two prestigious awards at October's Surrey Care Association Awards for the team's work delivering care in the region.

The home picked up headline award 'Care Provider of the Year' in recognition of the team's outstanding work caring for the home's 68 residents and Deputy Clinical Manager, Dorota Serafin, was also recognised for her individual work, being awarded the 'Frontline Leader of the Year' Award.



The Society won 'Care Provider of the Year' in recognition of the team's enthusiasm and determination in meeting the needs of residents, carers, staff and the wider community. Award organisers were looking for care providers that demonstrated an exceptional approach to social care services and the ability to develop a capable, confident and skilled workforce to ensure the highest levels of care.

Royal Alfred was recognised in particular for its low staff turnover and excellent training for team members as well as how staff deliver tailored care packages for residents. The home also received praise for the variety of activities on offer for residents and the specialist care for those at the home living with dementia.

'Frontline Leader of the Year'

Deputy Clinical Manager Dorota Serafin fought off stiff competition to win the 'Frontline Leader of the Year' Award for her commitment and dedication to the home and its staff and residents.

Since joining the Society as a care assistant in 2008, Dorota has quickly risen through the ranks to become Deputy Clinical Manager. Her award recognises the contributions she makes in supporting the team and the strong relationships she has with both staff and residents, as well as the training she has undertaken to be able to deliver the very best care for residents.

Dorota's commitment to the Society and its supporters is demonstrated by her taking part in the 24 Peaks Challenge for two consecutive years to raise money for maritime charity Seafarers UK.



Dorota said: ***"I am absolutely overjoyed at the award win and I am so proud to manage such a wonderful and committed team. Working with such talented and dedicated colleagues is a privilege and without their support we would not be able to provide such a high standard of care to our residents."***

The Awards are run by the Surrey Care Association and were first held in 2008 to recognise the outstanding dedication of individuals and teams working within the adult social care sector in the region. The Society has previously been recognised at the Awards in 2015 with an 'Unsung Hero' Award for volunteer Pam Jarvie.

FINANCIAL BACKGROUND TO THE ANNUAL REPORT 2016

The full financial statements of the Society for the year ended 31st December 2016 appear on pages 38-54 of this report. The aim of this short summary is to highlight some key points and thus briefly to put the figures into some perspective.

OVERALL

In short, 2016 was a satisfactory year financially which saw the Society achieve the strategic break-even, plus a modest surplus caused in large part by consistently higher than planned Home occupancy – highly creditable in itself. This latter is good but by no means a certainty, and unlikely to be often repeated hence our continued reliance on the generosity of fellow maritime charities who insure us against deficit and failure. Keeping the Home full throughout, averaging 96.5 per cent over the year, is especially satisfying as this means that the service we provide is both valued and highly rated, and continuing to meet a real need amongst seafarers. Having increased fees at around 2 per cent at the start of the year, expenditure was then contained broadly within the previous year's levels. So both key pillars of financial success were upheld: that of a good income stream higher than planned, and expenditure under strict control. As reported last year, the Society changed the outsourcing of accountancy to Menzies, proving an initially challenging arrangement but which has now settled satisfactorily.

AUDIT AND KEY POINTS

The audit was 'clean', no major weaknesses found in our control procedures and with only a very small number of minor management points listed. Governance statements have been amended to encompass the Auditor's advice regarding SORP 2015, and local finance control procedures bolstered to guard against fraudulent attempts to gain by amending supplier bank account details. Of particular note is that investment income held up well throughout in the fifth full year under the investment management contract with Rathbones. Both staff turnover and agency staff usage remain pleasingly below the industry average, for the latter a bracket of 1.5 per cent - 2.5 per cent of staff costs. There were no major capital projects in a year of promised 'consolidation', although opportunity was taken to complete a small number of minor enhancements such as lighting and CCTV camera coverage. As is usual, the generosity of fellow maritime organisations in providing grants for 'maintenance' helped us enormously and were gratefully received: unusually, no grants for items of equipment were considered necessary. Collectively, this additional external financial support enabled the Society to keep 'chin above water', and to subsidise those seafarers needing our assistance but without the full funds to do so. The North Field Landscaping project was commenced and design produced; the initial tender process produced just one tenderer at a high cost, and a renewed effort will be made in the spring of 2017. A generous legacy of £78,000 from the late Paul Duffey who resided with us as both tenant and then resident has been set aside towards the North Field project. The designated fund for Grade II Weston Acres House repairs was also used. A final key point worthy of mention is that the vast majority of staff continue to be in the Society's generous defined contribution pension scheme, now under the auto-enrolment mechanism introduced in 2014. Further enhanced in 2015 with the addition of a voluntary salary sacrifice element, this is proving increasingly popular, and which if taken up is jointly beneficial to the staff member and to the Society's exposure to National Insurance contributions.

PERFORMANCE OF INVESTMENTS

2016 was an excellent year for investors with UK equities (FTSE All-Share), producing a total return (income plus capital) of 16.75 per cent and overseas equities (FTSE All-World Ex UK) returning 30.35 per cent. The main factors behind the strong returns were threefold. Firstly, the vote to leave the European Union has led to expectations of lower growth in the UK, which caused a depreciation of sterling. This has led to a significant boost for overseas assets and revenues including UK equities, much of whose revenues are derived from outside of the UK. Secondly, global growth rates have picked up substantially since the summer of 2016 providing a significantly better outlook for corporations. Lastly, Donald Trump's election has generally been taken positively by markets as investors have focused on his expected tax cuts and infrastructure spending plans. The investment portfolio generated a total return (income plus capital appreciation) of 20.68 per cent over 2016, which was ahead of the bespoke benchmark return of 19.75 per cent. The UK equity element returned 18.35 per cent with the best performers being those companies linked to commodity prices including Royal Dutch Shell (64%), BHP Billiton (76%) and Weir Group (95%). In comparison the overseas equity portion returned 30.12 per cent with the strongest returns coming from the First State Global Listed Infrastructure fund (36%), the JP Morgan US Equity income fund (37%) and the Veritas Global Equity income fund (35%). Since inception of the portfolio the performance remains substantially ahead of the benchmark.

SORP 2015, FRS 102 AND A 'GOING CONCERN'

With the introduction of the new SORP (Statement of Recommended Procedures – interpreted as 'Required' Procedures) and FRS 102, this report has followed new accounting rules and procedures leading to many changes of presentation over previous years' accounts. One element of change is now the requirement for Trustees to declare whether the Society is a 'Going Concern', and will continue to be for the forthcoming financial year of 2017. The answer must be an unequivocal yes to both parts of the question. Rooted in a Royal Charter, under strong and comprehensive governance, our affairs are guided by regularly updated Strategic, Business and Financial plans looking 20 years ahead with the next five years in detail. With solid levels of reserves, sufficient income streams and a firm control over expenditure, the Society is considered by the Board of Management to be most certainly a 'going concern' for the forthcoming year and indeed the foreseeable future.

SUMMARY

In summary, therefore, 2016 was a sound year financially with the Society consolidating all the improvements gained in 2015. Although attaining a very high occupancy average, it remains a challenge to maintain balanced finances whilst providing top rate care standards, not least as Local Authority funding continues to hover at substantially less than the delivery cost of care, and very often not paid until long after it is due. We discharged our duty under the Royal Charter by caring for every former seafarer who needed our help, subsidising where necessary, whilst continually improving facilities and staff levels and being significantly helped by like-minded maritime charities in keeping fees and rents low, and the percentage of seafarers and quality of care high. The Society remains well founded with sufficient reserves to generate the vital investment income needed to subsidise the care for seafarers less fortunate than some, without leaning too heavily on other maritime charities for assistance, and has a continued bright future serving the maritime community.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROYAL ALFRED SEAFARERS' SOCIETY

We have audited the financial statements of The Royal Alfred Seafarers' Society for the year ended 31 December 2016 which comprise Statement of Financial Activities, the charity Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view.

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 responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2016, and of its net movement in funds and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

haysmacintyre
Chartered Accountants
Statutory Auditor
26 Red Lion Square
London
WC1R 4AG
Date: 29th March 2017

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2016



	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Donations and legacies		241,939	8,565	250,504	273,391
Charitable activities	3	3,040,433	-	3,040,433	2,931,473
Investments	4	302,724	-	302,724	300,933
TOTAL INCOME		3,585,096	8,565	3,593,661	3,505,797
EXPENDITURE ON:					
Raising funds:					
Voluntary income		43,970	-	43,970	39,552
Investment management		56,082	-	56,082	54,572
Charitable activities	5,6	3,459,237	8,416	3,467,653	3,276,661
TOTAL EXPENDITURE		3,559,289	8,416	3,567,705	3,370,785
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		25,807	149	25,956	135,012
Net gains/(losses) on investments	10	1,498,431	-	1,498,431	(253,572)
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		1,524,238	149	1,524,387	(118,560)
Actuarial gains on defined benefit pension schemes		6,000	-	6,000	17,000
NET MOVEMENT IN FUNDS		1,530,238	149	1,530,387	(101,560)
RECONCILIATION OF FUNDS:					
Total funds brought forward		13,973,762	1,903	13,975,665	14,153,225
Prior year adjustment (Note 15)		76,000	-	76,000	-
TOTAL FUNDS CARRIED FORWARD		15,580,000	2,052	15,582,052	14,051,665

All activities relate to continuing operations.

The notes on pages 6 to 19 form part of these financial statements.



The magic of steam ships!


BALANCE SHEET AT 31ST DECEMBER 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	9		4,722,101		4,696,047
Investments	10		10,307,182		8,964,833
			<u>15,029,283</u>		<u>13,660,880</u>
CURRENT ASSETS					
Debtors	11	362,084		335,577	
Cash at bank and in hand		559,869		369,501	
		<u>921,953</u>		<u>705,078</u>	
CREDITORS: amounts falling due within one year	12	(369,184)		(304,293)	
NET CURRENT ASSETS			<u>552,769</u>		<u>400,785</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>15,582,052</u>		<u>14,061,665</u>
Defined benefit pension scheme liability	13		-		(10,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>15,582,052</u>		<u>14,051,665</u>
CHARITY FUNDS					
Restricted funds	16		2,052		1,903
Unrestricted funds	16		15,580,000		14,049,762
TOTAL FUNDS			<u>15,582,052</u>		<u>14,051,665</u>

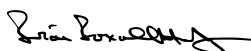
The financial statements were approved by the Trustees on

29th March 2017

and signed on their behalf, by:



D C Glass OBE
Chairman



B P Boxall-Hunt OBE FNI
Chief Executive

The notes on pages 6 to 19 form part of these financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash used in operating activities	18	<u>(58,595)</u>	<u>(35,228)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		302,724	300,933
Purchase of tangible fixed assets		(209,843)	(947,853)
Proceeds from sale of investments		1,678,280	1,191,109
Purchase of investments		(1,522,198)	(915,739)
Net cash provided by/(used in) investing activities		<u>248,963</u>	<u>(371,550)</u>
Change in cash and cash equivalents in the year		<u>190,368</u>	<u>(406,778)</u>
Cash and cash equivalents brought forward		369,501	776,279
Cash and cash equivalents carried forward	18	<u>559,869</u>	<u>369,501</u>

1. ACCOUNTING POLICIES

The Royal Alfred Seafarers' Society is a charity established by Royal Charter and registered with The Charity Commission in England and Wales, registered number 209776. The registered office is shown on page 1.

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) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Royal Alfred Seafarers' Society constitutes a public benefit entity as defined by FRS 102.

1.2 Going Concern

The Society's affairs are guided by regularly updated Strategic, Business and Financial plans looking 20 years ahead with the next five years in detail. With solid levels of reserves, sufficient income streams and a firm control over expenditure, the Society is considered by the Board of Management to be a going concern for the forthcoming year and the foreseeable future.

1.3 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

1.4 Income

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Income from nursing home fees and tenant rentals is recognised in the period to which the income related and any amounts received in advance for future periods is carried forwards as deferred income.

Income from donations and 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.

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.5 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. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in managing investments.

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised and depreciated. Improvements which enhance the future economic benefits of the property or extend its overall useful life are capitalised and are fully written off over the expected useful life of the property.

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:

Computer and IT	-	33.3% per annum
Furniture and Equipment	-	20% per annum
Motor vehicles	-	20% per annum
Freehold Buildings	-	estimated useful life of assets - generally 50 years
Freehold Land	-	none

1.7 Investments

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

1.8 Interest receivable

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

1.9 Debtors

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

1.10 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.

1.11 Liabilities and provisions

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)



1. ACCOUNTING POLICIES (continued)

1.12 Financial instruments

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

1.13 Pensions

The cost of providing pensions for employees is charged against the Statement of Financial Activities over the average working lives of members in accordance with the recommendation of the pension scheme actuary. The pension scheme is a defined benefit scheme the assets of which are held independently from the assets of the Society.

The Society also contributes to the employees' group pension scheme. The contributions are held in funds held independently of the Society's assets.

The Society has fully implemented the requirement of FRS102 relating to employee benefits. The deficit has been included in the balance sheet.

1.14 Critical accounting estimates and areas of judgement

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.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

In the opinion of the Trustees the main estimate and assumption that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the useful life of fixed assets, which are written off in accordance with the depreciation policies set out in note 1.6.

The valuation of the pension scheme assets and liabilities is carried out by the scheme actuary based on various assumptions and estimates. Details are given in Note 13.

1.15 Employee benefits

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.



The Royal Fleet Auxilliary supports the Fleet

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations				
Donations	22,250	8,565	30,815	28,975
Legacies				
Miskin	-	-	-	30,000
Bird	-	-	-	500
Rogers	-	-	-	8,000
Williams	-	-	-	10,416
Tindall	5,871	-	5,871	17,500
Leeds Day	10,000	-	10,000	-
Griffiths	5,000	-	5,000	-
Borwick	1,000	-	1,000	-
McMullen	201	-	201	-
Pearse	7,417	-	7,417	-
Dulley	87,000	-	87,000	-
Grants				
The Corporation of Trinity House	68,200	-	68,200	82,000
Seafarers UK	35,000	-	35,000	30,000
ABF The Soldiers Charity	-	-	-	15,000
RN & RM Grant	-	-	-	50,000
WCS Charitable B/ Shipwrights	-	-	-	1,000
Total	241,939	8,565	250,504	273,391

In 2015, of the total income from donations and legacies, £270,315 was to unrestricted funds and £3,076 was to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Belvedere House Care Home	2,897,670	2,897,670	2,780,522
Weston Acres Housing	142,763	142,763	150,951
	3,040,433	3,040,433	2,931,473

In 2015, of the total income from charitable activities, £2,931,473 to unrestricted funds and £Nil was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Dividends	301,957	301,957	291,365
Bank Interest Receivable	767	767	1,228
Investment Income	-	-	8,340
	302,724	302,724	300,933

In 2015, of the total investment income, £300,933 was to unrestricted funds and £Nil to restricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)



5. DIRECT COSTS

	Belvedere House Care £	Weston Acres Housing £	Total 2016 £	Total 2015 £
Computer, Phone & IT	10,710	3,209	13,919	7,369
Legal & Professional	4,157	-	4,157	5,675
Other Office Costs	71,901	4,085	75,986	89,324
Rent & Rates	12,603	7,942	20,545	20,937
Light & Heat	37,919	16,328	54,247	63,464
Repairs & Maintenance	111,234	25,695	136,919	133,010
Insurance	9,022	9,022	18,044	15,994
Motor and Travel	7,708	732	8,440	13,899
PPS	11,212	-	11,212	11,968
Agency Costs	40,980	-	40,980	22,245
Cleaning	41,189	-	41,189	36,574
Other Staff Costs	13,565	-	13,565	16,726
Food & Kitchen	108,684	-	108,684	93,610
Wages and salaries	2,009,664	46,528	2,056,192	1,939,401
National insurance	160,910	8,469	169,379	162,959
Pension cost	118,548	6,450	124,998	131,344
	2,769,996	128,460	2,898,456	2,764,499

In 2015, the charity incurred the following Direct costs:

£2,611,052 in respect of Belvedere House Care Home

£153,447 in respect of Weston Acres Housing

6. SUPPORT COSTS

	Belvedere House Care £	Weston Acres Housing £	Governance £	Total 2016 £	Total 2015 £
Computer, Phone & IT	19,526	1,028	-	20,554	12,551
Legal & Professional	82,652	4,350	-	87,002	71,734
Other Office Costs	36,784	1,937	-	38,721	48,871
Finance Costs	1,488	79	-	1,567	(6,000)
Bad Debts	-	-	-	-	3,439
Repairs & Maintenance	5,987	315	-	6,302	3,747
Insurance	4,285	226	-	4,511	4,345
Motor and Travel	5,558	293	-	5,851	4,163
PPS	2,702	142	-	2,844	7,526
Audit fees: Current Year	-	-	16,128	16,128	13,620
Audit fees: Pension Scheme	-	-	4,222	4,222	3,540
Wages and salaries	173,844	9,150	-	182,994	165,988
National insurance	7,216	380	-	7,596	9,747
Pension cost	6,760	356	-	7,116	7,296
Depreciation	178,894	4,895	-	183,789	161,595
	525,696	23,151	20,350	569,197	512,162

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)

6. SUPPORT COSTS (continued)

In 2015, the charity incurred the following Support costs:

£470,251 in respect of Belvedere House Care Home

£24,751 in respect of Weston Acres Housing

£17,160 in respect of Governance

Support costs are directly allocated to the relevant property, except for Head Office costs which are split in the proportion 95% to Belvedere House Care and 5% to Weston Acres Housing as this is a reasonable approximation of the use of these resources.

7. NET INCOME

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charity	183,789	161,595
Auditors' remuneration: audit of financial statements	16,128	13,620
Auditors' remuneration: other fees	4,222	3,540
	<u>194,139</u>	<u>178,755</u>

8. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	2,239,186	2,084,218
Social security costs	176,975	181,283
Other pension costs	132,114	151,234
	<u>2,548,275</u>	<u>2,416,735</u>

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

	2016 No.	2015 No.
Care Staff	83	81
General Staff	27	22
Management and Administration	3	8
	<u>113</u>	<u>111</u>

Average headcount expressed as a full time equivalent:

	2016 No.	2015 No.
Care Staff	57	58
General Staff	23	23
Management Administration	4	6
	<u>84</u>	<u>87</u>

The number of higher paid employees was:

	2016 No.	2015 No.
In the band £ 60,001 - £ 70,000	1	1

Total employers pension contribution of £4,994 (2015: £4,800) were paid for the provision of defined contribution schemes relating to higher paid staff.

No trustee received remuneration for their services (2015: Nil).

Three trustees were reimbursed total travel and meeting expenses of £1,741 during the year (2015: £1,774).

Remuneration for key management personnel was £179,520 (2015: £176,478).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)



8. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	2,239,186	2,084,218
Social security costs	176,975	181,283
Other pension costs	132,114	151,234
	2,548,275	2,416,735

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HMS Iron Duke, flagship of the British Fleet at the Battle of Jutland, "sending the Hun back to port!" (1916)



The RN's latest and finest on patrol (2016)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)

9. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Freehold Land £	Total £
Cost					
At 1 January 2016	6,331,786	119,214	753,070	40,000	7,244,070
Additions	171,988	-	37,855	-	209,843
At 31 December 2016	6,503,774	119,214	790,925	40,000	7,453,913
Depreciation					
At 1 January 2016	1,821,261	82,032	644,730	-	2,548,023
Charge for the year	146,983	7,194	29,612	-	183,789
At 31 December 2016	1,968,244	89,226	674,342	-	2,731,812
Net book value					
At 31 December 2016	4,535,530	29,988	116,583	40,000	4,722,101
At 31 December 2015	4,510,525	37,182	108,340	40,000	4,696,047

All fixed assets are either for direct charitable use, or for activities in the furtherance of the charity's objectives.

The charity owns a 1/5th share of 85 acres of land at Warrington in Surrey, which it previously inherited as a legacy. The charity and the other 4 owners are in the process of valuing the land. At 31st December 2016, the valuation has not occurred and the fair value has not been established. Therefore the land has been included as ENil value.

10. FIXED ASSET INVESTMENTS

	Listed securities £	Cash £	Total £
Market value			
At 1 January 2016	8,754,768	210,065	8,964,833
Additions	1,522,198	-	1,522,198
Disposals	(1,478,239)	(22,775)	(1,501,014)
Revaluations	1,321,165	-	1,321,165
At 31 December 2016	10,119,892	187,290	10,307,182
Historical cost	6,369,069	187,290	6,556,359

Investments at market value comprise:

	2016 £	2015 £
Listed investments	10,119,892	8,754,768
Cash	187,290	210,065
Total market value	10,307,182	8,964,833

All the fixed asset investments are held in the UK

Material investments

All investments are listed on a UK recognised stock exchange or are open-ended investment companies. There is 1 investment held which represented more than 5% of the market value of the Society's portfolio at 31 December 2016 (2015: Investments held which represented more than 5%: 2). The investment with holdings greater than 5% is: J P Morgan Asset Managers (UK) US Equity Income C Inc. (Market Value £820,275).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)



11. DEBTORS

	2016 £	2015 £
Resident and tenant debtors	126,414	247,631
Other debtors	87,184	69,079
Prepayments and accrued income	148,486	18,867
	362,084	335,577

12. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	80,606	66,514
Other taxation and social security	46,322	39,932
Funds held on behalf of residents	12,313	7,845
Other creditors	60,883	48,702
Accruals and deferred income	167,060	141,300
	366,184	304,293

Deferred income

Deferred income at 1 January 2016	66,278
Resources deferred during the year	86,904
Amounts released from previous years	(66,278)
Deferred income at 31 December 2016	86,904



The Royal Navy's fleet flagship, HMS OCEAN, a helicopter carrier and assault ship

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)

13. PENSIONS AND OTHER POST RETIREMENT BENEFITS

The Society operates a defined benefit Pension Scheme. The assets of the Scheme are held by the Trustees of the Scheme, separately from those of the Society, and are invested with Friends Life in a with-profits pension policy, providing guaranteed annuity rates to be applied when members take their benefits. When a member retires, the Trustees secure the member's pension and, where relevant, the contingent spouse's pension in an immediate annuity policy with Friends Life. The Society's contributions to the Scheme are calculated so as to spread the cost of purchasing pensions over the period up to the date when members retire or decide to take their benefits in accordance with the rules. The contributions required are reviewed by a qualified independent actuary every three years.

On 30 March 2007, the Scheme closed to future service, breaking the link to members' future salaries. Benefits are based on service and salary at the date of closure or leaving service. Pensions in payment are increased annually in accordance with the Rules of the Scheme.

The Society now pays contributions to the employees' group personal pension.

The disclosures below relate only to the defined benefit Pension Scheme.

The latest full triennial actuarial valuation of the Scheme was carried out at 1 March 2014. The valuation excluded the value of the Scheme's immediate annuity policies. The value of the Fund's assets and liabilities at that date relating to the deferred pensioners was £1,351,600 and £1,367,000 respectively, thus disclosing a deficit of £15,400. The Society is making good this deficit by the payment of contributions of £830 per month from 1 March 2014 until 31 December 2014 and of £100 per month from 1 January 2015 until 31 December 2024, unless these contributions are revised following the next triennial actuarial valuation due as at 1 March 2017.

During the year ended 31 December 2016, two deferred pensioners retired and their pension annuities were purchased from Friends Life. There were 7 deferred pensioners (all female) as at 31 December 2016.

As at 31 December 2016, there were 38 pensions in payment (2015: 36) with annual pensions in payment of £245,481 pa (2015: £233,335 pa).

During the year ending 31 December 2016, the Society paid contributions to the Scheme of £4,120 (2015: £9,960).

The market value of the Friends Life with-profits insurance policy secured by the Pension Fund as at 31 December 2016 was £501,540 (2015: £264,454). This Fund was split £145,333 (2015: £443,386) in that part of the policy where pensions are secured under the original Guaranteed Annuity terms, and £356,107 (2015: £421,068) where pensions are secured under revised Guaranteed Annuity terms. The procedure for purchasing pensions is to utilise the old Guaranteed Annuity Fund until that Fund is extinguished, and thereafter to purchase pensions on the revised Guaranteed Annuity terms, unless those terms are found to be inferior to the current immediate annuity terms available in the insurance market. Non-pension benefits, such as tax free lump sums paid in lieu of pensions and any transfer payments, are paid out of the revised Guaranteed Annuity Fund.

The Scheme's assets also include £4,643,000 (2015: £4,015,000) of immediate annuity policies insured with Friends Life and the value of these annuities (as assets and liabilities of the same amount) is included in these accounts for the first time as indicated in last year's Pensions Note. The inclusion of these figures this year does not impact on the deficit or surplus in the Scheme since these annuities are fully secured with Friends Life.

The actuary has provided the following information about the financial position of the Scheme as at 31 December 2016 as required by Financial Reporting Standard FRS 102.

Balance Sheet

	2016 £	2015 £
Fair value of scheme assets	5,144,000	4,880,000
Present value of liabilities	(5,084,000)	(4,890,000)
Total	60,000	(10,000)

The Scheme surplus revealed by these calculations as at 31 December 2016 is not recognised in the Society's balance sheet.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)



Income Statement

	2016 £	2015 £
Service cost	-	-
Net interest cost on the net defined benefit liability	-	1,000
Total	-	1,000

Statement of Comprehensive Income

	2016 £	2015 £
Actuarial gains/(losses) on scheme assets	430,000	(116,000)
Actuarial gains/(losses) on scheme liabilities	(364,000)	130,000
Net scheme asset not shown as asset on balance sheet	(60,000)	-
Total	6,000	14,000

Movement in assets during the year

	2016 £	2015 £
Assets at the beginning of year	4,880,000	5,145,000
Interest income/(expense)	174,000	169,000
Employer contributions	4,000	10,000
Benefits paid	(344,000)	(328,000)
Actuarial gains (losses) on scheme assets	430,000	(116,000)
Assets at end of year	5,144,000	4,880,000

Movement in liabilities during the year

	2016 £	2015 £
Liabilities at beginning of year	4,890,000	5,178,000
Service cost	-	-
Interest cost	174,000	170,000
Benefits paid	(344,000)	(328,000)
Actuarial gains (losses) on scheme liabilities	364,000	(130,000)
Liabilities at end of year	5,084,000	4,890,000

The principal long-term financial assumptions used in the FRS 102 valuation were:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)

	2016	2015
	%	%
Discount rate	3	4
Retail Price Inflation	3	3
Consumer Price Inflation	2	2
Rate of increase in pensions payment	3	3
Rate of increase in deferred pensions	2	2

The mortality assumptions are subject to regular review; the mortality table used in the valuation as at 31 December 2016 was S1PMA/S1PFA CMI Model 2015 [1.25%] (2015: CMI Model 2014 [1.25%]) which gives the following life expectancies at age 60:

	2016	2015
	£	£
Male	27	27
Female	29	30

The Society also contributed to the employee's group personal pension scheme during the year. Contributions during 2016 amounted to £136,113 (2015: £138,257); there were no contributions outstanding at the balance sheet date.

14. FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Financial assets measured at amortised cost	213,598	316,710
Financial liabilities measured at amortised cost	320,862	264,361

Financial assets measured at amortised cost comprise trade and other debtors that are receivable within one year. These are initially and subsequently measured at the undiscounted amount of the cash or other consideration expected to be received.

Financial liabilities measured at amortised cost comprise trade creditors and other creditors. These are payable within one year and have been initially and subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid.

15. PRIOR YEAR ADJUSTMENT

The pension liability at 31 December 2015 has been restated to measure liabilities based on corporate bond yields, as required by FRS102. The effect of this change has been to reduce the net liability on the scheme at 31 December 2015 by £76,000 and to increase the charity's net assets by the same amount. Actuarial gains on scheme assets and liabilities increased by £73,000 and net interest costs on the scheme reduced by £3,000 during the year to 31 December 2015.

Additionally, as explained in Note 13, the value of annuities in payment and the associated liabilities both increased by £4,015,000 at 31 December 2015 and by £3,944,000 at 31 December 2014. There was no impact on the net movement in funds as a result of this change.

16. STATEMENT OF FUNDS

	Brought Forward	Income	Expenditure	Gains/ (Losses)	Carried Forward
	£	£	£	£	£
Designated funds					
Building Work	150,000	-	(71,600)	-	78,400
North Field Landscaping	-	87,000	-	-	87,000
	150,000	87,000	(71,600)	-	165,400

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)



16. STATEMENT OF FUNDS (continued)

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
General funds					
General Funds	13,909,762	3,498,096	(3,487,689)	1,498,431	15,418,600
Defined benefit pension scheme	(10,000)	-	-	6,000	(4,000)
	<u>13,899,762</u>	<u>3,498,096</u>	<u>(3,487,689)</u>	<u>1,504,431</u>	<u>15,414,600</u>
Total Unrestricted funds	<u>14,049,762</u>	<u>3,585,096</u>	<u>(3,559,289)</u>	<u>1,504,431</u>	<u>15,580,000</u>
Restricted funds					
Amenity Fund	1,903	8,565	(8,416)	-	2,052
Total of funds	<u>14,051,665</u>	<u>3,593,661</u>	<u>(3,567,705)</u>	<u>1,504,431</u>	<u>15,582,052</u>

Designated funds have been set aside by the trustees for the purposes set out above. The "Building Work" fund is for a 2 year project to repair the Grade II listed building, Weston Acres House following an architects report and fully costed plan. It is anticipated that the North Field landscaping work will commence in April 2017 and be completed by June 2017.

The restricted Amenity Fund represents monies specifically given to provide additional amenities for the residents and staff of the homes run by the charity.

SUMMARY OF FUNDS

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
Designated funds	150,000	87,000	(71,600)	-	165,400
General funds	13,899,762	3,498,096	(3,487,689)	1,504,431	15,414,600
	<u>14,049,762</u>	<u>3,585,096</u>	<u>(3,559,289)</u>	<u>1,504,431</u>	<u>15,580,000</u>
Restricted funds	1,903	8,565	(8,416)	-	2,052
	<u>14,051,665</u>	<u>3,593,661</u>	<u>(3,567,705)</u>	<u>1,504,431</u>	<u>15,582,052</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	4,722,101	-	4,722,101	4,696,047
Fixed asset investments	10,307,182	-	10,307,182	8,754,768
Current assets	919,901	2,052	921,953	915,143
Creditors due within one year	(369,184)	-	(369,184)	(304,293)
Provisions for liabilities and charges	-	-	-	(86,000)
	<u>15,580,000</u>	<u>2,052</u>	<u>15,582,052</u>	<u>13,975,665</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2016 (CONTINUED)

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	1,524,387	(118,560)
Adjustment for:		
Depreciation charges	183,789	161,595
(Losses)/gains on investments	(1,498,431)	253,572
Dividends, interest and rents from investments	(302,724)	(300,933)
Increase in debtors	(26,507)	(40,257)
Increase in creditors	64,881	15,355
Pension costs on defined benefit pension schemes	-	4,000
Defined benefit pension scheme contributions paid	(4,000)	(10,000)
Net cash used in operating activities	(58,595)	(35,228)

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	559,869	369,501
Total	559,869	369,501

20. CONTINGENT LIABILITIES

The trustees have confirmed that there were no contingent liabilities which should be disclosed at 31 December 2016.

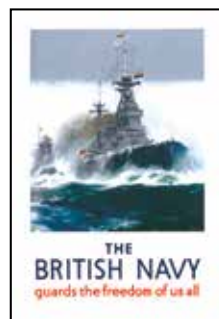
21. CAPITAL COMMITMENTS

At 31 December 2016 the charity had capital commitments as follows:

	2016 £	2015 £
Expenditure contracted	-	-
Expenditure authorised by the trustees, but not contracted	300,000	100,000
	300,000	100,000

22. RELATED PARTY TRANSACTIONS

There have been no related party transactions during the year.



Images courtesy of the Imperial War Museum

HOW YOU CAN HELP THE SOCIETY



Every donation or legacy makes a vital contribution and we are grateful for all the gifts we receive. A suitable donation form is provided on page 57 of this Report together with a standing order form on page 58 if you wish to make regular donations.

Whatever you decide to do, please send the forms to us, making sure to include the bank's full address to which we can forward the standing order form. We set out below some information on how you can help our work to continue.

By Donation under Gift Aid

If you pay sufficient income tax or capital gains tax you can make tax-efficient donations of any amount to charities. If you do make your donation under Gift Aid rules, The Royal Alfred Seafarers' Society can claim 25 pence from HM Revenue & Customs for every pound you donate. If you pay a higher rate of tax you can reclaim the higher rate component in your own tax return.

If you can increase the value of your gift, whether one-off or regularly by standing order, please complete the Gift Aid declaration on page 57 and return it with your donation.

By Give as You Earn

If your employer operates Give as You Earn you can take advantage of the facility to the benefit of The Royal Alfred Seafarers' Society.

By Remembering the Society in your Will

Legacies are a certain way of ensuring that your support for The Royal Alfred Seafarers' Society continues after your death. They provide a very important source of income and help to ensure that our work carries on in the future.

If you are kind enough to remember the Society in your Will we suggest that the following wording might be appropriate:

"I give and bequeath to The Royal Alfred Seafarers' Society (Registered Charity No. 209776) the sum of £..... OR all the residue of my estate OR percent of the residue of my estate

And I declare that the receipt of the Chief Executive or other authorised officer for the time being of the Charity shall be sufficient discharge to my executors."

NOTES ON DONATING

- 1 You can cancel this declaration at any time by notifying the Society.
- 2 To be eligible under Gift Aid rules, you must pay an amount of income tax and/or capital gains tax at least equal to the tax that the Society reclaims on your donations in the tax year (currently 25p for each £1 you give). If in the future your circumstances change and you no longer pay tax on your income and capital gains equal to the tax that the Society reclaims, you must cancel your declaration (see note 1).
- 3 If you pay tax at the higher rate you can claim further tax relief in your Self Assessment tax return.
- 4 If you are unsure whether your donations qualify for Gift Aid tax relief, please speak to us or ask your local tax office for leaflet IR113 Gift Aid.
- 5 Please notify the Society if you change your name or address.



The RRS Sir David Attenborough. Image courtesy of the British Antarctic Survey © Cammell Laird/British Antarctic Survey



DONATION FORM

Donation

I enclose a cheque for £ as a gift to the work of the Society for the benefit and aid of British seafarers, their widows/widowers and dependants.

Gift Aid Declaration

Please read carefully the notes on page 56; if you are eligible, and wish to do so, please complete the following information to enable The Royal Alfred Seafarers' Society to reclaim the tax direct from the Government on your behalf:

* I would like the above donation and any future donations to be made to The Royal Alfred Seafarers' Society through the Gift Aid Scheme:

Name:

Title:

Full Postal Address:

Postcode:

Date:

* Delete if not applicable to your donation.

STANDING ORDER FORM

I (Full name)

of (Address)

Postcode

Request you to pay to:

National Westminster Bank plc, St Nicholas Centre, Sutton, Surrey SM1 1DH

for the credit of The Royal Alfred Seafarers' Society (Sort Code 60-21-08 Account No. 43455743)

the sum of (amount in words)

(amount in figures) £

starting on this date

and thereafter monthly/annually until further notice.

Signature:

Today's date:

To (name of bank)

of (Address)

Postcode:

Your account number:



Buy a copy of our book and help seafarers in need

In 2015, we marked our 150th anniversary with the publication of a commemorative book – Home From Sea.

It tells the story of how the Royal Alfred came to be, its people and places, and the difference it has made to seafarers' lives over 150 years, all the way up to the present day.



To order a copy of the book, please contact the Society on 01737 353763. Books are priced at £10 each (including postage and packing), with proceeds from each sale donated to Seafarers UK's 24 Peaks Challenge. Gift Aid will also apply.



The Royal Alfred Seafarers' Society Annual Report 2016

The Society, incorporated under Royal Charter, is a registered charity (No. 209776) under the Charities Act, 1960.