



The Royal Alfred Seafarers' Society

Annual Report 2018

Caring for seafarers for more than 150 years





PATRON:
H.R.H. The Princess Royal



FRONT COVER PICTURE:

The Society marked the Armistice Centenary in 2018 by helping to raise funds for The Royal British Legion.

The Royal Alfred Seafarers' Society

Annual Report 2018



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Royal Alfred Seafarers



@RASeafarers

*Image above –
The Weston Acres estate*



Registered as a Charity No. 209776

Our gratitude goes to Gary Davies of Maritime Photographic for kindly supplying some of the maritime images featured in this report. For more information and to browse his full collection, please visit www.maritimephotographic.co.uk

INTRODUCTION



*Captain
Duncan
Glass*

Welcome to the Annual Report and Financial Statements of the Royal Alfred Seafarers' Society for the year 2018.

I am very pleased to report that this was another successful year for the Society, and we achieved our aim; providing the highest quality care to former seafarers and their dependants in need. Our financial management plan was again 'on target' and we reached 'break-even', as well as making a number of significant improvements to our wonderful home and the facilities we are fortunate enough to provide.

Much has been achieved in 2018, which will be described in detail in this Annual Report. This includes completion of the long-awaited landscaping of the north field, now a wonderful feature known locally as Duffy's Park (thanks to Paul Duffy's legacy). It comprises two large ponds and a stream connecting them, the water coming from our borehole close by. The Park is strewn with wild flowers and provides peaceful walks in beautiful surroundings for residents, relatives and staff.

The Chief Executive's Maritime Acquaint initiative for staff continued this year (read more on page 30-32). Special thanks to Commodore Ian Gibb for making this possible.

The Royal Alfred was again well served by Definition, our PR and advertising professionals from Harrogate. We won more awards, at a national level, for the care we provide (again, you can read more on pages 30-32).

We are also fortunate to have monthly quality assurance inspections by care homes consultant, Rob Fawcett. Clinical governance is of the utmost importance and these regular inspections demonstrate compliance with the regulations of the Care Quality Commission, the Health and Social Care Act(s) and so much more.

There was an unforeseen setback last summer, when our Honorary Treasurer, Jerry Wedge, had to step down as a trustee for personal reasons. Jerry had been with us for five years and was Chairman of the Finance Committee and Pension Fund. Although we had a contingency plan, the timing was not yet right to put it into operation! However, I am relieved to say that Philip Wake, our Vice Chairman, stepped up to chair the Finance Committee and Peter Dawes, a pension fund trustee, took over as Chairman of ours. I am extremely grateful to have such stalwart support and their generous commitment serves to exemplify the ethos of the Royal Alfred. We miss Jerry Wedge and thank him for all the good work he did for the Society.

Continuing with news of our trustees, it is very pleasing that Councillor Dorothy Ross-Tomlin was elected Mayor of Banstead and Reigate and has worked very hard to meet



the combined demands of this role and her outstanding support for The Royal Alfred, not least as Chair of the Weston Acres Visiting Committee, with Andrew Parker alongside as her Vice Chair. Dorothy has had a wonderful Mayoral year and we congratulate her on all she has achieved.

You will recall that Commodore Ian Gibb retired at last year's AGM on 1st June, on completion of 21 years as a trustee and I am pleased to say he continues to be a Member of the Society. We are very fortunate that two new trustees have been undergoing induction and observing our meetings and will be proposed for election at our Annual General Meeting on 16th May at Trinity House. They are Mr Bernie Watson, a chartered accountant and expert in charity finances and Captain Steve Clinch, formerly Chief Inspector of Marine Accidents for the UK. They bring great skills and experience to The Royal Alfred and we plan that Bernie will take the role of Honorary Treasurer to relieve Philip Wake, so that he can relieve me as Chairman at the 2019 AGM.

It is therefore, with mixed emotions that I write my tenth and final Chairman's introduction to the Royal Alfred Annual Report. Where have the past ten years gone?

It seems like only yesterday (it was actually in May 2009) that I sat with my predecessor - the wonderful Captain George Miskin - in his home at Hankley Edge, enjoying a chairman's handover, which, I have to admit, concentrated mostly on our mutual love of fly fishing and examining his fantastic collection of valuable trout and salmon related antiques.

I had been a trustee of The Royal Alfred since 2003 and became Vice Chair in late 2007, so we had long planned and were well prepared for George retiring, even after his 24 years as a trustee, 18 of which he was in the Chair. The recruitment of Commander Brian Boxall-Hunt as Chief Executive in 2006, made my election as Chairman a smooth transition, as the Society was in very good shape and run by an excellent team, exceptionally well led by Brian, supported by Anne Kasey our Home Manager and the best staff we could wish for.

Ten years ago, the country was in the throes of surviving the financial crisis and at Banstead, we were facing stiff local resistance to our planning application for a new annexe aimed at improving our level of care and ability to provide for dementia cases. In 2010 we developed our Strategic Plan, business plan and supporting policies, all looking ahead as far as we dare, to improve housing and

INTRODUCTION

nursing care for seafarers in need.

In July 2011, our Patron, Her Royal Highness, The Princess Royal, opened the annexe that bears her name and provides specialist care at the highest level for those living with dementia.

Those first few years were very busy and I have to say that this has not changed throughout my decade as Chairman. It has been an honour and a privilege to do my very best as part of The Royal Alfred and I will miss it very much. My sincere thanks to all our trustees and staff, especially Brian and Anne, who have always been there and whose hard work and commitment have made the Society and Home such successes. I am also indebted to our President, The Viscount Cobham and our Vice Patron, The Earl of Inchcape for their support and guidance over many years.

It only remains for me to wish my successor, Philip Wake, every success for the future of



*Captain Glass
cutting the cake*

this wonderful charity and assure him that trustees and staff will give superb support, because they are what makes the Royal Alfred Seafarers' Society.

A handwritten signature in black ink that reads "Duncan Glass".

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



Board members and trustees

FOREWORD



**Commander
Brian Boxall-Hunt**

The year will be remembered for a variety of reasons. It started with a visit by the Lord Lieutenant of Surrey to 'cut the first sod' for the landscaping in our north field and ended with us scooping two prestigious national awards.

There was a plethora of activity in between but at its heart was our core mission; we looked after every seafarer who came to us that qualified for our help and balanced the books.

Another good year for The Royal Alfred Seafarers' Society.



We are fortunate at Weston Acres in many ways, not least being situated within 14 acres of our own Surrey countryside. The problem is, however, that it is all classified as 'green belt' and some as 'ancient woodland'. This has very often frustrated the 'good ideas' brigade, although we managed to build the annexe and extend the kitchen with a lounge above in recent years.

Dogged determination and some eventual goodwill from the local council did, however, prevail at the tail end of 2017 and planning permission was granted for us to landscape



Early days of landscaping

the five acre north field of open grassland. The aim was to open the area up for use and enjoyment by all who live, work and visit here and I believe we have certainly achieved that. In the centre, is a substantial water feature comprising two large ponds connected by a channel, which, by good fortune, naturally slopes between the two, creating peaceful sounds of running water.

Access is provided by two pathways - an inner one circling the water feature and an outer one around the field's perimeter (which is surrounded by trees and woodland). They are punctuated by the occasional park bench for the weary to rest and enjoy the solitude. Designed and guided by the Wildfowl

& Wetlands Trust, the whole project has produced a very fitting tribute to the large financial contribution made by a deceased seafarer resident, Paul Duffy.

With around 100 staff and up to 68 residents and 28 tenants (including five couples) on site at Weston Acres, there is never a dull moment. Alongside cleanliness, I rate food quality as a top priority. Although always known for excellent meals under our long serving previous Catering Manager, Jenny Neill, our new incumbent (promoted from Head Chef), Matt Goodman, has made an impressive start. He has stamped his own style on the catering service, with the ambition to raise standards even further. A fresh set of menus has been developed, under the well-known title of 'Hands to Dinner!' and initial feedback has been very positive. There is more on Matt further in this report.

The continuation of a Maritime Acquaint training programme, giving all staff - particularly the nursing and caring complement - some potent experience of life as a seafarer and the challenges they face, has been well supported. A highlight of this



programme in 2018 was a voyage onboard a P&O ferry from Dover to Calais and back. The programme continues into 2019 on a rolling

basis, incorporating another merchant marine element, with the promise of a working visit to a container ship.

Whilst no major building works were conducted in 2018, we did take the opportunity to improve some facilities for a modest cost in each case. I guess that not many nursing care homes have a bar, nor one that is as well used as ours, but with such a key facility, it was time to attend to a long standing 'niggle'. A draughty door in the wrong position was causing continual annoyance to those seated nearby. As always, it is the small things in life that tend to make



a real difference, so we moved the entrance and by so doing, also created extra space and more comfortable seating room.

This led us to think that the current outside staff rest and smoking area, adjacent to the bar, could be better placed elsewhere and a magnificent gazebo was erected near our orchard, by Nick our Maintenance Engineer. We will finish the task in 2019 by creating an exterior courtyard area outside the bar for fair weather use, where the staff space used to be. This small but effective project was supported by generous donations from regular bar users and everyone was delighted with the result. To complete this section of

refurbishment of our estate, we took the opportunity to make some sensible structural alterations to the lodge at the entrance of our estate between tenants. Creating a more open plan layout and fitting a new kitchen has made a real difference and more importantly, the incoming seafaring couple was actively involved in the design and works!

Thus, we look back on a good year of progress, achievement, staff training and financial expedience, where our home and sheltered housing occupancy has been high, Royal Charter obligations fulfilled, and books balanced. The latter would not be possible without the help of like-minded maritime charities and their generous grants. It is a continuing challenge keeping our care standards high and costs low, but once again we managed this balancing act in 2018 with their help, vital investment income from our portfolio and good budget discipline.

As I wrote last year, 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. In 2018, we were fortunate to have some legacies, one quite substantial, which meant that we could lessen our demand for grants, but this cannot always be guaranteed and must be treated as a windfall and exception. With careful husbandry, our investments should continue to produce a key income stream to offset the subsidising of those seafarers less fortunate than others. However, this will not be enough; our reliance on grants will almost certainly become heavier in achieving our common aim of caring for former seafarers.

There will be no place for complacency as we strive to maintain standards and excel



further. Looking ahead to 2019, there will undoubtedly be new challenges, but the trick will be to rise to these and keep our delivery standards high.

With the arrival of our new minibus, funded by a generous legacy from a former resident who delighted in daily outings and our north field water feature and pathways for all to enjoy, there should be some added enjoyment in life.

We will also most sadly bid farewell to our excellent Chairman of ten years, Captain Duncan Glass. He has brought just the right balance to our Society's governance – giving myself and the staff space to run operationally without interference, whilst maintaining a close interest in all we do and being fully supportive. I salute you Chairman! We will give a warm welcome to your successor, who will undoubtedly bring his own style to the position and I very much look forward to working with him.

It is only possible for me to give a flavour of our activities in this limited space, but hopefully you will glean much more from the pages ahead.



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



OUR YEAR IN NUMBERS

109
COURSES
RUN BY SHARON
OUR IN-HOUSE TRAINER



28410 HRS

OF NURSING FROM OUR STAFF NURSES

WE HAVE MADE A SAVING OF OVER
22,000
WET WIPES



SINCE WE STOPPED
USING THEM

100%



OF STAFF ATTENDED & COMPLETED
FIRE SAFETY, SOVA, INFECTION CONTROL AND MOVING & HANDLING
HEALTH & SAFETY, BASIC FOOD HYGIENE, COSHH & MANUAL HANDLING

24,820



SLICES OF CAKE SERVED FOR AFTERNOON TEA

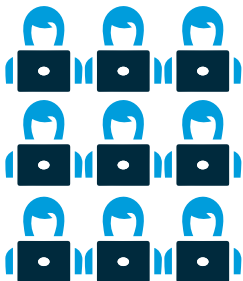
7,665
HOURS OF
LABOUR
SPENT
IN
THE
LAUNDRY



10,220
HOURS OF
COOKING
COURSES



360
E-LEARNING
COURSES
COMPLETED



52,000
PLASTIC CUPS
SAVED

SINCE WE CHANGED OUR
POLICY AND STOPPED
USING THEM



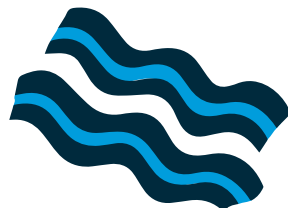
925
CERTIFICATES
ISSUED



AWARDS
7
FINALIST
2
WON



6,200
RASHERS OF BACON
COOKED FOR
BREAKFASTS



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

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

(Trustee from 1976)

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. C.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

CLLR MRS D. A. ROSS-TOMLIN

2008

Co-opted Visiting Committee Members

CAPT. M. R. LOWLE

MRS D. M. 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

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

J. NEADS F.C.I.S. F.P.M.I. M.C.M.I

Chief Executive

CDR B. P. BOXALL-HUNT

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

Honorary Chaplain

THE REVEREND A. BARRON

Life Members

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

CAPT. M. R. LOWLE



The Royal Alfred Trustees

THE ROYAL ALFRED SEAFARERS' SOCIETY



Welcome to the 153rd Annual Report and Financial Statements of The Royal Alfred Seafarers' Society for the year ended 31st December 2018.

This Annual Report presents the Society's audited Financial Statements for 2018 and summarises its activities during that year. It is laid out in accordance with the Charities Statement of Recommended Practice (SORP) 2015 guidelines. Besides advising subscribers and donors how their benefactions have been put to use, it describes, for the information of all those concerned with

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

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

www.royalalfredseafarers.com



Registered charity (No. 209776)

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

OPERATIONS

Belvedere House and Weston Acres House

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E admin@royalalfred.org.uk

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Dip. H.E.

BUSINESS MANAGER:
Mrs Karen Goddard

MEDICAL OFFICER RETAINED:
Dr L. A. Nathan

Head Office

Postal address as above

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E enquiries@royalalfred.org.uk
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w www.royalalfredseafarers.co.uk

AUDITORS: Haysmacintyre

ACTUARY: M. L. Owen

PR & MARKETING AGENTS:
Definition

LAWYERS: Wedlake Bell LLP

INVESTMENT MANAGERS:
Rathbones

ACCOUNTANTS: Menzies



MANAGEMENT AND OBJECTIVES OF THE SOCIETY



The Royal Alfred Seafarers' Society is a registered charity incorporated under Royal Charter. As stated there, 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 bye-laws 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.



Open Day 2018

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 94 per cent towards the end of the year. During the year 2018, a total of 119 men and women were accommodated permanently in the Home and Housing, of whom 108 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.

HMS Birmingham

LIST OF SUBSCRIBERS



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

Ms S M Baker
W & R Barnett Limited
Mrs J G Begg
Mrs S Bonnor
Mr M Brookman
Mr M R F Cartwright
Mrs A L Cawley
Mr J R Chapman
Mr N R Collins
Dauntless Association
Mr S Dickens
Mr R & Mrs J M Elliott
Fordingbridge 93 Club
Mr J A Gunning
Mr G L Haskins
Honourable Company of Master Mariners
Mr B M Hutchins
The Inchcape Foundation
Mr A E Johnson-Newell
The Edgar Lee Foundation
Legal & General
The "Lest We Forget" Association
Merchant Navy Lodge no. 781
The Merchant Navy Welfare Board
Niarchos (London) Limited
The "Not Forgotten" Association
Mr B J H Penaluna
The Privy Purse Charitable Trust
Mr E Roberts
Royal British Legion Newick Branch
Royal Naval Association, Edgware & Mill Hill
Royal Naval Association, Hanworth
Royal Naval Association, Romford & Hornchurch
Royal Naval Association, Southend on Sea

The Royal Navy & Royal Marines Charity
Captain E M Scott
Scottish White Fish Producers' Association, Fraserburgh Branch
Mrs K K Sedman
Seven Seas Club Laristan Fund
St Matthew with Holy Trinity Parochial Church Council
St Peter's Church PCC, Woodmansterne
Mrs M Phillips
Trinity House Maritime Charity
Mrs S A Ward
The West Hartlepool Steam Navigation Company
West Croydon Chapter of Royal Arch Masons
Mr K A Williams
The Woodman Public House, Woodmansterne
Mr P J J Woollcombe
The Woolpack Public House, Banstead

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

THE SOCIETY 'IN THE NEWS'

The focus in 2018 was to recruit and retain the very best care sector people and celebrate their achievements, as we know how integral our dedicated staff are to ensure our residents are well cared for.

There were many highs for the Society throughout 2018 and our communications partner agency, Definition, worked closely with us to share our good news stories with media and to help raise our profile. Together, we secured coverage across key regional and trade publications that helped to promote the work of our staff.

Following an incredible 35 years of dedicated service, we celebrated the ongoing contributions of our Home Manager, Anne Kasey, in 2018.

Anne has been pivotal to The Society's success, ensuring we deliver against our purpose to provide the best quality of care possible to retired seafarers and their dependents. Anne's highlights include winning a prestigious Nursing and Residential Care Award in 2014, along with an Outstanding Contribution to Care Award from the

Surrey Care Association.

Anne said: "I have always been proud of the work that the charity undertakes in caring for our residents. To have seen so many faces come through our doors and the joy we can bring to them is truly heart-warming. My achievements over the past 35 years are the charity's successes and I am always happy to see how seafarers benefit from the service we provide."

Our staff retention rate is what sets us apart in our sector and we're proud of our ability to recruit and develop the best care talent. Therefore, there were heavy hearts as we celebrated the retirement of one of our brightest and longest-serving employees in 2018, Jenny O'Neil.

Jenny held the role of Catering Manager for 16 years and was responsible for hiring and training staff and ensuring menus were kept up-to-date with residents' favourites. The quality of her work was highlighted in our latest Care Quality

Commission (CQC) report and while we will still welcome Jenny to the home in a voluntary role, her skills in the kitchen will be missed.

However, Jenny passed the mantle to the more than capable hands of our new Catering Manager, Matt Goodman, who we look forward to sustaining the outstanding level of food and nutrition provided here, as we understand how critical this is to the health and wellbeing of our residents.

To celebrate the vital contributions of our staff, we entered our home, and the individuals that make it such a success, into the most prestigious industry awards programmes. These included the Markel 3rd Sector Care Awards and the flagship awards within our region, the Surrey Care Awards, where we achieved a record four shortlists in 2018.

Everyone at the Society was delighted when our Chairman since 2009 and trustee since 2003, Captain Duncan Glass, was awarded the Beyond

Governance Award at the 3rd Sector Care Awards for his work to constantly improve the facilities at the Royal Alfred.

Similarly, Housekeeping Manager, Shirley Campbell, was recognised with the Leadership Award for her instrumental role in maintaining the smooth-running of our care home for more than ten years. Both Captain Glass and Shirley thoroughly deserved their accolades and we're proud to have such talented individuals in leading roles at the Royal Alfred.

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.

Work with us

Our website allows those looking to start a career at the Royal Alfred a little easier. Staff vacancies are listed on our website and applicants can even apply via an online application form that is emailed to our HR team.

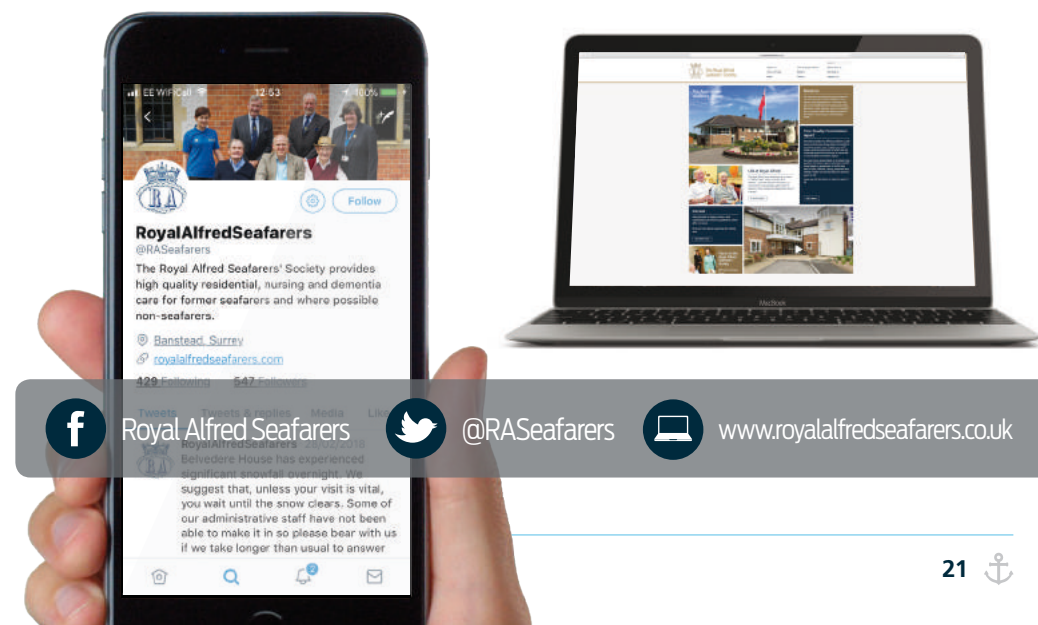
Open Day video

The Society opened its doors on a beautiful summer's day back in June, to celebrate our annual Open Day. It was captured on film and showcases the beauty of the home and

some of our residents. The video features an interview with trustee, Dorothy Ross-Tomlin, Mayor of Reigate and Banstead and has been shared across all our social channels.

Honouring Armistice Day

As 2018 marked the Armistice Centenary, the Society honoured the occasion by displaying powerful WWI silhouettes outside the home, amongst other ways. These images were shared across our e-networking channels and were received well by our followers, supporting the power of social networking for the home.



LIFE AT ROYAL ALFRED

ACTIVITIES AND EVENTS

The Royal Alfred Seafarers' Society Open Day 2018

The Society prides itself on delivering a schedule of exciting events to keep residents entertained and key stakeholders engaged with our care home. This is particularly important for our residents living with dementia, wherein regular activities can stimulate improvements in the condition and reconnect people to distant memories.



On the 27th June 2018, the Society opened our doors to key stakeholders and members of the public as part of our annual Open Day, a key date in the charity's calendar. The event is also run as a celebration of Seafarers Awareness Week, which helps to support the maritime community and raise awareness of Britain's dependence on seafarers.

Guests enjoyed the day in beautiful sunshine, showcasing the care home's facilities which include our very own bar, salon, specialist dementia annexe, and extensive grounds within our Weston Acres estate. Residents shared stories of their time at sea with visitors, while pupils from Warren Mead Primary School hosted a sing-along and the Mayor of Reigate and Banstead, Cllr Mrs Dorothy Ross-Tomlin, who is also a long-standing Society trustee, joined in with the festivities.

At a celebratory lunch, five long-standing staff members received long service awards having each worked at the home for more than ten years. These well-deserved accolades were presented to Estates Manager Richard Condie, Housekeeping Manager Shirley Campbell, Night Care Assistants Ruth Mukasa and Laarni Guillermo, and Chef, Nana Dapaah, who received her award the following day.

As a bonus for 2018, the Society commissioned a videographer to document the festivities throughout the day and to produce a fitting showreel, which now takes pride of place on our website. We are always looking for innovative new ways to promote our home and we are very pleased with our new film that helps to depict what life is really like at the Royal Alfred.

MEET OUR PEOPLE

Staff

Matt Goodman Catering Manager

I have been working at the Royal Alfred since 2014, when I joined as a Chef. I have worked in the catering industry for 15 years.

My passion in the kitchen started back when I was still at school and had a part-time Kitchen Assistant job in a nursing home. Alongside this I was training to become a plumber at college but once I qualified, I realised that I wanted to pursue a career in the catering environment instead. I was encouraged by my Kitchen Manager at the time to train as a chef and the nursing home put me through college to achieve my NVQ Level 2 & 3. With its support, I went from washing the dishes to Head Chef in just five years.

I was first introduced to the Royal Alfred through my grandmother, as she used to be a Carer at the home and spoke so fondly of her time working there. So, when I saw an advert in the local paper for a Chef position, I wanted to see what I could offer. I was still enjoying my role as Head Chef at the first nursing home but felt as though I needed a new challenge and I knew that the Royal Alfred could offer me a strong career path.

After a few years working my way up from Chef to Head Chef, I was promoted to Catering Manager when my friend and mentor, Jenny O'Neil, retired after 16 years at the home. I am now responsible for cooking for the residents and ensuring they are getting their individual nutritional needs, attending



meetings for planning, ordering stock, creating staff rotas and training my team. I now manage almost ten chefs and kitchen staff and love every minute of my job.

I'm very proud to be working at the Royal Alfred and go home at the end of each day knowing that I have helped to care for the residents that call Belvedere House their home. I am also lucky knowing how much support is in place for me and my team to help us develop and do our job to the best of our ability.

"I was first introduced to the Royal Alfred through my grandmother, as she used to be a Carer at the home and spoke so fondly of her time working there."

MEET OUR PEOPLE

Staff

Shirley Campbell Housekeeping Manager

I have worked for the Society since 2008, when I moved to the UK from South Africa to be closer to my daughters. I trained as a nurse in Zimbabwe from the age of 18 and gained a great deal of care sector experience.

As Housekeeping Manager, I cover many roles, from helping new residents settle in to organising wakes when they pass away, spending time with families and keeping the place spotless. The variety appeals to me and I can see first-hand just how much energy the Society puts into the care and wellbeing of residents.



Managing and supporting a team of 15 people, I handle rotas and ensure every small detail is attended to – right down to seeing that the hanging baskets are always well-watered! I act as a mentor to junior team members, guiding them in their development and training and lending a supportive ear when needed.

This hallmarks the role's requirements. Every responsibility must be approached with compassion, empathy and kindness, while remaining professional. My core aim is to keep a round-the-clock service running smoothly and to ensure that the nearly 70 residents enjoy richly-enhanced lives. Working with them is the best part of my job and a key reason for me applying for the Housekeeping role.

They know my door is always open and residents call me 'The Fixer' as I always try to meet every request, no matter how small or large the task. Repairing glasses and personal items, arranging furniture for their rooms and sewing and mending clothes are all par for the course!

It's more than a job really and I feel incredibly invested in the Society and those it cares for. This attitude is shared by my nearest and dearest, who mucked in during the winter of 2016 when heavy snow prevented many Belvedere House staff getting to work.

For me, this sums up the magical appeal of the Society. A real sense of family and shared belonging exists among all who work here, live here, volunteer here and visit – as well as many of their close family and friends.

MEET OUR PEOPLE

Tenant

John Conacher Tenant

I am a very new tenant of the Royal Alfred. At the time of writing, I have only been here a few weeks, having arrived at my refurbished apartment in the Lodge on 1st February 2019.

However, I know the Society and had been aware of its fantastic work for more than 30 years. My late wife, Shirley and I lived locally for decades and we first attended an open day here in 1987. Last year, before she passed away in March 2019, Shirley was admitted to the dementia wing, when her worsening condition meant that I could no longer care for her on my own.



My seafaring career goes back to when I was a teenager. I attended King Edward VII Nautical College, prior to joining the Merchant Navy at 17. I was a deck officer in the international shipping service for 20 years, then changed roles to become a land-based marine and cargo superintendent with a private company for the next two decades.

After an industrial accident, I worked for Legal & General for ten years, where I was a clerk / section leader. My wife was a nurse at Guys Hospital for many years and we were married for 54 years and have two sons – William and Richard.

I became a tenant so I could be near my wife and spend more time with her. I was also attracted to the Royal Alfred because

on my many visits to see Shirley in 2018, it became obvious that it is an extremely friendly place, with a great spirit of camaraderie, that offers a fantastic social life. Many firm bonds were established last year and it has been a pleasure to renew friendships with like-minded people of a similar background.

The care for my wife was excellent. I really don't know how it could have been improved. Nothing was too much trouble, staff always kept me informed and I could see her any time of the day or night.

"It has been a pleasure to renew friendships with like-minded people of a similar background"

LETTERS OF THANKS

THANK YOU NOTES TO OUR CARING STAFF...

Dear Anne,

I am writing to thank you all for the love and care my mother has received over the last six years, hard to believe! We are particularly grateful for the wonderful end of life care she received in familiar surroundings from people she knew. This has been a great comfort. I am writing separately to 'all the staff'.

Fond Regards

I have found Belvedere House to be clean, happy and very welcoming every time I have visited. You enter via a large lounge used for entertainment, activities and where guests can entertain their visitors. The administration staff are on hand, and the manager is always available. There is a small bar run for the residents, which is a social hub for those who are active. The grounds are immaculate, there are adequate seats at various vantage points and the new lake and wildlife area are a bonus. My praise for all the staff - maintenance, grounds persons, cleaners, cooks, laundry staff and administration are unending. The home is a very happy and caring establishment.

The care shown to my friend was exceptional. The caring and nursing staff always encouraged and cajoled her and were always patient, caring and on hand when called. Without a doubt, this has proved to be one of the best homes I have ever visited.

Our mother was diagnosed with Alzheimer's and despite reservations, the decision was made that she could no longer be cared for by us her family. We looked at and reviewed several care homes and decided that we liked the general welcome and feel of Belvedere House.

We have never looked back we are so impressed with the care, kindness and support she receives, I could not praise the staff enough. They are all excellent. My mother always says how well she is treated and praises the management saying they especially pick their staff.

We can go in whenever we want and we do, we are always welcomed, and feel that we can speak to the staff. Mum enjoys the activities provided she goes out to lovely places. The food is good, and the whole place is spotless.

"I would never have worried if I had known places like this existed. And am always happy to leave mum without worrying."

Dear Anne,

I would like to thank everyone involved in organising the Summer Party. A great deal of work obviously went into delivering such a happy, fun afternoon for all the residents and their families. It was a real treat and much appreciated.

Once again, thank you everyone for such a happy afternoon.

Warmest regards

Dear all,

As a family we wanted to thank you all for your love, care and compassion you showed Dad and our family throughout his stay with you.

The five amazing years Dad was with you he laughed, sang and smiled. This meant so much to us as it really was 'his home'.

He passed with dignity and respect surrounded by all his family which includes you all. Thank you for the care you not only showed him but also our family. Dad had everyone with him in his final days and you made this possible.

We will be forever grateful to you all.

IN MEMORIAM

We gratefully acknowledge donations made to the Society during 2018 in memory of the following:

Mr W. J. Bartlett
Mr E 'Jumper' Collins
Captain A. P. M. Davis
Mr J. Edwards
Mr R. Edwards
Mrs J. Gutteridge
Mrs M. Hobern
Mr A. Hunter-Robertson
Mr A. S. G. L'Estrange
Ms Dawn McCormack
Mr E. W. Nicholls
Mrs R. M. Parish
Mrs J. O. Robinson
Mr L. W. G. Robinson
Mrs M. Thompson
Mr P. J. Thompson
Mr D. C. Tindell
Mrs S. L. Vines

LEGACIES

We gratefully acknowledge bequests to the Society from the following:

Captain A. P. M. Davis
Mr A. W. Huntley
Mrs R. M. Parish
Ms A. S. Roberts
Ms A. Saban
Mr P. K. Wright

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



STATEMENTS OF FINANCIAL GOVERNANCE

This edition is the fourth 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 28 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 £10.6 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 £3.8 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.



Anne
Kasey

The Home Manager's Report

Investing in our people has always been a top priority to ensure we continue to provide our residents with the outstanding care they deserve. Last year was no exception, as we welcomed new recruits onto our training programmes and celebrated our long-serving employees' commitment. However, it wasn't just our staff who were learning new skills in 2018.

We began the year by launching a new therapy programme after winning a £5,000 Santander Foundation Discovery Grant to fund new technology. We bought five new iPads that are used for activities including our new Music Therapy Programme, which is run by volunteers. The team use the iPads to teach residents how to send emails, listen to music and take photos, helping to build our residents' confidence using new technologies to communicate with their relatives and friends outside of the home.

Remaining on the learning theme, our care staff continued to learn how best to care for residents and understand their needs with the Maritime Acquaint Training Programme. One of our training days this year was kindly funded by a supporter of the Society and took place on a P&O cross channel ferry from Dover to Calais. All of this contributes to our training levels remaining high, with nearly 100 per cent of staff receiving training.



Open Day

The summertime saw residents, tenants, volunteers, staff and other distinguished guests, take a trip to London to celebrate 152 years of The Royal Alfred Seafarers' Society at our Annual General Meeting (AGM). We welcomed Commodore Jerry Kyd as guest speaker, and he spoke about the importance of looking after seafarers when they retire and assured residents the future of the UK maritime sector was in safe hands. The AGM allowed us to reflect on another successful year, with home occupancy levels at around 94 per cent.



The 2018 Markel 3rd Sector Care Awards

serving employees have given more than 220 years to the Society, with an additional 40 staff serving between five and 10 years.

On a personal note, I celebrated 35 years' service at the Society in 2018. It has been a very happy three and a half decades; little did I know back in 1983 that I would still be here 35 years later!

Continuing the celebration theme, we were proud to be nominated in a range of categories at both the Surrey Care Awards and the 3rd Sector Care Awards in the autumn. These included personal recognition for our very own Captain Duncan Glass and Shirley Campbell (who I mentioned previously) who both went on to win at the 3rd Sector Care Awards.

Captain Glass was awarded the Beyond Governance Award for 'demonstrating an outstanding and sustainable contribution to the Royal Alfred'. Captain Glass has overseen a raft of improvements to our Weston Acres

Once again, we proudly threw open the doors of Belvedere House to the public and local community at our Open Day, as part of Seafarers Awareness Week in June. During these celebrations, we welcomed trustees, the Mayor of Reigate and Banstead Cllr Mrs Dorothy Ross-Tomlin and a children's choir from Warren Mead Junior School.

At a celebratory lunch, five of our longest-standing staff members received long service awards having each worked at the home for more than ten years. They were, Estates Manager Richard Condie, Housekeeping Manager Shirley Campbell, Night Care Assistants Ruth Mukasa and Laarni Guillermo, and Chef, Nana Dapaah. Collectively, our long



Captain Glass collecting his award

estate, including the building and creation of a specialist dementia unit, landscaping of the extensive grounds for recreation as well as several royal visits and the Society's 150th anniversary celebration in 2015.

BELVEDERE HOUSE 2018

Shirley was recognised with the Leadership Award and has ensured the smooth-running of the Society's home for more than ten years. Shirley was commended by judges as 'kindness itself', as well as being committed and driven. She covers a range of duties, from helping new residents settle in to the home to spending time with families, managing a team of 15, handling rotas and supporting

linked to Alzheimer's. I would like to take this opportunity to thank Dementia Friends Champion Mrs Ros Ellis, who volunteers her time to help provide residents with comfortable living conditions as well as offering support for their families and dependents through regular events including coffee mornings.



and managing her team to keeping the home looking spotless.

By the time World Alzheimer's Day rolled around in September, we were busy raising awareness by urging members of the public to learn more to change perceptions of the condition and dementia – a symptom often

As the year ended, we said goodbye to long-serving Catering Manager Jenny O'Neil who retired after 16 years of service. Her work was highlighted in the latest Care Quality Commission report of the home, which detailed residents' praise of the food and staff's understanding of the importance of promoting pleasant meal times. We held a celebratory tea party to honour Jenny's hard work and dedication to the 90 residents and tenants.

We now turn our sights to 2019 which promises more events and celebrations. I wish to express my thanks to the team for their continued hard work and commitment to making life at Royal Alfred comfortable and safe for all who live and work here.

Anne Kasey, Clinical Manager



FINANCIAL BACKGROUND TO THE TRUSTEES' ANNUAL REPORT 2018



The full financial statements of the Society for the year ended 31st December 2018 appear on pages 35 to 54 of this report. The aim of this short summary is to highlight some key points and thus briefly to put the figures into some perspective.

OVERALL

In short, 2018 was a satisfactory year financially which saw the Society achieve its strategic aim of break-even, plus a very small surplus of £22,420, with consistently good home occupancy – albeit at 94 per cent just short of the 95 per cent target; highly creditable in itself. This latter is good but by no means a certainty. Our continued reliance on the generosity of fellow maritime charities is vital to ensure that we fill the gap in income created by those seafarers whom we care for but whom are unable to meet the actual cost of care despite help from Local Authority funding, which is always well short of the mark. Together with the all-important income from our investment portfolio, based upon its essential maintenance at around £10m minimum, this insures us against deficit and failure. Keeping the home full throughout, or as near as possible, remains 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. Income from resident fees and tenant rents remained robust throughout the year, and expenditure was then contained below budgeted levels. So, both key pillars of financial success were held up: that of an adequate income stream and expenditure under strict control. A further, overall point must be made, and that is the good fortune of legacies. Although we do include the acquisition of legacies in our marketing strategy, it is only by luck that we benefit.

We were most fortunate in 2018 to receive several legacies, some from people known to us and a couple as a result of what must be credited to successful marketing. Of those known to us, it was particularly poignant that we received £150,000 from the estate of the late Mrs Rita Parrish, a former resident. It was primarily because of her love of outings in the minibus that we decided to use a substantial portion on a replacement and upgraded 'mini coach', in order to continue provision of regular outings in improved comfort. Another legacy was used to fund a heating monitoring and control system, and the previous year's legacy from former resident, the late Paul Duffy, enabled our north field to be superbly landscaped providing a decent pathway and water feature for the enjoyment of all who live, work or visit Weston Acres. Finally, the balance of the accumulated legacies allowed us to reduce our application for grants and specifically decline the usually kind and generous offer of a grant from Seafarers UK. With welcome grants from Trinity House and the RN & RM Charity already in the pipeline, and a new oven purchased by the kindness of the Honourable Company of Master Mariners, it was apparent that we would reach break-even at year-end without it. If no 'windfall' of legacies next year, we will once again, and undoubtedly more so, rely on the availability of grants from our fellow maritime charities to bridge the gap in care funding.

FINANCIAL BACKGROUND TO THE TRUSTEES' ANNUAL REPORT 2018 (CONT'D)

PERFORMANCE OF INVESTMENTS

Equity markets across the globe had a difficult start to 2018, with most in the developed world falling about ten per cent in March from their peaks reached earlier in the year. Markets were initially spooked by concerns that inflation in the US was going to be higher than expected, and that interest rates would move higher faster as a result. Subsequent concerns over a trade war between the US and China edged markets lower still. Concerns over trade wars continued to dominate headlines, as did ongoing Brexit negotiations. The uncertainty surrounding both topics and the potential negative effects to economic growth have fuelled market volatility.

After recovering from their March falls and remaining reasonably stable over the summer, global equity markets fell once again in the final three months of the year, weighed down by investors' concerns about a slowing global economy and fears of US recession, exacerbated by US-Sino trade tensions. The UK and overseas equity markets ended the year down -9.47 per cent and -3.07 per cent respectively. UK Gilts provided some protection, up 0.57 per cent.

The Royal Alfred Seafarers portfolio has not been immune from the falls in global stock markets but has held up well by comparison, ending the year up ahead of both the broader UK stock market and our composite benchmark.

SORP 2015, FRS 102 and a "Going Concern"

With the introduction of the new SORP (Statement of Recommended Procedures – interpreted as "Required Procedures") and FRS 102, this report has followed new accounting rules and procedures leading to many changes of presentation over previous years' accounts. One element of change is now the requirement for Trustees to declare whether the Society is a "Going Concern"; 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.

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



THE ROYAL ALFRED SEAFARERS' SOCIETY

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

We have audited the financial statements of The Royal Alfred Seafarers' Society for the year ended 31 December 2018 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 2018 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.

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,

THE ROYAL ALFRED SEAFARERS' SOCIETY

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

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.

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.

Signed on original

Haysmacintyre LLP
Statutory Auditors
Date:

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

THE ROYAL ALFRED SEAFARERS' SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018

		Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Note					
INCOME FROM:					
	Donations, grants and legacies	2 386,864	13,116	399,980	122,909
	Charitable activities	3 3,145,555	-	3,145,555	3,115,017
	Investments	4 339,672	-	339,672	340,643
	TOTAL INCOME	3,872,091	13,116	3,885,207	3,578,569
EXPENDITURE ON:					
	Raising funds:				
	Voluntary income	37,257	-	37,257	52,612
	Investment management	50,976	-	50,976	49,016
	Charitable activities	5 3,758,990	15,564	3,774,554	3,460,946
	TOTAL EXPENDITURE	3,847,223	15,564	3,862,787	3,562,574
	NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)	24,868	(2,448)	22,420	15,995
	Net (losses)/gains on investments	9 (864,944)	-	(864,944)	712,649
	NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES	(840,076)	(2,448)	(842,524)	728,644
	Actuarial (losses)/gains on defined benefit pension schemes	-	-	-	(65,000)
	NET MOVEMENT IN FUNDS	(840,076)	(2,448)	(842,524)	663,644
	Transfer between funds	(1,947)	1,947	-	-
RECONCILIATION OF FUNDS:					
	Total funds brought forward	16,245,195	501	16,245,696	15,582,052
	TOTAL FUNDS CARRIED FORWARD	15,403,173	-	15,403,173	16,245,696

All activities relate to continuing operations.

The notes on pages 13 to 28 form part of these financial statements.

Full comparative figures for the year ended 31 December 2018 are shown in note 21.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2018

THE ROYAL ALFRED SEAFARERS' SOCIETY

BALANCE SHEET AS AT 31 DECEMBER 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	8		4,821,417		4,752,192
Investments	9		<u>9,849,361</u>		<u>10,969,244</u>
			14,670,778		15,721,436
CURRENT ASSETS					
Debtors	10	292,996		345,652	
Cash at bank and in hand		<u>649,972</u>		<u>476,180</u>	
		942,968		821,832	
CREDITORS: amounts falling due within one year	11	<u>(210,573)</u>		<u>(297,572)</u>	
NET CURRENT ASSETS			<u>732,395</u>		<u>524,260</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			15,403,173		16,245,696
Defined benefit pension scheme asset	12		-		-
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>15,403,173</u>		<u>16,245,696</u>
CHARITY FUNDS					
Restricted funds	14		-		501
Unrestricted funds	14		<u>15,403,173</u>		<u>16,245,195</u>
TOTAL FUNDS			<u>15,403,173</u>		<u>16,245,696</u>

The financial statements were approved by the Trustees on and signed on their behalf, by:

Signed on original

Signed on original

D C Glass OBE MNM
Chairman

B P Boxall-Hunt OBE FNI
Chief Executive

The notes on pages 13 to 28 form part of these financial statements.

BALANCE SHEET AT 31ST DECEMBER 2018



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	16	<u>(123,044)</u>	<u>(244,332)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		339,672	340,643
Purchase of tangible fixed assets		<u>(290,584)</u>	<u>(230,587)</u>
Proceeds from sale of investments		953,807	1,068,462
Purchase of investments		<u>(706,059)</u>	<u>(1,017,875)</u>
Net cash provided by/(used in) investing activities		<u>296,836</u>	<u>160,643</u>
Change in cash and cash equivalents in the year		173,792	(83,689)
Cash and cash equivalents brought forward		<u>476,180</u>	<u>559,869</u>
Cash and cash equivalents carried forward	17	<u>649,972</u>	<u>476,180</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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.

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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 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.

Donated land/assets are recognised at the fair value at the date received.

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 expenditure is inclusive of irrecoverable VAT.

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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	-	50% per annum
Freehold Buildings	-	estimated useful life of assets - generally 50 years
Freehold Land	-	none

1.7 Investments

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

1.8 Interest receivable

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

1.9 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.

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.10 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.

1.11 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:

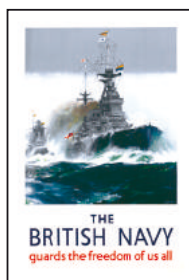
The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets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

1.12 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.



Images courtesy of the Imperial War Museum

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. INCOME FROM DONATIONS, GRANTS AND LEGACIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Donations			
Donations	58,664	13,116	71,780
Legacies			
Roberts	10,000	-	10,000
Parish	150,000	-	150,000
Huntley	10,000	-	10,000
Davis	5,000	-	5,000
Wright	65,000	-	65,000
Grants			
The Corporation of Trinity House	68,200	-	68,200
RN&RM Charity	20,000	-	20,000
Total	386,864	13,116	399,980

PRIOR YEAR INCOME FROM DONATIONS, GRANTS AND LEGACIES

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

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. INCOME FROM CHARITABLE ACTIVITIES

	Total funds 2018 £	Total funds 2017 £
Belvedere House Care Home	2,972,493	2,970,961
Weston Acres Housing	173,062	144,056
	3,145,555	3,115,017

4. INVESTMENT INCOME

	Total funds 2018 £	Total funds 2017 £
Dividends	338,813	339,920
Bank Interest Receivable	859	723
	339,672	340,643

5. CHARITABLE EXPENDITURE

	Belvedere House Care £	Weston Acres Housing £	Support Costs £	Total 2018 £	Total 2017 £
Computer, Phone & IT	13,789	1,480	4,861	20,130	14,330
Legal & Professional	54,843	17,520	28,154	100,517	111,424
Other Office Costs	41,659	313	19,554	61,526	42,840
Rent & Rates	25,670	8,098	922	34,690	23,369
Light & Heat	41,879	21,427	-	63,306	62,345
Heating project	-	-	56,144	56,144	-
Repairs & Maintenance	159,588	35,505	997	196,090	145,833
Insurance	18,361	4,729	4,730	27,820	23,981
Motor and Travel	3,191	97	12,288	15,576	10,283
PPS	6,185	-	2,475	8,660	11,767
Agency Costs	27,084	-	-	27,084	34,899
Cleaning	45,027	3,444	-	48,471	49,176
Other Staff Costs	38,031	75	32,089	70,195	26,416
Food & Kitchen	157,887	-	-	157,887	146,142
Staff costs	2,407,947	61,242	141,627	2,610,816	2,557,185
Exceptional costs	-	-	47,109	47,109	-
Bad debts	3,940	-	-	3,940	6,457
Audit fees	-	-	18,900	18,900	18,540
Depreciation	186,302	1,571	17,820	205,693	184,366
	3,231,383	155,501	372,110	3,774,554	3,460,946

Governance costs totalled £18,900 for the year (2017: £18,540).

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. PRIOR YEAR CHARITABLE EXPENDITURE

	Belvedere House Care £	Weston Acres Housing £	Support Costs £	Total 2017 £
Computer, Phone & IT	11,330	1,272	1,728	14,330
Legal & Professional	70	-	111,354	111,424
Other Office Costs	17,926	582	24,332	42,840
Rent & Rates	15,900	7,368	101	23,369
Light & Heat	43,632	18,713	-	62,345
Repairs & Maintenance	24,911	116,171	4,751	145,833
Insurance	10,041	9,296	4,644	23,981
Motor and Travel	5,863	88	4,332	10,283
PPS	6,805	-	4,962	11,767
Agency Costs	34,899	-	-	34,899
Cleaning	45,180	3,997	-	49,176
Other Staff Costs	23,322	-	3,094	26,416
Food & Kitchen	146,142	-	-	146,142
Wages and salaries	2,349,628	62,310	136,839	2,557,185
Finance costs	-	-	-	-
Bad debts	-	-	6,457	6,457
Audit fees (including pension scheme audit)	-	-	18,540	18,540
Depreciation	168,646	3,400	12,320	184,366
	2,904,295	223,197	333,454	3,460,946

6. NET INCOME

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charity	206,314	184,366
Auditors' remuneration: audit of financial statements	12,400	12,000
Auditors' remuneration: other fees	2,600	2,500



THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. STAFF COSTS

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	2,267,473	2,214,246
Social security costs	150,295	184,478
Other pension costs	193,047	146,224
Redundancy costs	-	3,830
	<u>2,610,816</u>	<u>2,548,778</u>

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

	2018 No.	2017 No.
Care Staff	59	72
General Staff	31	24
Management and Administration	<u>4</u>	<u>4</u>
	<u>94</u>	<u>100</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Care Staff	52	61
General Staff	26	21
Management Administration	<u>4</u>	<u>4</u>
	<u>82</u>	<u>86</u>

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £60,001 - £70,000	1	1

Total employers pension contribution of £5,447 (2017: £4,876) were paid for the provision of defined contribution schemes relating to higher paid staff.

No trustee received remuneration for their services (2017: Nil).

Three trustees were reimbursed total travel and meeting expenses of £653 during the year (2017: £1,002).

Remuneration for key management personnel was £208,594 (2017: £181,035).

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Freehold Land £	Total £
Cost					
At 1 January 2018	6,677,636	102,947	817,122	40,000	7,637,705
Additions	193,597	70,000	26,986	-	290,584
Disposals	<u>(15,666)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,666)</u>
At 31 December 2018	<u>6,855,567</u>	<u>172,947</u>	<u>844,108</u>	<u>40,000</u>	<u>7,912,622</u>
Depreciation					
At 1 January 2018	2,105,705	69,929	709,879	-	2,885,513
Charge for the year	155,928	16,764	33,621	-	206,314
Disposals	<u>(621)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(621)</u>
At 31 December 2018	<u>2,261,012</u>	<u>86,693</u>	<u>743,500</u>	<u>-</u>	<u>3,091,206</u>
Net book value					
At 31 December 2018	<u>4,594,555</u>	<u>86,254</u>	<u>100,608</u>	<u>40,000</u>	<u>4,821,417</u>
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>

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

9. FIXED ASSET INVESTMENTS

	Listed securities £	Cash £	Total £
Market value			
At 1 January 2018	10,712,466	256,778	10,969,244
Additions	703,047	34,243	737,290
Disposals	<u>(992,229)</u>	<u>-</u>	<u>(992,229)</u>
Revaluations	<u>(864,944)</u>	<u>-</u>	<u>(864,944)</u>
At 31 December 2018	<u>9,558,340</u>	<u>291,021</u>	<u>9,849,361</u>
Historical cost			
	<u>6,871,923</u>	<u>291,021</u>	<u>7,162,944</u>

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

9. FIXED ASSET INVESTMENTS (continued)

Investments at market value comprise:

	2018 £	2017 £
Listed investments	9,558,340	10,712,396
Cash	<u>291,021</u>	<u>256,848</u>
Total market value	<u><u>9,849,361</u></u>	<u><u>10,969,244</u></u>

All the fixed asset investments are held in the UK

10. DEBTORS

	2018 £	2017 £
Resident and tenant debtors	209,930	310,987
Other debtors	67,100	29,094
Prepayments and accrued income	15,966	5,571
	<u><u>292,996</u></u>	<u><u>345,652</u></u>

11. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	28,476	36,138
Other taxation and social security	51,204	49,743
Funds held on behalf of residents	15,057	12,906
Other Creditors	37,069	50,047
Accruals and deferred income	78,767	148,738
	<u><u>210,573</u></u>	<u><u>297,572</u></u>

Deferred income

	2018 £	2017 £
Deferred income at 1 January 2018		77,024
Resources deferred during the year		-
Amounts released from previous years		<u>(77,024)</u>
Deferred income at 31 December 2018		<u><u>-</u></u>

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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 (now part of the Aviva group) in a with-profits pension policy. 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 Aviva on the basis of the guaranteed annuity rates under the policy. 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 2017. The valuation excluded the value of the Scheme's immediate annuity policies. The value of the Fund's assets and liabilities at that date, which related only to the deferred pensioners, was £316,000 and £319,000 respectively, thus disclosing a small deficit of £3,000. The Society is making good this deficit by the payment of contributions of £100 per month up to 31 December 2020.

During the year, the Society paid contributions to the Scheme of £1,200 (2017: £1,200).

During the year, one deferred pensioner took a transfer value so there are only three deferred pensioners remaining (2017: 4). As at 31 December 2018, there were 38 pensions in payment (2017: 40) with annual pensions in payment of £285,051 pa (2017: £282,657 pa).

The market value of the Aviva with-profits insurance policy as at 31 December 2018 was £239,004 (2017: £329,152). This Fund was split £7,486 (2017: £7,132) to be applied to securing pensions under the original Guaranteed Annuity terms, and £231,518 (2017: £322,020) where pensions are secured under revised Guaranteed Annuity terms.

The Scheme's assets also include the immediate annuity policies insured with Aviva valued at £4,766,000 (2017: £4,936,000) 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 Aviva.

The valuation of the defined benefit liabilities does not reflect any additional liabilities which may result from the requirement to equalise benefits relating to Guaranteed Minimum Pensions arising from pensionable service prior to 5 April 1997. Following on from the October 2018 High Court judgment, guidance on acceptable methods of equalisation is still awaited and, therefore, the expected cost impact cannot be reliably estimated and consequently no provision has been made.

The actuary has provided the following information about the financial position of the Scheme as at 31 December 2018 as required by Financial Reporting Standard FRS 102.

Balance Sheet	2018	2017
Fair value of scheme assets	£5,005,000	£5,265,000
Present value of liabilities	(£4,918,000)	(£5,154,000)
Total	£87,000	£111,000

The Scheme surplus revealed by these calculations as at 31 December 2018 is not recognised in the Society's balance sheet.

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Income Statement	2018	2017
Service cost	-	-
Net interest cost on the net defined benefit liability	£3,000	£4,000
Total	£3,000	£4,000
Statement of Comprehensive Income	2018	2017
Actuarial gains / (losses) on scheme assets	£8,000	£288,000
Actuarial gains / (losses) on scheme liabilities	(£36,000)	(£242,000)
Net scheme asset not shown as asset on balance sheet	(£87,000)	(£111,000)
Total	(£115,000)	(£65,000)
Movement in assets during the year	2018	2017
Assets at beginning of year	£5,265,000	£5,144,000
Interest income / (expense)	£117,000	£159,000
Employer contributions	£1,000	£1,000
Benefits paid	(£386,000)	(£327,000)
Actuarial gains (losses) on scheme assets	£8,000	£288,000
Assets at end of year	£5,005,000	£5,265,000
Movement in liabilities during the year	2018	2017
Liabilities at beginning of year	£5,154,000	£5,084,000
Service cost	-	-
Interest cost	£114,000	£155,000
Benefits paid	(£386,000)	(£327,000)
Actuarial (gains) losses on scheme liabilities	£36,000	£242,000
Liabilities at end of year	£4,918,000	£5,154,000
The principal long-term financial assumptions used in the FRS 102 valuation were:		
	2018	2017
Discount rate	2.5%	2.7%
Retail Price Inflation	3.2%	3.2%
Consumer Price Inflation	2.2%	2.2%
Rate of increase in pensions in 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 2018 was S2PMA/S2PFA CMI Model 2017 [1.25%] (2017: CMI Model 2016 [1.25%]) which gives the following life expectancies at age 60:		
	2018	2017
Male	26.6	26.5
Female	28.6	28.8

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

13. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets at fair value	<u>10,499,333</u>	<u>11,445,424</u>
Financial assets measured at amortised cost	<u>83,066</u>	<u>340,081</u>
Financial liabilities measured at amortised cost	<u>65,545</u>	<u>86,185</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

	2018 Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	2018 Carried Forward £
Designated funds					
Building Work	-	-	-	-	-
North Field Landscaping	87,000	-	(87,000)	-	-
Parish Legacy	-	150,000	(133,000)	-	17,000
	<u>87,000</u>	<u>150,000</u>	<u>(220,000)</u>	<u>-</u>	<u>17,000</u>
General funds					
General Funds	16,162,195	3,722,091	(3,629,170)	(868,944)	15,390,172
Defined benefit pension scheme	(4,000)	-	-	4,000	-
	<u>16,158,195</u>	<u>3,722,091</u>	<u>(3,629,170)</u>	<u>(864,944)</u>	<u>15,390,172</u>
Total Unrestricted funds	<u>16,245,195</u>	<u>3,872,091</u>	<u>(3,849,170)</u>	<u>(864,944)</u>	<u>15,403,172</u>
Restricted funds					
Amenity Fund	501	13,116	(13,617)	-	-
Total of funds	<u>16,245,696</u>	<u>3,885,207</u>	<u>(3,862,787)</u>	<u>(864,944)</u>	<u>15,403,173</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 2018 and be completed by June 2018.

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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.

PRIOR YEAR 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
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>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Tangible fixed assets	4,821,417	-	4,821,417	4,752,192
Fixed asset investments	9,849,361	-	9,849,361	10,969,244
Current assets	942,968	-	942,968	821,331
Creditors due within one year	(210,573)	-	(210,573)	(297,572)
	<u>15,403,173</u>	<u>-</u>	<u>15,403,173</u>	<u>16,245,195</u>

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	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

	2018 £	2017 £
Net income/(expenditure) for the year (as per Statement of financial activities)	(842,524)	728,644
Adjustment for:		
Depreciation charges	206,314	184,366
Disposals of fixed assets	15,045	(15,006)
(Losses)/gains on investments	872,136	(712,649)
Dividends, interest and rents from investments	(339,672)	(340,643)
Decrease/(increase) in debtors	52,656	(16,432)
(Decrease)/increase in creditors	(86,999)	(71,612)
Pension costs on defined benefit pension schemes	-	-
Defined benefit pension scheme contributions paid	-	(1,000)
Net cash used in operating activities	<u>(123,044)</u>	<u>(244,332)</u>

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	649,972	476,180
Total	<u>649,972</u>	<u>476,180</u>

18. CONTINGENT LIABILITIES

The trustees have confirmed that there were no contingent liabilities which should be disclosed at 31 December 2018.

19. RELATED PARTY TRANSACTIONS

There have been no related party transaction during the year.

THE ROYAL ALFRED SEAFARERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

20. CAPITAL COMMITMENTS

At 31 December 2018 the charity had capital commitments as follows:

	2018 £	2017 £
Expenditure contracted	20,000	-
Expenditure authorised by the trustees, but not contracted	-	185,000
	<u>20,000</u>	<u>185,000</u>

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
INCOME FROM:			
Donations, grants and legacies	2 115,238	7,671	122,909
Charitable activities	3 3,115,017	-	3,115,017
Investments	4 <u>340,643</u>	-	<u>340,643</u>
TOTAL INCOME	<u>3,570,898</u>	<u>7,671</u>	<u>3,578,569</u>
EXPENDITURE ON:			
Raising funds:			
Voluntary income	52,612	-	52,612
Investment management	49,016	-	49,016
Charitable activities	5 <u>3,451,724</u>	<u>9,222</u>	<u>3,460,946</u>
TOTAL EXPENDITURE	<u>3,553,352</u>	<u>9,222</u>	<u>3,562,574</u>
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)	<u>17,546</u>	<u>(1,551)</u>	<u>15,995</u>
Net gains on investments	9 <u>712,649</u>	-	<u>712,649</u>
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES	<u>730,195</u>	<u>(1,551)</u>	<u>728,644</u>
Actuarial (losses)/gains on defined benefit pension schemes	<u>(65,000)</u>	-	<u>(65,000)</u>
NET MOVEMENT IN FUNDS	<u>665,195</u>	<u>(1,551)</u>	<u>663,644</u>
RECONCILIATION OF FUNDS:			
Total funds brought forward	<u>15,580,000</u>	<u>2,052</u>	<u>15,582,052</u>
TOTAL FUNDS CARRIED FORWARD	<u>16,245,195</u>	<u>501</u>	<u>16,245,696</u>

HOW YOU CAN HELP THE SOCIETY



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

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

By Donation under Gift Aid

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

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

By Give as You Earn

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

By Remembering the Society in your Will

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

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

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

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

NOTES ON DONATING

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



Proudly supporting Seafarers UK

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 55; 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 2018

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