

CARE ASHORE

(The Merchant Seamen's War Memorial Society)

Annual Report and financial statements For the year ended 31 March 2018

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COMPANIES HOUSE

CARE ASHORE

(The Merchant Seamen's War Memorial Society)

Reference and administrative details

Charity number: 207500

Company number: 0428236

VAT number: 811 2144 83

Principal office: "Springbok-Radcliffe"
Springbok Farm Estate
Alfold, Nr Cranleigh
Surrey GU6 8EX

Telephone: 01403 752555/752270

Facsimile: 01403 753404

Website: www.careashore.org

Auditors: Kreston Reeves LLP, Springfield House, Springfield Road,
Horsham, RH12 2RG

Bankers: NatWest PLC, Stocklund Square, Cranleigh, Surrey GU6 8RH

Solicitors: Penningtons Manche LLP, Beaufort House, 31 Chertsey St,
Guildford, Surrey GU1 4HD

Board of Trustees

Chairman: Mr S. Todd, National Secretary RMT

Vice Chair/Treasurer: Mr A Campbell JP MSc BA CMgr FCMI MNM

Trustees: Mr A Allenby
Mr G Bennett (appointed 22/09/2017)
Ms S Coveney (appointed 22/09/2017)
Mr D Leonard
Mr P Manley (appointed 19 April 2017)
Mrs P Mason
Mrs C Rankin MBE MNM (appointed 22/09/2017)
Mr T Simco MBE MNM
Mr B Gregory (resigned 4 July 2017)
Cllr K Turner (resigned 27 June 2017)

**Chief Executive &
Company Secretary:** Mr T. R. Goacher

President: Mr M Cash, General Secretary RMT

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**“ Springbok-Radcliffe”
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Surrey GU6 8EX**

www.careashore.org

Telephone 01403 752555/752270

Facsimile 01403 753404



Care Ashore (The Merchant Seamen's War Memorial Society) has been providing services to seafarers since 1920 and today provides sheltered housing with support, plus holidays at its establishment in Surrey.

The sheltered housing scheme comprises of 40 units, including one bedroom bungalows and flats, which are set in the beautiful 267 acre estate grounds, comprising of woodland and farmland, making it a peaceful and safe environment for seafarers to live.

Holidays and respite breaks are provided within the main building, Sachel Court, where there are 8 well furnished guest rooms with en-suite bathrooms, and three of these have adaptations for those with mobility difficulties. These first floor rooms boast delightful views across the grounds and to make access easier a stair lift is provided.

As well as its charitable aims, the Society also manages commercial activities such as renting out private dwellings, commercial units, farmland and buildings, plus manages various leisure activities including, a caravan site and fishing lake, with the income supporting the seafarer's services.

THE SOCIETY'S CHAIRMEN

- 1920 J. Havelock Wilson, Esq.
- 1929 Matthew Tearle, Esq.,
- 1930 Sir Arthur M. Sutherland, Bart, K. B. E
- 1933 W. R. Spence, Esq.
- 1942 C. Jarman, Esq., C. B. E
- 1947 Sir T Yates, Esq. C. B. E
- 1961 James Scott, Esq.C.H, C.B.E
- 1962 William Hogarth, Esq., C. B. E.
- 1974 James H Slater, Esq., C. B. E
- 1986 Sam J McCluskie, Esq.
- 1995 James Knapp, Esq.
- 2001 Anthony Santamera, Esq.
- 2002 Robert Crow Esq.
- 2014 Steve Todd Esq.

Chairman's Report



Mr S Todd - Chairman

Welcome to the on the 98th Annual Report and Audited Accounts for the year ending 31st March 2018, and what a year it has been for the charity.

In the previous report I commented on the many challenges Care Ashore was facing, and though those forecasted did materialise it is a credit to the staff, who have continued to deliver the services to the seafaring beneficiaries, with little impact on their daily lives. Unfortunately as we head into the new financial year we are aware that the funding we receive from the Local Council to meet the support service costs is being withdrawn, however we are exploring alternative funding streams to help us through the next twelve months.

Another blow to the organisation was the decision taken by the Planning Inspector, not to support the planning application we submitted with our developer partners. This decision came after a very positive public enquiry, in which it appeared evident that there was great weight to support the application in many areas. Though this was a hugely disappointing outcome, we have taken some positives from the Inspectors report and we shall be exploring alternative options with a view of submitting a new planning application in due course.

I end by acknowledging the positive impact our Maritime Charity colleagues make when they support our services by making a financial contribution, without their continued support our task would be even more challenging

S. Todd – Chairman

Secretary/Chief Executive's Report



Trevor Goacher – Chief Executive

As the Chairman has underlined in his report the past twelve months have seen some disappointing outcomes that have had an impact on the charity's services and future vision. It is difficult to hide my disappointment in the refusal to uphold our appeal for the planning application, especially as I attended every day of the hearing and saw what a compelling case our planning and legal team put forward to support it. The Planning Inspector has made his decision, which we respect, and we will build on the positive comments of his report to draw up an alternative application, which we trust will be received more favourably.

The trustee's vision to provide new accommodation for the beneficiaries that will meet the ever changing needs well into the future, is essential to ensure the charity continues to move forward. Great things have been achieved, but it is clear the need to enhance the services with the provision of new accommodation is upon us, and we must strive to bring this to fruition.

On a more positive note we have been able to welcome some new residents to Care Ashore, during the year, with the arrival of two couples and one single seafarer. Whenever, we have new arrivals it seems to lift the spirit of the community as with them, these residents bring fresh thoughts on how we may grow our very important and valued community. It is essential that trustees and staff work in partnership with the residents to ensure we develop a lasting legacy for future seafarers who may benefit from the charity's services one day.

No doubt the coming year will prove to be as challenging as the previous one in regards to rising costs and funding restraints, but these will be met head on by the dedicated staff we are so fortunate to have. It cannot be under estimated what a difference all the staff make to those beneficiaries who are in need of their support, and I hear regularly stories of appreciation from those who have benefitted from the caring service we provide. It is not only our own staff that make a positive impact, as we benefit from outside support from other services such as the Seafarers Advice and Information Line (SAIL), who hold an outreach advocacy service to those living at and visiting our establishment. In addition, without the ongoing support of Seafarers UK, who fund the support service and through the Merchant Navy Fund, contribute to the health and wellbeing project, plus the Seafarers Hospital Society who assist individuals with funds to obtain a well-earned respite break at Care Ashore, our work would be a lot harder. Therefore, I place on record the thanks of the trustees, staff and residents to all those who support us in our work.

Our health and wellbeing projects grow from strength to strength with our weekly supervised gym sessions regularly attended by 8 to 10 residents. In addition we have now introduced a chair based exercise class for those with limited mobility, which has seen positive results in building participants confidence as their strength and balance improves. The art classes are well attended and, following the first art exhibit of residents artwork, have seen an increase in interest. I am grateful to those staff who manage these projects and praise those who participate for wanting to develop their own fitness and skills. I will end my report by extending my thanks to the volunteers and staff who support the charity and ensure it delivers a service that is widely appreciated.

Trevor Goacher – Secretary/Chief Executive

HISTORY OF THE SOCIETY

Owing to the urgent need to look after the interests and health of seamen of the Mercantile Marine, who when suffering ill health or injury, the idea of the charity was conceived by the founder of the National Sailors' and Fireman's Union, Mr J. Havelock Wilson C.B.E MP, approached a prominent ship owner in 1917 who entered the scheme subsequently offered the building that was to become the first convalescent home in Limpsfield, Surrey. The union transformed the building into a properly equipped convalescent home and it was opened by His Royal Highness Prince Albert, Duke of York, K.G., in 1920. This home provided nursing care for seamen injured or who fell ill whilst at sea. The home remained operational until 1963, when its services were transferred to its other establishment in Alfold, Surrey.

It was during WWII that it became obvious to the Executive Officers of both the charity and the Union , that more would have to be done for the men who by their service, were in increasing numbers, being permanently incapacitated from following the sea as a means of livelihood. The Union purchased and converted their war time Headquarters, Sachel Court Estate, Alfold, Surrey into a permanent Rehabilitation and Training Centre as a memorial to those seamen who had lost their lives, and in gratitude to those who survived but sacrificed their health by serving their country. At this time the people of the Union of South Africa in their appreciation, through a Navy Week Campaign raised funds which were contributed to the scheme. From 1947 through to 1993 the training scheme re-trained seamen into either agriculture or horticulture, who then went on to successfully gain employment away from the sea.

Since being established the charity has gone through much development, plus change, and after numerous reviews the organisation now focuses on providing sheltered housing with support as its main service to seafarers, with the provision of holidays for those who do not require long term accommodation, but would benefit from a break in the tranquil setting of the estate.

TRUSTEES' ANNUAL REPORT

For the year ended 31 March 2018

The Trustees are pleased to present their annual report (including the directors' report as required by company law) together with the audited financial statements of the charitable company for the year 1 April 2017 to 31 March 2018. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charitable company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

The Vision Statement

"Care Ashore's vision for its future is to strengthen its position as a leader in the provision of high quality residential, welfare support and holiday opportunities for seafarers in need. The nature, quality and quantity of that support would be achieved by having a sound financial base and being an integral part of the provision of the welfare support available within the seafaring charitable sector".

We aim to achieve this by promoting awareness of the activities provided and further developing, plus marketing of the income generating opportunities that its resources provide. The desire to be a more integrated element of the seafaring charitable sector will require the support and assistance of those charitable organizations that have a role and influence across a wide range of charities in the seafaring sector.

The Objectives and Values of Care Ashore

Objectives

- To provide a safe and secure environment for all service users
- To ensure a comfortable and homely living environment is maintained
- To encourage and support a spirit of community
- To support individuals to enhance their quality of life
- To assist service users to move on to more independent living where appropriate
- To encourage service users to embrace the wider community where appropriate
- To provide social activities to help alleviate boredom and social exclusion
- Work with other organisations and agencies to ensure that a high level of service is provided
- To raise funds through charitable and commercial activities to support our aims
- Continue to attract trustees with suitable professional skills to join the board
- To provide training for trustees, staff and volunteers that will help with their development and strengthen the organisation

Values

- Retain the dignity and independence of all residents and beneficiaries
- Respect individual's personal privacy, social, emotional, religious, cultural, political, beliefs at all times
- Consider the views of residents regarding their daily living arrangements
- Allow residents to make informed choices to those arrangements
- Residents are involved and fully informed about future person centered support plans
- Residents may choose who their medical practitioner and dentists are and consult with them in private.
- Promote friendships and family inclusion in their life decisions.
- Provide a happy and caring community where residents feel safe and secure

STATEMENT OF PUBLIC BENEFIT

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

Main activities undertaken to further the charity's purposes for the public benefit

The high level of service delivered to the beneficiaries ensures that poverty, homelessness and isolation are reduced. Assisting beneficiaries to maintain good health and fitness has also resulted in improved quality of life that allows them to live independently rather than having to go into care.

The Trustees review the charity's aims and objectives each year to ensure the activities and services provided are in keeping with the core values of the charity. They consider what has been achieved and the outcomes met over the past twelve months, then assess the level of success throughout that helps them measure the success of each activity and the benefits they have brought to those individuals to whom our services are focused on.

STATEMENT OF FUNDRAISING PRACTICES

Care Ashore benefits from many people's generosity and we are extremely grateful to for their continued support through donations, legacies and fundraising events.

Due to the limited nature of the fundraising activities currently undertaken, the charity does not formally monitor compliance with the Code of Fundraising Practice. The charity does not consider that any of its fundraising activities constitute unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure to give and has not received any complaints in respect of this during the year. The charity does not work with any commercial participators or professional fundraisers.

ACHIEVEMENTS & PERFORMANCE

Achievements for 2017-2018

- The charity's support team delivered a service that has ensured beneficiaries have maintained independent living.
- The charity provided supported accommodation to over 40 beneficiaries during the year which included new arrivals who were in need of the services the charity provides.
- The number of seafarers using the Respite Break service has increased by 10% on the previous year.
- The health and wellbeing projects have been well attended, and we have added further activities such as chair based exercise and art classes to reach out to a wider group.
- A Residents Activity Forum was formed to assist in arranging activities and trips to encourage more residents to engage with them.
- We provided 192 trips out to local villages and towns using our community bus service, plus provided transport and escorted residents to 780 medical and other appointments.

Volunteers

The charity is grateful for the unstinting efforts of its volunteers who are involved in the service provision and fundraising. During the year 19 volunteers kindly gave their time and it is estimated that over 3,500 volunteer hours were provided during the year. Voluntary work included drivers for taking beneficiaries to medical appointments and shops, gardening and building maintenance.

Investment policy and performance

The charity has over the years invested in properties that are let to raise income in support of its objectives. The return from these investments have been maximised with rent values measured against market valuations in the local area and all but one of the commercial units were let out at the year end.

FINANCIAL REVIEW

It has been an extremely challenging year for the charity, with statutory funding cuts having a negative impact on the regular income. In addition due to a period of voids in the accommodation above what we forecast, there has been a further reduction in income. On a plus side the expenditure over the year was down on the previous year, which demonstrates good housekeeping by the management and staff.

On a more positive note the level of revenue grants we have received has been maintained, plus there has been additional support with capital grants so that upgrades to the kitchen facilities could be made.

There will be further challenges as we head into the next financial year and the trustees will be looking to provide a strategy to overcome these. This will include reviewing the business model to ensure that the charity is well placed in meeting the future needs of the beneficiaries, whilst maximising income from all relevant sources.

Principal funding

The main source of income is secured through the accommodation and business unit. There are times when external influences have an impact on everyday operations, such as statutory payments being delayed that have to be managed with consideration and care.

Reserves Policy

The trustee's policy is to maintain reserves at a level sufficient to support both Capital Projects and a renovation programme, plus to build reserves such that there are sufficient funds available to enable continued operations for a period of six months.

Total funds at 31 March 2018 were £5,965,509 (2017: £6,050,622) of which £10,718 (2017: £15,701) were restricted funds. Of the unrestricted funds held, £6,268,166 (2017: £6,289,123) were tied up as tangible fixed assets and investment property which does not currently leave any free reserves.

As discussed later, in the Plans for Future Periods, the trustees will continue to work on the visions outlined in the Business Plan with the aim to increase income whilst delivering its services in an efficient manner in order to build up the free reserves of the charity.

Risk Management

The trustees have a risk management strategy that comprises:

- an annual review of the risks the charity may face:
- the establishment and monitoring of an Operational Risk Register:
- the establishment of procedures designed to minimise any potential impact on the charity should these materialise.

The Trustees have assessed the major risks to which the charitable company is exposed, in particular those related to the operations and finances of the charitable company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

This work has identified a few minor risks but has resulted in a more efficient procedure and contingency plans and has given impetus for better planning. Particular attention has been focused on non financial risk arising from fire, health & safety of residents, staff and visitors and food hygiene. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Merchant Seamen's War Memorial Society trading as Care Ashore is a charitable company limited by guarantee governed by its Articles of Association adopted on 5th April 2013. It is registered as a charity with the Charity Commission as charity number 207500.

The principal object of the charitable company is to provide sheltered housing with support to seafarers.

Appointment of Trustees

The directors of the charitable company (the Charity) are its Trustees for the purpose of the charity law and throughout this report are collectively referred to as the Trustees.

Members of the Board shall be appointed by the Board and selected for appointment primarily on the basis of the skills and experience required by the Board in order to carry out their responsibilities effectively in the best interest of the Charity

The Board when complete consists of at least 8 and not more than 18 persons, being individuals who are over the age of 18, all of whom must support the Objects. If a member of the Board is a corporate body it must act through a named representative whose contact details are notified to the Board. The Chairman will be appointed as laid down in the Articles.

Trustee Induction and Training

New trustees undergo a period of orientation to brief them on their legal obligations under the charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and updated on the recent financial performance of the charity. During the induction period they will meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational structure and decision making

The board of trustees, which can have up to 18 members, administers the charity. The board meets quarterly and the sub-committee meet more regularly to cover the development, membership, finance and audit.

A General Secretary/Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Company Secretary/Chief Executive has delegated authority, within the terms of their delegation approved by the trustees, for operational matters including finance, employment and management of the complete operations of the organisation.

Pay policy for senior staff

The charity's senior staff pay and benefits are set by reference to the annual surveys of information from

Incomes Data Services, local information or other relevant bodies and are consistent within the support and housing sector. The charity always aims to offer terms equivalent to or exceeding the market rate subject to its financial capability.

Salaries are controlled and monitored by:

a) Measurement:

Annual review of salaries and benefits through appropriate comparisons with other relevant data.

b) Reference:

Incomes Data Services, local information or other relevant bodies and shall be consistent within the support and housing sector.

c) Audit:

Comparison and calculation criteria held by CEO.

PLANS FOR FUTURE PERIODS

The trustees have previously identified 6 options for the future of the charity that reflect the aspirations of the organisation. These options are detailed at Section 6 of the Business Plan. They carry varying degrees of risk and related likelihood of achievement. The trustees continue to focus on options 6b 'Improve the level of self sufficiency' and 6e combined with 6f 'Cater for a larger population' and 'Consider the future beyond 5 years ahead' respectively, best serve the interests of the charity in relation to its objectives.

There is a strong focus on raising Capital Funding to support the options detailed above by disposing of some of the charity land to a developer. Owing to the planning authority's refusal to support our original planning application, trustees will be working with its planners to provide an alternative application that we hope will gain the support of the local authority.

DISCLOSURE OF INFORMATION TO AUDITORS

The trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are individually aware, there is no relevant audit information of which Care Ashore's auditors are unaware, and each trustee has taken all reasonable steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the Society's auditors are aware of the information.

AUDITORS

A resolution will be proposed at the Annual General Meeting that Kreston Reeves LLP are to be appointed as auditors to the charity for the ensuing year.

By order of the trustees


.....
Mr S Todd (Chairman)

Date: 21 November 2018

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Merchant Seamen's War Memorial Society (incorporated) trading as Care Ashore for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS CARE ASHORE

The Trustees (who are also directors of The Merchant Seamen's War Memorial Society (incorporated) trading as Care Ashore for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Opinion

We have audited the financial statements of The Merchant Seamen's War Memorial Society (incorporated) trading as Care Ashore (the 'charitable company') for the year ended 31 March 2018 set out on pages 8 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 the Act and relevant regulations made or having effect thereunder.

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

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP

Chartered Accountants

Statutory Auditor

Horsham

Date: *4 December 2018*

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Statement of financial activities incorporating income and expenditure account
For the year ended 31 March 2018**

		Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
	Note				
Income and endowments from:					
Donations and legacies	2	19,876	-	19,876	34,254
Charitable activities	3	497,448	-	497,448	531,135
Other trading activities	4	37,371	-	37,371	36,155
Investments	5	178,418	-	178,418	166,168
Other income		<u>2,522</u>	<u>-</u>	<u>2,522</u>	<u>2,725</u>
Total income and endowments		<u>735,635</u>	<u>-</u>	<u>735,635</u>	<u>770,437</u>
Expenditure on:					
Raising funds	11	63,639	4,983	68,622	70,534
Charitable activities	6	<u>752,694</u>	<u>-</u>	<u>752,694</u>	<u>774,878</u>
Total expenditure	11	<u>816,333</u>	<u>4,983</u>	<u>821,316</u>	<u>845,412</u>
Net expenditure before investment gains		(80,698)	(4,983)	(85,681)	(74,975)
Net gains on investments		<u>867</u>	<u>-</u>	<u>867</u>	<u>3,139</u>
Net expenditure before other recognised gains and losses		(79,831)	(4,983)	(84,814)	(71,836)
Net movement in funds		(79,831)	(4,983)	(84,814)	(71,836)
Reconciliation of funds:					
Total funds brought forward		<u>6,034,622</u>	<u>15,701</u>	<u>6,050,323</u>	<u>6,122,159</u>
Total funds carried forward		<u>5,954,791</u>	<u>10,718</u>	<u>5,965,509</u>	<u>6,050,323</u>

The notes on pages 22 to 35 form part of these financial statements.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

Registered number: 0428236

**Balance sheet
As at 31 March 2018**

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	16	1,568,166		1,589,123	
Investment property	17	<u>4,700,000</u>		<u>4,700,000</u>	
Total tangible assets			6,268,166		6,289,123
Investments	18		<u>15,415</u>		<u>41,993</u>
			6,283,581		6,331,116
Current assets					
Stocks	19	16,642		17,645	
Debtors	20	52,788		75,238	
Cash at bank and in hand		<u>184,936</u>		<u>179,120</u>	
		254,366		272,003	
Creditors: amounts falling due within one year	21	<u>(80,438)</u>		<u>(97,477)</u>	
Net current assets			<u>173,928</u>		<u>174,526</u>
Total assets less current liabilities			6,457,509		6,505,642
Creditors: amounts falling due after more than one year	22	<u>(492,000)</u>		<u>(455,319)</u>	
Net assets			<u>5,965,509</u>		<u>6,050,323</u>
Charity Funds					
Restricted funds	23		10,718		15,701
Unrestricted funds	23		<u>5,954,791</u>		<u>6,034,622</u>
Total funds			<u>5,965,509</u>		<u>6,050,323</u>

The charitable company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The Trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charitable company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Balance sheet
As at 31 March 2018
(continued)**

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on *21 November 2018*
and signed on their behalf, by:



.....
Mr S Todd, Chairman

The notes on pages 22 to 35 form part of these financial statements.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Statement of cash flows
For the year ended 31 March 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	25	<u>(179,039)</u>	<u>(190,338)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		178,418	166,168
Purchase of tangible fixed assets		(21,008)	(1,499)
Proceeds from sale of investments		<u>27,445</u>	<u>-</u>
Net cash provided by investing activities		<u>184,855</u>	<u>164,669</u>
Cash flows from financing activities:			
Repayments of borrowings		<u>-</u>	<u>(14,314)</u>
Net cash used in financing activities		<u>-</u>	<u>(14,314)</u>
Change in cash and cash equivalents in the year		5,816	(39,983)
Cash and cash equivalents brought forward		<u>179,120</u>	<u>219,103</u>
Cash and cash equivalents carried forward	26	<u><u>184,936</u></u>	<u><u>179,120</u></u>

The notes on pages 22 to 35 form part of these financial statements.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

1. Accounting policies

1.1 Basis of preparation of financial statements

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Merchant Seamen's War Memorial Society (incorporated) trading as Care Ashore meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the charity, and have been rounded to the nearest £1.

1.2 Company status

The charitable company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

1.3 Income

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

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

Donated services or facilities are recognised when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charitable company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company 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.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources being the basis of staff time spent.

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

Grants payable are charged in the year when the offer is made. No conditional grant offers are made.

1.5 Turnover

Turnover comprises revenue recognised by the charitable company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.6 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% on a reducing balance basis per annum
Motor vehicles	-	25% on a reducing balance basis per annum
Equipment	-	25% on a reducing balance basis per annum

1.7 Investments

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

Investment property is carried at fair value determined annually by the Trustees, derived from current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities incorporating income and expenditure account.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

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

Investment property is carried at fair value determined annually by the Trustees, derived from current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities incorporating income and expenditure account:

1.8 Interest receivable

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

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Debtors

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

1.11 Cash at Bank and in hand

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

1.12 Liabilities and provisions

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

1.13 Financial instruments

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

1.14 Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

1.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.16 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

- Tangible fixed assets are stated at their deemed cost less provision for depreciation. In determining the depreciation rate, estimates are made for the useful life of the asset and its residual value based upon factors such as the expected use of the acquired asset and market conditions.

- Investment properties are stated at fair value which is sensitive to fluctuations in the property sales and rental market.

1.17 Going concern

The accounts have been prepared on a going concern basis as the Trustees consider the charity has sufficient funds to continue to operate for the foreseeable future.

2. Income from donations and legacies

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	9,735	-	9,735	5,291
Legacies	10,141	-	10,141	(1,037)
Grants	-	-	-	30,000
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	19,876	-	19,876	34,254
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2017	24,254	10,000	34,254	

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

3. Income from charitable activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Accommodation for beneficiaries	<u>497,448</u>	<u>-</u>	<u>497,448</u>	<u>531,135</u>
Total 2017	<u>531,135</u>	<u>-</u>	<u>531,135</u>	

4. Income from other trading activities

	Unrestricted funds £	Restricted funds £	2018 £	2017 £
Camping, clay shooting and fishing	24,096	-	24,096	19,674
Other fundraising activities	13,275	-	13,275	16,481
Total	<u>37,371</u>	<u>-</u>	<u>37,371</u>	<u>36,155</u>

All income in the prior period was unrestricted.

The direct costs of the above activities was £7,765 (2017: £7,315) resulting in net direct income from other trading activities of £29,606 (2017: £28,840).

5. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income - UK investment properties	177,022	-	177,022	165,048
Investment income - UK listed and unlisted investments	865	-	865	1,114
Investment income - UK cash	531	-	531	6
	<u>178,418</u>	<u>-</u>	<u>178,418</u>	<u>166,168</u>
Total 2017	<u>166,168</u>	<u>-</u>	<u>166,168</u>	

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

Notes to the financial statements
For the year ended 31 March 2018

6. Expenditure analysis by activity

	Direct costs (note 8) £	Support costs (note 9) £	Governance costs (note 10) £	2018 £	2017 £
Charitable activities					
Accommodation for beneficiaries	105,161	617,242	17,496	739,899	765,039
Grants to beneficiaries	7,812	-	-	7,812	4,540
Activities for beneficiaries	4,983	-	-	4,983	5,299
Expenditure on charitable activities	<u>117,956</u>	<u>617,242</u>	<u>17,496</u>	<u>752,694</u>	<u>774,878</u>
Raising funds					
Expenditure on trading activities including allocated support costs	7,765	60,857	-	68,622	70,534
Total	<u>125,721</u>	<u>678,099</u>	<u>17,496</u>	<u>821,316</u>	<u>845,412</u>

Direct costs are those costs which specifically relate to either charitable activities or raising funds. Direct charitable costs are further detailed in note 8.

Support costs (as detailed in note 9) are those costs which relate to the overall running of the charity and are not directly attributable to either charitable activities or raising funds. In accordance with the Charities SORP (FRS 102) 2015, the current and prior year support costs have been allocated between charitable activities and other activities for raising funds on the basis of the split of staff time between these activities.

7. Analysis of grants

	Grants to Individuals 2018 £	Total 2018 £	Total 2017 £
Grants to beneficiaries	<u>7,812</u>	<u>7,812</u>	<u>4,540</u>

8. Direct costs

	Accomm for beneficiaries £	Gym classes £	Workshop £	Total 2018 £	Total 2017 £
Catering	50,743	-	-	50,743	57,151
Social club and bar cost of sales	49,927	-	-	49,927	51,203
Property expenses	2,574	-	-	2,574	2,688
Health and wellbeing	1,917	4,983	-	6,900	5,581
Workshop	-	-	-	-	1,385
	<u>105,161</u>	<u>4,983</u>	<u>-</u>	<u>110,144</u>	<u>118,008</u>
Total 2017	<u>112,709</u>	<u>3,914</u>	<u>1,385</u>	<u>118,008</u>	

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

9. Support costs

	Basis of Allocation	Fundraising expenses £	Accomm for beneficiaries £	Total 2018 £	Total 2017 £
Property expenses	% staff time	16,355	168,402	184,757	221,779
Vehicle hire and expenses	% staff time	2,982	30,501	33,483	33,193
Office administration	% staff time	3,014	27,187	30,201	28,410
Legal and professional	% staff time	1,146	13,401	14,547	25,036
Bad debts	% staff time	743	7,515	8,258	3,637
Bank charges	% staff time	285	2,884	3,169	2,839
Interest payable	% staff time	1,948	19,694	21,642	28,668
Wages and salaries	% staff time	28,109	284,218	312,327	292,389
National insurance	% staff time	2,234	22,584	24,818	22,446
Pension cost	% staff time	264	2,668	2,932	2,289
Depreciation	% staff time	3,777	38,188	41,965	42,662
		<u>60,857</u>	<u>617,242</u>	<u>678,099</u>	<u>703,348</u>
Total 2017		<u>63,219</u>	<u>640,129</u>	<u>703,348</u>	

Time spent by staff for the current and prior year is estimated to be split as 91% on charitable activities and 9% on trading activities for raising funds and this is considered to be an appropriate basis for the allocation of support costs.

10. Governance costs

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Auditor's remuneration	11,168	-	11,168	9,000
Accountancy fees	3,043	-	3,043	719
Trustee indemnity insurance	914	-	914	898
Costs of trustees' meetings	1,269	-	1,269	136
Governance - Trustees travel reimbursed	1,102	-	1,102	1,448
	<u>17,496</u>	<u>-</u>	<u>17,496</u>	<u>12,201</u>

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

11. Analysis of Expenditure by expenditure type

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading	30,607	3,777	34,238	68,622	70,534
Costs of raising funds	30,607	3,777	34,238	68,622	70,534
Accommodation for beneficiaries	309,470	38,188	382,557	730,215	757,378
Activities for beneficiaries	-	-	4,983	4,983	5,299
Charitable activities	309,470	38,188	387,540	735,198	762,677
Expenditure on governance	-	-	17,496	17,496	12,201
	340,077	41,965	439,274	821,316	845,412
Total 2017	317,124	42,662	485,626	845,412	

12. Turnover

All turnover arose within the United Kingdom.

13. Net income/(expenditure)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	41,965	42,662
Auditors' remuneration - audit	<u>11,168</u>	<u>9,000</u>

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

7 Trustees received reimbursement of travel expenses amounting to £1,102 in the current year, (2017 - 7 Trustees - £1,448).

14. Auditors' remuneration

The Auditor's remuneration amounts to audit and accounts fees of £11,168 (2017 - £9,000). Other taxation and business services amounted to £420 (2017: £nil).

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

15. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	312,327	292,389
Social security costs	24,818	22,446
Other pension costs	2,932	2,289
	<u>340,077</u>	<u>317,124</u>

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

	2018 No.	2017 No.
Charitable and administrative staff	13	13

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The Trustees, the chief executive officer and the deputy chief executive officer are considered to be the key management personnel of the charity.

Compensation includes all employee benefits, including salaries, pensions and benefits in lieu of their work as well as employer's national insurance contributions. The amount of compensation payable during the year in respect of key management amounted to £103,424 (2017: £100,815).

16. Tangible fixed assets

	Freehold property £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 April 2017	1,952,576	22,472	356,824	2,331,872
Additions	-	-	21,008	21,008
Disposals	-	-	(1,363)	(1,363)
At 31 March 2018	<u>1,952,576</u>	<u>22,472</u>	<u>376,469</u>	<u>2,351,517</u>
Depreciation				
At 1 April 2017	407,728	22,071	312,950	742,749
Charge for the year	30,897	100	10,968	41,965
On disposals	-	-	(1,363)	(1,363)
At 31 March 2018	<u>438,625</u>	<u>22,171</u>	<u>322,555</u>	<u>783,351</u>
Net book value				
At 31 March 2018	<u>1,513,951</u>	<u>301</u>	<u>53,914</u>	<u>1,568,166</u>
At 31 March 2017	<u>1,544,848</u>	<u>401</u>	<u>43,874</u>	<u>1,589,123</u>

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

17. Investment property

**Freehold
investment
property
£**

Valuation

At 1 April 2017 and 31 March 2018

4,700,000

The 2018 valuations were made by the Trustees using the 2015 revaluations by Batcheller Monkhouse, chartered surveyors, on an open market value for existing use basis. The historic cost is £4,500,000.

No material changes have occurred since the last external valuation. The next external valuation will be in 2019.

18. Fixed asset investments

	Listed securities £	Unlisted securities £	Total £
Market value			
At 1 April 2017	41,553	440	41,993
Disposals	<u>(26,138)</u>	<u>-</u>	<u>(26,138)</u>
At 31 March 2018	<u>15,415</u>	<u>440</u>	<u>15,855</u>
Impairment			
At 1 April 2017	-	-	-
Charge for the year	<u>-</u>	<u>440</u>	<u>440</u>
At 31 March 2018	<u>-</u>	<u>440</u>	<u>440</u>
Net book value			
At 31 March 2018	<u>15,415</u>	<u>-</u>	<u>15,415</u>
At 31 March 2017	<u>41,553</u>	<u>440</u>	<u>41,993</u>

Investments at market value comprise:

	2018 £	2017 £
Listed investments	15,415	41,553
Unlisted investments	<u>-</u>	<u>440</u>
Total market value	<u>15,415</u>	<u>41,993</u>

All the fixed asset investments are held in the UK.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

19. Stocks

	2018 £	2017 £
Finished goods and goods for resale	<u>16,642</u>	<u>17,645</u>

20. Debtors

	2018 £	2017 £
Trade debtors	23,511	33,857
Other debtors	4,559	16,663
Prepayments and accrued income	24,718	24,718
	<u>52,788</u>	<u>75,238</u>

21. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	-	14,398
Trade creditors	55,236	57,411
Other taxation and social security	7,345	9,404
Other creditors	3,582	1,989
Accruals and deferred income	14,275	14,275
	<u>80,438</u>	<u>97,477</u>

22. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	<u>492,000</u>	<u>455,319</u>

Included within the above are amounts falling due as follows:

	2018 £	2017 £
Between one and two years		
Bank loans	<u>-</u>	<u>14,398</u>
Between two and five years		
Bank loans	<u>492,000</u>	<u>440,921</u>

The bank loan bears interest at 3.77% and is repayable from August 2019 by monthly instalments. The loan is secured by a charge over the charity's investment properties and freehold properties held for charitable purposes.

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

23. Statement of funds

Statement of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2018 £
Unrestricted funds					
General Funds - all funds	<u>6,034,622</u>	<u>735,635</u>	<u>(816,333)</u>	<u>867</u>	<u>5,954,791</u>
Restricted funds					
Restricted Funds	<u>15,701</u>	<u>-</u>	<u>(4,983)</u>	<u>-</u>	<u>10,718</u>
Total of funds	<u><u>6,050,323</u></u>	<u><u>735,635</u></u>	<u><u>(821,316)</u></u>	<u><u>867</u></u>	<u><u>5,965,509</u></u>

Restricted funds consists of two funds:

The Gym classes restricted fund of £9,103 (2017: £14,086) represents monies received towards the supervised gym classes.

The Workshop restricted fund of £1,615 (2017: £1,615) represents monies received towards other health and well being projects including engineering workshops and gardening projects.

The balance of these funds is expected to be spent during the next financial year.

Statement of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2017 £
General funds					
General Funds - all funds	<u>6,111,159</u>	<u>760,437</u>	<u>(840,113)</u>	<u>3,139</u>	<u>6,034,622</u>
Restricted funds					
Restricted Funds	<u>11,000</u>	<u>10,000</u>	<u>(5,299)</u>	<u>-</u>	<u>15,701</u>

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	1,568,166	-	1,568,166
Fixed asset investments	15,415	-	15,415
Investment property	4,700,000	-	4,700,000
Current assets	243,648	10,718	254,366
Creditors due within one year	(80,438)	-	(80,438)
Creditors due in more than one year	(492,000)	-	(492,000)
	<u>5,954,791</u>	<u>10,718</u>	<u>5,965,509</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	1,589,123	-	1,589,123
Fixed asset investments	41,993	-	41,993
Investment property	4,700,000	-	4,700,000
Current assets	256,302	15,701	272,003
Creditors due within one year	(97,477)	-	(97,477)
Creditors due in more than one year	(455,319)	-	(455,319)
	<u>6,034,622</u>	<u>15,701</u>	<u>6,050,323</u>

25. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(84,814)	(71,836)
Adjustment for:		
Depreciation charges	41,965	42,662
Losses on investments	(867)	(3,139)
Dividends, interest and rents from investments	(178,418)	(166,168)
Decrease/(increase) in stocks	1,003	(1)
Decrease/(increase) in debtors	22,450	(1,986)
Increase in creditors	<u>19,642</u>	<u>10,130</u>
Net cash used in operating activities	<u>(179,039)</u>	<u>(190,338)</u>

**THE MERCHANT SEAMEN'S WAR MEMORIAL SOCIETY (INCORPORATED) TRADING AS
CARE ASHORE (A COMPANY LIMITED BY GUARANTEE)**

**Notes to the financial statements
For the year ended 31 March 2018**

26. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	9,192	317
Notice deposits (less than 3 months)	<u>175,744</u>	<u>178,803</u>
Total	<u><u>184,936</u></u>	<u><u>179,120</u></u>

27. Pension commitments

The charitable company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £2,932 (2017 - £2,289). Contributions totalling £nil (2017- £nil) were payable to the fund at the balance sheet date.

28. Operating lease commitments

At 31 March 2018 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

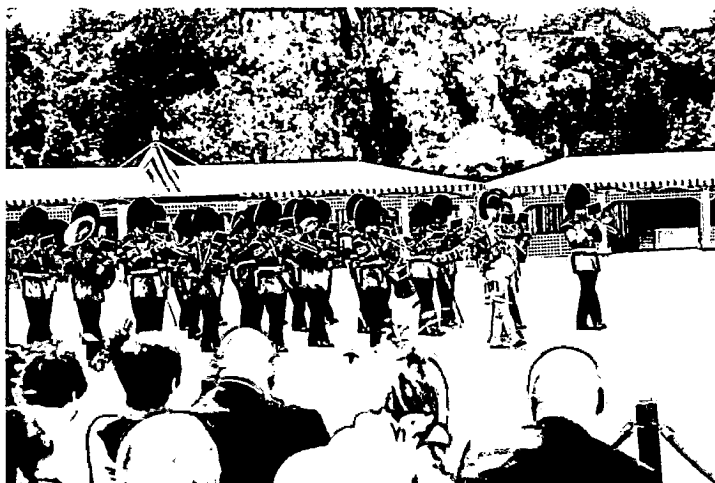
	2018 £	2017 £
Amounts payable:		
Within 1 year	18,702	20,126
Between 1 and 5 years	31,818	36,552
After more than 5 years	<u>728</u>	<u>3,927</u>
Total	<u><u>51,248</u></u>	<u><u>60,605</u></u>

29. Related party transactions

Mr W Hicks, deputy CEO, is also a director and shareholder of Springbok Sustainable Wood Heat Cooperative. During the year purchases of £34,336 (2017: £64,577) were made by the Charity. At the balance sheet date an amount of £516 (2017: £22,828) was payable by the Charity to SSWHC. The SSWHC provides a sustainable district heat system which has reduced expenditure. Mr Hicks was not involved in the decision to use the supplier.

SOCIAL & HEALTH ACTIVITIES

Every year we are grateful to receive the support of the 'Not Forgotten Association', plus the 'Lest We Forget Association' who invite residents to attend variety concerts, river trips, Garden Parties at Buckingham Palace and the Wimbledon Tennis Championship. All these events have a positive impact on those who attend and we are very pleased to receive these opportunities.



The supervised gym and chair based exercise classes have been well attended and the health benefits are clear to see. Our vision for the coming year is to build on these classes and explore additional ways we can further enhance the health of those taking part, plus of attracting new members to improve their wellbeing.



The Art Class has proven to be a very popular and beneficial addition to our wellbeing projects and it was extremely inspiring when those attending the classes held their first exhibit to display some of their work.



OBITUARIES



Edward Duggan

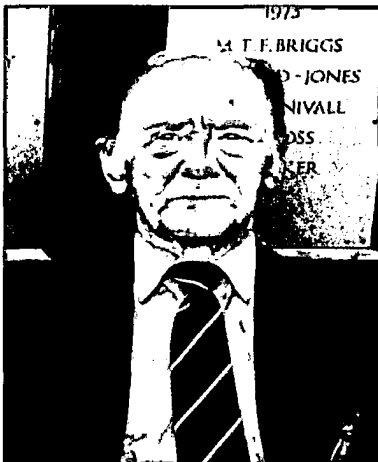
It was with great sadness that Eddie passed away on 1st November 2017 having experienced ill health for some time. He was born in Ireland on 10th September 1944.

Eddie joined the Merchant Navy on leaving school and joined his first ship in Blyth, Northumberland. Unfortunately, owing to ill health his career at sea ended early, so he took up a post working as a porter in a hospital.

After a period of bad luck Eddie came to Care Ashore in 1990 to undertake a horticultural training course that the charity once ran. He passed the course with flying colours, but owing to his health declining he was unable to hold down a permanent position and it was agreed that he become a resident of the housing scheme.

Eddie was a big cricket fan and used to go to a nearby village on a Sunday, during the season to relax and enjoy the match. He was also a Jazz fan and frequented many jazz club both in London and locally.

Another passion of his was supporting Great Ormond Street Hospital, who had assisted a family friend some years ago. Owing to their fantastic work to treat a friend's child, he became a regular donor and was recognised by them for his contributions.



Ernest (Tug) Wilson

Tug as he was known by his family and friends passed away suddenly in November 2017.

He was born in Southampton on the 9th June 1944 during a particular heavy bombing raid and was delivered in an air raid shelter, unfortunately his family home was destroyed in the bombing.

On leaving school his first job was as a Butchers Apprentice and he stayed there for 2 years, before joining the Army in 1961 as a cook aged just 17 ½ years old with the Wessex Brigade that later became

the Royal Hampshire's Regiment. He spent 3 years in the service until he was involved in an accident and was hit by a car resulting in him breaking his leg, whilst serving in Malta and was medically discharged. He joined the MN in the early 1970's working on board the QE2 as a head waiter/chief steward and spent his whole career at sea either on transatlantic crossings to New York or other cruises.

In the early 1990's he came to Care Ashore and undertook a course in agriculture and having finished his course secured work on a farm. He returned to Care Ashore in the late 1990's and become a resident of the sheltered housing scheme.

During his time at Care Ashore he dedicated his time as a volunteer driver, taking residents on their shopping trips, on outings, plus to medical appointments.

HOW WE HELP

Frank Cullen



Frank came to Care Ashore in 2001 after a lengthy service in the Merchant Navy, including serving in the Falklands Conflict aboard the M.V Nordic Ferry. In early 2016 he was diagnosed with Lung Cancer and a long period of treatment begun and eventually he was operated on and had one removed. Frank recalls "The day I was told I had cancer was the most devastating days of my life, I was frightened and angry at the same time, I really was not coping very well with the diagnosis. Had it not been for the caring support of the welfare team and in particular, Carol, Dawn and Debbie, who provided me with unwavering support throughout my treatment I would never have got through it. They escorted me to each of the treatments ensuring I was kept in good spirits and they took on board what the doctors were saying as I just could not take it all in. They also kept

my family up to date with every step of my progress and gave reassurance to them, which was appreciated. It was a very dark period for me, I would not engage with other residents like I used to and kept myself to myself. It was through the gentle encouragement of the welfare team that my confidence grew and I started to get involved with social events and now am back in a better place. I know there are challenges ahead but having Care Ashore to support me gives me the peace of mind that I will not be facing them on my own".

Barry Bartlett



Barry is a 78 year old retired 1st Mate who came to Care Ashore in 2008. Having led a very active and independent lifestyle it was during an annual Support Plan review that the welfare team noted that he appeared to be struggling to cope in his home.

Through discussions it was discovered that owing to a period of ill health he had found it difficult to keep on top of things and had been too proud to ask for help. Shortly after this he was hospitalised and upon his discharge a plan was agreed where he

would temporarily move into the main building where he would receive enhanced support, plus his meals would be provided until he was back to full fitness, During this time he also joined the supervised gym sessions and with the additional support he was receiving he gained confidence as his health and fitness improved. Barry recalls, "It is never easy asking for help and I was simply ignoring all the signs that were telling me I was not coping. Had it not been for the intervention and support of Care Ashore's welfare team, I would have continued slipping down the slope and heaven knows where that would have ended. Though at first I was reluctant to accept their assistance I soon realised it was for the best."

Barry is now back living in his independent flat, with a weekly cleaner arranged by Care Ashore helping him to stay on top of things, He continues to attend the fitness classes and benefits not only from the physical activities but also from the social aspect of the group.

DONATIONS AND GRANTS

Care Ashore benefits from many people's generosity and we are extremely grateful to for their continued support. Volunteers have also held fundraising events, such as the Charity Model Show that provides a good source of income each year.

Online giving has provided another way of increasing the amount of donations we receive and we will continue to focus on establishing this form of giving.

The Merchant Navy Welfare Board granted £35,520 towards the cost of a kitchen upgrade that included new hood and extraction system, hot and cold serving counters, plus walk in chiller and freezer. These improvements ensure that we can provide meals to our seafaring residents and visitors whilst complying with regulated hygiene standards.

Legacies

We were fortunate to receive modest legacies from former residents John 'Stewart' Clark and Edward Duggan, plus from the family of the Late Mr Alan Harding.

We are always very grateful to be remembered in this way and appreciate the fact that these legacies go a long way in supporting our objectives.



Make a Donation

If you wish to make a donation to Care Ashore to support its charitable objectives, then please download this form and send with your donation. Also if you have made a donation in the past and have not already sent us a declaration, please do so now, even if you do not intend to make a donation at this time. If you currently pay Income Tax or Capital Gains Tax, your gift could be worth 25 pence per £1 more to us.

Tax Declaration

If you sign the declaration that will enable us to reclaim tax on future gifts:

Please notify us if you change your name or address while the declaration is in force.

You must pay an amount of Income Tax and/or Capital Gains Tax at least equal to the tax that we reclaim on your behalf.

If in the future your circumstances change and you cease to pay tax on your income or your Capital Gains, you can cancel your declaration simply by notifying us.

If you pay tax at the higher rate, you can claim further personal tax relief in you Self Assessment tax return.

If you are unsure whether your donations qualify for Gift Aid relief, please ask us. Or you can ask your local tax office for leaflet 1R113 Gift Aid.

Declarations may also be made by telephone, by fax or by email to the numbers shown below.

Deborah Burgess Tel 01403 752555 or Tel 01403 752270 – Fax 01403 753404

Email. D.Burgess@careashore.org

-----Cut here-----

Here is my donation to help seafarers in need

Care Ashore, Springbok Farm Estate, Alfold, Surrey GU6 8EX

Registered Charity No. 207500

I wish to give a gift of £ _____ **(If you pay tax, your gift will be worth an extra 25p in the £ to the Society.**
Please complete the gift aid declaration below)

I enclose a cheque/postal order/CAF voucher made payable to Care Ashore ☐

Gift Aid Declaration (please read above notes)

I am a tax payer and I wish Care Ashore to treat all donations made since 6th April 2000 and any donations I may make from the date of this declaration until I notify you otherwise, as Gift Aid donations.

Name: _____

Address: _____

Post Code: _____

Signature: _____ Date: _____