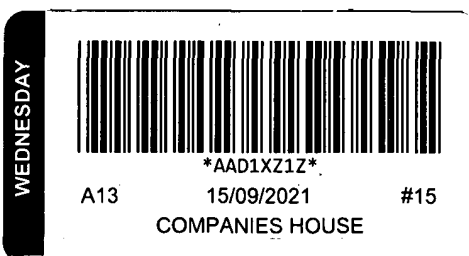


Charity Registration No. 1179847

Company Registration No. 11145243 (England and Wales)

ALEX FERRY FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
(A COMPANY LIMITED BY GUARANTEE)



ALEX FERRY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J F Rowse (Chair of the Board)	
	D Emerson (Independent Member)	(Appointed 11 November 2020)
	T Griffiths (Lay Member)	
	S G Hibbert (Lay Member)	
	D M Holland (CSEU Member)	
	R A Holmes (Lay Member)	
	A J McDiarmid (CSEU Member)	
	D S McPhee (Lay Member)	
	R Murdoch (CSEU Member)	
	H Scullion (Subscriber)	
	C Stevenson (Lay Member)	
Executive Director	I Waddell	
Deputy Director	K Goddard	
Finance and Administration Manager	N Ojike	
Charity number	1179847	
Company number	11145243	
Registered office	10 Salamanca Place Vauxhall London SE1 7HB	
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER	
Bankers	Unity Trust Bank Plc Four Brindleyplace Birmingham B1 2JB	
Legal advisors	Bates Wells 10 Queen Street Place London EC4R 1BE	
Investment advisors	Rathbones Investment Management Ltd 8 Finsbury Circus Finsbury London EC2M 7AZ	

ALEX FERRY FOUNDATION

CONTENTS

	Page
Trustees report	1 - 4
Statement of Trustees responsibilities	5
Independent auditor's report	6 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 19

ALEX FERRY FOUNDATION

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Introduction

The Alex Ferry Foundation was established on 24 December 2018 following the granting of a Court Order releasing the funds from the CSEU 35 Hour Week Campaign Fund. It is a registered charity and regulated by the Charity Commission.

The Foundation and its Trustees operate a Community Grants scheme supporting communities identified by CSEU districts and regions as causes they wish to support and meet the due diligence requirements of the Foundation. The Funds of the Foundation are in two parts, the first being the amount transferred on the day of registration and the second part being the remainder of the Fund together with the Unity Trust Bank plc shareholding which is retained in the "Retention Fund" for a limited period to deal with any outstanding liabilities. In due course, this will pass to the Foundation by way of a final donation as required by the Court Order.

Public Benefit

In making our decisions about public benefit and all activities of the Foundation we have had due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Financial Statements

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements and comply with the Articles of Association, the Companies Act 2006 and "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)".

Incorporation and governing document

Alex Ferry Limited was incorporated on 11 January 2018 as a private company limited by guarantee with no share capital under the company registration number 11145243. The company was registered with the Charity Commission on 7 September 2018 under the charity registration number 1179847. On 14 May 2019 the company changed its name to Alex Ferry Foundation. The Foundation is governed by its Articles of Association.

Administrative details

Details of the legal and administrative information in relation to the Foundation are set out at the front of the financial statements. These details include the Trustees of the Foundation as well as the organisations providing banking services, investment advice, legal advice and audit services.

Objectives and activities

The Alex Ferry Foundation has the following aims and objectives as laid out in our registration document with the Charity Commission. The Foundation's objects are specifically directed to the following activities for their beneficiaries:

The relief of financial hardship/poverty.

The promotion of education and/or training.

The carrying out and publishing of research.

The carrying out and publishing of research into ways in which the quality of life of workers in the UK shipbuilding and engineering industries and in related manufacturing industries, might be improved, including their work/life balance.

The relief of sickness and the preservation of health.

The Trustees have set out how these objectives will be achieved in their Strategic Plan 2020 - 2022. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Foundation should undertake.

ALEX FERRY FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

The Trustees meet at least five times in any calendar year and discuss progress, strategy and future plans. All key decisions affecting the Foundation are agreed at these meetings. The day-to-day management of the Foundation is delegated by the Trustees to Ian Waddell as Executive Director with regular meetings with the Chair and Independent Director. The Foundation continues to work closely with the Confederation of Shipbuilding & Engineering Unions and shares premises and resources with that body.

The Trustees, who are also the directors for the purpose of company law, and who served during the period and up to the date of signature of the financial statements are set out under Legal and Administrative information at the beginning of this Report.

As noted in the Legal and Administrative Information the Trustees represent the Confederation of Shipbuilding & Engineering Unions and the lay membership of the affiliated trade unions.

Due to unforeseen circumstances, Martyn Evans the Independent Member and Board Chair resigned and the Board elected John Rowe as Chair for the remainder of the electoral period. The Board also appointed David Emerson as the Independent Director. David has extensive experience with charitable foundations and is a very welcome addition to the Board.

The Board placed on record their thanks to Martyn for the work he did in helping to establish the Foundation.

Activities

Although the Foundation previously existed in embryonic form (a vital period in establishing robust governance, processes and procedures, and full Charity Commission compliance), 2020 was the first year in which we were fully operational. The Foundation operated with a small executive team dedicated to ensuring that the organisation delivers on its vital mission to serve workers and former workers within their communities as well as supporting and promoting access to good, secure work, both now and into the future.

Part of the activities of the Foundation since it was established has been to ensure appropriate training of the Trustees.

Our mission can be seen as running through everything that the Foundation has done over the past year, whether it is in developing research around shorter working time (an issue that, due to the origins of the Foundation, will always be at the heart of everything we do), workers' voice, trade unionism, the just transition, or in our responsive, locally focused funding of communities throughout the UK during the Covid19 pandemic.

But our mission does not begin and end with the grants that we make. We have also been working hard to raise awareness of work-related issues, both across and beyond civil society. To this end, we have been active in discussions with researchers, grant-makers and think tanks throughout the course of the year, with the aim of sharing our unique mission as widely as possible and leveraging more interest, finance and support to the cause of 'good work'.

Throughout the period covered by this report, the Foundation has worked hard to be adaptable, attentive and pragmatic in how we meet our charitable aims.

Strategy

The Board has continued to follow the approved Strategic Plan throughout 2020; developing, extending and implementing our local community grant-making programme, driven by ideas from local trade union groups in the relevant unions. In addition, we have developed a wide-ranging and well-respected suite of research grants, looking to influence the debate about the future of work in ways that are relevant to the interests of our beneficiary groups, their wider community and the trade union movement.

During this period, despite the practical and operational challenges presented by Covid19, the Foundation has gone from strength to strength; distributing substantial funds through our community grants programme to vital local organisations, supporting a range of high quality work-related research, and beginning to build strong connections between trade unions, research institutions and civil society more broadly.

The feedback from the organisations we work with has already been inspiring, and we look forward to developing and expanding our grants programmes further throughout 2021.

ALEX FERRY FOUNDATION

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves policy

The Foundation will measure its progress by the levels of its reserves, of which there will be two each has a different risk appetite. A short-term reserve will provide liquidity for one year and the long term reserve will provide exposure to long term economic growth. It will be invested to achieve high, long term sustainable growth.

Investment policy and performance

A new investment policy statement and guidelines were considered and approved by The Board. The Retention Fund Trustees were fully involved in the consideration of the policy and have agreed to approve it and adopt it as their own. A fuller review will be undertaken in 2021 with the support of Board appointed independent financial advisers.

Fundraising

The Foundation has not carried out any fundraising activities.

Risk management

Recognising the primacy of the investment management risk, the trustees are intending to take further independent professional advice in 2021.

Grant policy

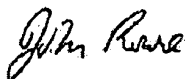
The Trustees will pay due regard to guidance issued by the Charity Commission in deciding what activities to undertake. As a new Foundation with limited staff resources, the Trustees have decided that they will not offer grants to individuals. They will instead concentrate on offering grants to charitable projects that fulfil the aims and objectives of the Foundation. The details of the grant making strategy are contained in the Trustees' report and Strategic Plan.

The Foundation will also work with other organisations including other charities, benevolent funds, foundations and research bodies to identify and deliver national campaigns and projects related to its aims and objectives.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report was approved by the Board of Trustees on 22 July 2021 and signed on its behalf by:



J F Rowse

Chair of the Board

ALEX FERRY FOUNDATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees, who are also the directors of Alex Ferry Foundation for the purpose 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 which give a true and fair view of the state of affairs of the and of the Incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ALEX FERRY FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ALEX FERRY FOUNDATION

Opinion

We have audited the financial statements of Alex Ferry Foundation for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

ALEX FERRY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ALEX FERRY FOUNDATION

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, the Trustees, who are also the directors of the Foundation for the purpose 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 Foundation'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- We enquired of management the systems and controls the Foundation has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud
- We obtained an understanding of the legal and regulatory frameworks applicable to the Foundation. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011 and Companies Act 2006.
- We considered the incentives and opportunities that exist in the Foundation, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the Foundation, together with the discussions held with the Foundation at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the Foundation board minutes, correspondence with solicitors, for discussions of

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

ALEX FERRY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ALEX FERRY FOUNDATION

Use of our report

This report is made solely to the Foundation'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 Foundation'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 Foundation and the Foundations's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Sailesh Mehta (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom
11 August 2021
.....

HW Fisher LLP is eligible for appointment as auditor of the by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

ALEX FERRY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds 2020 £'000s	Unrestricted funds 2019 £'000s
	Notes		
<u>Income from:</u>			
Investments	3	209	608
<u>Expenditure on:</u>			
Raising funds	4	66	91
Charitable activities	5	667	294
Total resources expended		733	385
Net gains/(losses) on Investments	10	(5,394)	1,419
Net movement in funds		(5,918)	1,642
Fund balances at 1 January 2020		16,271	14,629
Fund balances at 31 December 2020		10,353	16,271

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

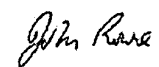
ALEX FERRY FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£'000s	£'000s	£'000s	£'000s
Fixed assets					
Investments	11		9,701		13,440
Current assets					
Debtors	13	10			1
Cash at bank and in hand		813		2,955	
		823		2,955	
Creditors: amounts falling due within one year	14	(171)		(124)	
Net current assets			652		2,831
Total assets less current liabilities			0,353		16,271
Income funds					
Unrestricted funds			10,353		16,271
			10,353		16,271

The financial statements were approved by the Trustees on 22 July 2021



J F Rowse
Trustee

Company Registration No. 11145243

ALEX FERRY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019	
	Notes	£'000s	£'000s	£'000s	£'000s
Cash flows from operating activities					
Cash absorbed by operations	16		(696)		(272)
Investing activities					
Purchase of investments		(8,578)		(1,130)	
Proceeds on disposal of investments		6,923		3,749	
Investment income received		209		608	
Net cash (used in)/generated from investing activities			(1,446)		3,227
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(2,142)		2,955
Cash and cash equivalents at beginning of year			2,955		-
Cash and cash equivalents at end of year			813		2,955

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity Information

Alex Ferry Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Salamanca Place, Vauxhall, London, SE1 7HB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The Foundation is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £'000s.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees have considered the effect of the Covid-19 outbreak. The Trustees have continued to adapt the operations and strategy of the Foundation in light of the ongoing impact of Covid-19. As well as affecting the day to day operations of the organisation, including but not limited to the shift to home working, the circumstances of the pandemic have also had a bearing on the Foundation's finances. Reduced dividend income throughout 2020 required the Trustees to take the following steps in order to preserve, to the degree contextually possible, the real term value of the investment portfolio:

I: Agreed a 'steady state' expenditure budget for 2021.

II: Worked with our investment managers to develop a multi-year strategy that minimises capital draw down and agreed said strategy.

III: Agreed to review the Foundation's investment strategy in light of medium term market trends, operational requirements and risk appetite

IV: Agreed to continue to minimise unplanned operational expenditure where possible while ring-fencing grant budgets in order to continue to fulfil the organisation's charitable mission and meet the pressing needs of our beneficiaries.

These actions, taken alongside an operationally successful 2020 and a cautiously promising upturn in the value of the organisation's portfolio have satisfied the Trustees that the Foundation is in a solid position to meet its charitable purpose on an ongoing basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained.

1.4 Incoming resources

Income is recognised when the Foundation is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the donor has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Legacies are recognised on receipt or otherwise if the Foundation has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

Resources expended are recognised in the period to which they relate.

Governance includes the costs of compliance with constitutional and statutory requirements.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Investments

	Unrestricted funds	Unrestricted funds
	2020 £'000s	2019 £'000s
Investment income	209	608

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2020 £'000s	2019 £'000s
Investment management fees	66	91
	66	91

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	2020 £'000s	2019 £'000s
Grant funding of activities (see note 6)	416	35
Support costs (see note 7)	230	205
Governance costs (see note 7)	21	54
	<u>667</u>	<u>294</u>

6 Grants payable

	2020 £'000s	2019 £'000s
Grants to institutions:		
Community grants	243	-
Research grants	156	-
Exceptional grants	17	-
Other	-	35
	<u>416</u>	<u>35</u>

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7	Support costs	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
	Staff costs	186	-	186	103	-	103
	Occupancy costs	12	-	12	16	-	16
	Legal and professional	6	-	6	47	-	47
	Premises costs	14	-	14	20	-	20
	Meeting costs	12	-	12	19	-	19
	Audit fees	-	14	14	-	20	20
	Non - audit fees	-	7	7	-	34	34
		<u>230</u>	<u>21</u>	<u>251</u>	<u>205</u>	<u>54</u>	<u>259</u>
	Analysed between						
	Charitable activities	<u>230</u>	<u>21</u>	<u>251</u>	<u>205</u>	<u>54</u>	<u>259</u>

Governance costs includes payments to the auditors of £16,800 (2019: £16,800) for audit fees.

8 Trustees

M R Evans (Chair of the Board and Independent Member) received remuneration from the Foundation during the year amounting to £19,023 (2019: £15,948).

During the year expenses incurred by the Trustees and reimbursed to them amounted to £3,240 (2019: £15,804).

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Employees

The number of employees during the year was 1 (2019: nil).

Employment costs	2020 £'000s	2019 £'000s
Wages and salaries	89	15
Social security costs	4	1
Pension costs	6	-
Recharged staff costs	87	87
	<u>186</u>	<u>103</u>

The recharged staff costs are from the Confederation of Shipbuilding and Engineering Unions, who provide staffing resources to the Foundation.

The key management personnel of the charity comprises the Trustees. The Trustees do not receive any remuneration, except as stated in note 8.

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,001 - £70,000	1	-
	<u>1</u>	<u>-</u>

10 Net gains on Investments

	2020 £'000s	2019 £'000s
Revaluation of investments	876	510
(Loss)/gain on sale of investments	(6,270)	909
	<u>(5,394)</u>	<u>1,419</u>

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Fixed asset investments

	Listed investments £'000s
Cost or valuation	
At 1 January 2020	13,440
Additions	8,578
Valuation changes	876
Disposals	(13,193)
At 31 December 2020	9,701
Carrying amount	
At 31 December 2020	9,701
At 31 December 2019	13,440

12 Financial Instruments

	2020 £'000s	2019 £'000s
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	9,701	13,440

13 Debtors

	2020 £'000s	2019 £'000s
Amounts falling due within one year:		
Prepayments and accrued income	10	-

14 Creditors: amounts falling due within one year

	2020 £'000s	2019 £'000s
Other creditors	92	85
Accruals and deferred income	79	39
	171	124

ALEX FERRY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Related party transactions

The Foundation paid £87,250 to the Confederation of Shipbuilding and Engineering Unions in respect of the recharged staff costs as the Confederation provides staffing resources to the Foundation.

The Foundation received £26,000 from the Confederation of Shipbuilding and Engineering Unions in respect of recharged occupancy costs as the Foundation provides accommodation resources to the Confederation.

I Waddell, the Executive Director of the Foundation, is General Secretary of the Confederation. D M Holland, A J McDiarmid and R Murdoch, who are CSEU Member trustees of the Foundation, are members of the Executive Council of the Confederation.

16 Cash generated from operations	2020	2019
	£'000s	£'000s
(Deficit)/surplus for the year	(5,918)	1,642
Adjustments for:		
Investment income recognised in statement of financial activities	(209)	(608)
Loss/(gain) on disposal of investments	6,270	(909)
Fair value gains and losses on investments	(876)	(510)
Movements in working capital:		
(Increase) in debtors	(10)	-
Increase in creditors	47	113
Cash absorbed by operations	(696)	(272)
17 Analysis of changes in net funds		
The had no debt during the year.		