



The Royal Alfred Seafarers' Society

Annual Report 2017

*Caring for seafarers for
more than 150 years*





PATRON:
H.R.H. The Princess Royal



FRONT COVER PICTURE:

The Society is named Residential Care Home Provider of the Year (Small Organisation) at the LaingBuisson Awards 2017. (L-R) Stephen Dorrell, LaingBuisson Chairman, with Karen Goddard, Commander Brian Boxall-Hunt and Anne Kasey from the Royal Alfred, and awards host Gyles Brandreth

The Royal Alfred Seafarers' Society

Annual Report 2017



Head Office, Weston Acres,
Woodmansterne Lane,
Banstead, Surrey SM7 3HB

T 01737 353763

F 01737 353436

E enquiries@royalalfred.org.uk

W www.royalalfredseafarers.co.uk



Royal Alfred Seafarers



@RASeafarers



Registered as a Charity No. 209776

Our gratitude goes to both Gary Davies of Maritime Photographic www.maritimephotographic.co.uk, and the Royal Navy Imagery Database, for kindly supplying some of the maritime images featured in this Report.



*Cream tea
for the
Chairman*

Welcome to the Annual Report and Financial Statements of the Royal Alfred Seafarers' Society for the year 2017.

As described last year we set ourselves on a steady course to again deliver the best possible care for the former seafarers and their dependants we serve, in the most efficient and effective manner. I am pleased to report that this has again been achieved and is detailed in the body of this report by those responsible, who make our work such a success.

Whilst not a milestone for Royal Alfred, 2017 was the centenary of the formation of King George's Fund for Sailors, known today as Seafarers UK. I was a trustee of this Fund for many years and was greatly honoured to be invited to be the guest speaker at its Centenary Meeting in the Mansion House last May. It was sobering to look closely at events in 1917, and the level of attrition at sea which continued until the First World War ended on 11th November 1918.

By March 1917 enemy submarines continued to inflict a heavy toll on our warships and merchant ships and their crews and it soon became evident that the existing marine charities, without additional help, would be quite unable to cope with the distress caused. We now know that the total number of British seafarers lost at sea during the First World War was 44,000.

The most popular and successful medium at that time for raising money for any war charity was by means of flag days and street collections, but hitherto no concerted or co-ordinated effort in this direction had been taken by the organisations connected with the Merchant Service, although the Royal Navy had introduced Navy Week collections in London and provincial towns.

This is where one Arthur Wellesley Clarke takes action. He had joined the East India Company as an apprentice aged 15 in 1872, was a deck officer with the Pacific Steam Navigation Company and was in Command of RMS Orizaba on the Australian run for six years before being elected an Elder Brother of Trinity House in 1898.

He also became a trustee of the 'Royal Alfred Merchant Seaman's Institution' and the 'Seaman's Hospital Society' at that time. In March 1917 he instigated a meeting at Trinity House with colleagues from these charities and Captain Clarke's suggestion was unanimously agreed: "that a central fund be formed to assist seamen of all ranks from the Royal Navy, the Merchant Service and the fishing fleets".

Arthur Clarke was elected Chairman of the movement aided by the Deputy Master of Trinity House and the Secretaries of the Seaman's Hospital Society and the Royal



***Captain Sir Arthur W Clarke K.C.V.O. K.B.E.,
Chairman of the Royal Alfred and founder of
King George's Fund for Sailors, now Seafarers UK***

Alfred Institution. Captain Clarke later became Chairman of both these marine charities.

In order to collect the nucleus of such a Fund it was arranged to hold flag days in London and throughout the country. Such flag days were often manned by the very seamen who were in need.

At a meeting in the Mansion House on 5th July 1917, with the Lord Mayor in the Chair, backed by the presence of Admiral Sir John Jellicoe, First Sea Lord, it was announced that His Majesty King George V had commanded that the new Fund be called "King George's Fund for Sailors", that His Royal Highness Prince Albert would become its first President and that His Royal Highness the Duke of Connaught, Master of Trinity House, be the Chairman, with Captain Clarke, Elder Brother of Trinity House, as Deputy Chairman.

King George donated 5,000 guineas and the Appeal quickly caught the public imagination. Contributions poured into the fund from all over the Empire and many sources, including the general public, ship-owners, industrialists, civic societies, family-run coastal shipping companies, rope makers, clothing

manufacturers, Indian tea plantations, South African mining companies, East Indian rubber producers, and the early regional oil companies which formed the basis of today's international conglomerates (many of these businesses relied on Merchant seamen to carry their cargoes).

In the first few years over £800,000 had been subscribed (about £40 million in today's money) whilst grants exceeding £100,000 (£5.2 million today) had been distributed amongst the marine charities. It is significant that Seafarers UK in its Centenary Year continued to deliver the same invaluable grants to those in need, at much the same level – about £2.5 million every year!

The trustees and staff of Royal Alfred greatly appreciate the annual grant we receive from Seafarers UK which, together with other grants, allows us to bridge the gap between the cost of care for our residents, and what they can afford.

General Data Protection Regulation (GDPR)

The Board of Management of the Society are well aware GDPR will come into force on 25th May 2018 and that this is the largest overhaul of data protection since the 1998 Act. Although the UK will be leaving the EU, it will not have done so by 25th May 2018, therefore GDPR would still be applicable. Even after the UK have left, the UK Government has indicated that the UK will still comply with GDPR to assist those organisations who continue to operate in, and trade with, the EU. The Society has carefully considered how best to ensure compliance and has contracted with specialist advisors who will achieve this. The Chief Executive will provide more detail in his Foreword.

INTRODUCTION

Trustees

It is with great sadness that I must report the passing of two great supporters of The Royal Alfred Seafarers' Society.

Captain Tony Davis joined the Board of Management in 1992 and was Chairman of the Finance Committee 2009-2015, Hon. Treasurer 2010-2015 and Chairman of the Staff Pension Fund from 2009. He was appointed a Vice President of the Society in 2015 on his retirement from the Board, but continued as Chairman of the Pensions Committee until last summer. Sadly he died on 10th January 2018 aged 87. His funeral at Tunbridge Wells on the 12th February was very well attended by the Society and the Hon. Company of Master Mariners. He achieved so much for both organisations, not least the renewal of Royal Charters.

Mr Tom Way joined the Board of Management in 1974 and served as a trustee until 2010. He was a Member of each of the



HRH Princess Royal meets Captain Tony Davis with his wife Nita, together with Captain Jim Conybeare, Master HCMM, and Royal Alfred Chairman, Captain Duncan Glass, at Belvedere House in July 2015

respective Visiting Committees at Eastbourne, Belvedere (Holly Lane) and Weston Acres, remaining a co-opted member to the latter until his passing on 12th January 2018 aged 93.

At the 2018 Annual General Meeting, at Trinity House on 1st June, Commodore Ian Gibb M.B.E. will retire from the Board of Royal Alfred having served as a Trustee since 1997. We thank him for his 21 years of loyal and diligent support and wise counsel. His experience and wide knowledge of maritime charities has been of great benefit to the Society. His well-earned retirement is with our sincere good wishes and grateful thanks for all he has done for the Society.

Awards

You will read in the ensuing pages, about the number of awards that our senior staff continue to collect. The front cover this year shows Karen, Brian and Anne – Business Manager, Chief Executive and Home Manager – receiving a National Award for the excellence of Belvedere House and all who work there. Well done to all our staff, volunteers and supporters. This is fantastic!

I hope you find all you need to know about the Society in this Annual Report and Financial Statements of the Royal Alfred Seafarers' Society for the year 2017. Thank you for your continued interest and support in all we do for former seafarers and their dependants.

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

FOREWORD



A year in which we looked after every seafarer who came to us and qualified for our help, averaged 96.5 per cent occupancy overall in Belvedere House, our nursing home, and 'broke even' in financial terms, is enough to be classed as a successful year by any measure.

In 2017, however, we went further by being recognised nationally with the LaingBuisson award for best Residential Care Home Provider (Small Organisation), of which we are immensely proud (as you can see from the cover of this Report). This award really was the icing on the cake and helped to cement the gains made in recent years of an all-round and solid GOOD report by the CQC, followed by a crop of Surrey Care Association awards such as Provider of the Year in 2016.

As is reported almost daily by the national media, the UK care industry is facing huge pressures, and we of course are not immune from these. Fortunately, as a 'not-for-profit' organisation, at least we do not have the problem of satisfying shareholders or owners with large financial returns, but we do have the same challenges to overcome in keeping care and accommodation services of the highest standard for as low a cost to the recipient as possible, and then to balance the books. In these areas, as always, the recruitment and retention of high quality and well-motivated staff are fundamental.



This requires two specific ingredients: careful maintenance of adequate financial recognition for staff effort in pay rates, robust enough to be competitive, and proper leadership in providing an exceptional working environment in which staff willingly give their best knowing that their input is appreciated. I am pleased to report that every indication points to the Society providing an excellent service with a genuinely well contented staff – as shown by very low turnover levels and high satisfaction ratings in internal surveys.

In 2015, we were pleased to establish the new post of Home Trainer, to boost our already robust commitment to quality staff training, and this has been exceptionally successful.



Refurbished staff room

The continuation of a Maritime Acquaint Training programme, giving all staff and particularly the nursing and caring element, some potent experience of life as a seafarer and the challenges they have faced at sea, has been well supported. A second visit to Chatham Dockyard and a visit to the Trinity House operating base at Harwich were both enjoyed and found very informative by attendees. My thanks go to the team at Harwich for providing such a splendid tour of their very impressive operation. The programme continues on a rolling basis, incorporating another merchant marine element with the promise of a working visit to a cross channel ferry.



Staff enjoy visit to the Trinity House operating base at Harwich

Whilst no major building works were conducted in 2017, we did take the opportunity to improve some facilities for a modest cost in each case. The vital service

of resident laundry gets very little notice when going well and much attention when not! So, a plan was hatched to redesign the laundry facilities to create a more sensible flow, improve the machinery and infection control, and provide a more practical working space. A generous donation from a donor who wished to remain anonymous covered all the costs and everyone was delighted with the result. Secondly, and just as important, the staff rest room was very tastefully refurbished, and facilities improved, including an electronic noticeboard – there is now nowhere to hide from management directives!



New and improved laundry facilities

Governance is a word often heard in the charity world, as it quite rightly focuses on the correct running of organisations in meeting their charitable aims whilst abiding by the law. Regulation of the sector has almost become an industry in itself, and is something I watch very closely. One forthcoming development will affect us if not thoroughly attended to, and that is in the safeguarding of personal information and how we do it. The General Data Protection Regulation, originating from the EU, will come into force in May 2018 ('Brexit' or not), and we gave much thought to this area of business in late 2017, especially how we were to properly prepare ourselves for becoming compliant. By engaging a consultancy specifically to guide us through



this particularly important task we have been able to offset the concern and prepare more easily. With insurance extended to cover the danger of an inadvertent release of sensitive information, however unlikely, the Society should now be well placed to meet this challenge. Additionally, the same insurance policy now insures us against cyber fraud, an ever-increasing threat to our finances, as well as data handling problems – two birds, one stone!

Thus, we look back on a good year of progress, achievement, extension of governance and training, and financial expedience, where our home and sheltered housing occupancy has been high, Royal Charter obligations fulfilled, and books balanced. It is a continuing challenge keeping our care standards high and costs low, but once again we managed this balancing act in 2017 with the help of like-minded maritime charities. Maintaining this will become ever more difficult in the years ahead, particularly with staff costs rising fast and the need to keep fees and rents at a sensible level. With careful husbandry, our investments should

continue to produce a key income stream to offset the subsidising of those seafarers less fortunate than others, but this in itself will not be enough; our reliance on grants will almost certainly become heavier in achieving our common aim of caring for seafarers.

There will be no place for complacency as we strive to maintain standards and excel further. Looking ahead to 2018, amongst new challenges will be the delivery of our aspiration to landscape our North Field at Weston Acres (should the local authority planners agree), already funded by a legacy, to produce an area including water feature and pathways for all to enjoy – residents, families and staff alike.



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





717



NEW FACEBOOK PAGE LIKES

1,300



SHAMPOO & SETS

29,000 HOURS

OF NURSING CARE DELIVERED

[illegible]

V500



**VANS OF FOOD
DELIVERED TO THE HOME**

30 
VOLUNTEERS



800 MESSAGES



FOR ROYAL ALFRED RESIDENTS

OUR PEOPLE – CARING FOR SEAFARERS

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

(Deceased 10.1.18)

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

D. M. GUNDRY J.P. F.C.I.P.D. F.I.C.S. 2017

(Trustee from 1990)

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

Hon. Treasurer

J. S. WEDGE (Trustee from 2014) 2015

TRUSTEES AND MEMBERS OF THE BOARD OF MANAGEMENT

Chairman

CAPT. D. C. GLASS O.B.E. M.N.M. (Trustee from 2003) 2009

Vice-Chairman

LT CDR. P. WAKE O.B.E. R.N.R. R.D.* M.Sc. F.N.I. 2017

(Trustee from 2012)

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

CDR. S. E. LOCHNER J.P. D.L. Royal Navy 2017

CAPT. A. McCOURT 2015

A. PARKER 2014

DR. R. D. REUBIN 2005

MRS D. A. ROSS-TOMLIN 2008

Co-opted Visiting Committee Members

CAPT. M. R. LOWLE

Mrs. D. PARKER

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

T. H. WAY F.C.I.P.D. (Deceased 12.1.18)

Pension Fund Trustees

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

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

J. NEADS

A. R. QUINTON F.C.A. (Resigned 7.9.17)

Chief Executive

COMMANDER B. P. BOXALL-HUNT

O.B.E. F.N.I. ROYAL NAVY

Honorary Chaplain

THE REVEREND A. BARRON

Honorary Member

CAPT. M. R. LOWLE

THE ROYAL ALFRED SEAFARERS' SOCIETY



Welcome to the 152nd Annual Report and Financial Statements of The Royal Alfred Seafarers' Society for the year ended 31st December 2017.

This Annual Report presents the Society's audited Financial Statements for 2017 and summarises its activities during that year. It is laid out in accordance with the new Charities Statement of Recommended Practice (SORP) guidelines. Besides advising subscribers and donors how their benefactions have been put to use, it describes, for the information of all those

concerned with the welfare of seafarers, the establishment 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.



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

OPERATIONS

Belvedere House and Weston Acres House

Weston Acres, Woodmansterne Lane, Banstead, Surrey SM7 3HB

T 01737 360106
F 01737 353436
E admin@royalalfred.org.uk

REGISTERED HOME MANAGER:
Ms. B. A. Kasey R.G.N. Dip. H.E.

BUSINESS MANAGER:
Mrs. Karen Goddard

MEDICAL OFFICER RETAINED:
Dr. L. A. Nathan

Head Office

Postal address as above

T 01737 353763
F 01737 362678
E enquiries@royalalfred.org.uk
or CEO@royalalfred.org.uk
w www.royalalfredseafarers.com

AUDITORS: Haysmacintyre

ACTUARY: M. L. Owen

PR & MARKETING AGENTS:
Acceleris

LAWYERS: Wedlake Bell LLP

INVESTMENT MANAGERS:
Rathbone Investment
Management Ltd

ACCOUNTANTS: Menzies LLP



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, reaching 96 per cent towards the end of the year. During the year 2017 a total of 129 men and women were accommodated permanently in the Home and Housing, of whom 120 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.

Fleet SSN HMS Tireless transiting the Clyde estuary on her way to sea after a short period alongside at HMNB Clyde

LIST OF SUBSCRIBERS



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

Anonymous
W&R Barnett Limited
Mrs. J. G. Begg
Mrs. S. Bonnor
Mr. M. Brookman
Mr. M. R. F. Cartwright
Mrs. A. L. Cawley
The Codfather, Woodmansterne
Dauntless Association
Sir Ian Denholm
Mrs. G. Dias
Mr. R. and Mrs. J. M. Elliott
Miss M. Gardiner
Mr. J. A. Gunning
Mr. A. W. Huntley
Mr. B. M. Hutchins
The Inchcape Foundation
Mr. and Mrs. M. Johns
Mr. A. E. Johnson-Newell
The Edgar Lee Foundation
The 'Lest We Forget' Association
Merchant Navy Lodge no. 781
Cdr J. Ludgate
Niarchos (London) Limited
The Not Forgotten Association
Mr. B. J. H. Penaluna
Priory Records Limited
The Privy Purse Charitable Trust
Royal Naval Association, Hanworth
Royal Naval Association, Romford and Hornchurch
Royal Naval Association, Southend-on-Sea
Capt. E. M. Scott
Scottish White Fish Producers' Association, Fraserburgh Branch

Seafarers UK
St. Matthew with Holy Trinity Parochial Church Council
St. Peter's Church, Woodmansterne
Mr. M. Thomas
Mr. A. Thorne
Mr. J. N. Travers
Trinity House Maritime Charity
TS Vindicatrix Association
Mrs. S. A. Ward
The West Hartlepool Steam Navigation Company
The Woodman Public House, Woodmansterne
Mr. P. J. J. Woolcombe
The Woolpack Public House, Banstead

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

THE SOCIETY 'IN THE NEWS'

It was an eventful year at the Home in 2017, from a celebrity visit by actress Virginia McKenna, to recognising long-serving employees and winning the prestigious LaingBuisson award.

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 care 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.



As part of Royal Alfred's Carers Week celebrations, the Society welcomed British actress and animal rights activist Virginia McKenna to speak with Belvedere House residents, who together swapped stories of the stage and screen for tales of the sea. Chief Executive, Commander Brian Boxall-Hunt, said: "Virginia was very keen to learn more about the care that we deliver at Royal Alfred and her visit was a great way for us to commemorate Carers Week."

Commander Brian Boxall-Hunt celebrated his tenth year as our Chief Executive. He has overseen a raft of developments for the Home, including the installation of a dementia annexe, several Royal visits and our 150th anniversary celebrations in 2015. Deputy Housekeeper Louraine Murphy, Catering Manager Jenny O'Neill and Care Assistant Margaret Katamba, were also presented with ten-year long service awards. The Society prides itself on low staff turnover, good working conditions and making the home a happy place to work.



We won Residential Care Provider of the Year – Small Organisation, at the prestigious LaingBuisson Awards, which recognise top quality care facilities in the UK. The charity is no stranger to accolades as previous winners of the Surrey Care Awards and the Toast of Surrey Awards, but the LaingBuisson win sees the charity's achievements recognised on a national level.

ROYAL ALFRED ONLINE



Facebook and Twitter play an increasingly important role in the Royal Alfred's everyday communications. Through our channels, we share news and updates on upcoming events, activities and special occasions. Our website is also an important source of information for those wishing to learn more about the Society.

Social media

Our social media channels are regularly updated with stories from the Home. In 2017:

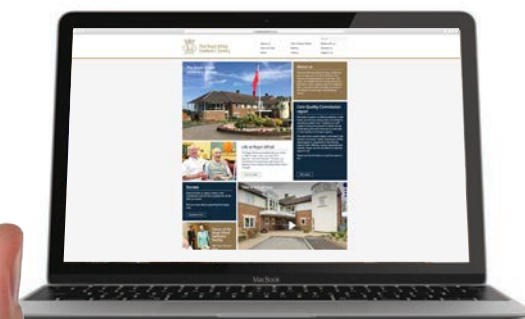
Our Facebook page saw a massive increase in followers, from 319 to 1,036.

Our Twitter profile, which we use to engage with accounts focused on the care sector, attracted a 20 per cent increase in followers.

Website

In 2017 our website got a new look!

The new website has been redesigned with a more modern layout and user-friendly navigation. It is also 'responsive', which means it adapts to fit the screen whether you're using a desktop computer, smartphone or tablet. The website provides existing and prospective residents, family members and staff with a range of practical information and news about the Home. **www.royalalfredseafarers.co.uk**



Royal Alfred Seafarers



@RASeafarers



www.royalalfredseafarers.co.uk

LIFE AT ROYAL ALFRED

ACTIVITIES AND EVENTS

The health and wellbeing of residents at Royal Alfred is our primary concern and one of the ways by which we aim to achieve this is through music, which is a powerful tool for stimulating memories and creating comfort in something recognisable.



Since we opened our specialist dementia care centre for seafarers in 2011, one of our main areas of focus is the comfort of residents living with dementia. In 2014 we got involved in a research programme with the University of Roehampton, which is looking into benefits of music therapy, particularly how live music can improve the wellbeing of dementia sufferers.

Additionally, Music in Hospitals (MIH), which provides live music sessions to people who receive care or treatment across the UK, visit us on a regular basis to stage interactive concerts for residents, with performances from Andrew Brewist, Sebastian Millet and Christopher Taylor and other musicians. The sessions with MIH have been very popular and well received among tenants and residents alike.

One of our newly appointed activities coordinators, Christine Farrell, enjoys organising a range of activities for people in our care. She says:

"Seeing residents benefit from the activities and events we hold is always special, particularly when music is involved. Music can be such a powerful draw on our emotions and memories, making it an important part of everyday life."

When we consider care for our residents with dementia, we always keep in mind the complexity of the condition, and music can help to relieve the feelings of isolation some sufferers can have, as well as reviving forgotten happy memories.

MEET OUR PEOPLE

Staff

Alice Mitroi Deputy Clinical Manager

I have been working at Royal Alfred for almost a year and a half, starting as a staff nurse before applying for the position of Deputy Clinical Manager. I have been working in health and social care since I was 19.

I became a nurse because I like to help people and I felt that working in social care is the best way to put a smile on someone's face and make a difference. I have a bachelor's degree in General Nursing and received my master's degree in Health and Social Care in 2015 from the University of Bucharest. Before I came to the UK three years ago, I worked in a variety of roles in social care, nursing and teaching in Romania.

My role as Deputy Clinical Manager includes supporting and working alongside a multidisciplinary team, ensuring residents receive a high standard of service. I am responsible for the day-to-day nursing and care of residents, making sure we meet their needs, liaising with families, carers, staff and other relevant parties as required.

My favourite part of the job is feeling well supported and knowing that the residents are happy here.



The exceptional care and dedication of staff is incomparable, and really makes the Royal Alfred stand out from other homes. I like that every day is different, and I can leave work fulfilled by the idea that I have made a genuine difference to the comfort of our residents.

"The exceptional care and dedication of staff is incomparable"

MEET OUR PEOPLE

Staff

Richard Condie Estates Manager

I have been working at the Royal Alfred for a decade this year (2018). I started out as the part-time Head Gardener and worked my way up to become the Estates Manager.

My career has spanned 40 years, the majority of which has seen me working in garden and grounds maintenance. I started out looking after various sports grounds and their facilities where the clubs could not afford a full-time groundsman but needed ad hoc services. My partner and I began working for schools and on larger renovation projects. I saw an opening at Belvedere House to maintain the extensive gardens and knew this was the right time to take on a permanent role.

I am responsible for the buildings and gardens maintenance as well as being a key contact on projects. I work with a dedicated team within the maintenance department and sub-contractors to ensure Weston Acres is looking its best. No task is too small; we do everything from changing light bulbs to refurbishments. I have also been involved in managing larger projects as the facilities have expanded over the years. I helped oversee the construction of a 12-bedroom extension and the complete refurbishment of the downstairs of Belvedere House.

I really enjoy the variety that comes along with the job. You can never be quite sure what is going to happen on a day-to-day basis; I



might be ordering supplies, carrying out boiler maintenance or meeting architects about our projects.

In my role I see first-hand how the charity sets the welfare and comfort of residents above all else. We invest the money, time and resources into providing a comfortable, happy and fulfilling environment for all those who stay with us. I am testament to how the Royal Alfred invests in training staff to improve knowledge, so they can provide better care. I am fully supported by the management team and able to get on with my job without hindrance. This has inspired me to give something back to the seafaring community by being part of the team which raised £12,000 for Seafarers UK doing the 24 Peaks Challenge for the last three years.

MEET OUR PEOPLE

Tenant & Volunteer

Doris Walton Tenant & Volunteer

I first came to the Royal Alfred in December 2015 from my adopted home of Southsea. I moved into my studio apartment in Weston Acres after learning of its excellent facilities from my niece, whose mother had spent a week in Belvedere House. From the moment I arrived, I knew I should have moved here years ago.

I was born in East Prussia and spent my childhood with my father in West Germany where I trained in dentistry. I moved to London in 1967 to set up my own dental laboratory. It was also the same year I met my husband, Lieutenant G.W. Walton, who worked at the Royal Navy headquarters in Kensington.

We had an adventurous life together travelling the world. We ended up emigrating to Canada when my husband retired so he could work for the Metropolitan Police and I could specialise in cosmetic dentistry. After my husband passed away in 1982, I continued to work to keep myself busy, eventually moving back to Southern England.

Moving to Weston Acres has enabled me to continue socialising and getting to know different people. I enjoyed it so much I became a volunteer and now I help fellow tenants and residents by lending a listening ear and supervising day trips. Everything I



need is at hand here with social facilities, golfing and lots of regular activities.

I am a big fan of the bar as it's a great place to come together, share a rich collection of stories and have a good laugh. I'm very glad to have found such a welcoming place to call home.

"From the moment I arrived, I knew I should have moved here years ago"

Jeanne Robinson Resident

I came to Belvedere House with my husband, Noel, in August 2016. We found that we needed a place that provided good care, as well as peace and quiet not far from the Surrey countryside.

I met my husband during my childhood when we were about ten years old and family friends came to stay at my parents. Our relationship continued to blossom every time we saw each other. However, Noel joined the Royal Navy when he was 15 and went away for large amounts of time.

The outbreak of World War II did not make things better, but we decided to marry anyway in August 1942 in a small church in Farleigh. We enjoyed being married for just four days before Noel had to get back to his naval duties. When my husband decided to retire in 2004, we moved to the South of England to the Springbok Estate and lived there for 16 years before we moved to Belvedere House. Together, we found respite in the Surrey countryside and Belvedere House's beautiful surroundings. It was a relief after so many years apart during Noel's service to find somewhere befitting of my husband's extraordinary commitment to this country, first as Boy, Second Class, and rising to the position of Chief Petty Officer.

We found a home in the camaraderie of fellow seafarers and I'm sure it was a comfort to Noel to return to an environment full of adventurous



stories of those who had spent their lives at sea. Sadly, Noel passed away a year ago. Belvedere House has a great atmosphere which keeps me active. I enjoy spending my time doing activities such as the quiz in the bar on Fridays and the Sunday crossword. The concerts given by The 'Not Forgotten' Association are excellent and I also love the slow yoga classes.

The staff are exceptionally kind here and I truly appreciate all they do for me to make my life at Belvedere House so comfortable and secure.

"We found a home in the camaraderie of fellow seafarers"

STATEMENTS OF FINANCIAL GOVERNANCE



This edition is the third Royal Alfred Seafarers' Society Annual Report to closely follow the guidelines and requirements of the 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.

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 Society's key Management Staff are 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.

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

GOVERNANCE STATEMENTS

- 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 National Living Wage of a minimum £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 29 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.

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 £11.5 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 £3.5 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.

IN MEMORIAM

We gratefully acknowledge donations made to the Society during 2017 in memory of the following:

Mr. J. T. Arnett
Mrs. J. Bennion
Mr. E. Collins
Mrs. Nita Davis
Mr. F. Evans
Mr. L. Hanshew
Peter and Maureen Henderson
Mr. E. Maskell
Mrs. M. Nielsen
Mrs. R. A. E. Reimus
Mr. W. Robinson

LEGACIES

We gratefully acknowledge bequests to the Society from the following:

Mrs. A. J. Ballard
Miss C. L. Pearse

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





The Home Manager's Report

We pride ourselves on giving former seafarers a safe haven and are determined always to provide the exceptional care they deserve. As well as ensuring their safety and comfort, a crucial element of this undertaking is inspiring and enabling residents to remain active.

This continuous focus got the new year off to a healthy start, when we blew away the January blues by adding a new set of elderly exercise classes to our selection of specialised care services.

Boosting residents' confidence and independence, all sessions are accompanied by pleasant background music to help

coordination, which many sing along to. Classes are open to everyone, irrespective of fitness levels, with up to 25 taking part every week in our spacious lounge. (You can find out more about the benefits of music on health and wellbeing on page 21.)

Our commitment to delivering a range of activities to boost mental and physical development was reinforced with the appointment of Christine Farrell and Rachel Stevens as new Activities Coordinators. Other changes to our award-winning, 101-strong care team in 2017 included the promotion of Alice Mitroi, who was successful in her application to become Deputy Clinical Manager from her previous role as staff nurse.

Meanwhile, some other familiar faces celebrated major milestones this year. Among them was Commander Brian Boxall-Hunt OBE, who marked ten successful years as Chief Executive, having overseen an ambitious raft of improvements to the Home, including the installation of our dementia care annexe at Belvedere House, several Royal visits and our 150th anniversary celebrations in 2015. There were also long service awards for three other highly valued staff members - each also devoting a decade of service. Presentations

Quizzes form a popular part of our activities programme



were made to Deputy Housekeeper, Louraine Murphy, Catering Manager, Jenny O'Neil, and Care Assistant, Margaret Katamba.

Long-term staff means consistency for those who reside with us and is especially important for those living with dementia. More of these valued people, a mother and daughter team, highlighted the benefits of families working together, to celebrate Mother's Day, in March. Kitchen Assistant, Valerie Dunbar, has worked

Our 'family values' were underlined, on Valentine's Day, when we celebrated more than 400 years of happy marriage among our seniors and staff. With 12 couples across the resident list and payroll, we always allow couples to live together whilst receiving the best possible care.

Our loving atmosphere and exceptional commitment and enthusiasm for helping residents are among the many factors that



at Belvedere House for more than a decade, with her daughter, Joanne, joining as a General Assistant aged 16.

In total, 14 staff members who are related work together across different departments. To meet the often-complex needs of our residents, it is important for them to feel at home, as part of a family. Having actual family members in our team helps instil this.

make our care facilities among the best there are. This was recognised when we scooped Residential Care Provider of the Year – Small Organisation at the prestigious LaingBuisson Awards.

Once again, we proudly threw open the doors of Belvedere House to the public and local community at our open day, for Carers Week, in June. During these celebrations, we

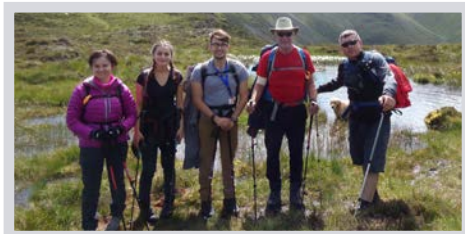
BELVEDERE HOUSE 2017

were delighted to welcome iconic stage and screen actress and big cat conservationist, Virginia McKenna, who spent time chatting to Belvedere House residents. Many former seafarers remember her as a Women's Royal Naval Service Officer in the classic film 'The Cruel Sea'. More recently, Virginia played an elderly stroke victim in independent short film



'What Do You See?', illustrating the need for more compassion and care in the treatment of elderly people.

Our dedication to helping the wider seafaring community was highlighted when care and estates staff raised nearly £4,000 for Seafarers UK by completing the annual 24 Peaks Challenge. One of the nation's most gruelling charity ordeals, their success followed months of training.



More training came with the launch of an

innovative learning scheme to help staff better understand mariners' life experiences and enable them to tailor care provision to best suit their needs. The programme included a visit to the Chatham historical dockyard.



We rounded the year off, before Christmas, with a visit from miniature ponies, Dotty and Blossom, from Kingswood Shetland Ponies in Surrey, for animal therapy sessions in a familiar, caring environment for residents.

Throughout 2017, a full diary of events and activities constantly engaged and stimulated residents, challenging them to get the most out of their lives and reassuring them that the biggest barrier is their own lack of confidence. Nobody is left out, with even the most infirm encouraged to be their best and do whatever they love.

All this simply would not have been possible without our fantastic team of caring staff and volunteers – as well as the Royal Alfred's friends and benefactors. Thank you so much, everyone – and thanks for your help and support for the flying start to 2018.

More on that this time next year!

Anne Kasey, Clinical Manager

THANK YOU NOTES TO OUR CARING STAFF...



Julie Peek You are all stars at The Royal Alfred Seafarers. Love the care you give to my A1 Uncle Len. Thank you. X
Like · Reply · Message · 7m

11.9.17
To all at Belvedere House,
I cannot thank you all enough for the care that you gave my dad - Les Hanstew, during recent months. You showed him compassion, dignity and respect, along with a good measure of humour! Although he was a reserved man, I know that he appreciated the attention that you gave him. Dad certainly had his "favourites" - you all know who you are! Thanks for making his smile when he needed cheering up and for allowing him the peace he also needed.
Everyone at Belvedere does such an amazing job, you make such a difference to residents and their families during what can be a very challenging time in their lives. It was very comforting to know that my lovely dad was in such safe and caring hands. I wish you all every success in the future... Keep up the fantastic work. From the bottom of my heart - Thank you. regards, Tracey Underdown.



Jane Crabtree reviewed The Royal Alfred Seafarers' Society - 5 stars
1 June 2017 · €

My lovely mum moved into seafarers in march. She took a few weeks to settle. Now she loves it. It is such a caring environment. Mum has dementia, plus some other medical issues, she is treated with kindness and compassion by all of the staff. I feel very lucky that my mum is in such a lovely place.

Like

Comment

Share



25.1.2016
To all at Belvedere,
We wanted to thank you all for your support and care with my mother Kathleen Matthews. Her end of life care was treated professionally with kindness, respect and heartfelt care. As her family, we were pampered and felt nothing was of trouble. Every member of staff has gone out of their way to make us welcome and have ensured that we were informed of every detail of mum's care, and that we as a family were emotionally OK. You truly are an amazing team working together in a beautiful environment. We are so grateful to you all. love Christine + Paul Fraser.

An excellent care home with great staff and a good ethos

My Mother was a resident at RASS for nearly 4 years. It was one of a number of homes in the locality we looked at and even from the initial viewing it felt like the right place for mum. The care provided was of the highest quality and every member of staff we met and dealt with were kind and considerate.

Mum was shown tremendous understanding by the staff and was always treated with great kindness. She was encouraged and helped to take part in the many recreational activities the home provided and she very much enjoyed playing scrabble, taking part in quizzes, listening to the many musical concerts that regularly occurred. She also enjoyed sitting in the bar area talking to the other residents at the home getting the companionship and friendship that makes life worth living.

Choosing a care home for your elderly relatives is a massive responsibility and one you really don't want to get wrong. In choosing RASS we definitely did not make a mistake. The last years of my mother's life were very happy, much happier than the years leading up to her going into the home. My wife and I will remain eternally grateful to RASS for quality of life that they gave mum in her last years and I would not hesitate to recommend the home to anyone.

Visited in April 2017. Posted on 21 April 2017

A FOCUS ON STAFF

The Society has an extensive team of dedicated staff who work tirelessly to make our Weston Acres site as comfortable a home as possible for our residents and tenants.

We have a total of 101 staff members including the senior management team of Commander Brian Boxall-Hunt, Home Manager Anne Kasey and Business Manager Karen Goddard, who work alongside a team including department heads for estates, catering, housekeeping, administration, welfare and care.



Each department employs a full team of support staff consisting of care assistants, three activities coordinators, a home trainer, caterers, housekeepers and administrators. This internal staff structure with various teams enables the home to function at various levels and in sync as part of the wider team.

We work hard to ensure each member of staff works to the best of their abilities by offering a comprehensive training programme. Training levels are currently at an all-time high with all mandatory training sitting at 99-100 per cent.

We have a dedicated in-house trainer who co-ordinates all staff training whether face-to-face, via e-learning or through specialised outsourced programmes.

One of our most successful training programmes is the Maritime Acquaint Training. Staff are encouraged to understand the backgrounds of our seafaring residents in order to empathise with what can be an isolating and hard life at sea. This training ensures staff can provide the most appropriate individualised care plans for residents.

Where specific specialist care is required, as is the case with residents who stay in the dedicated dementia wing, staff are invited to undertake awareness training. To make sure the highest standards and most up to date information is offered to our care assistants we have had an outside provider run a Dementia Awareness training session. Each year we invite staff members who have not previously received this training to take part, to ensure standards of care are on par across the team.

The Society is incredibly proud of the commitment of staff to both the charity and our service users. Several staff members have supported the charity for decades and exemplify why the Royal Alfred operates at the best of its ability.

Home Manager, Anne, is celebrating 35 years with us in 2018. She joined the Society in 1983 as a nurse and has worked her way up to become the Clinical Lead and a Senior Manager within Belvedere House. Anne has been instrumental in overseeing major changes in the home including the relocation to Weston Acres and a number of extensions to the home's capacity. Anne deservedly won the Surrey Care Association's Outstanding Contribution to Social Care in November 2017 and was instrumental in the Society's national LaingBuisson award win in November.

To rival Anne's tenure our Lead Activities Co-Ordinator, Louise Boxall, has been with us for 29 years. Louise joined the Society as a Care Assistant just before her 21st birthday; 22 years later Louise took on responsibility for the resident's leisure activities. She is in charge of ensuring residents remain active and involved in the community life.

"The key to the Society's success lies with our staff. They continue to put the residents first and are unrivalled in their dedication to our charitable cause of helping former seafarers."

Across the staffing teams we have seen an extraordinary commitment to the charity but there is one member of staff who exemplifies this dedication above all others. Margaret Brazier celebrated her 50th year with us in 2012. As the Executive Assistant to our Chief Executive, Margaret is a vital member of the Society's team. She was awarded the Merchant Navy Medal for services to seafarers and their families in 2012 and continues to demonstrate a steadfast loyalty to the Society as it continues to grow.

The key to the Society's success in the past and going forward lies with the staff members. They continue to put the residents first and are unrivalled in their dedication to our charitable cause of helping former seafarers.

FINANCIAL BACKGROUND TO THE TRUSTEES' ANNUAL REPORT 2017

The full financial statements of the Society for the year ended 31st December 2017 appear on pages 38 to 57 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, 2017 was a satisfactory year financially which saw the Society achieve the strategic break-even, plus a very small surplus, with 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 between 1-2.5 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 held up: that of an adequate income stream and expenditure under strict control. As reported last year, the outsourcing of accountancy in 2015 proved a challenging arrangement initially, settled satisfactorily during 2017 but encountered some difficulties towards the end of the year with the surprise departure of the nominated accountant and thus a loss of continuity. At the time of going to print, management corrective action is in place.

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 any Auditor's advice regarding SORP 2015, and local finance control procedures amended as necessary; last year they were bolstered to guard against fraudulent attempts to gain by amending supplier bank account details. Of particular note is that investment income exceeded expectations throughout in the sixth 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 1.5-2.5 per cent of staff costs. There were no major capital projects, although the opportunity was taken to complete a small number of minor yet important enhancements such as the refurbishment of the staff restroom and shower and modernising the key laundry facilities. The full cost of the latter was covered by a most generous donor who wished to remain anonymous. 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 plan was submitted for planning approval (which remains awaited); the tender process produced a good company option at a reasonable cost, and they stand by for instruction pending planning approval. The generous legacy from the late Paul Duffey who resided with us as both tenant and then resident has been set aside towards this worthwhile project which should see the field transformed with a water feature in the middle and a wheelchair-friendly path all the way around its perimeter. 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 with an element under the Auto-Enrolment mechanism introduced in 2014.

PERFORMANCE OF INVESTMENTS

Equity markets performed well in 2017, with most major indices reaching all-time highs. Equity market strength has largely been the result of an increasingly strong and synchronised global economic upturn. At the same time, inflation has remained subdued which has allowed central banks to continue the easy monetary policy that has been such a feature of this decade. The FTSE All-Share and FTSE All-World ex-UK produced total returns of 13.10 per cent and 13.97 per cent respectively. UK Gilts produced dull but positive returns, up 1.83 per cent. The Royal Alfred Seafarers investment portfolio produced a strong total return (income plus capital appreciation) of 10.41 per cent, but was slightly behind the bespoke benchmark (+11.61 per cent). The primary reason for the portfolio's underperformance is our preference for higher quality names, which have lagged the broader market. Within overseas equities, our European and Emerging Market holdings were the strongest performers, with the BlackRock European Dynamic fund up 25.30 per cent and the Somerset Emerging Markets fund up 21.68 per cent. Our underweight position in fixed interest has been beneficial for performance, as have our underlying fixed interest holdings (+3.43 per cent versus 1.83 per cent for UK Gilts). We continue to think gilt yields remain unattractive at current levels but buying opportunities could emerge if they keep rising.

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"; the answer must be, and is, an unequivocal yes to both parts of the question. Rooted in a Royal Charter and achieving well our charitable aims, 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, 2017 was a sound year financially with the Society maintaining a steady course but taking the opportunity to enhance some key facilities at low cost. Although attaining a very high average occupancy, 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 help subsidise the care for seafarers less fortunate than some, although as the gap increases thus reliance on other maritime charities for assistance may well be heavier. Not only a going concern, but a continued bright future serving the maritime community.

We have audited the financial statements of The Royal Alfred Seafarers' Society for the year ended 31 December 2017 which comprise Statement of Financial Activities, the charity Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of audit report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



haysmacintyre
Statutory Auditors
Date: 28th March 2018

10 Queen Street Place
London
EC4R 1AG

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



HMS Forth – a new class of RN patrol vessel

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2017

		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	2017 £	2017 £	2017 £	2016 £
INCOME FROM:					
Donations, grants and legacies	2	115,238	7,671	122,909	250,504
Charitable activities	3	3,115,017	-	3,115,017	3,040,433
Investments	4	340,643	-	340,643	302,724
TOTAL INCOME		3,570,898	7,671	3,578,569	3,593,661
EXPENDITURE ON:					
Raising funds:					
Voluntary income		52,612	-	52,612	43,970
Investment management		49,016	-	49,016	56,082
Charitable activities	5	3,451,724	9,222	3,460,946	3,467,653
TOTAL EXPENDITURE		3,553,352	9,222	3,562,574	3,567,705
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		17,546	(1,551)	15,995	25,956
Net gains on investments	9	712,649	-	712,649	1,498,431
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		730,195	(1,551)	728,644	1,524,387
Actuarial (losses)/gains on defined benefit pension schemes		(65,000)	-	(65,000)	6,000
NET MOVEMENT IN FUNDS		665,195	(1,551)	663,644	1,530,387
RECONCILIATION OF FUNDS:					
Total funds brought forward		15,580,000	2,052	15,582,052	14,051,665
TOTAL FUNDS CARRIED FORWARD		16,245,195	501	16,245,696	15,582,052

All activities relate to continuing operations.

The notes on pages 14 to 29 form part of these financial statements.

Full comparative figures for the year ended 31 December 2017 are shown in note 21.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash used in operating activities	16	(244,332)	(58,595)
Cash flows from investing activities:			
Dividends, interest and rents from investments		340,643	302,724
Purchase of tangible fixed assets		(230,587)	(209,843)
Proceeds from sale of investments		1,068,462	1,678,280
Purchase of investments		(1,017,875)	(1,522,198)
Net cash provided by/(used in) investing activities		160,643	248,963
Change in cash and cash equivalents in the year		(83,689)	190,368
Cash and cash equivalents brought forward		559,869	369,501
Cash and cash equivalents carried forward	17	476,180	559,869

BALANCE SHEET AT 31ST DECEMBER 2017



	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	8		4,752,192		4,722,101
Investments	9		10,969,244		10,307,182
			15,721,436		15,029,283
CURRENT ASSETS					
Debtors	10	345,652		362,084	
Cash at bank and in hand		476,180		559,869	
		821,832		921,953	
CREDITORS: amounts falling due within one year	11	(297,572)		(369,184)	
NET CURRENT ASSETS			524,260		552,769
TOTAL ASSETS LESS CURRENT LIABILITIES			16,245,696		15,582,052
Defined benefit pension scheme asset	12		-		-
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			16,245,696		15,582,052
CHARITY FUNDS					
Restricted funds	14		501		2,052
Unrestricted funds	14		16,245,195		15,580,000
TOTAL FUNDS			16,245,696		15,582,052

The financial statements were approved by the Trustees on 28th March 2018 and signed on their behalf, by:

Duncan Glass

D C Glass OBE MNM
Chairman

Brian Boxall-Hunt

B P Boxall-Hunt OBE FNI
Chief Executive

The notes on pages 14 to 29 form part of these financial statements.



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 Statement of compliance

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.



RFA Tidespring, the latest RFA tanker, in support of HMS Queen Elizabeth

1. ACCOUNTING POLICIES (continued)

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.

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. ACCOUNTING POLICIES (continued)

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.

1.12 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.

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.

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.

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.

1. ACCOUNTING POLICIES (continued)

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.

Vital maritime trade brings 95% of UK goods by sea



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONTINUED)



2. INCOME FROM DONATIONS, GRANTS AND LEGACIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations				
Donations	27,765	7,671	35,436	30,815
Legacies				
Over accrued legacy 2016	(5,727)	-	(5,727)	-
Tindall	-	-	-	5,871
Leeds Day	-	-	-	10,000
Griffiths	-	-	-	5,000
Borwick	-	-	-	1,000
McMullen	-	-	-	201
Pearse	-	-	-	7,417
Duffey	-	-	-	87,000
Grants				
The Corporation of Trinity House	68,200	-	68,200	68,200
Seafarers UK	25,000	-	25,000	35,000
Total	115,238	7,671	122,909	250,504

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Belvedere House Care Home	2,970,961	2,970,961	2,897,670
Weston Acres Housing	144,056	144,056	142,763
Total	3,115,017	3,115,017	3,040,433

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Dividends	339,920	339,920	301,957
Bank Interest Receivable	723	723	767
Total	340,643	340,643	302,724

5. CHARITABLE EXPENDITURE

	Belvedere House Care £	Weston Acres Housing £	Support Costs £	Total 2017 £	Total 2016 £
Computer, Phone & IT	11,330	1,272	1,728	14,330	34,473
Legal & Professional	70	-	111,354	111,424	91,159
Other Office Costs	17,926	582	24,332	42,840	114,707
Rent & Rates	15,900	7,368	101	23,369	20,545
Light & Heat	43,632	18,713	-	62,345	54,247
Repairs & Maintenance	24,911	116,171	4,751	145,833	143,221
Insurance	10,041	9,296	4,644	23,981	22,555
Motor and Travel	5,863	88	4,332	10,283	14,291
PPS	6,805	-	4,962	11,767	14,056
Agency Costs	34,899	-	-	34,899	40,980
Cleaning	45,180	3,997	-	49,176	41,189
Other Staff Costs	23,322	-	3,094	26,416	13,565
Food & Kitchen	146,142	-	-	146,142	108,684
Wages and salaries	2,051,964	54,501	120,017	2,234,890	2,239,186
National insurance	170,509	4,473	9,496	184,478	176,975
Pension cost	127,155	3,336	7,326	137,817	132,114
Finance costs	-	-	-	-	1,567
Bad debts	-	-	6,457	6,457	-
Audit fees (including pension scheme audit)	-	-	18,540	18,540	20,350
Depreciation	168,646	3,400	12,320	184,366	183,789
Total	2,904,295	223,197	333,454	3,460,946	3,467,653

Governance costs consisted of audit fees for the charity and pension scheme and totalled £18,540 for the year (2016: £20,350).

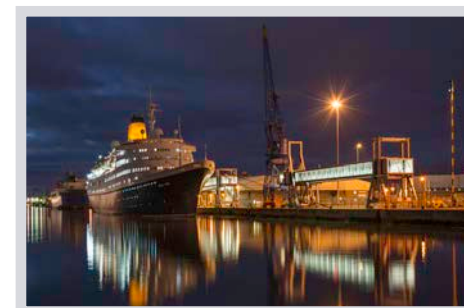
6. NET INCOME

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	184,366	183,789
Auditors' remuneration: audit of financial statements	12,000	11,700
Auditors' remuneration: other fees	2,500	-



Minerva



Saga Ruby

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONTINUED)



7. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	2,214,246	2,239,186
Social security costs	184,478	176,975
Other pension costs	146,224	132,114
Redundancy costs	3,830	-
	<u>2,548,778</u>	<u>2,548,275</u>

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

	2017 No.	2016 No.
Care Staff	72	83
General Staff	24	27
Management and Administration	4	3
	<u>100</u>	<u>113</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Care Staff	61	57
General Staff	21	23
Management Administration	4	4
	<u>86</u>	<u>84</u>

The number of higher paid employees was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1

Total employers pension contribution of £4,876 (2016: £4,994) were paid for the provision of defined contribution schemes relating to higher paid staff.

No trustee received remuneration for their services (2016: Nil).

Three trustees were reimbursed total travel and meeting expenses of £1,002 during the year (2016: £1,741).

Remuneration for key management personnel was £181,035 (2016: £179,520).

8. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Freehold Land £	Total £
Cost					
At 1 January 2017	6,503,774	119,214	790,925	40,000	7,453,913
Additions	173,862	30,528	26,197	-	230,587
Disposals	-	(46,795)	-	-	(46,795)
At 31 December 2017	<u>6,677,636</u>	<u>102,947</u>	<u>817,122</u>	<u>40,000</u>	<u>7,637,705</u>
Depreciation					
At 1 January 2017	1,968,244	89,226	674,342	-	2,731,812
Charge for the year	137,461	11,368	35,537	-	184,366
Disposals	-	(30,665)	-	-	(30,665)
At 31 December 2017	<u>2,105,705</u>	<u>69,929</u>	<u>709,879</u>	<u>-</u>	<u>2,885,513</u>
Net book value					
At 31 December 2017	<u>4,571,931</u>	<u>33,018</u>	<u>107,243</u>	<u>40,000</u>	<u>4,752,192</u>
At 31 December 2016	<u>4,535,530</u>	<u>29,988</u>	<u>116,583</u>	<u>40,000</u>	<u>4,722,101</u>

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 Warlingham 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 2017, the valuation has not occurred and the fair value has not been established. Therefore the land has been included as £Nil value.

9. FIXED ASSET INVESTMENTS

	Listed securities £	Cash £	Total £
Market value			
At 1 January 2017	10,119,892	187,290	10,307,182
Additions	948,317	69,558	1,017,875
Disposals	(1,068,462)	-	(1,068,462)
Revaluations	712,649	-	712,649
At 31 December 2017	<u>10,712,396</u>	<u>256,848</u>	<u>10,969,244</u>
Historical cost			
	<u>6,611,506</u>	<u>256,848</u>	<u>6,868,354</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONTINUED)



9. FIXED ASSET INVESTMENTS (continued)

Investments at market value comprise:

	2017 £	2016 £
Listed investments	10,712,396	10,119,892
Cash	<u>256,848</u>	<u>187,290</u>
Total market value	<u>10,969,244</u>	<u>10,307,182</u>

All the fixed asset investments are held in the UK

10. DEBTORS

	2017 £	2016 £
Resident and tenant debtors	310,987	126,414
Other debtors	29,094	87,184
Prepayments and accrued income	5,571	148,486
	<u>345,652</u>	<u>362,084</u>

11. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	36,138	80,606
Other taxation and social security	49,743	48,322
Funds held on behalf of residents	12,906	12,313
Other creditors	50,047	60,883
Accruals and deferred income	148,738	167,060
	<u>297,572</u>	<u>369,184</u>

Deferred income

	£
Deferred income at 1 January 2017	86,904
Resources deferred during the year	77,024
Amounts released from previous years	<u>(86,904)</u>
Deferred income at 31 December 2017	<u>77,024</u>

12. 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, which includes guaranteed annuity rates which are 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 triennial actuarial valuation due as at 1 March 2017.

During the year ending 31 December 2017, the Society paid contributions to the Scheme of £1,200 (2016: £4,120).

During the year ended 31 December 2017, three deferred pensioners retired and their pension annuities were purchased from Friends Life. There remain four deferred pensioners as at 31 December 2017 (2016: 7). As at 31 December 2017, there were 40 pensions in payment (2016: 38) with annual pensions in payment of £282,657 pa (2016: £270,827 pa).

The market value of the Friends Life with-profits insurance policy as at 31 December 2017 was £329,152 (2016: £501,440). This Fund was split £7,132 (2016: £145,333) to be applied to securing pensions under the original Guaranteed Annuity terms, and £322,020 (2016: £356,107) 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 £4,936,000 (2016: £4,643,000) of immediate annuity policies insured with Friends Life and the value of these annuities is included in these accounts. The inclusion of these figures 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 2017 as required by Financial Reporting Standard FRS 102.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONTINUED)



Balance Sheet

	2017 £	2016 £
Fair value of scheme assets	5,265,000	5,144,000
Present value of liabilities	(5,154,000)	(5,084,000)
Total	<u>111,000</u>	<u>60,000</u>

The Scheme surplus revealed by these calculations as at 31 December 2017 is not recognised in the Society's balance sheet.

Income Statement

	2017 £	2016 £
Service cost	-	-
Net interest cost on the net defined benefit liability	4,000	-
Total	<u>4,000</u>	<u>-</u>

Statement of Comprehensive Income

	2017 £	2016 £
Actuarial gains/(losses) on scheme assets	288,000	430,000
Actuarial gains/(losses) on scheme liabilities	(242,000)	(364,000)
Net scheme asset not shown as asset on balance sheet	(111,000)	(60,000)
Total	<u>(65,000)</u>	<u>6,000</u>

Movement in assets during the year

	2017 £	2016 £
Assets at the beginning of year	5,144,000	4,880,000
Interest income/(expense)	159,000	174,000
Employer contributions	1,000	4,000
Benefits paid	(327,000)	(344,000)
Actuarial gains (losses) on scheme assets	288,000	430,000
Assets at end of year	<u>5,265,000</u>	<u>5,144,000</u>

Movement in liabilities during the year

	2017 £	2016 £
Liabilities at beginning of year	5,084,000	4,890,000
Service cost	-	-
Interest cost	155,000	174,000
Benefits paid	(327,000)	(344,000)
Actuarial gains (losses) on scheme liabilities	242,000	364,000
Liabilities at end of year	<u>5,154,000</u>	<u>5,084,000</u>

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

	2017 %	2016 %
Discount rate	2.7	3.2
Retail Price Inflation	3.2	3.2
Consumer Price Inflation	2.2	2.2
Rate of increase in pensions payment	3.2	3.2
Rate of increase in deferred pensions	2.2	2.2

The mortality assumptions are subject to regular review; the mortality table used in the valuation as at 31 December 2017 was S1PMA/S1PFA CMI Model 2015 [1.25%] (2016: CMI Model 2015 [1.25%]) which gives the following life expectancies at age 60:

	2017 £	2016 £
Male	26.5	26.8
Female	28.8	29.3

The Society also contributed to the employee's group personal pension scheme during the year. Contributions during 2017 amounted to £146,224 (2016: £136,113); there were no contributions outstanding at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONTINUED)



13. FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets at fair value	<u>11,445,424</u>	<u>10,867,051</u>
Financial assets measured at amortised cost	<u>340,081</u>	<u>213,598</u>
Financial liabilities measured at amortised cost	<u>86,185</u>	<u>141,489</u>

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.

Financial assets measured at fair value comprise of listen investments and cash.

14. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
Designated funds					
Building Work	78,400	-	(78,400)	-	-
North Field Landscaping	87,000	-	-	-	87,000
	<u>165,400</u>	<u>-</u>	<u>(78,400)</u>	<u>-</u>	<u>87,000</u>
General funds					
General Funds	15,418,600	3,570,898	(3,474,952)	647,649	16,162,195
Defined benefit pension scheme	(4,000)	-	-	-	(4,000)
	<u>15,414,600</u>	<u>3,570,898</u>	<u>(3,474,952)</u>	<u>647,649</u>	<u>16,158,195</u>
Total Unrestricted funds	<u>15,580,000</u>	<u>3,570,898</u>	<u>(3,553,352)</u>	<u>647,649</u>	<u>16,245,195</u>
Restricted funds					
Amenity Fund	2,052	7,671	(9,222)	-	501
	<u>2,052</u>	<u>7,671</u>	<u>(9,222)</u>	<u>-</u>	<u>501</u>
Total of funds	<u>15,582,052</u>	<u>3,578,569</u>	<u>(3,562,574)</u>	<u>647,649</u>	<u>16,245,696</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.

14. STATEMENT OF FUNDS (continued)

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

The comparative breakdown of funds and movement on funds for the prior year can be found in the prior year financial statements which have been filed at the Charity Commission and are available at http://apps.charitycommission.gov.uk/Accounts/Ends76/0000209776_AC_20161231_E_C.pdf

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Tangible fixed assets	4,752,192	-	4,752,192	4,722,101
Fixed asset investments	10,969,244	-	10,969,244	10,307,182
Current assets	821,331	501	821,331	921,953
Creditors due within one year	(297,572)	-	(297,572)	(369,184)
	<u>16,245,195</u>	<u>501</u>	<u>16,245,195</u>	<u>15,582,052</u>

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

	2017 £	2016 £
Net income/(expenditure) for the year (as per Statement of financial activities)	728,644	1,524,387
Adjustment for:		
Depreciation charges	184,366	183,789
Disposals of fixed assets	(15,006)	-
(Losses)/gains on investments	(712,649)	(1,498,431)
Dividends, interest and rents from investments	(340,643)	(302,724)
Decrease/(increase) in debtors	(16,432)	(26,507)
(Decrease)/increase in creditors	(71,612)	64,891
Pension costs on defined benefit pension schemes	-	-
Defined benefit pension scheme contributions paid	(1,000)	(4,000)
Net cash used in operating activities	<u>(244,332)</u>	<u>(58,595)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2017 (CONTINUED)



17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	<u>476,180</u>	<u>559,869</u>
Total	<u>476,180</u>	<u>559,869</u>

18. CONTINGENT LIABILITIES

The trustees have confirmed that there were no contingent liabilities which should be disclosed at 31 December 2017.

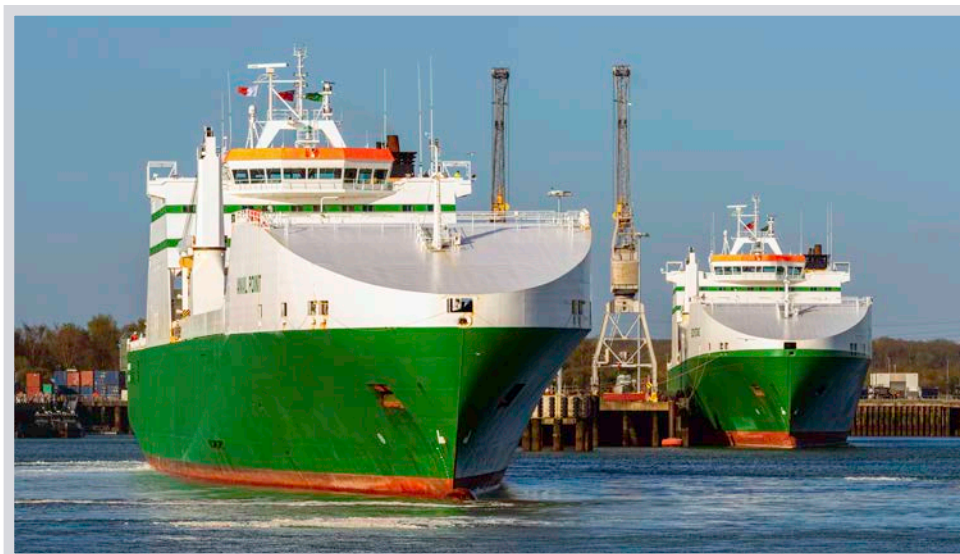
19. CAPITAL COMMITMENTS

At 31 December 2017 the charity had capital commitments as follows:

	2017 £	2016 £
Expenditure contracted		-
Expenditure authorised by the trustees, but not contracted	<u>185,000</u>	<u>300,000</u>
	<u>185,000</u>	<u>300,000</u>

20. RELATED PARTY TRANSACTIONS

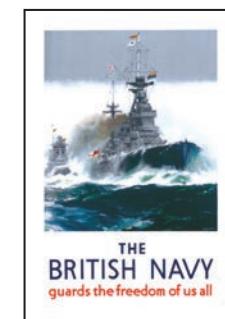
There have been no related party transactions during the year.



MV Anvil Point and MV Eddystone – vital heavy-lift shipping to support the Royal Navy

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
INCOME FROM:			
Donations and legacies	241,939	8,565	250,504
Charitable activities	3,040,433	-	3,040,433
Investments	<u>302,724</u>	<u>-</u>	<u>302,724</u>
TOTAL INCOME	<u>3,585,096</u>	<u>8,565</u>	<u>3,593,661</u>
EXPENDITURE ON:			
Raising funds:			
Voluntary income	43,970	-	43,970
Investment management	56,082	-	56,082
Charitable activities	<u>3,459,237</u>	<u>8,416</u>	<u>3,467,653</u>
TOTAL EXPENDITURE	<u>3,559,289</u>	<u>8,416</u>	<u>3,567,705</u>
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)	<u>25,807</u>	<u>149</u>	<u>25,956</u>
Net gains/(losses) on investments	<u>1,498,431</u>	<u>-</u>	<u>1,498,431</u>
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES	<u>1,524,238</u>	<u>149</u>	<u>1,524,387</u>
Actuarial gains on defined benefit pension schemes	<u>6,000</u>	<u>-</u>	<u>6,000</u>
NET MOVEMENT IN FUNDS	<u>1,530,238</u>	<u>149</u>	<u>1,530,387</u>
RECONCILIATION OF FUNDS:			
Total funds brought forward	13,973,762	1,903	13,975,665
Prior year adjustment (Note 15)	<u>76,000</u>	<u>-</u>	<u>76,000</u>
TOTAL FUNDS CARRIED FORWARD	<u>15,580,000</u>	<u>2,052</u>	<u>15,582,052</u>



Images courtesy of the Imperial War Museum

OBITUARY

CAPTAIN ANTHONY MEREDITH DAVIS F.C.I.S. A.C.M.A. M.N.I.

Captain Tony Davis was a much liked and hugely respected and long serving Trustee of The Royal Alfred Seafarers' Society. Very sadly, Tony "crossed the bar" in Tunbridge Wells hospital on 10th January 2018 having suffered a mild stroke followed by a subdural haematoma.

Born in Hampshire as one of seven children to a French mother and a Welsh father, despite suffering polio and meningitis aged six and in a wheelchair with a poor prognosis, he went on to live a full and distinguished life. Just ten years later, showing great courage, he joined the "wooden walled" training ship HMS CONWAY as a cadet and then the British Tanker Company to serve a three-year Apprenticeship having scooped prizes for seamanship and being top of his class, followed by a sextant for being top of the company examinations. On gaining his Master's Certificate Tony transferred ashore into the Marine Department office, then left the sea behind to become a fully qualified accountant, Company Secretary of the National Provident Institution, and ultimately a leading UK tax specialist.

Tony became a trustee of The Royal Alfred Seafarers' Society in 1992 which immediately benefited from his grasp of finance and pensions. The Pensions Actuary said on learning of his death: "His mastery of the Society's pension fund was indispensable to our efforts to obtain the best possible deal for the Society and its members." Tony was the Chairman of the finance committee and Honorary Treasurer for some years; not given to over-statement, even the most successful financial year would achieve a simple summary of "a reasonable outcome"! On his retirement as a Trustee in 2015 Tony was deservedly appointed as a Vice President.



Tony was also a stalwart of the Honourable Company of Master Mariners becoming a Liveryman and then a Warden; his gift to the company was as Chairman of the Finance and Pensions Committee where he performed a magnificent job in guiding their finances too. He was Master 2008-2009.

For recreation, Tony was a keen and expert bridge player. Marrying twice, he leaves two daughters and six grandchildren. Sadly Nita, his second wife of almost 50 years, pre-deceased him in April 2017.

He will be much missed by the maritime fraternity, particularly by our Society.

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 61 of this Report together with a standing order form on page 62 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 61 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.



Royal Alfred trustees wish Seafarers UK a very happy Centenary!

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 60; 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:

TEAR HERE

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 2017

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