

the
seafarers'
charity



ANNUAL REPORT

2020



The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors) is a Registered Charity No. 226446 in England and Wales, incorporated under Royal Charter. Registered in Scotland, No. SC038191.

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**Doing more
for seafarers.
And doing it
even better.**

Message from the Chair of the Board

Paul Butterworth



Welcome to the first Annual Report under our new name of The Seafarers' Charity and my first contribution as your Chair of the General Council, a role I assumed at the 'virtual' AGM last July, having been a Trustee for three years.

My initial pleasant duty is to place firmly on record my personal thanks for the smoothest of handovers, to my predecessor, Vice Admiral Peter Wilkinson CB CVO BA. In total, Peter spent 10 years as the Chair, and played a vital role in guiding our Charity through numerous challenges during his tenure, with a gentle but encouraging hand on the tiller. In the finest traditions of the Royal Navy, one hands over command of a ship (or, in Peter's case, a submarine!) in a matter of hours; the transition of chairing our Charity was well thought through and executed, thanks for which are entirely due to him. I speak for all Trustees, staff and beneficiaries in expressing our gratitude for his many years of devoted service to the seafaring community. Thank you Peter.

There is no organisation that will not start a review of the last year without commenting that without exception, it has been a unique period. You will hear elsewhere in this Annual Report just how The Seafarers' Charity has responded to the COVID-19 global pandemic and fought hard – along with many other organisations – to raise awareness of those stranded at sea, far beyond their contractual terms with no idea when they might be allowed ashore again. It falls to me to thank our Chief Executive, Catherine Spencer, and all her team, for their outstanding work since our last Annual Report. Not only have they dealt with a strategy review, a brand refresh, 100% remote working from home and

what is unquestionably the busiest and most demanding year on record in terms of grant funding, Catherine and the team have done so with a cheerfulness and passion which has been fantastic to witness. A huge 'well done' to everyone on behalf of the General Council.

Our plans to reinvigorate the effectiveness of the Charity, encapsulated in our new strategic and implementation plan, have been supported by the evolution of our name from Seafarers UK to The Seafarers' Charity. We have long recognised that 'Seafarers UK' was not working as well as it could. Inserting the word 'Charity' provides recognition at first glance of what we do. Due to the global nature of shipping, and the fact that since our inception our support has always been broader than just the UK, it was prudent to remove 'UK' from our name to enable our fundraising team to seek contributions from a wider pool. Feedback has been overwhelmingly positive – and the reintroduction of King George's Fund for Sailors (KGFS) as a watermarking logo has proved hugely popular!

Finally, it would be remiss of me not to also thank my fellow Trustees. This has been a busy period and they have all stepped up in terms of commitment and diligence. The Seafarers' Charity is in good heart, with a reinvigorated look and team, raring to get going, to boost our fundraising and advocacy and, there by, our grant-making.

Introduction from the Chief Executive Officer

Catherine Spencer



In an exceptionally stormy year, we have continued to achieve and deliver for seafarers. We welcomed our new Chair of the General Council (Board), Paul Butterworth, and have worked with the Trustees to navigate a new direction which will deliver more for seafarers.

In early 2021, we announced that the Charity is now to be known as The Seafarers' Charity. We worked throughout 2020 to understand the needs of seafarers and fishers, and how to address these through our Charity and delivery partners.

We made the most of the extraordinary circumstances, driven by the knowledge that however difficult the situation in the UK has been, there have been hundreds of thousands of seafarers trapped at sea delivering the goods we need, while UK fishers have endured a staggeringly difficult year. It is their commitment and dedication that has shaped our work in creating a new strategy with an outcomes-focused approach.

Our loyal donors responded spectacularly to our COVID-19 Emergency Appeal, making it our most successful appeal in recent years.

In common with other charities, many of our fundraising revenue streams were decimated by the impact of COVID-19. Our new Development Director joined us during the pandemic, contributing to our strategy, particularly on work to rebuild our Fundraising Team and to significantly increase income.

The importance of the Charity's role was emphasised by the need for additional funds to support the response to COVID-19.

The Trustees of The Seafarers' Charity unanimously voted to release £2.0m. Split 75% merchant seafarers, 25% fishers, it enabled charities to continue supporting seafarers in most need. Immense work from our newly named Impact Team (formerly the Grants Team), excellent commitment from our Trustees and trebling the frequency of grant award meetings ensured that The Seafarers' Charity has been able to add exceptional support to the sector.

In summary, 2020 will long be remembered as a dire year for everyone who has suffered the consequences of the pandemic. However, Seafarers UK, now as The Seafarers' Charity, used the time usefully to award the largest ever amount of grants to support the sector, develop a new impactful strategy, and design an evolved identity, reintegrating the best of the past with a future to reduce seafarer hardship.

I am immensely proud to work for such a small organisation, that has had such a large impact during testing times, and thankful to my colleagues and supportive Chair of the General Council and Trustees for their incredible commitment and work this year.



Who we are

The Seafarers' Charity, formerly Seafarers UK, was announced when we revealed our new ambitious strategy. The strategy will reduce need by identifying the systemic problems that create disadvantage to tackle them at source.

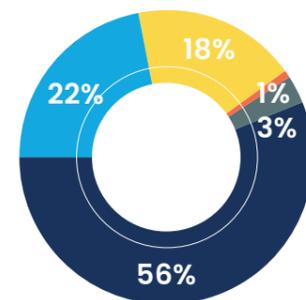
We have been the UK's national maritime charity since 1917 and our legal name remains as Seafarers UK (King George's Fund for Sailors). Now we're embarking on our next voyage to reignite our work and commitment to all who work at sea.

Our fresh identity, 'The Seafarers' Charity', is a clear progression from Seafarers UK. From first contact, it's more obvious what we do and better reflects where we work.

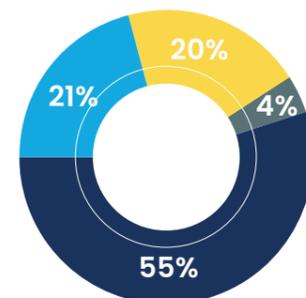
The Seafarers' Charity is proud of the work we do nationally within the United Kingdom, as well as the work we have always done internationally, and particularly in the Commonwealth. Thus, our new name reflects our global outlook. We've added the word 'Charity' to make it clear what we do. The Seafarers' Charity recognises that seafarers work internationally. We will continue to support seafarers in the UK and abroad as we have done since we were founded. In 2020, 78% of grants awarded were to support both UK and visiting international seafarers, 22% directly supported international work.

We're also integrating the use of 'King George's Fund for Sailors' as an emblem, alongside

2020 Main Grants by Location



2020 COVID-19 Grants by Location



● International ● Scotland
● England ● UK-wide
● Wales

'The Seafarers' Charity'. It is a name that we're proud of and many of our loyal supporters still like. Through the inclusion of 'King George's Fund for Sailors', we will commemorate our heritage and the thousands of seafarers whom we've helped since the First World War, when the need for a national maritime charity was first recognised.

Finally, having a name that includes the word 'Charity' will make it easier for us to fundraise – so we can keep supporting seafarers.



Grants Awarded

In a typical year, our annual grants programme awards more than £2.0m to support both core and project costs of many well-known maritime welfare charities such as Stella Maris, Mission to Seafarers, International Seafarers' Welfare Assistance Network (ISWAN) and Fishermen's Mission, amongst others. But 2020 was a year unlike any other - COVID-19, lockdowns and leaving the EU hurt seafarers in need in the UK and beyond. We reacted quickly and increased our grants spend to meet these needs.

Our grant-making was driven by the need to respond to the impact of the coronavirus pandemic. Not only were many of our grant-funded delivery partners constrained in their ability to generate income as their usual fundraising activities were curtailed, but at the same time they needed to innovate and find new ways to respond to the growing welfare needs of seafarers who reached out for charitable support, and in much greater numbers, than at any other time.

We ensured essential welfare services could continue for seafarers who found themselves at the sharp end of the coronavirus pandemic following the closure of international borders. We are fortunate that The Seafarers' Charity Trustees proposed a drawdown of an additional £2.0m from our reserves to support the maritime community in this exceptional year. This enabled the creation of our COVID-19 Emergency Fund.

Responding to COVID-19 resulted in changes to how we work. Normally, there are three in-person meetings of our Grants Committee and a grants budget of £2.0m. As additional funds were needed and, in many cases, needed quickly, nine Grants Committee meetings were held to meet demand. This tripling of our workload enabled an additional £1,567,193 of funds to be distributed to 40+ maritime welfare organisations specifically to support seafarers through the coronavirus crisis.

We were able to use the COVID-19 Emergency Fund to award additional financial support to many maritime charities providing advice, financial aid, and welfare support to active seafarers. Examples include.

- ISWAN who received an extra £80,000 to help with repatriation and abandonment of seafarers, as well as medical and other emergencies.
- Mission to Seafarers received extra funding to transform their quay-side ship visiting service into an online digital chaplaincy, as well as to ensure that their seafarer centres and transport for visiting seafarers were COVID secure.
- Queen Victoria Seamen's Rest (QVSR) received additional grant funding to respond to the needs of seafarers from six cruise ships who suddenly found themselves stranded in Tilbury as borders closed and visiting cruise companies discontinued their journeys.

A significant grant award was £200,000 which created the UK Maritime Anchor Fund for working-age merchant seafarers who had their employment affected by the coronavirus pandemic. This new Fund provides a holistic package of financial support, advice, and free mental health care as well as relationship counselling from Relate.

This integrated approach was in recognition that the problems caused by COVID-19 are often complex and require more than a single solution.

In partnership with the Merchant Navy Welfare Board and the Department for Transport, we awarded a grant to provide port-based maritime welfare charities with MiFi units – in effect a mobile Wi-Fi access point. This was welcomed by seafarers who could use the MiFi units to connect with family and friends at home, as well as download new films, books, games, and other online entertainment.

However, it wasn't just those working at sea that were impacted. Former and retired seafarers also required support. Both QVSR's hostel on the East India Dock Road, East London, and Mariner's Park, Wallasey, accommodate many elderly and retired seafarers. Each received additional grant funding to support the extra cost of providing Personal Protective Equipment

and the employment of agency staff to cover for unwell and shielding staff members so they could continue to take care of their elderly former seafarer residents.

From the £2.0m COVID-19 Emergency Fund, £500,000 was allocated specifically to support the needs of commercial fishers who experienced the double impact of declining exports arising from the lockdown of the European hospitality sector, closely followed by a UK-wide lockdown of domestic hospitality. From this amount, £200,000 was awarded to The Fishermen's Mission to support their distribution of hardship grants to fishers in need. A separate amount of £250,000 provided match funding for a Rapid Response Grants Programme (RRGP) in partnership with the Fishmongers' Company Charitable Trust and this grant enabled fishing businesses to diversify, with many transitioning to selling directly to consumers. Direct selling helped fishers to continue fishing and prevented their reliance

COVID-19 Emergency Fund £2.0m

£1,067,193

was allocated to the international merchant seafaring community

£500,000

was allocated specifically to support the needs of commercial fishers



£432,807

remaining in the COVID-19 Emergency Fund for distribution in 2021

£200,000

was awarded to The Fishermen's Mission to provide hardship welfare grants to fishers and their families

£250,000

provided match funding for a Rapid Response Grants Programme (RRGP) in partnership with the Fishmongers' Company Charitable Trust

£1,067,193

was allocated to the international merchant seafaring community

£50,000

was reserved for organisations working with fishers around the UK

on welfare grants. The remaining £50,000 was awarded to several fishing associations around the coast to enable them to support and make hardship grants to those in need.

The COVID-19 Emergency Fund ensured the support and future continuation of welfare services for the maritime community. We awarded grants to seafarers' centres both in the UK and in Africa that were unable to generate sufficient income from their own sales and services as a result of being locked down and seafarers not being allowed ashore. At the end of the year there is £432,807 remaining in the COVID-19 Emergency Fund for distribution in 2021.

In addition to the COVID-19 Emergency Fund our usual annual grant funding programme to support maritime welfare services continued. Two interesting new grants awarded this year included:

A grant to fund the national Relate charity to provide free relationship counselling for seafarers. This recognises that it can be difficult to sustain a relationship that has prolonged periods of separation. Importantly, it also ensures

parity of welfare provision with the Royal Navy who already benefit from access to this grant-funded service.

Funding to support the development of an online safety management system for commercial fishers. The free online Safety Folder, as recognised by the Maritime & Coastguards Agency, supports risk assessments and management of regular inspections and compliance checks for essential safety equipment. Thereby helping to support safety improvements in the fishing industry.

By the end of 2020, a total of 81 grant awards had been made to 55 organisations, including 8 grants awarded from the Merchant Navy Fund (a joint fund with the Merchant Navy Welfare Board) to support UK merchant seafarers.

A total of £3,568,373 in grant funding was injected into the maritime community by The Seafarers' Charity to support the wellbeing and welfare of active and retired seafarers during this difficult year.

Research and Sector Efficiency

A significant amount of exploratory work to inform and develop our new strategy commenced in January.

We invited a small number of key partners to join us in a Scenario Planning session to consider what maritime welfare would look like in 2025.

The National Council of Voluntary Organisations (NCVO) worked with us to develop a Theory of Change. The Directory of Social Change (DSC) led a new piece of research into Understanding Perceptions of delivery partners and external stakeholders to inform our future direction.

Our new research report, Fishing Without a Safety Net, examining the financial resilience of UK fishers, was launched at a successful webinar in October. A follow-on from our 2018 Fishing for a Future report, the new research report, by Dr Paul A Jones from Liverpool John Moores University, exemplifies our new strategic approach to our grant funding. The research made recommendations for charities in respect of a UK-wide credit union, financial capability training, enabling access to appropriate financial services for fishers and raising awareness of the range of support that exists. Since July 2020 we have engaged numerous stakeholders in exploring these recommendations and we anticipate you will be hearing more about our evidence-based grant-funded solutions arising from this research by the second half of 2021.

Sector collaboration and efficiency was assisted by our continued membership of the Maritime Charities Group (MCG). During the year, we said goodbye to Valerie Coleman, the MCG Programme Manager who was a valued and insightful colleague. The administration of the new MCG Programme Manager is now managed by the Nautilus Welfare Fund.

The coronavirus crisis meant that collaboration and sharing was vital, and we have collaborated and participated in numerous meetings and initiatives aimed at supporting seafarers throughout this year:

- We met on a regular basis with other maritime charitable funders such as ITF Seafarers' Trust, TK Foundation and Fishmongers' Company Charitable Trust to ensure needs were met, duplication of funding avoided, and joint funding facilitated. We launched the new UK Maritime Anchor Fund in partnership with Seafarers' Hospital Society and the Seafarers' Advice and Information Line (SAIL). Nautilus and The RMT Union assisted in promoting this new grant-funding support for UK merchant seafarers to their members.
- We are grateful to the Merchant Navy Welfare Board for their organisation, hosting and chairing regular COVID-19 meetings for the sector.
- We were involved in and contributed to regular industry and charity telephone conferences led by Defra and had a seat at the Fishing Industry Safety Group meetings.
- We continued our funding partnership with Greenwich Hospital and Seafarers' Hospital Society to fund SAIL – a Citizens Advice freephone service for seafarers.





Campaigning



We continued our campaigning, adjusting in the light of what was possible during the pandemic. Seafarers Awareness Week has been an annual summer event. An initial plan for an industry-wide safety campaign, collaborating with a wide range of industry stakeholders, was recognised as unachievable as the maritime sector focused on stranded crew and diminishing returns.

We refocused our efforts to an online campaign, specifically on seafarer suicide, highlighting the lack of official data on suicide and, more broadly, death at sea. Excellent media coverage during the week was followed with meetings with Protection & Indemnity Clubs (P&I Clubs) to better understand the issues. The Maritime Labour Organization have also recognised the problem, and the challenges. It is important that credible data is available to enable the maritime sector and maritime welfare charities to develop proactive services and solutions. Further collaborative work is ongoing, although the impact of coronavirus is still a priority for most in the sector, slowing down progress. We will continue to work with ISWAN, Mission to Seafarers and others on this issue.

Our 'Fly the Red Ensign' event for Merchant Navy Day was more difficult to run than in normal years, due to social distancing, but still went ahead. We developed a social media toolkit to spread awareness and, with 1,034 participants from town, borough and parish councils to local Merchant Navy Associations and more, Fly the Red Ensign was a highly regarded event.

Our new strategy will increase the impact of our advocacy. We want to affect change, thus, in the future our campaigns will be issue-specific, led by our understanding of the root cause. The general 'Seafarers Awareness Week' will be replaced by issue-led campaigns managed by our Impact Team, and specific fundraising campaigns and events led by our Development Team.

Our excellent Fishing without a Safety Net research, and ensuing actions, is a good example of how we will use research and existing information to create real change from 2021 onwards.

SEAFARERS UK COVID-19 EMERGENCY APPEAL



We have an incredibly loyal supporter base, and we are so thankful to each and every one. It is testament to our generous supporters that through our various appeals, most notably our Emergency Appeal, we have had our most successful Appeals year in the recent history of The Seafarers' Charity – raising more than £100,000 and exceeding our pre-COVID-19 target.

Despite the cancellation of live events, we were delighted that supporters created their own challenges to support us, including the Virtual London Marathon, and we are deeply grateful.

Cumulatively, this meant we exceeded our re-forecasted target for the year by £269,000.

We have worked to better engage our existing supporters and increase our reach whilst raising our profile. Finding new ways to engage and solicit financial support from a broader base of people is vital for our fundraising success – now and into the future. It is heartening that through improved messaging, improved insight into our supporter base, and investing in digital we have attracted double the number of new donors in 2020 compared to 2019.



Our Development Director joined us halfway through the year. A comprehensive analysis was conducted to assess the effectiveness of our fundraising activities and key messaging. The analysis highlighted gaps in our capabilities and skill sets which in turn guided our investment into resource that will, over time, produce returns. COVID-19 and its impact on our fundraising has accelerated our thinking, has forced us to adapt, innovate, and become more creative in how we fundraise. Lockdown has pushed the digital agenda forward significantly for everyone and we have capitalised on this opportunity. We have seen an uptick in digital engagement which we plan to increase further in 2021. A robust approach to metrics and indicators will keep us firmly on track, ensuring our work is effective and gets results. Our focus for 2021 is to continue refining how we engage with loyal supporters and to inspire new supporters, particularly in a younger demographic to ensure The Seafarers' Charity flourishes and is well placed to meet the continuing demand for our support. By connecting our heritage, our history, to our future, and maritime welfare need, we will build relationships, inspire a broad range of donors and supporters to help improve the lives of seafarers.

We are investing in our capability and expertise within corporate fundraising, working and partnering with corporate organisations across the maritime sector, to raise our profile and need for support.



Fundraising

COVID-19 has had a devastating impact on fundraising across the charitable sector. In line with most other charities, our most impacted income streams are events and legacies.

The cancellation of live events, like the London Marathon, and 24 Peaks, meant that we had to radically re-forecast our projected event income. Delays in probate have meant that legacy income has been vastly reduced. Trusts and Foundations have taken a varied approach throughout the pandemic – some ramping up their grant giving to tackle the fall-out from COVID-19 directly,

others pausing decision-making until investment income is more stable. In recognition of the dire environment, we revised our forecast down substantially mid-year. Fundraising performance for the year exceeded the mid-year forecast, closing on a 32% reduction in voluntary income from our original 2020 budget.

Thrive.

An outcomes-focused approach for strengthening support to seafarers 2021-2024

Thrive is our new strategy that sets out an ambitious plan for further reducing deprivation and need among all who work at sea. Since 1917, we've helped hundreds of thousands of seafarers and their families, at all stages of their lives, through our grant awards to expert delivery partners.

Our new approach will get to the core of issues and determine solutions to enable seafarers to live dignified lives. We want to fund preventative solutions, which keep seafarers free of hardship. We will still help those who fall into difficulty, through grant awards to our delivery partners, but we'll dive deeper into core problems to better enable seafarers to thrive.

Vision

Our vision encapsulates what we want to achieve.

A world where seafarers and their families are valued and are free of need and disadvantage.

And we've developed an implementation plan to help us achieve our Mission.

Mission

Tackling the disadvantages of a seafaring life by leading collaboration, funding, and advocacy to improve seafarers' lives.

Our Values

We are a responsible and reliable organisation that seafarers, donors, and delivery partners can trust.

We live our values in both our work with our partners and throughout our Charity.

Integrity

We do the right thing. Compassion and transparency are embedded in how we work.

Collaborative

We inspire a culture of creative partnerships to achieve the best impact and outcomes.

Innovative

We embrace effective new ideas and ways of working.

Bold

We ensure impact through brave, and well-considered decision-making.

Our strategy will guide our work to 2024 and will be regularly reviewed.



Ensuring The Seafarers' Charity Delivers Value for Money

Our organisational objectives will lead work to improve the organisation. This will ensure that we are an efficient, effective, and capable charity. We will continue to ensure that we offer excellent value for money.

Our organisational objectives:

- proactively working with delivery partners to gain maximum impact, through grant funding;
- collaborating on quality research to identify need and opportunity;
- championing and promoting innovation, excellence, creativity, and cooperation across the sector to enhance efficiency and effectiveness to deliver the best outcomes for seafarers;
- investing in our fundraising work to ensure we can support seafarers of the past, present, and future;
- advocating and campaigning for real change to improve seafarers' life voyages;
- increasing the visibility of our work to all audiences through a wide variety of media.

Creating Positive Impact for Seafarers

We will continue to deal with the challenges seafarers are facing immediately, as well embracing innovation and collaboration. The Seafarers' Charity will ambitiously pursue a better future for seafarers. We want everyone who works at sea to thrive.

We will provide grant funding for:

- welfare interventions to support seafarers who are disadvantaged and experiencing hardship due to their seafaring life;
- positive solutions, which empower seafarers to build a better life.

This will be combined with collaboration, research, and advocacy to create change, to reduce the hardships experienced by seafarers, and to enable an environment in which seafarers have better lives.



Strategic Outcomes to Produce Results

Our approach will be outcomes-focused and will ask more of everyone currently involved in the welfare, employment, and representation of seafarers to create real and positive change. We want to enable solutions that tackle root causes.

Therefore, we are focusing resources on achieving five long-term outcomes for seafarers to reduce the need and enable greater independence. Our traditional approach to alleviating hardship will evolve. We will create visible improvement in the lives of seafarers and their families through the delivery of the well-considered strategic outcomes.

Our strategic outcomes have been developed from an in-depth review of the needs of seafarers, the purpose of The Seafarers' Charity, and the needs of maritime welfare charities. These will be supported through collaboration, grant funding, and advocacy to improve seafarers' lives and achieve a world where seafarers and their families are valued and are free of need and disadvantage.



Enhanced Financial Resilience

Seafarers and their families, at work and in retirement, have access to confidential and independent advice, information, and financial help during challenging times which can support their economic resilience and build independence.

We will deliver this through information and advice lines, hardship, and welfare grants, as well as access to business support for fishers.

Better Working Lives at Sea

People working at sea are valued as key workers. They work within sustainable and ethical supply chains and are the backbone of the global economy.

We will deliver this through virtual and port-based welfare services, via an international chain of seafarer centres, port welfare committees, and ship visitors.

Raised Safety Standards and Practices

Seafarers are kept safe and return from their seafaring voyages without experiencing accidents or harm.

We will deliver this through supporting better safety practices, risk reduction, and enhanced safety culture.

Improved Health and Wellbeing

Seafarers and their families can obtain health and welfare services that support their mental and physical health and wellbeing at the appropriate time and location; onboard and onshore, while at sea, and during retirement. This includes suitable retirement accommodation in the community of their choice.

We will deliver this through mental and physical health and wellbeing support, as well as accommodation and care homes and initiatives to tackle loneliness and support relationships.

Increased Social Justice

Seafarers and their families have access to welfare services and programmes that are responsive to the unique needs of working at sea and provide support during retirement. This includes respect for diversity and cultural differences, reducing the fear of bullying or harassment, and supporting human rights.

We will deliver this through access to services and outreach programmes, as well as diversity and inclusivity. We will encourage understanding of the concept of human rights at sea.

Supporting the Maritime Welfare Ecosystem

An example of some of our delivery partners, working with us to achieve better results for seafarers



What does this mean for grant applications?

We will assess every grant and activity against our strategic outcomes to ensure that we deliver a positive impact. We will continue to provide support to our existing delivery partners who deliver vital frontline services. This will be complemented by new ways of working, which will enable seafarers to thrive and support independence.

We want to help seafarers who are currently struggling while working towards a new future, where need and hardship are alleviated.

Who do we support?

Our focus to 2024 will support current or previously employed seafarers and their families. Employment may be as a merchant seafarer, the UK Fishing Fleet, Royal Navy, or Royal Fleet Auxiliary. Essentially, our Royal Charter allows us to support any person who is employed, or engaged, or works in any capacity on board a ship to which the Maritime Labour Convention 2006 (MLC,2006) applies. We have always supported seafarers' families and those who have come ashore and/or retired from a seafaring life.

Seafaring is a global business – we support seafarers throughout the world and in the UK, and those who work in the UK Fishing Fleet and UK waters.

How we Developed our New Plan

To ensure that we thoroughly understood the needs of the seafarer, our existing charity, and the maritime welfare sector, we undertook an extensive review to map out the future. We consulted internal and external stakeholders. Work from September 2019 used a variety of methods to provide information and evidence to better understand the role of The Seafarers' Charity and determined how we can better support seafarers through maritime welfare charities and other delivery partners.

Work has included:

- a review of information and communications from regular, new, and potential donors to understand what they want the Charity to achieve;
- an initial exercise to understand how colleagues and Trustees regarded the Charity and how they wanted it to look in the future. During strategy development, words to describe the future included 'leader', 'innovative', 'advocate', and 'campaigning';
- the Theory of Change (National Council for Voluntary Organisations) uncovered the ultimate impact needed and enabled mapping out activities and outcomes required to make that impact happen;
- Future Scenario Planning (Harper Professional Services) encouraged the examination of possible changes to the maritime sector in the future, what needs should be anticipated, and how The Seafarers' Charity can best support seafarers through maritime welfare charities;
- a SWOT analysis of all activities reviewed strengths and weaknesses of the current structure, and opportunities and threats to consider when creating the new strategy;
- an External Stakeholder Survey and Research report provided information from the maritime welfare charity sector and other maritime organisations (Directory of Social Change). As well as providing information, we asked questions that tested reaction to our strategic intent;
- an away day which invited colleagues to determine our Vision, Mission, and Values;
- analyses of the fundraising needs of The Seafarers' Charity revealed a need to provide focus and realign our name to match our purpose.

Measuring Success

The strategic plan has guided the creation of our implementation and reporting plan.

The implementation and reporting plan sets out our objectives, goals, and targets.

We will persistently measure our performance to ensure we deliver impact.

Key Performance Indicators will be reported to The Seafarers' Charity's General Council.

The General Council and Senior Leadership Team will evaluate performance to keep our plan on track.

Our People

We want all our staff and volunteers – our people – to feel engaged with our organisation and our work.

We developed our mission and values to improve our strength as an organisation by promoting a culture of integrity, collaboration, and the openness for staff to bring new and bold innovations to open feedback.

We aim to make the Charity a place where staff feel safe and respected. In 2020, we implemented a staff-led working group to explore how we can become a more diverse and inclusive organisation, by improving policies and processes and to introduce training for all staff. We have also increased our emphasis on wellbeing introducing an Employee Assistance programme and weekly positive message meetings.

Remuneration

In the past two years, we have made improvements to our pay and benefits to bring them in line with the wider charity sector, helping us to attract and retain the best people and keep colleagues engaged throughout their employment.

Each role is benchmarked using external consultants 'Croner Rewards' who maintain an extensive pay database in which to evaluate our roles against, ensuring we pay a competitive salary compared to similar organisations.

In March 2020, we became an accredited Living Wage employer, so we can ensure everyone who works for us can earn enough to live on. We aim to extend this to our supply chain when reviewing contracts.

The General Council reviews and approves annual pay increases in line with inflation and affordability for all colleagues. Due to the COVID-19 pandemic and the impact on our income, the difficult decision was reached to not award a pay increase to staff for the year starting 2021; however, in recognition of the additional time and effort the team contributed through the year, the Trustees awarded £100.00 in vouchers to all staff in January 2021.

No Trustees are remunerated by the Charity. Travel and incidental expenses can be claimed.

Remuneration of key management personnel is reviewed annually in the same way as colleagues and benchmarked against other salaries in the sector. A list of key staff is available on page 65.



Structure, Management and Governance

Legal structure

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

The Trustees are members of the General Council, which is the ultimate governing body. The General Council sets policy and is responsible for the conduct of The Seafarers' Charity's affairs and for ensuring that the Charity operates formally in accordance with the Royal Charter, the Byelaws, and the law, as well as observing recognised best practice in all functional areas.

The Charity's aims or purposes ('objects') are:

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

The aims of the Charity set the framework for our grant-funding strategy and management.

The General Council is responsible for all major policy decisions and for approving strategy and objectives. They meet three times a year. Items not reserved for the General Council are delegated to the Chief Executive Officer and the Executive Team or to one of the following main committees:

Audit and Governance Committee

Ensures that The Seafarers' Charity has effective internal controls and risk management systems and is operating within approved policies and processes and the law.

Ensures the integrity of the published Annual Report. Reviews governance arrangements and makes appropriate recommendations to ensure that the Charity complies with the governing documents.

Finance and Investment Committee

Oversees, monitors and reviews the financial position of the Charity and its subsidiary to ensure long- and short-term viability, responsible for investment policy and monitoring of the investment portfolio performance.

Development Committee

Oversees the fundraising and engagement strategy to create sufficient funds to meet the needs of the Charity.

Impact Committee

Evaluates all qualifying applications for funds in pursuance of The Seafarers' Charity's objectives against an agreed annual budget and ensuring follow-up monitoring and evaluation of grants made.

Appointment and Training of Trustees

New Trustees are co-opted during the year by the General Council and, subject to the approval of the membership of the Corporation, they are formally elected for a five-year term of office at the next Annual Meeting. They may subsequently serve one further term of five years.

All Trustees are provided with a range of training opportunities and guidance to help them meet their responsibilities.

The balance of Trustees is kept under review with regards to skills and diversity.



Statement of Responsibilities of the Trustees

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005.

They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Governance and Compliance

Each year, the Audit and Governance Committee receive a report on complaints and any compliance issues affecting the Charity. No major issues or concerns were highlighted in 2020.

In 2019/2020, a governance review was undertaken by Almond Tree Consulting, the review found that the Charity is generally well governed with no critical failings in its governance, the report highlighted some areas for improvements to establish the Charity in the best possible position for the future. A sub-committee of Trustees and the Executive Team undertook an evaluation of the recommendations to take forward. These included a Trustees' Code of Conduct and Handbook, management of Conflict of Interests, a review of the structure and make-up of the General Council and committees, and a more transparent and rigorous Trustee recruitment and development process, including enhancing diversity.

These recommendations are currently being undertaken.

Public Benefit

Trustees consider the Charity Commission guidance on public benefit when planning future activities, setting grant-making policies and in making grants. The positive impact expected from each grant is considered before a grant is awarded and monitored. This enables Trustees to be confident that the Charity achieved significant public benefit for a number of groups and individuals across the UK and the Commonwealth.

A diverse range of public benefit is provided by the number of charities and organisations we support each year, as they work to prevent the relief of poverty, advancement of health, and help people in need by means of disadvantage.

The Charity has the ability to reach groups from cradle to grave as long as the beneficiary has satisfactory links with the UK and Commonwealth maritime community.

Principal Risks and Uncertainties

The Trustees identify, assess, and understand the risks facing the Charity and are satisfied an appropriate risk framework is in place to manage these.

The main uncertainty currently facing the Charity is the impact of the ongoing coronavirus pandemic. The Trustees and Executive Team continue to monitor the situation and follow the Government's advice. The Charity acknowledges that we face a period of uncertainty.

The Charity has been monitoring the level of grant applications as the coronavirus pandemic proved disruptive to many beneficiaries. The level of grant applications is strong but manageable and this is expected to continue through 2021 as the impact of Brexit on the sector is revealed.

Although we do not yet know the long-term financial impact, the Charity is in a good financial position to help manage this risk. The Charity has a diversified investment portfolio which has proved resilient through the pandemic.

The recruitment of a Development Director has led to improvements in our fundraising messaging and approach. We have become more adaptable, flexible, and better placed to explore digital options and ideas. Although income levels were down against the budget set at the beginning of the year, the level of return was better than anticipated. We are investing in recruiting fundraising specialists in 2021 and with

the improved financial analysis through the implementation of a new finance system, we will be able to provide deeper insight into performance.

Stability and security of the IT Infrastructure has been improved to allow staff to work remotely to ensure as far as possible that our work continues. There are plans in place to improve the infrastructure to ensure the systems are secured further and are effective in managing our data into the future.

The Seafarers' Charity understands that risk cannot be eliminated, and the process undertaken is designed to manage and minimise the likelihood of risks occurring. The risk register is regularly reviewed by the Executive Team, providing a consistent approach to identifying, assessing, and dealing with the risks. The Audit and Governance Committee reviews and monitors the identification and mitigation of both new and existing risks; high-level risks are referred to the General Council for evaluation.

The Charity continues to review its risk management process and activities, and seeks opportunities to improve these.

Aside from the COVID-19 risks mentioned above the principal ongoing risks to the Charity are:



Cyber-attacks

These are increasing in frequency and sophistication. To mitigate the risk, we have mandatory cybersecurity awareness training for all staff, undertake external security assessment of our network, and our IT defences are continually under review. Work continues to maintain full compliance with data protection and GDPR legislation with regular staff training.



Future working

Working remotely has opened up opportunities to consider alternative working arrangements – we are carefully considering the possibility of selling our current premises, current market permitting, and moving to a property that would better fit our requirements now and into the future. We will be reviewing the needs of the organisation along with the needs of our staff.



Financial sustainability and performance

Although we do not expect our financial position to be adversely affected in the short-term, we constantly monitor our financial performance to highlight any potential risks. We undertake regular cashflow reporting and forecasting, analysis of income and expenditure, and measuring investment management performance.



Reputation (adverse publicity legal/regulatory compliance)

We have a number of policies to mitigate the likelihood and impact of an event that could negatively impact the Charity's reputation including whistleblowing, safeguarding, a register of interests for staff and Trustees along with robust financial procedures.



Our Fundraising Practices

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

In 2020, the Seafarers' Charity carried out its core fundraising activities through a dedicated team at its London office and its representative in Scotland, as well as through a small number of regional committees who engage in small-scale fundraising activities across the UK.

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

Fundraising standards

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

We are keen to hear from our beneficiaries if they believe there is something we did not get right, so we can learn where we can improve.

During the year, we received no formal complaints to our fundraising activities – we did receive one issue of concern which was related to an administrative error and the recipients' receipt of unwanted fundraising material. We have learnt from the concerns raised and, working with managers, have put steps in place to minimise this happening in the future. We relayed the actions we are taking to the individuals with concerns.

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

General Data Protection Legislation (GDPR)

During 2020, we continued to ensure that the data we held was GDPR compliant. We only contact supporters who have given unambiguous and explicit permission for us to contact them using their specified method, for marketing activity, including fundraising support. All our communications to supporters include information on how to opt-out of any future communications and are checked for compliance before they go to print.

The Charity's policies relating to GDPR are reflected in the Data Protection Notice that is included in all direct communications with supporters, as well as the Privacy Policy which is displayed on our website. We're signed up to the Fundraising Preference Service and maintain our own suppression list. We ensure that all personal information that we need in running the Charity

is properly protected, correctly used, and safely stored. All employees are mandated to complete training on GDPR as well.

Supporter data and working with third-party fundraisers

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

Volunteers and Regional Committees

Due to COVID-19, most planned activities and events by our regional committees had to be cancelled in 2020, but we hope to engage with them again in the later part of 2021, depending on lockdown restrictions being in place.

Responsible fundraising

Our fundraising policies and procedures, along with The Seafarers' Charity's Safeguarding Policy, ensure and outline how we protect people who might be vulnerable in our fundraising and supporter practices, including how we identify potential vulnerability and how we aim to respond in relevant circumstances. We are committed to supporting people who may be in vulnerable circumstances in an appropriate way, ensuring we adhere to the Treating Donors Fairly guidelines.

Financial Performance and Review

The financial statements are presented in the standard format required by SORP FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. The Statement of Financial Activities (SOFA) shows the gross income from all sources and the split of activity between restricted and unrestricted funds, and endowment funds.

Overview

It can be seen from the SOFA on page 38 that income for 2020 is £1,554k, compared with £2,362k for 2019, a decrease of 34.2%. Our income streams in 2020 were detrimentally impacted by COVID-19.

Total expenditure in 2020 amounted to £5,513k compared to £4,242k for 2019. In addition to our 'normal' grant award programme, Trustees released £2.0m from investments to form a COVID-19 Emergency Fund. £1,567.2k was used in 2020, the residual £432.8k is expected to be used in 2021. The Seafarers' Charity accessed support of £14.7k from the Government Furlough Scheme in 2020 to mitigate against the loss of income due to COVID-19.

The increased grant-making activity caused net expenditure for the year to increase to (£3,959k) compared to (£1,880k) for 2019.

Details of grants awarded, campaigning, and fundraising work can be found on pages 7 and 8 and 13 to 15, respectively.

Assistance to Other Organisations

During 2020, we supported organisations with financial grants and administration support, including the Annual National Service for Seafarers and the Maritime Charities Group.

The cost of assisting other organisations was £3.3k compared to £23.7k in the previous year, which was a combination of administration charges and recouping costs. This significant reduction is due to the cancellation of the Annual National Service for Seafarers because of COVID-19 restrictions, causing a drop in related income and expenditure due to reduced administration needs.

Investment Policy

The investments are maintained for the Charity's current and future needs. The investment policy balances the need for capital protection with the desire to secure investment returns. The Investment Managers are set targets to utilise their professional expertise. The Finance and Investment Committee take an overview of the total impact and individual portfolio performances. Investment managers report and discuss actual performances at each Finance and Investment Committee; this is conveyed to each General Council. The investment managers are allowed to use derivatives for protection purposes, after prior approval from the Finance and Investment Committee.

The Seafarers' Charity promotes the health of seafarers and does not invest in any company which derives 10% or more of their income from tobacco products.

Investment Portfolio

The end-of-year market value of the investment portfolio was £36.6m compared to £39.8m in 2019, a decrease of £2.3m after investment property valued £2.63m was transferred to tangible assets and after withdrawals of £4.0m for cashflow requirements.

The COVID-19 pandemic has had a significantly adverse effect on global investment markets many of which are still struggling to regain their pre-pandemic levels and we are comforted by the impressive returns achieved by our investment managers.

Three investment managers are mandated to manage the Charity's investment funds, namely Ruffer LLP, Veritas Investment Management LLP and UBS.

Ruffer aims to maintain the investment value on a 12-month rolling basis and to outperform cash returns. In 2020, Ruffer produced a positive total return of 11.8%.

Veritas aims to protect and grow the capital value to achieve a total return of RPI plus 4% on an annual basis. For 2020, Veritas produced a total return of 12.2%.

We also have an investment in a fund managed by UBS which is in the process of wind-down with funds being returned to investors. The market value decreased by £92.8k over the year to £510,009 following distributions made during the year of £52,430.

Property

The property assets consist of 7 and 8 Hatherley Street, London. 8 Hatherley Street is occupied by the Charity. No. 7 Hatherley Street consists of ground floor offices and three residential flats.

The residential properties are let through agents and the offices are let directly to the Armed Forces Covenant Fund Trust Ltd. Rental income received is £104k vs £111k in 2019 due to a slight rent decrease due to the impact of COVID-19 on rental residential market prices.

7 and 8 Hatherley Street were revalued as at 31 December 2018 by Arnold and Baldwin Ltd Chartered Surveyors using the Royal Institute of Chartered Surveyors appraisal valuation at £2.63m and £2.27m respectively. In light of the decision by the Trustees to sell both properties, 7 Hatherley Street has been transferred in the Balance Sheet from Investment Properties to Tangible Assets.

Reserves Policy

The Reserves Policy is reviewed annually and forms an integral part of the charity's financial strategy. The charity has total reserves of £41.5m. £8.1m are permanently endowed funds and £0.7m are restricted funds. The balance of £32.7m are unrestricted general funds. Of these £10.9m have been designated to support delivery of our strategy and £0.5m remains in our COVID-19 Emergency Fund which is restricted to supporting needs arising from the pandemic. The remaining unrestricted and undesignated funds of £21.3m enable the charity to commit to grant funding, plus our operational expenditure, for a three-year period currently amounting to £14.1m which leaves £7.2m in unrestricted funds. This policy enables the charity to give grant funded maritime welfare charities three years' notice of the discontinuation of our future grant funding and the need for them to identify alternative funding sources.

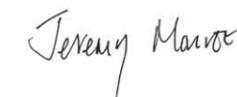
The Trustees' Annual Report has been approved by the Trustees on 14 May 2021 and signed on their behalf by:



Mr P. Butterworth
Chair of the Board



Mr D. Bain
Chair, Finance and Investment Committee



Mr J. Monroe
Chair, Audit and Governance Committee

Statement of Financial Activities

For the year ended 31 December 2020

		Unrestricted	Restricted	Endowment	2020 Total	Unrestricted	Restricted	Endowment	2019 Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income from:									
Donations and legacies	2	725	233	-	958	1,170	244	-	1,414
Other trading activities	3	44	1	-	45	183	-	-	183
Investments	4	430	121	-	551	609	156	-	765
Total income		1,199	355	-	1,554	1,962	400	-	2,362
Expenditure on:									
Raising funds									
Cost of generating voluntary income		315	-	-	315	477	-	-	477
Cost of fundraising events		169	-	-	169	301	-	-	301
Costs of managing investments		351	-	39	390	395	-	23	418
Charitable activities		3,840	799	-	4,639	2,609	437	-	3,046
Total expenditure	5, 20	4,675	799	39	5,513	3,782	437	23	4,242
Net expenditure before net gains on investments	7	(3,476)	(444)	(39)	(3,959)	(1,820)	(37)	(23)	(1,880)
Net gains on investments	13,14	2,868	112	798	3,778	2,924	95	618	3,637
Net movement in funds		(608)	(332)	759	(181)	1,104	58	595	1,757
Reconciliation of funds:									
Total funds brought forward		33,348	1,039	7,334	41,721	32,244	981	6,739	39,964
Total funds carried forward	20a	32,740	707	8,093	41,540	33,348	1,039	7,334	41,721

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

Balance sheet

as at 31 December 2020

	Note	£'000	2020 £'000	£'000	2019 £'000
Fixed assets:					
Tangible assets	12		4,888		2,297
Investment properties	13		-		2,630
Investments	14		36,615		37,170
			41,503		42,097
Current assets:					
Debtors	15	403		207	
Cash at bank and in hand		598		626	
		1,001		833	
Liabilities:					
Creditors: amounts falling due within one year	16	(964)		(1,209)	
Net current assets / (liabilities)			37		(376)
Total net assets	19a		41,540		41,721
The funds of the Charity:	20a				
Permanently endowed funds			8,093		7,334
Restricted income funds			707		1,039
Unrestricted income funds:					
Designated funds		11,423		26,358	
Revaluation reserve		883		914	
General funds		20,434		6,076	
Total unrestricted funds			32,740		33,348
Total Charity funds			41,540		41,721

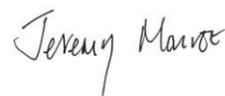
Approved by the Trustees on 14 May 2021 and signed on their behalf by:



Mr P. Butterworth
Chair of the Board



Mr D. Bain
Chair, Finance and
Investment Committee



Mr J. Monroe
Chair, Audit and
Governance Committee

Statement of Cash Flows

for the year ended 31 December 2020

	Note	£'000	2020 £'000	£'000	2019 £'000
Cash flows from operating activities					
Net expenditure for the reporting period (as per the Statement of Financial Activities)		(3,959)		(1,880)	
Depreciation charges		47		47	
Dividends, interest and rent from investments		(551)		(765)	
(Increase)/decrease in debtors		(196)		240	
Decrease in creditors		(245)		(189)	
Net cash (used in) operating activities			(4,904)		(2,547)
Cash flows from investing activities:					
Dividends, interest and rents from investments		551		765	
Purchase of fixed assets		(8)		(18)	
Proceeds from sale of investments		16,589		16,249	
Purchase of investments		(12,256)		(14,934)	
Net cash provided by investing activities			4,876		2,062
Change in cash and cash equivalents in the year			(28)		(485)
Cash and cash equivalents at the beginning of the year			626		1,111
Cash and cash equivalents at the end of the year			598		626

Notes to the Financial Statements

for the year ended 31 December 2020

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1 Accounting policies

a) Statutory information

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

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

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes

could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Donations of gifts, services, and facilities

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

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

g) Interest receivable

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

h) Fund accounting

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

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

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

i) Expenditure and irrecoverable VAT

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

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

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

j) Grants payable

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

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

k) Allocation of support costs

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

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

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

l) Operating leases

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

m) Tangible fixed assets

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

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

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

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

Freehold land is not depreciated.

n) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the SOFA. The valuation method used to determine fair value will be stated in the notes to the accounts.

o) Listed investments

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

p) Investments in subsidiaries

Investments in subsidiaries are at cost.

q) Debtors

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

r) Short-term deposits

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

s) Cash at bank and in hand

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

t) Creditors and provisions

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

u) Financial instruments

The Charity only has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of

bank loans which are subsequently measured at amortised cost using the effective interest method.

Non-basic financial instruments are measured at fair value with any gain or loss going to the SOFA. Full details are given in the financial instruments note.

v) Pensions

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

2 Income from donations and legacies

	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Gifts	204	205	409	205	224	429
Corporate gifts	29	6	35	2	-	2
Legacies	492	22	514	963	20	983
	725	233	958	1,170	244	1,414

Within gifts is £14.7k of government grants received as part of the coronavirus job retention scheme.

3 Income from other trading activities

	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fundraising events	41	-	41	159	-	159
Recharges to other organisations	3	1	4	24	-	24
	44	1	45	183	-	183

4 Income from investments

	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Dividends and interest	349	98	447	521	133	654
Rental income	81	23	104	88	23	111
	430	121	551	609	156	765

5a Analysis of expenditure (current year)

Raising funds

	Cost of generating voluntary income	Cost of fundraising events	Costs of managing investments	Charitable activities	Governance costs	Support costs	2020 Total	2019 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	121	95	-	436	60	344	1,056	1,099
Other staff costs	1	-	-	1	7	6	15	12
Event and fundraising costs	57	27	-	25	18	18	145	194
Investment management costs	-	-	330	-	-	-	330	352
Grant-making	-	-	-	3,658	-	-	3,658	2,191
Campaigns and communications	5	3	-	94	-	65	167	323
Other	3	1	21	77	40	-	142	71
	187	126	351	4,291	125	433	5,513	4,242
Support costs	110	23	9	195	96	(433)	-	-
Governance costs	18	20	30	153	(221)	-	-	-
Total expenditure 2020	315	169	390	4,639	-	-	5,513	
Total expenditure 2019	477	301	418	3,046	-	-		4,242

5b Analysis of expenditure (prior year)

Raising funds

	Cost of generating voluntary income	Cost of fundraising events	Costs of managing investments	Charitable activities	Governance costs	Support costs	2019 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	193	89	1	237	160	419	1,099
Other staff costs	4	2	-	-	6	-	12
Event and fundraising costs	54	96	-	-	4	40	194
Investment management costs	-	-	352	-	-	-	352
Grant funding	-	-	-	2,191	-	-	2,191
Campaigns and communications	28	19	-	276	-	-	323
Other	5	-	16	31	19	-	71
	284	206	369	2,735	189	459	4,242
Support costs	164	64	1	135	95	(459)	-
Governance costs	29	31	48	176	(284)	-	-
Total expenditure 2019	477	301	418	3,046	-	-	4,242

6 Grant funding

Details of all grant awards in 2020 can be found on the The Seafarers' Charity website at: www.theseafarerscharity.org/assets/uploads/documents/Grants-awarded-in-2020.pdf

Details of all grant awards in 2019 are available on request.

7 Net income / (expenditure) for the year

	2020	2019
	£'000	£'000
Depreciation	47	47
Operating lease rentals receivable:		
Property	104	111
Auditor's remuneration (excluding VAT):		
Audit	15	14
Underaccrual from prior year	5	-

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

Staff costs were as follows:

	2020	2019
	£'000	£'000
Salaries and wages	838	899
Redundancy and termination costs	35	16
Social security costs	87	91
Employer's contribution to defined contribution pension schemes	60	70
Other forms of employee benefits	16	23
Recruitment	20	-
	1,056	1,099

Redundancy costs above is a part of restructure process.

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

	2020	2019
	£'000	£'000
£60,000 – £69,999	-	3
£70,000 – £79,999	1	1
£90,000 – £100,000	1	-

The total employee benefits (including pension contributions and Employer's National Insurance) of the key management personnel were £259,678 (2019: £322,406). The Charity Trustees were neither paid nor received any benefits from employment with the Charity in the year (2019: £nil). No Charity

Trustee received payment for professional or other services supplied to the Charity (2019: £nil). Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £499 (2019: £2,027) incurred by 4 (2019: 5) members relating to attendance at meetings of the Trustees.

9 Staff numbers

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

	2020	2019
	£'000	£'000
Raising funds	4	5
Charitable activities	7	7
Governance and support	7	8
	18	20

10 Related party transactions

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

During the year, legal advice was sought from Potheary Witham Weld Solicitors amounting to £1,020 (2019: £5,940). The firm's partner Mr Gerald Kidd served as a Trustee and is also member of the General Council. All balances were settled in the year and nothing was due at the year-end (2019: £nil).

Seaservers Limited is the trading subsidiary of The Seafarers' Charity, see Note 22 for details of transactions between Seaservers Limited and The Seafarers' Charity.

Aggregate donations from related parties were £623 (2019: £660).

11 Taxation

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

12 Tangible fixed assets

	Freehold property	Fixtures and fittings	Total
Cost or valuation	£'000	£'000	£'000
At the start of the year	2,270	208	2,478
Additions in year	-	8	8
Transfer from Investment Property (see Note 13)	2,630	-	2,630
At the end of the year	4,900	216	5,116
Depreciation			
At the start of the year	31	150	181
Charge for the year	31	16	47
At the end of the year	62	166	228
Net book value			
At the end of the year	4,838	50	4,888
At the start of the year	2,239	58	2,297

The above freehold land and buildings are 7 and 8 Hatherley Street, London. No. 8 Hatherley Street is occupied to carry out the operations of the Charity. The properties were valued at 31 December 2018 by Arnold and Baldwin Ltd, Chartered Surveyors using the Royal Institute of Chartered Surveyors appraisal valuation.

Land with a value of £1,470,000 (2019: £735,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

13 Investment properties

	2020	2019
	£'000	£'000
Fair value at the start of the year	2,630	2,630
Re-classified as tangible fixed assets (Note 12)	(2,630)	-
Fair value at the end of the year	-	2,630

In December 2020, the Trustees decided to sell both 7 and 8 Hatherley Street. As such, at 31 December 2020, 7 Hatherley Street no longer meets the definition of an investment property and has been transferred to tangible fixed assets.

The Charity's property in the Bahamas, currently carried at a value of £1, is in the process of being sold and has also been re-classified as a tangible fixed asset

14 Listed investments

	2020	2019
	£'000	£'000
Fair value at the start of the year	37,170	34,848
Additions at cost	12,256	14,934
Disposal proceeds	(16,589)	(16,249)
Net gain on change in fair value	3,778	3,637
	36,615	37,170

	2020	2019
Investments comprise:	£'000	£'000
Interest bearing stocks	12,426	12,185
Equities	21,875	23,519
Cash	2,314	1,466
	36,615	37,170

15 Debtors

	2020	2019
	£'000	£'000
Other debtors	34	28
Amounts due from subsidiary undertakings	50	55
Prepayments	53	58
Accrued income	266	66
	403	207

With the exception of listed investments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in Note 16 below.

16 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade creditors	40	13
Taxation and social security	32	32
Grants payable	710	990
Amounts due to subsidiary undertakings	2	2
Accruals	180	172
	964	1,209

17 Pension scheme

The Seafarers' Charity operates a defined contribution scheme for all employees. The assets of the scheme are held in separate funds administered by independent pension providers. The total cost of pensions for the year incurred by The Seafarers' Charity was £60k (2019: £71k).

18 Financial instruments

Financial assets measured at fair value through profit and loss	2020	2019
	£'000	£'000
Investments	36,615	37,170

19a Analysis of net assets between funds (current year)

	General unrestricted	Restricted funds	Endowment funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	4,888	-	-	4,888
Investments	27,815	707	8,093	36,615
Net current assets	37	-	-	37
Net assets at 31 December 2020	32,740	707	8,093	41,540

19b Analysis of net assets between funds (prior year)

	General unrestricted	Restricted funds	Endowment funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	2,297	-	-	2,297
Investment properties	2,630	-	-	2,630
Investments	28,797	1,039	7,334	37,170
Net current liabilities	(376)	-	-	(376)
Net assets at 31 December 2019	33,348	1,039	7,334	41,721

20a Movements in funds (current year)

	At 1 January 2020	Income & gains	Expenditure & losses	Transfers	At 31 December 2020
	£'000	£'000	£'000	£'000	£'000
Permanently endowed funds:					
Endowed general purposes	983	107	(5)	-	1,085
Inglis Fund	912	99	(5)	-	1,006
Merchant Navy South Africa Scholarship	246	27	(2)	-	271
Royal Navy War Libraries Fund	258	28	(2)	-	284
South African Women's Auxiliary Service	474	52	(2)	-	524
Arthur T. Jeffess Fund	3,232	352	(16)	-	3,568
David Richards Trust	959	104	(5)	-	1,058
Henry Herbert Wills Fund	270	29	(2)	-	297
Total permanently endowed funds	7,334	798	(39)	-	8,093
Restricted funds:					
Restricted income from endowment funds	-	106	(106)	-	-
Royal Naval Officers Fund	293	49	(201)	-	141
Van De Kastelee Fund	118	15	(63)	-	70
Beryl Joyce Threadkell Legacy	50	6	(31)	-	25
Sheila Constance Woods Legacy	332	41	(174)	-	199
Merchant Navy Fund	44	78	(73)	-	49
Restricted Activities	192	61	(41)	-	212
Projects	10	20	(19)	-	11
COVID-19 Emergency Restricted Fund	-	91	(91)	-	-
Total restricted funds	1,039	467	(799)	-	707
Unrestricted funds:					
Designated funds:					
COVID-19 Emergency Designated Fund	-	-	(1,476)	2,000	524
Strategy fund	-	4,067	(3,168)	10,000	10,899
Individual regular welfare grants	2,869	-	-	(2,869)	-
Port-based welfare services	5,363	-	-	(5,363)	-
Health and care services	1,435	-	-	(1,435)	-
Hardship and poverty grants	1,083	-	-	(1,083)	-
Welfare support services	1,644	-	-	(1,644)	-
Maritime education and training	3,365	-	-	(3,365)	-
Children and youth welfare	2,977	-	-	(2,977)	-
Advice and information services	3,858	-	-	(3,858)	-
Accommodation and supported housing	3,764	-	-	(3,764)	-
Total designated funds	26,358	4,067	(4,644)	(14,358)	11,423
Revaluation reserve	914	-	(31)	-	883
General funds	6,076	-	-	14,358	20,434
Total unrestricted funds	33,348	4,067	(4,675)	-	32,740
Total funds	41,721	5,332	(5,513)	-	41,540

20b Movements in funds (prior year)

	At 1 January 2019	Income & gains	Expenditure & losses	Transfers	At 31 December 2019
	£'000	£'000	£'000	£'000	£'000
Permanently endowed funds:					
Endowed General Purposes	903	83	(3)	-	983
Inglis Fund	837	78	(3)	-	912
Merchant Navy South Africa Scholarship	226	21	(1)	-	246
Royal Navy War Libraries Fund	238	21	(1)	-	258
South African Women's Auxiliary Service	436	39	(1)	-	474
Arthur T. Jeffess Fund	2,968	274	(10)	-	3,232
David Richards Trust	881	81	(3)	-	959
Henry Herbert Wills Fund	250	21	(1)	-	270
Total permanently endowed funds	6,739	618	(23)	-	7,334
Restricted funds:					
Restricted income from endowment funds	-	135	(135)	-	-
Royal Naval Officers Fund	375	18	(100)	-	293
van de Kastele Fund	117	1	-	-	118
Beryl Joyce Threadkell Legacy	58	3	(11)	-	50
Sheila Constance Woods Legacy	325	7	-	-	332
Merchant Navy Fund	29	96	(81)	-	44
Restricted Activities	77	115	-	-	192
Projects	-	120	(110)	-	10
Total restricted funds	981	495	(437)	-	1,039
Unrestricted funds:					
Designated funds:					
Individual regular welfare grants	2,413	456	-	-	2,869
Port-based welfare services	5,357	1,068	(1,062)	-	5,363
Health and care services	1,515	306	(386)	-	1,435
Hardship and poverty grants	1,106	209	(232)	-	1,083
Welfare support services	1,722	347	(425)	-	1,644
Maritime education and training	3,334	676	(645)	-	3,365
Children and youth welfare	2,504	473	-	-	2,977
Advice and information services	3,762	719	(623)	-	3,858
Accommodation and supported housing	3,510	631	(377)	-	3,764
Total designated funds	25,223	4,885	(3,750)	-	26,358
Revaluation reserve	945	-	(31)	-	914
General funds	6,076	-	-	-	6,076
Total unrestricted funds	32,244	4,885	(3,781)	-	33,348
Total funds	39,964	5,998	(4,241)	-	41,721

20c Movements in funds – purposes of funds

Purposes of restricted funds

Royal Naval Officers' Fund

To assist officers of the Royal Navy in need or distress

Beryl Joyce Threadkell Legacy

Funds made available for use in Suffolk

van de Kastele Fund

For the education of children of any UK seafarer

Sheila Constance Wood Legacy

To assist Naval Officers' Widows

Event Sponsorship

To assist in the cost of hosting or running the event

Merchant Navy Fund

Funds for UK Merchant Navy

Trusts

Trust donations restricted as per the trust fund's request

Purposes of endowment funds

Endowed General Purposes

To relieve sickness, poverty, and distress of seafarers

Inglis Fund

Merchant Navy South Africa & Scholarship Fund

Merchant Navy South Africa Scholarship

Royal Navy War Libraries Fund

South African Women's Auxiliary Service

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

Arthur T. Jeffress Fund

The David Richard's Trust

Henry Herbert Wills Fund

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

Purpose of designated funds

The COVID-19 Emergency Fund has been carried over from 2020, the £2m reserves drawdown, and will most likely be awarded in 2021

The Strategy Fund is being utilised during 2021 to support our new strategic and proactive approach to grant funding

21 Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods:

	2020	2019
	£'000	£'000
Less than one year	74	74
One to five years	86	121
	160	195

22 Subsidiary undertaking

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

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

The Trustees Mr P. G. Butterworth, Mr J. J. M. Monroe, Mrs C. Spencer are also directors of the subsidiary. A summary of the results of the subsidiary is shown below:

	2020	2019
	£'000	£'000
Turnover	25	15
Cost of sales	(29)	(21)
Gross (loss)	(4)	(6)
Administrative expenses	-	-
(Loss) on ordinary activities before taxation	(4)	(6)
Taxation on profit on ordinary activities	-	-
(Loss) for the financial year	(4)	(6)
Retained earnings		
Total retained earnings brought forward	1	7
(Loss) for the financial year	(4)	(6)
Distribution under Gift Aid to parent Charity	-	-
Total retained earnings carried forward	(3)	1
The aggregate of the assets, liabilities, and reserves was:		
Assets	59	64
Liabilities	(62)	(63)
Reserves	(3)	1



Independent Auditor's Report to the Trustees of The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors)

Opinion

We have audited the financial statements of The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors) (the 'Charity') for the year ended 31 December 2020 which comprise the SOFA, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Seafarers' Charity's (Seafarers UK, formerly King

George's Fund for Sailors) ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management and the Finance and Investment Committee, which included obtaining and reviewing supporting documentation, concerning the Charity's policies and procedures relating to:
 - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than

error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Sayer Vincent LLP

Date: 17 May 2021

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL

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

Reference and Administrative Details

Name and registered office

The Seafarers' Charity (Seafarers UK, formerly King George's Fund for Sailors) is a registered charity, number 226446, in England and Wales, incorporated under Royal Charter, and registered in Scotland under number SC038191. The registered office is 8 Hatherley Street, London, SW1P 2QT. Seaservers Limited is a wholly owned subsidiary of the Charity through which Seaview newsletter is published, and sponsorships and commercial events are operated.

The Officers of The Seafarers' Charity

Members of the General Council

President: HRH The Earl of Wessex KG GCVO CD ADC(P)	Mr D. Bain FCA (*Fi)	The Lord Mountevans (A)
Chair: Mr P. Butterworth (from July 2020)	Surgeon Commodore P. J. Buxton OBE QHPRN (*G)	Mr J. J. Monroe (*A)
Vice Admiral P. J. Wilkinson CB CVO BA (Resigned July 2020)	Mr M. Carden (G)	Mr W. Reid (Fi)
Deputy Chair: Captain R. H. Barker FNI MNM (G)	Mr M. Dickinson (G)	Ms N. Shaw FCIPD (Fi)
	Mr P. French (Fr)	Ms D. Sterling (G) (Fr)
	Mrs C. Gould (G) (Resigned July 2020)	Mrs E. A. Strouts (G) (Fr) (Retired July 2020)
	Mr R. Greenwood (G)	Mr P. Tomlin (G)
	Mr G. Kidd (A)	Ms N. Ghani (Appointed December 2020)
	Mr W. Lawes (Fi) (Fr)	Rear Admiral I. Lower (Appointed December 2020)

Key to General Council Sub-Committee membership:

A Member of the Audit and Governance Committee
Fi Member of the Finance and Investment Committee
Fr Member of the Fundraising and Communications Committee
G Member of the Grants Committee
* Chair of Committee

Management:

Chief Executive Officer: C. Spencer

Impact Director: D. Layde

Development Director: K. Cunningham
(Appointed June 2020 New Post)

Finance Manager: O. Nikolenko

Head of Internal Operations: C. Gallop

Director of Fundraising & Communications:
N. Shattock (Resigned January 2020)

Head of Finance: I. Ondhia FCCA
(Resigned February 2020)

Bankers

National Westminster Bank plc
280 Bishopsgate
London, EC2M 4RB

Auditors

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

Vice Presidents

The Chaplain of The Fleet

Admiral of the Fleet Sir Benjamin Bathurst GCB DL

Admiral Sir Jock Slater GCB LVO DL

Admiral Sir Brian Brown KCB CBE (Deceased 27 April 2020)

Sir John Ritblat FRICS

F. M. Everard CBE

Captain D. C. Glass OBE MNM

Rt Rev & Rt Hon Dame Sarah Mullally DBE

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

The Rt. Worshipful The Lord Mayor of Westminster

Investment Managers

Ruffer LLP
80 Victoria Street
London, SW1E 5JL

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

UBS AG – Wealth Management Division
5 Broadgate
London EC2M 2AN

2020 Corporate and Institutional Supporters

Corporate Supporters:

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Buxted Construction Ltd	Oil Companies International Marine Forum
Carnival plc	Propeller Club of London
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DP World London Gateway	Shoreham Port
H8r0es Ltd	T E Dudley Ltd
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A & L Sussman Charitable Trust	The Charity of Stella Symons
A G Manly Charitable Trust	The Charles Littlewood Hill Trust
Ann Jane Green Trust	The David Laing Foundation
Bedhampton Charitable Trust	The Diana Edgson Wright Charitable Trust
Dover Castle Lodge	The Duffield (Tiverton) Charitable Trust
Dr & Mrs J D Olav Kerr Charitable Trust (No 2)	The E and N Watson Charitable Trust
Dr Philip Welch Charity	The Edith Lilian Harrison 2000 Foundation
Dudley and Geoffrey Cox Charitable Trust	The Elizabeth and Prince Zaiger Trust
G.M. Morrison Charitable Trust	The Florence Turner Trust
Gerrard and Audrey Couch Charitable Trust	The Fort Foundation
HRH The Duke of Edinburgh Trust	The Gerald Bentall Charitable Trust
Joseph Strong Frazer Trust	The Hugh Fraser Foundation
Martin Charitable Trust	The Hyne Trust
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Miss Mary Dunlop Murdoch Andrew Charitable Trust	The MacRobert Trust
PF Charitable Trust	The Michael and Anna Wix Charitable Trust
Sir Jeremiah Colman Gift Trust	The Misses Barrie Charitable Trust
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The Basil Samuel Charitable Trust	The Simon Gibson Charitable Trust
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The Castanea Trust	The Verdon-Smith Family Charitable Trust
The Chandris Foundation	The Worshipful Company of Environmental Cleaners

the seafarers' charity

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