

Charity Registration No. 231724

**SEAMEN'S HOSPITAL SOCIETY**  
**REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

# SEAMEN'S HOSPITAL SOCIETY

## INFORMATION

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<b>Charity number</b>	231724
<b>Patron</b>	His Royal Highness The Duke of York KG KCVO ADC
<b>Chairman</b>	Mr P McEwen MBE MNM
<b>Deputy Chairman</b>	Mr A P J Lydekker (to June 2013)
<b>Honorary Treasurer</b>	Mr G Lane FCA
<b>Other Trustees</b>	Mr M Carden Mr R J Chichester MA Mr M J Gladwyn Captain D Glass OBE MNM Mr J C Jenkinson MVO Surgeon Commander J F Leonard MB ChB MSc MFOM RN Dr C Mendes Da Costa MBBS MRCP Mr A R Nairne CBE FSA Mr J T Newton (deceased 25 April 2013) Captain A J Speed (to June 2013) Captain C M C Stewart LVO
<b>Vice - Presidents</b>	Captain I B Taylor OBE Mr J D Guthrie FICS Mr G P Elis FCMA Mr A P J Lydekker (from June 2013)
<b>Honorary Life Governors</b>	Mr C Blount Mrs J Sullivan Professor G C Cook MD DSc FRCP
<b>General Secretary</b>	Mr P S Coulson
<b>Honorary Archivist</b>	Professor G C Cook MD DSc FRCP
<b>Principal address</b>	29 King William Walk Greenwich London SE10 9HX
<b>Auditors</b>	Alliotts Imperial House 15 Kingsway London WC2B 6UN
<b>Bankers</b>	Royal Bank of Scotland Plc 62-63 Threadneedle Street London EC2R 8LA
<b>Investment advisor</b>	J P Morgan Asset Management (UK) Limited Finsbury Dials 20 Finsbury Street London EC2Y 9AQ

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# SEAMEN'S HOSPITAL SOCIETY

## CONTENTS

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	<b>Page</b>
Chairman's report	1
General Committee's report	2 - 9
Independent auditors' report	10
Statement of financial activities	11
Balance sheet	12
Notes to the accounts	13 - 19

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# SEAMEN'S HOSPITAL SOCIETY

## CHAIRMAN'S REPORT

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I present my Annual Report, my fourth such report as Chairman.

During the year the Society continued to progress the objectives laid down in the Statutory Instrument which governs the work of the Charity. This included 280 miscellaneous grants to individuals and a further 80 grants to individuals for physiotherapy. Allowing for individuals assisted via SAIL and other projects around 1,300 seafarers and their dependents were directly assisted. In addition some £226,000 was awarded to the Seafarers Advice and Information Line (SAIL) which had another very successful year. There were over 900 clients and significant measurable financial successes totalling over £560,000. The increase in the use of SAIL in recent years often reflects greater financial pressure following the reduction in assistance available from Government and Local Authorities. This reduction has grown greater, and this trend as well as other issues impact on the Strategic Review.

The work that the Society does on Health Development continued in a year of change during which the Manager Sally Hampshire, who had done so much, left and was replaced by Georgina Robinson. Activities in the year included the physiotherapy services to those employed in the Fishing Industry and to Merchant Navy Ratings. The 'Better Health for Older Seafarers' project, jointly funded in partnership with others, concluded in 2012 with positive outcomes for seafarers covered by the pilot project and with lessons learnt which were applied elsewhere in 2013. The Fisherman "mini manual", the first ever health manual for fishermen, was launched during 2012 and continued to be distributed in 2013. Its success has encouraged consideration of similar publications for other seafaring sectors. The trial Health Trainer outreach service in the Bridlington area continued to engage successfully with the local fishing community, with many participants achieving personal health goals during the concluding year of the two year pilot.

The Strategic Review process continues as detailed elsewhere in the Report.

At the Annual Court held in 2013 I announced the resignation from the General Committee of Captain Anthony Speed who had been a member since 2002. His service to the Society was much appreciated by the Committee and indeed by the Annual Court.

The General Committee is proposing two candidates to the Annual Court for election. These are Dr Tim Carter and Mr Mike Jess.

Tim was until recently Chief Medical Adviser to the UK Maritime and Coastguard Agency and has been involved in seafarers' health issues for many years. His wide range of knowledge will be of great help to the Society in health development and other areas.

Mike is Assistant General Secretary of Nautilus International and Secretary of the Nautilus Welfare Fund. He is also a Trustee Director of the Merchant Navy Welfare Board, Maritime Charities Funding Group and Maritime Education Trust and at Nautilus has responsibility for Governance issues, Human Resource Management and IT.

My personal thanks go to members of the General Committee, especially Graham Lane, the Treasurer, the General Secretary Peter Coulson and his staff for their significant work during the year.

# SEAMEN'S HOSPITAL SOCIETY

## GENERAL COMMITTEE'S REPORT

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The General Committee presents herewith its Annual Report for the year ended 31 December 2013.

### **Structure, governance and management**

#### **Governing Document**

The Society was founded in 1821 and incorporated under Act of Parliament in 1833. Now a registered charity, its Object, as amended by the Charities (Seamen's Hospital Society) Order 1999, is "the relief of seamen and seawomen of all nations within the United Kingdom of Great Britain and Northern Ireland and their immediate dependants (including widows, widowers and children of deceased seafarers) who through sickness, misfortune or age are in need of assistance and providing such persons with medical care and surgical aid, lodging, support and clothing." The Society may also make grants to such other maritime charitable institutions with the same or similar objects to the Society as the General Committee shall think fit.

#### **Organisational Structure**

In accordance with the Governing Document, the Society is administered and managed by a General Committee which must number no less than twelve members and not more than twenty, including the President and Honorary Treasurer as ex-officio members. The members are appointed by the Annual Court; other than the President and the Honorary Treasurer, one third of their number retire by rotation at each Annual Court and are then eligible for re-election. The President is elected for life or until retirement. The Honorary Treasurer is elected for a period of three years and is then eligible for re-election at the Annual Court falling in the relevant year. A Chairman and Deputy Chairman of the General Committee are appointed by the Annual Court for a term of three years, after which they may be re-appointed. The quorum for the General Committee is five, excluding ex-officio members.

#### **Decision Making**

Apart from the specific responsibilities of the Annual Court of Governors - the receipt of the Annual Report and Accounts of the preceding financial year, election of Governors and members of the General Committee and the appointment of auditors - all other decision making is vested in the General Committee which delegates specific matters to the General Secretary. Such delegation is laid out in the Members' Handbook which can only be amended by the authority of the General Committee.

The Members' Handbook sets out a code of conduct for trustees and job descriptions for the General Secretary and other staff, the Chairman, the Honorary Treasurer and trustees. It details limits of authority for expenditure, analysed to various headings, and sets out signatories on bank accounts.

#### **Recruitment and Appointment of New Trustees**

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

Recommendations are made to the Annual Court and on appointment all new trustees are given a copy of the Members' Handbook with the Secretariat on hand to provide further induction training in-house or to arrange external training.

#### **Risk Assessment**

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

# SEAMEN'S HOSPITAL SOCIETY

## GENERAL COMMITTEE'S REPORT (CONTINUED)

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### OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

#### Object

The Society fulfils its Object, set out in the Governing Document, principally through grant making and project work. It aims to maximise the impact of this activity through collaboration with the work of other maritime organisations, as well as through the Seafarers' Advice & Information Line by means of whose assistance seafarers are often able to obtain greater financial or welfare benefit than would be possible through grant making alone. In addition to specific financial support for the Dreadnought Medical Service at Guy's and St Thomas' NHS Foundation Trust, and for its users, the Society plays an active part in promoting the effective delivery of priority healthcare to seafarers.

The members of the General Committee of the Society confirm that they have paid due regard to the public benefit guidance published by the Charity Commission and that, in fulfilling the Society's Object, the identified benefits set out in this Report are provided to a section of the public.

#### Activities

Of the £550,221 expended by the Society on charitable activities in 2013, grant expenditure was £379,137 and Health Development Project costs were £5,056. The balance of £166,028 comprised support costs, representing staff time, publicity costs and other resources directly related to advising and assisting applicants, and liaising with caseworkers and other charities, in seeking to best serve the needs of the Society's clients.

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

### ACHIEVEMENTS AND PERFORMANCE

#### Grants to Individuals

During the year 2013 the Society awarded 260 miscellaneous grants to individuals, valued in total at £117,893, less than the previous year's record 300 grants totalling £132,694 but still historically high. The grants were awarded for medically related items such as electrically powered wheelchairs and adapted shower facilities, essential household goods and maintenance, clothing, payment of priority debts, respite breaks, other pressing welfare requirements and, in certain circumstances, funeral costs, all on the basis of assessed financial and personal need.

A further 16 grants, totalling £2,425 (2012: £3,232 in respect of 24 grants), were awarded for the fares, and in certain cases towards accommodation costs, of seafarers in need attending the Dreadnought Medical Service at Guy's and St Thomas' NHS Foundation Trust in London.

As part of its established collaboration with the local Harbourside clinic, the Society awarded 37 grants totalling £5,890 (2012: 45 grants totalling £6,240) for physiotherapy treatment for working fishermen in the Newlyn area. In respect of more recent schemes launched during 2011 in association with Connect Physical Health and its partners, the Society awarded 41 grants totalling £6,646 (2012: 45 grants totalling £6,795) for physiotherapy treatment for merchant navy ratings throughout the UK and working fishermen in the Kilkeel area.

In dealing with general assistance applications the Society aims, as always, to provide a practical and flexible response; its eligibility criteria are not rigidly specified and it always seeks to consider the overall picture when evaluating a grant application singly or in conjunction with other maritime charities. It works closely with the Seafarers' Advice & Information Line with a view to ensuring that clients are best advised, and the Society's funds put to the most effective use, where benefit/debt/legal or other technical questions arise.

# SEAMEN'S HOSPITAL SOCIETY

## GENERAL COMMITTEE'S REPORT (CONTINUED)

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The assistance of caseworkers greatly benefits clients in helping to evaluate their needs and present their applications; this is normally done on a face to face basis in their own homes. The Society very much values the help and co-operation it receives from caseworkers and colleagues from the MNWB, Soldiers, Sailors, Airmen and Families Association - Forces Help (SSAFA), the Shipwrecked Mariners Society, the Fishermen's Mission, the Royal British Legion and other maritime agencies.

### **Grants to Institutions**

A total of £246,217 was awarded to institutions in 2013, representing a reduction on the level of previous years owing to the ending of the Society's annual open grants round for institutions (see also below: Strategic Review and Future Plan).

As well as grants to the Seafarers' Advice & Information Line of £226,067, this sum mainly comprised the Society's contribution of £20,000 to the MCFG.

In this connection, the Society is very pleased to acknowledge the valuable role of the MCFG - of which it is a member, along with the MNWB, Nautilus International (on behalf of the ITF Seafarers Trust), Nautilus Welfare Fund, the Royal Navy & Royal Marines Charity, Seafarers UK and Trinity House - in informing and developing grant making policy for all involved in the maritime charity sector. Each member contributed £20,000 in the year towards the cost of the MCFG's development and other continuing work, which includes funding of the Seafarer Support service run on the MCFG's behalf by the MNWB.

### **Seafarers' Advice & Information Line (SAIL)**

The Seafarers' Advice & Information Line (SAIL) is a unique national telephone based service offering free advice and help exclusively to seafarers on a range of issues including benefits, employment, housing, debt, consumer problems, legal matters, personal relationships and taxation. Its services are provided to active and retired UK based seafarers, including fishermen, and their dependants. Assistance is also offered to charities and other organisations involved with seafarers.

In addition to providing advice, detailed casework for individual clients is also undertaken, where appropriate, including correspondence and negotiation with third parties - for example with creditors.

Established in 1996 at the initiative of the Society, SAIL is managed and operated by Greenwich Citizens Advice Bureaux (GCAB) on behalf of the Society. In recent years the Society's own funding of the service has been substantially supplemented at various stages by contributions from the MNWB, the MCFG and Seafarers UK, enabling the service to be enhanced and expanded in various ways, in particular in response to the findings of the MCFG's Supporting Seafarers 2007 report. In 2013 Seafarers UK increased its funding contribution to cover the cost of three posts, including that of the specialist money and debt adviser, and the Society very much appreciates that for 2014 Seafarers UK have agreed to fund SAIL on a partnership basis, sharing all costs equally with the Society.

Staff are co-located with the Society in its Greenwich offices, and comprise a manager (Miles Cowley), a senior adviser (Bridget Brehm), the equivalent of two full time advisers (Nida Mughal with Adrienne Trayman, and Helene Charnley with Khaleda Yesmin, in job shares), a specialist money adviser (Geraldine Cassidy), and a part time administrator (Deana Read). Peter Gibbs, SAIL's longest serving adviser, now formally retired, continues to contribute in a voluntary capacity. The service is led by the Chief Executive of GCAB, Emma Knight, with local IT support provided on a volunteer basis by John Farrow, Devon Vernal and Don Chapman.

Activity during 2013 remained at high levels albeit absolute client numbers were a little down on the previous year's record figures: 907 unique (that is, new and existing) clients were helped, including 561 new clients, compared with 965 unique clients in 2012. However, total client contacts, an indicator of workload intensity, continued to rise, with 7,408 contacts in the year compared with 7,108 in 2012. Measurable financial successes - comprising debt write-offs, benefit entitlement (calculated over one year), charitable grants and other identified gains - totalled £560,000 (2012: £587,000).

# SEAMEN'S HOSPITAL SOCIETY

## GENERAL COMMITTEE'S REPORT (CONTINUED)

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61% of new clients described themselves as being disabled or having a health issue, a much higher level than the corresponding 25% applicable across all CAB clients in England and Wales, and 23% of all benefit issues handled by SAIL concerned disability related benefits. 20% of all benefit issues related to the government's Welfare Reform programme, and advisers have found that the many changes in entitlement are causing clients a great deal of concern. Along with other advice bureaux, SAIL has found individual advice work increasingly intensive in the current climate, a fact reflected in the rising client contacts noted.

Royal Navy referrals from the White Ensign Association, the Officers' Association, the Royal Navy & Royal Marines Children's Fund, and the Sailors' Children's Society were taken on a trial basis during the year, though activity has been low.

Among various initiatives, "Remembering those left behind", an updated booklet providing practical advice on death and bereavement, was published jointly with the MNWB, and SAIL's quarterly benefits update continued to be circulated regularly to maritime charities and others working with seafarers.

SAIL may be contacted as follows: telephone - 08457 413 318; fax - 020 8269 0794; e-mail - [admin@sailine.org.uk](mailto:admin@sailine.org.uk). Further information is also available on its website at the following address: [www.sailine.org.uk](http://www.sailine.org.uk).

### **Dreadnought Medical Service**

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

A special administration section is staffed by Ruth Wallis, Acting Dreadnought Administrator, and her colleague Sandra Jones. Mr Abrie Botha, Consultant Upper GI and General Surgeon, is the consultant with responsibility for the Dreadnought Medical Service, and the Society much appreciates his practical support and active interest in the continuing service to seafarers at Guy's & St Thomas'.

During 2013 539 new medical and surgical patients, compared with 482 seen the previous year, were treated by the Dreadnought Medical Service. In addition, the Dreadnought dentist saw 956 patients - both existing and new - compared with 791 seen the previous year. The Society provides a degree of financial support by funding, among others things, publicity material and for individual patients by paying, where there is need, travel costs incurred when attending the hospital as well as, in certain cases, contributing towards associated accommodation costs. In 2013 the Society provided grants totalling £2,425 for these purposes.

The seafarers healthcare study, commissioned by the Society (with funding from the MCFG and a contribution from the Dreadnought charitable funds held by Guy's & St Thomas' Hospital) and published by the Institute of Occupational Medicine (IOM) in 2011, highlighted important issues concerning the delivery and future provision of the Dreadnought Service. Key findings included high levels of need for treatment of musculo-skeletal conditions for seafarers generally and, for the Dreadnought (which receives around £1.8m per annum in NHS funding), disproportionate usage by retired seafarers and those in the south east combined with an often uncertain provision of the intended priority service for working seafarers.

Guy's and St Thomas' accepted the findings relevant to them, and reaffirmed their intention to provide a priority service, and to take appropriate internal measures in support of that. Subsequent performance has been moderately encouraging in that respect, and there has been a continuing trend of increasing usage levels. Members of the Dreadnought Standing Joint Policy Committee, in particular the Society, Nautilus International and the RMT, continue to keep this under review, and also plan to explore further options which go beyond the current Dreadnought model, as indicated in IOM's report. A significant complicating factor has arisen from the recent major changes in NHS organisation and funding - posing both risks and opportunities - and, in this context, it is reassuring that the Dreadnought's dedicated funding arrangements currently remain in place and effectively unchanged.

The Dreadnought Medical Service may be contacted as follows: telephone - 020 7188 2049; fax - 020 7188 2051; e-mail - [dreadnought2@gstt.nhs.uk](mailto:dreadnought2@gstt.nhs.uk)



# SEAMEN'S HOSPITAL SOCIETY

## GENERAL COMMITTEE'S REPORT (CONTINUED)

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### **Health Development**

2013 has been something of a transitional period for health development work in terms of the Health Development Manager role itself and, to an extent, project timings. Ms Sally Hampshire returned during the year to resume the Manager role on a part time basis following extended maternity leave, and departed again at the beginning of 2014 for further maternity leave but also with a view to leaving the south east permanently. The Society wishes her very well for the future. She has now been replaced on a dedicated (near) full time basis by Ms Georgina Robinson.

### *Better Health for Older Seafarers*

Funded over a two year period by the Society, Nautilus, the TK Foundation and the MCFG the 'New Approaches to Promote Better Health for Older Seafarers' project aimed to address, on a trial basis in the Merseyside area, health issues affecting older seafarers, ultimately stemming from recommendations of the Supporting Seafarers 2007 report. Around 40 seafarers were engaged in the project and the project itself concluded in the second half of 2012.

A project report and evaluation have since been published, and are available on the Society's website. Overall the older seafarers were found to be rather better equipped to deal with health issues than had been anticipated, but a key finding was nevertheless the value of a "brief intervention" approach in supporting their health needs. Other findings included the need to provide opportunities for social interaction between former seafarers that do not rely on alcohol.

Guidance material reflecting the findings was subsequently developed by Sylvia Cheater, the Project Officer, for use by Sefton, Liverpool and Wirral PCTs, and Wirral Borough Council, with a view to informing their Joint Strategic Needs Assessment in relation to older seafarers. Health lessons from the project were also incorporated into Nautilus' now expanded Caseworker project which aims to provide a rounded personal casework service for older seafarers in the Merseyside, Hull and Grimsby, and Southampton and Portsmouth areas. The findings have also been highlighted to health agencies in other areas where there are concentrations of such seafarers.

Finally, the observation on social needs helped encourage support by the MCFG for the subsequent trial of a "Men in Sheds" project now under way in Wallasey, with promising results. The Men in Sheds idea makes use of a model for bringing older men together and providing a focus for healthy activities and social interaction which, notably, does not involve alcohol.

### *Physiotherapy Services*

Building on the success of the Society's original project providing physiotherapy to fishermen in Newlyn, a number of new pilots were launched in 2011. The Society is most grateful to Trinity House for sharing the initial costs of the new pilots, and to the Fishermen's Mission for their practical support in helping to make the fishing schemes workable.

The pilots comprised three for fishermen, in Brixham (Devon), Kilkeel (Northern Ireland) and Peterhead (Scotland), and a national scheme for merchant navy ratings. The Kilkeel and merchant navy schemes are operated by a private provider, Connect Physical Health, with a national partnership network of appropriately qualified physiotherapists, while the other two pilots involve working collaboratively with existing public service providers with a view to making their services more responsive to fishermen and thus increase uptake of the services. All make use of specialist telephone triage/advice services with the remit of guiding callers so that appropriate cases can receive prompt physiotherapy treatment.

All of those making use of the Connect scheme receive an initial assessment and advice by telephone, and about 40% are subsequently authorised to receive face to face assessment and, where appropriate, treatment. The indications are that the service is working well and much appreciated by users.

# SEAMEN'S HOSPITAL SOCIETY

## GENERAL COMMITTEE'S REPORT (CONTINUED)

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The Harbourside project for fishermen in Newlyn had 37 users, and the Connect scheme 41 users, in 2013, slightly down on the previous year's figures. With the Brixham based project receiving one or two fisherman referrals per month, and a few referrals at the Peterhead project, about 100 have benefited from the various schemes altogether during the year.

The schemes remain under review and it is planned to consider options for a possible future expansion of provision.

### *Health Trainer for the fishing community in the Bridlington area*

A new part time Health Trainer post dedicated to working with the fishing community in Bridlington and the surrounding area, funded by the Society and based within the existing Health Trainer Service at NHS East Riding, was established on a one year trial basis during 2011. With an encouraging first year, it was agreed to extend the project for a second year, in part supported by matching funding from the European Fisheries Fund.

Health Trainers - whose role is non-clinical and who may be personally closely associated with the communities they work with - reach out to people who are in circumstances that put them at greater risk of poor health, and support them to adopt healthier lifestyles through empowerment and helping them to set a personal health plan. The extension of the project into a second year enabled neighbouring fishing ports, such as Flamborough and Hornsea, to be covered more actively than during the earlier phase. It also permitted an orderly completion of work with individual clients, and preparation to encompass the fishing community within the wider local Health Trainer service at the end of the trial.

With the conclusion of the trial during 2013, an evaluation indicated a very successful outreach with about 80 individuals engaged by the service in each of years one and two, and benefiting from health checks, information and advice on a wide range of health issues, healthy eating and other special events, encouragement to adopt personal health goals and further signposting where appropriate. Eating a healthier diet, losing weight and stopping smoking were the most common aims and 75% were recorded as achieving their goals.

Future developments in the light of this project are under consideration.

### **STRATEGIC REVIEW AGENDA**

The Society is continuing to work through a Strategic Review agenda, covering demand for services, a review of current services and of possible new services, governance issues and finance including investment policies.

As part of this process, and after very careful consideration, the decision was made during 2013 to end the Society's annual open grants round for awards to institutions, bearing in mind resource constraints and the parallel decision to continue focussing support on individual assistance grants, SAIL and health development. Grants to individuals will of course continue, including to some who are also supported by other institutions.

The Society is governed under a Statutory Instrument and this is being updated and modernised and it is anticipated that this process will be completed in 2014.

Although the investment climate has improved, the growing reduction in public funding for individuals in need inevitably leads to an increase in the calls made on the Society and of course others in the maritime welfare sector.

The implementation of each part of the Strategic Review will guide the Society over the challenging period of the next several years to help ensure that the welfare needs of seafarers and their dependents continue to be met by the Society as far as possible.

# SEAMEN'S HOSPITAL SOCIETY

## GENERAL COMMITTEE'S REPORT (CONTINUED)

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### FINANCIAL REVIEW

#### Financial Summary

The Society's total incoming resources for the year were £507,256 (2012 - £461,895), of which investment income amounted to £371,008 (2012 - £331,612) and grants received were £127,840 (2012 - £108,436). Total resources expended were £625,936 (2012 - £710,913), of which grants amounted to £379,137 (2012 - £477,723). After total gains on investments of £1,373,017 (2012 - £631,818) the net increase in funds amounted to £1,254,337 (2012 - £382,800).

Total funds at the year end amounted to £9,066,395 (2012 - £7,812,058).

#### Policy on Reserves

The Society's reserves are largely expendable endowments represented as unrestricted funds with some restricted funds. The Society's expenditure on assistance, support and governance costs is funded for the greater part from investment income and grant support with the policy of meeting any shortfall by drawing from reserves provided that, in meeting shortfalls over a period of time, the value of the reserves (essentially the investment assets) is not diminished unduly, thus ensuring the continuance of the Society. The policy on reserves is kept under review by the General Committee.

#### Investment Policy

The Society's long term investments are held in pooled vehicles run by J P Morgan Asset Management (UK) Limited (UK equities and bonds) and the Charities Property Fund (property). The Society's investment policy sets out the range of assets in which funds can be held which is as follows:

UK equities 70%	- range 60% to 80%
Fixed income 15%	- range 10% to 20%
Property 15%	- range 10% to 20%

As at the end of December 2013 the actual distribution of investments was:

UK Equity Fund for Charities	78.9%
Bond Fund for Charities	10.7%
The Charities Property Fund	10.4%

#### Investment Performance

The year end value of investments under management amounted to £8.79m (2012 - £7.72m) after disposals of £302,413 (2012 - £150,000).

The performance of the various funds is summarised below.

	2013 return	2013 benchmark	2012 return
Equities Fund	29.68%	20.81%	16.05%
Bond Fund	-1.19%	-1.65%	8.16%
Property Fund	11.2%	9.1%	3.0%

As common investment funds open to all charities in England and Wales, the J P Morgan funds are not permitted to have an ethical policy which is not based on maximising financial returns. However, after discussions with the Charity Commission, neither fund will invest in the sector directly involved in tobacco products manufacturing.

# SEAMEN'S HOSPITAL SOCIETY

## GENERAL COMMITTEE'S REPORT (CONTINUED)

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### STATEMENT OF GENERAL COMMITTEE'S RESPONSIBILITIES

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

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

In preparing these accounts, the General Committee is required to:

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

The General Committee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is 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.

APPROVED AND SIGNED  
ON BEHALF OF THE GENERAL COMMITTEE



**Peter McEwen MBE MNM**  
Chairman

Dated: 14 May 2014

# SEAMEN'S HOSPITAL SOCIETY

## INDEPENDENT AUDITORS' REPORT

### TO THE GENERAL COMMITTEE OF SEAMEN'S HOSPITAL SOCIETY

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We have audited the accounts of Seamen's Hospital Society for the year ended 31 December 2013 set out on pages 11 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

#### **Respective responsibilities of General Committee and auditors**

As explained more fully in the statement of general committee's responsibilities in the Annual Report, the General Committee are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Committee; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the General Committee's Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2013 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Matters on which we are required to report by exception**

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

- the information given in the General Committee's Annual Report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts 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.



**Alliotts**  
**Chartered Accountants**  
**Statutory Auditor**

4th Floor  
Imperial House  
15 Kingsway  
London WC2B 6UN

Dated: 14 May 2014

# SEAMEN'S HOSPITAL SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	Unrestricted funds £	Restricted funds £	Total 2013 £	2012 £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income					
- donations		1,408	-	1,408	1,258
- legacies receivable		500	-	500	14,089
- grants receivable	2	6,840	121,000	127,840	108,436
Investment income	3	371,002	6	371,008	331,612
<b>Incoming resources from charitable activities</b>					
Rent receivable	4	6,500	-	6,500	6,500
<b>Total incoming resources</b>		<b>386,250</b>	<b>121,006</b>	<b>507,256</b>	<b>461,895</b>
<b>Resources expended</b>					
Investment management costs		41,628	-	41,628	37,449
Charitable activities	5	426,704	123,517	550,221	638,850
Governance costs	6	34,087	-	34,087	34,614
<b>Total resources expended</b>		<b>502,419</b>	<b>123,517</b>	<b>625,936</b>	<b>710,913</b>
<b>Net outgoing resources before and after transfers and before other recognised gains and losses</b>					
		(116,169)	(2,511)	(118,680)	(249,018)
Other recognised gains/losses:					
Net gain on investment assets	10	1,373,017	-	1,373,017	631,818
<b>Net movement in funds</b>		<b>1,256,848</b>	<b>(2,511)</b>	<b>1,254,337</b>	<b>382,800</b>
Reconciliation of funds:					
Total fund balances at 1 January 2013		7,809,547	2,511	7,812,058	7,429,258
<b>Total fund balances at 31 December 2013</b>	<b>13</b>	<b>9,066,395</b>	<b>-</b>	<b>9,066,395</b>	<b>7,812,058</b>

All recognised gains and losses in the year and the previous year have been included in the Statement of Financial Activities.

The results for the year and the previous year as set out above have been derived entirely from continuing operations.

The notes on pages 13 to 19 form part of the accounts.

# SEAMEN'S HOSPITAL SOCIETY

## BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	9		72,040		75,111
Investments	10		8,792,818		7,722,214
			<u>8,864,858</u>		<u>7,797,325</u>
<b>Current assets</b>					
Debtors	11	188,335		98,088	
Cash at bank and in hand		62,696		41,682	
			<u>251,031</u>	<u>139,770</u>	
<b>Creditors: amounts falling due within one year</b>	12	(49,494)		(125,037)	
<b>Net current assets</b>			<u>201,537</u>		<u>14,733</u>
<b>Total assets less current liabilities</b>			<u>9,066,395</u>		<u>7,812,058</u>
<b>Funds</b>					
Unrestricted	13		9,066,395		7,809,547
Restricted	14		-		2,511
			<u>9,066,395</u>		<u>7,812,058</u>

The accounts on pages 11 to 19 were approved by the General Committee on 14 May 2014.



Peter McEwen MBE MNM  
Chairman



Graham Lane FCA  
Honorary Treasurer

The notes on pages 13 to 19 form part of the accounts.

# SEAMEN'S HOSPITAL SOCIETY

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

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### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", ("SORP"), issued in March 2005 and the Charities Act 2011.

#### 1.2 Investment income

Distributions of income from Common Investment Funds are included in the Statement of Financial Activities on an accruals basis, at an amount which includes any income tax recoverable from HM Revenue & Customs.

Bank interest is included in the Statement of Financial Activities on receipt and is received gross. Allocation on a time basis of interest receivable is made to the restricted fund.

#### 1.3 Investments and Investment Gains and Losses

Units in the Common Investment Funds are valued on a bid price basis.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between sales proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the end of the year and opening market value (or purchase date if later). Realised and unrealised gains and losses are not separated in the Statement of Financial Activities.

#### 1.4 Incoming resources

Incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and that the monetary value of the incoming resources can be measured with sufficient reliability.

#### 1.5 Resources expended

All revenue expenditure incurred by the charity during the year has been charged to the Statement of Financial Activities. In accordance with the SORP, a liability is only disclosed for those grants where a legal and constructive obligation to make payment exists at the year end. All expenditure is accounted for on an accruals basis and is classified under appropriate headings that aggregate all costs related to the same category. Grants payable are made to third parties in furtherance of the charitable objects of the Society.

Included within costs of charitable activities are support costs, which comprise costs for processing grants and applications, including support to actual and potential applicants, and an apportionment of overhead costs; governance costs are those incurred in the running of the charity itself as an organisation. Where costs cannot be directly attributed to either of these two categories, an apportionment is made based on staff activity levels. Costs that are directly attributable to restricted funds are charged against the relevant fund. Support costs not directly attributable to restricted funds are allocated on a reasonable basis as approved by the trustees.



# SEAMEN'S HOSPITAL SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 1 Accounting Policies

(continued)

#### 1.6 Tangible fixed assets and depreciation

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

Depreciation is provided at rates estimated to write off the relevant assets by equal annual amounts over their expected useful lives. The rates used are as follows:

Office premises	straight line over the balance of the lease - to 2024
Computers and related equipment	25% straight line
Fixtures, fittings & equipment	15% straight line

No depreciation is charged on selected furniture and fixtures, shown under other fixed assets, as the residual value is considered to be higher than the carrying value.

#### 1.7 Pensions

The pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity during the year in accordance with FRS 17.

2 Grants receivable	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Trinity House				
- Room Hire	6,840	-	6,840	7,680
Seafarers UK	-	121,000	121,000	87,000
Maritime Charities Funding Group				
- Health Development projects	-	-	-	13,756
	6,840	121,000	127,840	108,436
	6,840	121,000	127,840	108,436

  

3 Investment income	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Equity	268,932	-	268,932	230,073
Bond	39,892	-	39,892	43,075
Property	61,807	-	61,807	58,105
Short term cash deposits				
- Other bank accounts	371	-	371	330
Interest receivable	-	6	6	29
	371,002	6	371,008	331,612
	371,002	6	371,008	331,612

  

4 Rent receivable	2013 £	2012 £
Rental for SAIL accommodation at 29 King William Walk	6,500	6,500
	6,500	6,500

# SEAMEN'S HOSPITAL SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 5 Charitable activities - assistance to seafarers in the UK

	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Grants to individuals:				
- General welfare assistance - 260 (2012 - 300)	117,893	-	117,893	132,694
- Physiotherapy (Connect) - 41 (2012 - 45)	4,129	2,517	6,646	6,795
- Physiotherapy (Harbourside, Newlyn) - 37 (2012 - 45)	5,890	-	5,890	6,240
Grants to Institutions:				
- Seafarers Advice and Information Line	105,067	121,000	226,067	230,178
- Other (note 5a)	20,150	-	20,150	98,150
Grants for Dreadnought Medical Service:				
- General	66	-	66	434
- Patient expenses - 16 (2012 - 24)	2,425	-	2,425	3,232
	<u>255,620</u>	<u>123,517</u>	<u>379,137</u>	<u>477,723</u>
Health Development Project costs (note 5b)	5,056	-	5,056	28,119
	<u>260,676</u>	<u>123,517</u>	<u>384,193</u>	<u>505,842</u>
<b>Support costs</b>				
Staff costs including travel and training	115,137	-	115,137	102,570
Staff recruitment and compensation costs	25,728	-	25,728	-
Office costs	11,094	-	11,094	11,864
Building running and maintenance costs	5,722	-	5,722	6,066
Publicity costs	5,276	-	5,276	8,538
Depreciation	3,071	-	3,071	3,970
	<u>166,028</u>	<u>-</u>	<u>166,028</u>	<u>133,008</u>
	<u>426,704</u>	<u>123,517</u>	<u>550,221</u>	<u>638,850</u>

# SEAMEN'S HOSPITAL SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 5 Charitable activities - assistance to seafarers in the UK (cont'd.)

#### 5a Grants to Institutions - other

	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
MCFG Development Programme	20,000	-	20,000	30,000
Nautilus Welfare Fund - Mariners' Park	-	-	-	32,500
Merchant Seamen's War Memorial Society (now Care Ashore)	-	-	-	17,500
Royal National Mission to Deep Sea Fishermen	-	-	-	10,000
Queen Victoria Seamen's Rest	-	-	-	2,500
Scottish Nautical Welfare Society	-	-	-	3,000
Annual National Service for Seafarers	150	-	150	150
Apostleship of the Sea	-	-	-	2,500
	20,150	-	20,150	98,150
	20,150	-	20,150	98,150

#### 5b Health Development Project costs

Fisherman mini manual	-	-	-	13,756
Better Health for Older Seafarers pilot	-	-	-	2,500
Health Trainer - Bridlington fishermen	3,750	-	3,750	7,917
Healthy eating for fishermen	-	-	-	1,856
Miscellaneous costs	1,306	-	1,306	2,090
	5,056	-	5,056	28,119
	5,056	-	5,056	28,119

Total staff costs are detailed in note 8.

### 6 Governance costs

	2013 £	2012 £
Staff costs	9,865	9,788
Members and committee expenses	163	496
Trinity House room hire (see note below)	6,840	7,680
Annual Court and Report & Accounts	5,119	4,790
Legal and professional	2,500	2,500
Auditors' remuneration	6,720	6,660
Auditors' fees for non-audit work	2,880	2,700
	34,087	34,614
	34,087	34,614

A grant of £6,840 (2012: £7,680) was received from Trinity House (see also Note 2) to cover charges invoiced - identified above - in respect of Trinity House rooms hired for the Society's committees and Annual Court.

Total staff costs are detailed in note 8.

# SEAMEN'S HOSPITAL SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

### 7 Related Party Transactions and Payments to Trustees

The sum of £163 (2012 - £144) was reimbursed to 1 trustee (2012 - 3) in respect of travel and subsistence costs incurred in the performance of duties on behalf of the Society. An amount of £2,500 (2012 - £2,500) was paid to a firm of solicitors in which a trustee is a partner.

### 8 Employees

#### Number of employees

	2013 Number	2012 Number
The average monthly number of employees during the year was:	4	4

#### Staff costs

	2013 £	2012 £
Salaries	103,708	93,596
Social Security Costs	10,823	8,375
Pension costs	9,789	9,440
	<u>124,320</u>	<u>111,411</u>

The number of staff for whom retirement benefits are accruing under money purchase pension schemes amounted to 4 (2012: 4).

There were no employees whose annual emoluments were £60,000 or more.

### 9 Tangible fixed assets

	Office premises £	Computers and related equipment £	Fixtures, fittings & equipment £	Other fixed assets £	Total £
<b>Cost or valuation</b>					
At 1 January 2013	47,126	7,771	9,981	47,125	112,003
<b>At 31 December 2013</b>	<u>47,126</u>	<u>7,771</u>	<u>9,981</u>	<u>47,125</u>	<u>112,003</u>
<b>Depreciation</b>					
At 1 January 2013	20,910	6,002	9,980	-	36,892
Charge for the year	2,186	885	-	-	3,071
<b>At 31 December 2013</b>	<u>23,096</u>	<u>6,887</u>	<u>9,980</u>	<u>-</u>	<u>39,963</u>
<b>Net book value</b>					
<b>At 31 December 2013</b>	<u>24,030</u>	<u>884</u>	<u>1</u>	<u>47,125</u>	<u>72,040</u>
At 31 December 2012	<u>26,216</u>	<u>1,769</u>	<u>1</u>	<u>47,125</u>	<u>75,111</u>

Selected furniture and fixtures (shown under other fixed assets) were revalued by Hector Paterson & Co in 2005.

# SEAMEN'S HOSPITAL SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

10 Fixed asset investments	2013	2012
	£	£
Market value of investment funds at 1 January 2013	7,722,214	7,240,396
Disposal proceeds	(302,413)	(150,000)
Change in value in the year	1,373,017	631,818
<b>Market value of investment funds at 31 December 2013</b>	<b>8,792,818</b>	<b>7,722,214</b>
<b>Historical cost:</b>		
At 31 December 2013	8,902,201	9,264,914

Except for The Charities Property Fund, the investment assets are quoted on the UK stock exchange.

### 10.1 Schedule of investment funds

	Market Value		Cost	
	£	%	£	%
J P Morgan Bond Fund	942,940	10.72	827,890	9.30
J P Morgan UK Equity Fund	6,938,000	78.91	6,725,834	75.55
The Charities Property Fund	911,878	10.37	1,348,477	15.15
	<u>8,792,818</u>	<u>100.00</u>	<u>8,902,201</u>	<u>100.00</u>

11 Debtors	2013	2012
	£	£
Other debtors	17,050	4,000
Share disposal proceeds	102,413	-
Accrued income	68,872	94,088
	<u>188,335</u>	<u>98,088</u>

12 Creditors: amounts falling due within one year	2013	2012
	£	£
Other creditors	13,050	40,840
Accruals and deferred income	36,444	84,197
	<u>49,494</u>	<u>125,037</u>

# SEAMEN'S HOSPITAL SOCIETY

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

13 Analysis of movement in funds	Restricted funds (note 14) £	Unrestricted funds £	Total 2013 £	Total 2012 £
Balance at 1 January 2013	2,511	7,809,547	7,812,058	7,429,258
Net movement in funds	(2,511)	1,256,848	1,254,337	382,800
<b>Balance at 31 December 2013</b>	<b>-</b>	<b>9,066,395</b>	<b>9,066,395</b>	<b>7,812,058</b>

### 14 Restricted funds

The income funds of the charity include the following restricted funds held on trust for specific purposes:

	Movement in funds				Balance at 31 December 2013 £
	Balance at 1 January 2013 £	New funds £	Interest allocation £	Outgoing resources £	
Seafarers UK	-	121,000	-	(121,000)	-
New physiotherapy pilots	2,511	-	6	(2,517)	-
	<u>2,511</u>	<u>121,000</u>	<u>6</u>	<u>(123,517)</u>	<u>-</u>