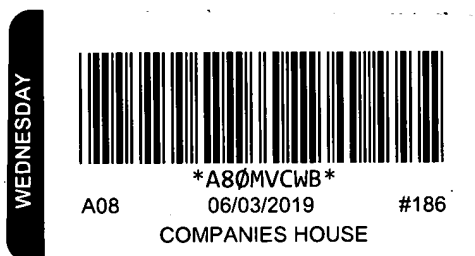




THE FISHERMEN'S MISSION

Trustees' report and financial statements For the year ended 31 October 2018



**Royal National Mission to Deep Sea
Fishermen**

(A Company limited by guarantee) 24477
Company Registration Number
England & Wales Charity Registration Number 232822
Scotland Charity Registered Number SC039088

**Mazars LLP, South
West**

5th Floor, Merck House
Seldown Lane
Poole
Dorset
BH15 1 TW

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2018

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ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

Members of the Council who served during the year

Professor Glyn Tonge BSc, PhD, DUniv, FRSB, CBIol

Mr Michael Vlasto OBE

Ms Elizabeth Woodhatch

Mr Steve Bloor (stood down January 2018)

Dr Alison Fowlie (stood down August 2018)

Mr Ian Gatt

The Venerable Simon Golding CBE

Rear Admiral Sir Jeremy de Halpert KCVO

Mr Trevor James

The Very Reverend Dr David Lacy DL

Mr Thomas Maier

Dr Jonathan Shepherd

Mr Edward Whittle

Chairman (stood down July 2018)

Chairman (from July 2018)

Deputy Chairman (to July 2018)

Deputy Chairman (from July 2018)

Secretary and Registered Office

Commodore David Dickens CBE

Mather House

4400 Parkway

Solent Business Park

Whiteley

Hants PO15 7FJ

Executives

Commodore David Dickens CBE (Chief Executive)

Mrs Alison Godfrey (Director of Business Development)

Solicitors

Brutton & Co

West End House

288 West Street

Fareham

Hampshire PO16 0AJ

Burness Paull

Union Plaza

1 Union Wynd

Aberdeen

AB10 1DQ

Warner Goodman LLP

8 College Place

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SO15 2FF

Bankers

Lloyds TSB Bank Plc

Large Corporate

3 Town Quay

Southampton SO14 2AQ

Investment Advisers

Argentis Financial

Management

Unit 3, London Road

Office Park, London Road

Salisbury

Wiltshire SP1 3HP

Registered Auditors

Mazars LLP, South West

5th Floor, Merck House

Seltdown Lane

Poole

Dorset BH15 1TW

Investment Managers

Sarasin & Partners

Juxon House

100 St Pauls Churchyard

London

EX4M 8BU

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

TRUSTEES' REPORT

INTRODUCTION

The Trustees, who are also Directors of the Charity for the purpose of the Companies Act, present their annual report (incorporating the Strategic Report) and the audited financial statements for the year ended 31 October 2018. The Trustees confirm that the annual report and financial statements comply with the governing document, the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), the Companies Act 2006 and relevant law and United Kingdom Accounting Standards.

The Royal National Mission to Deep Sea Fishermen (or Fishermen's Mission), a Company Limited by Guarantee No. 00024477, is registered with the Charity Commissioners (No. 232822) and the Office of the Scottish Charity Regulator (No SC039088). It is governed by a Memorandum and Articles of Association.

Its governing body consists of a Council, no more than 15 in number, appointed from membership of the Fishermen's Mission Association and it normally meets six times a year. The Executive consists of the Chief Executive and the Director of Business Development to undertake the routine management of the Fishermen's Mission.

STRATEGIC REPORT

In May 2016, Council reviewed their 2013-2017 Strategy. A new strategy for the period 2017-2021 was introduced from 1 November 2016.

MISSION

The Fishermen's Mission maintains a Christian presence in fishing communities around the British Isles to provide, practical, welfare and spiritual support to active and retired fishermen and their families.

VALUES

The charity's values are founded on our ecumenical Christian faith and our commitment to provide practical help that makes a positive difference in people's lives.

The charity's focus is the people in need of the practical assistance and support we provide.

The charity's work reflects the things that matter to us and which we care about.

- To be open and welcoming to everyone
- To listen hard, because needs are often complex, deeply personal and ever-changing
- To be trusted to work with care, integrity and discretion
- To be purposeful, resilient, open and straightforward
- To work collaboratively to solve wide-ranging challenges

FUNDAMENTAL TASKS

- To provide a 24/7 emergency response to all fishing emergencies at sea:
 - Provide assistance to the families of fishermen who have been killed or seriously injured.
 - To look after the survivors of fishing vessel accidents.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

- To assist injured or ill fishermen and, where appropriate, arrange for them to receive enhanced medical attention.
 - To source emergency accommodation and catering facilities where there is no alternative provision.
- To make emergency grants to fishermen and their families in times of need.
- To help fishermen's families in cases of illness or distress.
- To provide Christian pastoral and practical support and access to specialist advice and counselling, in relation to the full range of welfare issues, including problems with debt, alcohol and drugs, benefit and employment issues, sickness, bereavement, stress and family and relationship difficulties.
- To facilitate and disperse regular and one-off grants from other charities to needy fishermen and their families.
- To provide welfare and support to overseas fishermen working in the UK industry, especially those that have to live onboard boats.
- To alleviate loneliness through home and hospital visits to retired fishermen and their families.
- To officiate at fishermen's funerals when requested.

2017/18 PERFORMANCE AGAINST THE STRATEGY TO 2021

Summary

A year into the 2017 Strategy, progress has generally been satisfactory and to plan. In addition to ensuring core services were provided, the priority objective for FY17/18 was to continue with pilot events to deliver quayside access to health and wellbeing checks and advice. Successful sessions were held across Cornwall and at Poole, Troon, Fraserburgh, North Shields and in Norfolk. These pilots and similar events undertaken over the last four years, highlighted a clear need to improve access to and awareness of wellbeing issues in fishing communities. In Spring 2018, working with a fellow maritime charity, Seafarers' Hospital Society, a joint proposal was developed for a UK-wide programme of quayside health and wellbeing events. Planned outcomes are to identify and then deliver early interventions for those with urgent needs and to encourage longer term outreach provision from existing wellbeing services to fishing communities. This 'GetSeaFit' programme received initial grant support from Seafarers' UK, with the successful launch in early October at Peterhead. The programme will run until the end of 2020.

The year has also seen initial research into needs among fishermen in Ireland and those working on the water in the aquaculture sector, along with the development of an initiative to extend outreach into prisons to engage with fishermen that are in the Criminal Justice System.

Strategic Objectives

Enhance support to both active and retired fishermen and their families.

Highlights:

- 6 successful health/dental check events completed.
- Repeat dental health checks in Cornwall in partnership with Seafarers' Hospital Society and 'Smile Together'.
- Launch of the 2 year 'GetSeaFit' programme.
- Liaison with Seafish in the development of their online Drug Awareness and Safety Training.

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- Provided training for all port staff with regards to the issues surrounding drug and alcohol abuse.

Improve the collection, quality, management and use of our data.

Throughout the period, a programme of continuous development has been employed to improve the accuracy and relevance of our statistics.

Extend our support to wider areas, both geographical and occupational.

Exploratory visits at senior and working levels to key players in the Irish fishing industry, to build relationships and improve understanding of needs and existing provision.

Initial research at senior level with the aquaculture sector, along with attendance at our first aquaculture conference.

Provide or work with others to offer lifestyle improvements for both active and retired fishermen and their families.

Work has continued with several agencies, charities and working groups, on a range of issues from the Work in Fishing Convention, UK legislation and safety at sea, to dental checks and financial advice.

Routinely, as a member of the Merchant Navy Welfare Board's (MNWB) coordination groups on both serving seafarers and the retired and dependent populations, continue to formulate and deliver pan-sector projects and initiatives to improve outcomes.

Improve cooperative and collaborative engagement with others. At the same time explaining to industry and beyond our work, our vision to 2021 and the relevance of the Fishermen's Mission.

The Fishermen's Mission has joined a new industry-led alliance, The Fishermen's Welfare Alliance that intends to focus on key welfare and labour issues across the industry to ensure compliance with the Work in Fishing Convention (ILO 188) legislation.

Attended Aberdeen and Bristol industry expo events and the annual conference of the Association of Scottish Shellfish Growers.

A 'touch' plan is in place to ensure regular contact with key players at the executive level. The plan covers industry, politicians, government agencies as well as the main grant makers.

Enhance further the reputation and the face of the Fishermen's Mission by improving service quality and consistency and the governance of our charity.

Work has continued to raise and extend the profile and standing of the Fishermen's Mission. Numerous and mostly positive interactions with politicians, media, industry and welfare providers have had strategic effect, while in a challenging year at the frontline, thanks and praises for the work reflect the sterling, effective and dedicated service of the port staff.

With the achievement of GDPR compliance during the year, governance is at least satisfactory. This view was confirmed, not only by Council's self-assessment in relation to the Charity Governance Code (July 2017) in December 2017, but also in an independent governance review that reported in March 2018.

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Equality and Diversity Objectives

Council has set strategic diversity objectives, along with in-year targets. Achievement against these objectives in 2017/18 was mixed:

- Trustees received entry-level equality and diversity training.
- On-line cultural training for front line staff was not achieved.
- Excellent insight into diversity challenges through relationship with Queen Victoria Seamen's Rest in Tower Hamlets, London.
- With recruitment of new trustee(s) anticipated in FY 2018/19, along with some retirements between 2020-2021, Council intend to re-visit trustees' skills audit in parallel with diversity requirements.

Objectives for 2018/19

- Trustees to review skills and succession plan, with increasing diversity as a core aspiration.
- Explore options for a beneficiary voice on the Council.
- All staff to receive at least entry-level equality and diversity training.
- All frontline staff to receive online training in Philippino culture.
- Executive to advocate diversity agenda to core maritime operational and strategic groups.

2017/18 STATISTICS

The statistical assessment for 2017/18 remains provisional due to the continued transition to on-line reporting. However, core statistics that generally show consistency with previous years, are as follows:

- Support for 3,352 (2016/17: 2,452) beneficiaries in receipt of grants in the sum of £988,375 (2016/17 £898,536).
- Around 5,344 (2016/17: 5,358) beneficiaries were visited at home and in hospital (excluding repeat visits).
- 182 (2016/17: 177) fishermen received emergency financial assistance.
- 130 (2016/17: 109) children of fishermen helped.
- 101 (2016/17: 63) fishermen assisted following accidents, injury or sickness at sea.

In addition, especially in Northern Ireland and Scotland, staff have provided extensive support to migrant workers facing a range of issues.

The trend towards more complex casework has continued, with staff involvement for extended periods of time.

PUBLIC BENEFIT

The Trustees of the Council have referred to the guidance published by the Charity Commission in reviewing the Fishermen's Mission's aims and objectives and in planning future activities.

A revised Strategy through to 2021 was introduced from 1 November 2016. The high-level strategic objectives are reviewed by the Council Members on an annual basis and these are developed into change objectives and outcomes for the forthcoming twelve months. A five-year rolling business plan sets out the assumptions for future predicted income and the costs incurred in meeting its activities. Council will conduct a full review of its strategy in May 2019.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

FINANCIAL RISK MANAGEMENT

The principal financial risk is a significant increase in the Retirement Benefit Pension Scheme deficit threatening the sustainability of the Fishermen's Mission work/strategy.

RISK MANAGEMENT

In accordance with SORP 2015, key risks have been identified and measures undertaken to mitigate them. All risks are recorded on a Council endorsed Risk Register, which was subject to six monthly reviews. The Council's top 5 risks are as follows:

1. Significant increase in the Retirement Benefit Pension Scheme deficit threatening sustainability of Fishermen's Mission's work/strategy.

Action – Sustain Reserves Strategy to ensure Council's covenant remains sound. Ensure the Retirement Benefit Pension Scheme investments are matched to the Actuary's recommended investment policy and increase the Fishermen's Mission's annual contribution to deficit reduction if required.

2. Reputation – Single media event resulting in fundamental undermining of reputation and trust, with possible failure of the charity.

Action – Engage part-time professional media specialist, to advise on and ameliorate threats. Pro-active engagement through social media and website with both managed from Head Office. Clear guidance on dealing with media has been provided to all staff. Official spokespersons identified, and administration of press releases formalised.

3. Future significant downturn in fundraising – Fishermen's Mission becomes unsustainable with the need to re-organise operations or close.

Action – In light of adverse media coverage of some major charities throughout 2018 Council maintains a close interest in this risk. Development of revised quality assurance processes and a sustained focus on ensuring that policies and procedures, especially in key areas such as Safeguarding, continue to reflect best practice.

4. Fishermen's Mission resources over-stretched – staff unable to respond effectively or consistently and/or reserves eroded to maintain service levels.

Action – Revitalise volunteer arrangements. Develop effective prioritisation systems and seek alternative methods of sustaining more routine activities/visits.

5. Adverse publicity leading to erosion of reputation and trust. Probable impact on fundraising and ability to deliver charitable objects.

Action – See Risk 2. Pro-active engagement through social media and website with both managed from Head Office. Clear guidance on dealing with media has been provided to all staff. Official spokespersons identified, and administration of press releases formalised, along with contingency planning and additional training for staff and volunteers.

FUNDRAISING

This year there has been an opportunity to consolidate efforts from the previous years and increase profile in many new areas.

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Integration of Port and Head Office Fundraising

Building on the success in developing regional fundraising teams, the Fishermen's Mission is continuing to link professional fundraisers with port staff to increase communication and mutual support opportunities. In some areas there is also a review of the team's structure underway. Initiatives this year undertaken by the regional fundraising teams were very successful and further joint projects are planned.

Partnership (Corporate) Fundraising

This was a new role for 2017/18 and is proving to be successful both in terms of income and in relationship building with the fishing industry. The development of the Mission 100 group of business-based supporters and advisors will be a key to success in the forthcoming year.

Fundraising from Trusts, Grant Making Foundations & Partners

Partnerships with grant making trusts remain vital to the Fishermen's Mission, this is particularly true of the long-term relationship with Seafarers UK, Shipwrecked Mariners' Society, Sailors' Children's Society, Seafarers' Hospital Society, Trinity House and the MNWB. There remains, however, a need to develop and broaden this support base, particularly in relation to the implementation of the Strategic Plan 2017 – 2021 and the key to this development rests with future project-based funding opportunities.

Digital and Social Media

Digital and social media have been a key area of development during the past year. There has been a strengthening online presence across our website, Twitter, Facebook and now Instagram and a review of other options for contactless giving.

Supporters of the Fishermen's Mission

The Fishermen's Mission is proud to be supported by so many loyal friends from around the UK and beyond. It is a privilege to receive help and friendship from our supporters. It is recognised that giving is a very personal decision and The Fishermen's Mission is proud that so many people chose to support our work and recognises the vital support that donors and volunteers bring to the charity.

(I think this needs further wordsmithing) By DD: new words added.

Legacy Income

Income from legacies remains a key component of our income. It is recognised, however, that legacy giving is changing and that the level of gifts that have been received in past years may decline and development of new income streams is a priority. The Fishermen's Mission remains deeply indebted to those who choose to make this final gift.

PR and Marketing

New branding guidelines and marketing materials were introduced in 2015 and these will be refreshed during 2019. Publication of an annual Prayer Calendar continues, now in its third year and the Fishermen's Mission remains grateful to those of faith who continue to support us in this way.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

OUR FINANCES

Overall Results

Financial Year 2017/18 was a sound year for the Fishermen's Mission's finances. An operating surplus of £531,245 (2016/17: £331,414 surplus) was better than budget due to another exceptional year for legacies. To meet the requirement of Section 28 of the FRS 102 the Retirement Benefit Pensions Scheme fund income and expenditure are shown within the Fishermen's Mission's accounts.

Improvement to the balance sheet position in the large part reflects legacies and a reduction in the pension deficit for the year.

Fishermen's Mission Reserves

Reserves Policy

To reflect their general judgements, the Fishermen's Mission's Trustees maintain financial reserves to achieve 5 key objectives:

1. Funds for the early stages of major fishing emergencies.
2. Generation of income/revenue for sustained operations.
3. Sufficient funds to ameliorate short and longer-term challenges to the charity's continuity. Minimum reserve 2 years costs for operations.
4. Adequate funds to fulfil the employer's covenant to the Retirement Benefit Pension Scheme.
5. Provision of resources for activities in support of Council's strategic vision.

Performance

Sarasin and Partners LLP are appointed as the charity's Investment Managers, with funds invested in their pooled Charities Fund. Over the period, performance has met the benchmark criteria set by Trustees and has remained competitive with providers of similar investment vehicles.

Returns from the investment portfolio have been more muted in an environment of markedly higher levels of volatility: over the past year, the portfolio produced a return of 0.9% net of all costs, which was in line with the benchmark.

The Net Movement of Funds for the year was £831,742 inflow (2016/17: £182,943 inflow) which has been transferred to the relevant funds. Following advice from external auditors, and in line with recommended best practice Council has reviewed the designation of reserve funds. £6,820,187 (2016/17: £2,636,575) of the reserves has now been designated. These designations result in The Fishermen's Mission free reserves at 31 October 2017 now standing at £6,453,365 (excluding pension deficit). Free reserves available for use by the Fishermen's Mission are deemed to be those that are readily realisable, less funds whose uses are restricted or else designated for a particular purpose, this includes a minimum level of 2 years to cover costs for operations as stated in the Fishermen's Missions reserves policy. The calculation excludes funds invested in property and other fixed assets that will continue to be used in the day to day running of the Fishermen's Mission.

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Income

Donations and gifts totalled £1,559,351, an increase of £58,524 on 2016/2017 figures. The annual legacies target was again exceeded, continuing to reap the benefits of a very successful house to house campaign in the past. Building legacies for the future remains a priority and a legacy marketing programme has been approved.

Expenditure

Overall centres overhead costs increased from 2016/2017 due to increases in staffing costs and an increase in the contribution to the Retirement Benefit Scheme. Staff numbers at 31 October 2018 were 67, up from 54 on 1 November 2017. The increase was mainly due to the change of Mission Port Officers from Honoraria to paid staff status.

Retirement Benefit Pension Scheme

From June 2018 the full administration of the scheme was transferred to BBS Actuaries in Bristol. Legal and General LLP have remained the investment Fund Managers.

The FRS 102 valuation on 31 October 2018 saw a decrease in the scheme's deficit by £600,000 to £1,273,000 (2016/17: £1,873,000).

Melita Retirement Housing

The status of the discontinued Melita Housing scheme for former employees was reviewed in detail during the year and it was decided that no changes are required for those remaining on the scheme. A routine review of the scheme will be completed every 3 years which has resulted in a refurbishment programme that will be ongoing.

MEMBERS OF THE COUNCIL

The Trustees of the Council during the year were as shown on page 2. In accordance with the provisions of the Company's Articles of Association; The Venerable Simon Golding, Sir Jeremy de Halpert, Ms Libby Woodhatch and Mr Michael Vlasto retired by rotation at the Annual General Meeting in April 2018 and were re-elected. Mr Steve Bloor resigned in April 2018, Professor Glyn Tonge in July 2018 and Dr Alison Fowlie in August 2018. Council Trustees are appointed based upon their knowledge of the fishing industry or the specific skills and experience they can bring to bear. On joining the Council, Trustees receive a comprehensive briefing package and undertake induction visits to several ports. The composition of and succession planning for Council is considered formally every year.

Exceptionally, Mr Ian Gatt and The Venerable Simon Golding CBE had the length of their term of service extended, to retain their extensive experience and knowledge to assist in guiding the Fishermen's Mission through the uncertainties of Brexit and the Strategy review in May 2019.

FUTURE DEVELOPMENTS

In addition to the details included within the Strategic Report above: '2017/18 performance against the Strategy to 2021', the following significant developments are planned for financial year 2018/19:

- Rollout of the first complete year of the 'GetSeaFit' programme. For 2018/19 several health check events, to include dental checks and drug awareness are planned.

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- Partnership working with SFUK and others on projects to improve financial outcomes for fishing families.
- Extend charitable services to those working at the 'wet end' of the aquaculture industry.
- Extend charitable services, notably emergency response, to Republic of Ireland.
- Support initiatives to ensure the successful implementation of the Work in Fishing Convention to improve terms and conditions for active crew.
- A review of the charity's coverage of and support to fishing communities in Wales.
- A full risk analysis of the charity's voluntary income streams and plans for future development.
- Review of Council's strategy (2019 to 2024).

RESPONSIBILITIES OF THE MEMBERS OF THE COUNCIL OF MANAGEMENT

The Trustees of the Council of Management (who are also Directors of Royal National Mission to Deep Sea Fishermen 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;
- 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.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and;
- that the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant information and to establish that the charitable company's auditor is aware of that information.

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AUDITORS

In accordance with section 487 of the Companies Act 2006, a resolution proposing that Mazars LLP be reappointed as auditors of the charitable company for FY 2018/19 will be put to the forthcoming Annual General Meeting.

The Trustees approve their Annual Report and, in their capacity as company directors and approve the Strategic Report incorporated therein.
Signed on behalf of the Trustees.

BY ORDER OF THE COUNCIL OF MANAGEMENT

A handwritten signature in black ink, appearing to read 'MVlasto', is written over the printed name.

Mr Michael Vlasto OBE
Chairman
Date 19 February 2019

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

Opinion

We have audited the financial statements of Royal National Mission to Deep Sea Fishermen (the 'charity') for the year ended 31 October 2018 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 October 2018 and of 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; 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 set out on page 11, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 44(1) (C) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

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

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:



Jonathan Marchant
(Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
5th Floor
Merck House
Seldown Lane
Poole
Dorset
BH15 1TW

Date: 22/2/2019

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the income and expenditure account) For the year ended 31 October 2018

	Notes	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
INCOMING RESOURCES -					
Incoming resources from generated funds:					
Voluntary Income: Donations & Gifts		1,055,618	503,733	1,559,351	1,500,827
Legacies		1,648,502	7,250	1,655,752	1,318,190
Investment Income	2	211,908	-	211,908	226,927
Incoming resources from charitable activities					
Income from accommodation		506	-	506	11,305
Charity Shop		69,096	-	69,096	58,633
Other incoming resources					
Net realised (loss)/gain on sale of fixed assets		-	-	-	16,433
Rental Income		47,779	-	47,779	46,557
TOTAL INCOMING RESOURCES		3,033,409	510,983	3,544,392	3,178,872
RESOURCES EXPENDED					
Less: Costs of generating funds					
Fundraising and publicity		965,593	-	965,593	926,004
Charitable activities					
Charitable expenditure		1,576,563	470,991	2,047,554	1,921,454
TOTAL RESOURCES EXPENDED		2,542,156	470,991	3,013,147	2,847,458
NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER GAINS AND LOSSES					
		491,253	39,992	531,245	331,414
OTHER RECOGNISED GAINS AND LOSSES					
Unrealised (loss)/gain on investment assets		(228,503)	-	(228,503)	715,529
Past service costs on defined pension scheme	16	(288,000)		(288,000)	(546,000)
Actuarial gain/(loss) on defined pension scheme	10/16	329,000	-	329,000	(318,000)
Other gains on defined pension scheme	16	488,000	-	488,000	-
NET MOVEMENT IN FUND		791,750	39,992	831,742	182,943
RECONCILIATION OF FUNDS					
Balance brought forward at 1 November 2017	10	11,208,802	210,561	11,419,363	11,236,420
Balance carried forward at 31 October 2018	10	12,000,552	250,553	12,251,105	11,419,363

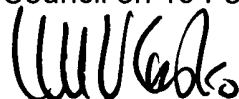
All activities relate to continuing operations. The SOFA includes all gains and losses recognised in the year

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

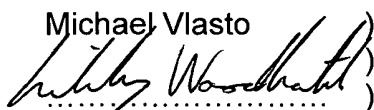
BALANCE SHEET AS AT 31 OCTOBER 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Investments Shares - General	6	10,259,858	10,365,871
Investments – George Watts Fund	6	608,786	-
Tangible Assets	7	1,862,662	1,983,098
		<u>12,731,306</u>	<u>12,348,969</u>
CURRENT ASSETS			
Debtors	8	34,915	60,089
Cash at bank and in hand		986,835	941,751
		<u>1,021,750</u>	<u>1,001,840</u>
CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR	9	<u>(228,951)</u>	<u>(58,446)</u>
NET CURRENT ASSETS		<u>792,799</u>	<u>943,394</u>
NET ASSETS BEFORE PENSION LIABILITY		13,524,105	13,292,363
Defined benefit pension scheme liability	16	<u>(1,273,000)</u>	<u>(1,873,000)</u>
NET ASSETS AFTER PENSION LIABILITY	12	<u>12,251,105</u>	<u>11,419,363</u>
FUNDS OF THE CHARITY			
Restricted funds	11	250,553	210,561
Designated funds	10/12	6,820,187	2,636,575
		<u>7,070,740</u>	<u>2,847,136</u>
Free reserves			
• Pension deficit	16	(1,273,000)	(1,873,000)
• General fund	10/12	6,453,365	10,445,227
		<u>5,180,365</u>	<u>8,572,227</u>
TOTAL CHARITY FUNDS		<u>12,251,105</u>	<u>11,419,363</u>

The financial statements on pages 16 to 35 were approved by the Members of the Council on 19 February 2019 and were signed on its behalf by:



Michael Vlasto



Elizabeth Woodhatch

Members of the Council

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

CASH FLOW STATEMENT

For the year ended 31 October 2018

	Notes	2018	2017
		£	£
Cash flows from operating activities:	18(a)	569,152	265,596
Net cash (used in)/provided by operating activities		<u>569,152</u>	<u>265,596</u>
Cash flows from investing activities			
Interest received		2,207	1,398
Interest paid		(8,581)	(8,324)
Dividends received from investments (gross)		250,701	251,529
Purchase of tangible fixed assets		(37,118)	(168,880)
Sale of tangible fixed assets		-	27,517
Sale of investments		-	-
Purchase of fixed asset investments		(731,276)	(650,000)
Net cash used in investing activities		<u>(524,067)</u>	<u>(546,760)</u>
Change in cash and cash equivalents in the year		<u>45,084</u>	<u>(281,164)</u>
Cash and cash equivalents at 31 October 2017		941,751	1,222,915
Cash and cash equivalents at 31 October 2018		<u>986,835</u>	<u>941,751</u>

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018

1. ACCOUNTING POLICIES

The Royal National Mission to Deep Sea Fishermen (or Fishermen's Mission), a Company Limited by Guarantee No. 00024477, is registered with the Charity Commissioners (No. 232822) and the Office of the Scottish Charity Regulator (No SC039088). The registered office is Mather House, 4400 Parkway, Solent Business Park, Whiteley, Hampshire, PO15 7FJ.

Basis of preparation

The financial statements have been prepared on a going concern basis and under the historical cost convention, except as modified by the inclusion of investments at market value, and in accordance with applicable Accounting Standards in the United Kingdom, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Statement of Recommended Practice – Accounting and Reporting by provision of the Charities SORP 2015 (FRS 102). A summary of accounting policies, which have been applied consistently, is set out below.

(a) Income from donors and supporters

Income from donations and supporters are accounted for on an accruals basis. Any significant income related to the year end and received at the Mission's headquarters or main bankers after the year end is accrued in the financial statements.

Gifts in kind are included in incoming resources at the year end at an estimate of their value to the Mission.

(b) Legacies received

Legacy income is recognised when there is sufficient evidence to provide the necessary certainty that the legacy will be received, and the value of the incoming resource can be measured with sufficient reliability. Estimated legacy income of £477,802 (2017: £1,275,154) has not been included in the Statement of Financial Activities because the conditions of recognition have not been met.

(c) Tangible fixed assets and depreciation

Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful economic lives on the following basis:

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

1. ACCOUNTING POLICIES (continued)

Freehold property	2% straight line
Long-term and short-term leasehold property	Amortised over period of the lease
Motor vehicles	33% reducing balance
Furniture, fixtures and fittings	20% reducing balance
Computer equipment	25% straight line

Individual fixed assets costing more than £1,000 are capitalised at cost and are subsequently stated at cost less depreciation.

(d) Capital grants

Capital grants are recognised in restricted or unrestricted funds in accordance with the conditions of the grantor.

(e) Investments

Investments are stated at market value. Any unrealised gains and losses on investments are taken directly to the statement of financial activities.

(f) Investment income

Investment income is shown on an accruals basis.

(g) Classification of expenditure

Administration/Support costs have been reapportioned to direct charitable and fundraising costs dependent on the expense i.e. headcount/direct/evenly across cost centres in accordance with guidance in the SORP. Expenditure includes any VAT, which cannot be recovered and is reported to the part of the expenditure to which it relates. Resources expended are accounted for on an accruals basis.

(h) Charitable expenditure

Charitable expenditure includes all costs associated with the Fishermen's Mission and Welfare centres situated throughout the United Kingdom. A proportion of time is spent doing work of a fundraising nature. The costs of this have been allocated to fundraising expenditure.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

1. ACCOUNTING POLICIES (continued)

(i) Fundraising expenditure

Fundraising expenditure includes a proportion of administration charges and includes depreciation costs on motor vehicles and equipment. Fundraisers spend a proportion of their time doing work of a charitable nature. The costs of this have been allocated to charitable expenditure.

(j) Administration/Support expenses

Administration/Support expenses include building running costs and all related charges (including salaries) of head office. Administration/Support expenses are re-allocated to charitable and fundraising expenditure by headcount/direct/evenly across cost centres.

(k) Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. These are included under resources expended within charitable expenditure.

(l) Operating lease

Rental payments under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

(m) Pension costs

The charitable company participates in a defined benefit scheme. The defined benefit scheme pension costs are assessed in accordance with actuarial advice and based on the most recent actuarial valuation of the scheme. Pension costs and disclosures have been reported in accordance with Section 28 of the FRS 102.

The Fishermen's Mission also operates a defined contribution scheme. Contributions payable to this scheme are included in the Statement of Financial Activities in the period to which they relate.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

1. ACCOUNTING POLICIES (continued)

(n) Funds

Restricted funds are funds whose use is legally restricted to specific uses whether by a trust deed or by a letter received with the original gift.

Designated funds are funds whose use is not legally restricted but whose purpose has been designated by the Council. The Council is entitled to change its mind and use these funds in whichever way it sees fit. The Designated fund is currently committed to cover the carrying value of the fixed assets, the additional contributions that are likely to be required for the Fishermen's Mission's defined benefit pension scheme, a provision for any major emergency and funds to cover 2 year business continuity.

The general fund covers all items that do not fall into the above categories.

(o) Cash and Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are also liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to know amounts of cash with insignificant risk of change in value.

(p) Financial Instruments

The Fishermen's Mission 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. Creditors are recognised where the Fishermen's Mission has a present obligation resulting from a past event and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

1. ACCOUNTING POLICIES (continued)

(q) Going Concern

In arriving at the judgement that the Fishermen's Mission is a going concern, assumptions and estimates are calculated and a 5-year rolling business plan is produced and reviewed by the Trustees on an annual basis.

(r) Key Estimations

All accounting estimates are included that could be material to the financial statements. Those estimates used are reasonable in the circumstances and consistent with assumptions used in previous years.

2. INVESTMENT INCOME

	2018	2017
	£	£
Bank Interest	2,207	1,398
Net Pension (expense)\income	(41,000)	(26,000)
Income from Investments	250,701	251,529
	211,908	226,927

3. TOTAL RESOURCES EXPENDED

3a Costs of generating voluntary income

	Restricted Fund	Unrestricted Fund	Total Funds	Total Funds
	2018	2018	2018	2017
	£	£	£	£
Fundraising	-	807,390	807,390	812,257
Support costs	-	158,203	158,203	113,747
	-	965,593	965,593	926,004

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

3b Governance cost

	Restricted Fund 2018 £	Unrestricted Fund 2018 £	Total Funds 2018 £	Total Funds 2017 £
Salaries and related	-	33,435	33,435	32,656
Council expenses	-	24,639	24,639	17,778
Audit fee	-	14,022	14,022	11,470
	-	72,096	72,096	61,904

3c Direct Costs

	Welfare 2018 £	Total 2018 £	Total 2017 £
Manual staff costs	61,566	61,566	64,841
Uniformed staff costs	815,260	815,260	737,538
Depreciation	101,188	101,188	115,878
Catering/accom exp	718	718	3,181
Centres operating costs	505,150	505,150	492,078
Welfare payments	65,317	65,317	62,123
	1,549,199	1,549,199	1,475,639

3d Support Costs

	Costs of Generating Funds 2018 £	Governance 2018 £	Welfare 2018 £	Total 2018 £	Total 2017 £
Admin costs (HQ)	189,083	-	498,355	687,438	603,062
	189,083	-	498,355	687,438	603,062

The support costs allocation has been based on employee numbers.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

3e Analysis of resources expended by expenditure type

	Staff Costs	Depreciation	Other Costs	Total	Total
	2018	2018	2018	2018	2017
	£	£	£	£	£
Costs of generating funds					
Fundraising	557,224	22,668	354,821	934,713	882,504
Welfare	1,036,741	134,887	746,710	1,918,338	1,741,050
Governance	33,435	-	38,661	72,096	61,904
	1,627,400	157,555	1,140,192	2,925,147	2,685,458

3f Analysis of resources expended by activities

	Activities undertaken directly	Support Costs	Total	Total
	2018	2018	2018	2017
	£	£	£	£
Welfare	1,549,199	498,355	2,047,554	1,921,454

- 3a. In 2018, of the costs of generating voluntary income £965,593 was to unrestricted funds and £nil to restricted funds.
- 3b. In 2018, of the governance costs £72,096 was to unrestricted and £nil to restricted funds.
- 3c. In 2018, of the direct costs £1,078,208 was to unrestricted funds and £470,991 to restricted funds.
- 3d. In 2018, of the support costs £687,438 was to unrestricted funds and £nil to restricted funds.
- 3e. In 2018, of the resources expended by expenditure type £2,454,156 was to unrestricted funds and £470,991 to restricted funds.
- 3f. In 2018, of the resources expended by activities £1,576,563 was to restricted funds and £470,991 to restricted funds.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

4. NET INCOMING RESOURCES

The net incoming resources for the year are stated after charging/(crediting): -

	2018	2017
	£	£
Depreciation of tangible fixed assets	157,555	174,349
Auditors' remuneration – audit fees	11,470	11,470
(Profit) on disposal of fixed assets	-	(16,433)
Interest payable – bank interest	8,581	8,324
Operating lease rentals – plant and equipment	4,000	4,577
Operating lease rentals – other	72,296	74,221

5. EMPLOYEE INFORMATION

The average weekly number of persons employed during the year is analysed below:

	2018	2017
	Number	Number
Mission Staff – Uniformed and Fundraising	40	30
Administration Staff – Head Office	10	10
Support Staff (Ports)	17	14
	67	54

Auxiliary Staff have been transferred to permanent contracts and are included in the numbers above (2017:15).

Employment costs for all full time and part time staff:

	2018	2017
	£	£
Wages and Salaries	1,350,780	1,247,734
Social Security Costs	118,767	109,253
Pension Costs	106,158	79,205
	1,575,705	1,436,192

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

The number of employees whose emoluments for the year exceeded £60,000 is as follows:

	2018 Number	2017 Number
£60,001 - £70,000	-	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

The pension contribution made by the employer on behalf of one employee above was £6,333 (2017: £6,086 contribution for one employee).

The charity has identified Key Management Personnel as the current Executive Team and their total remuneration amounts to £176,638, (2017: £171,937).

Council members' remuneration, expenditure and donations made

No Council member received any remuneration for the year (2017: nil). Costs relating to Council members' expenditure included in governance expenses were for accommodation, travel and meal costs £15,903 (2017: £13,665). 11 Council Members claimed expenses during the year (2017:10). Donations of £1,343 (2017: £1,343) were received from Council members.

6. FIXED ASSET INVESTMENTS

	Listed Investments £
Market Value	
At 1 November 2017	10,365,871
Purchases	731,276
Net unrealised investment loss	(228,503)
At 31 October 2018	10,868,644
Fixed asset investment represents:	
Cash 1.1%	121,980
Currency Stirling 1.4%	150,097
Mixed Investments 97.5%	10,596,567
	10,868,644
The following investments represents more than 5% of the portfolio by market value:	
Sarasin Alpha CIF	10,596,567
	10,596,567

Investment Income of £250,000 is released at £62,500 each quarter and is shown as in Note 2.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

7. TANGIBLE FIXED ASSETS

	Freehold and Leasehold Property	Motor Vehicles	Furniture, Fixtures, Fittings and Computer Equipment	Total
Cost	£	£	£	£
At 1 November 2017	2,542,443	335,829	279,850	3,158,122
Additions	14,087	-	23,031	37,118
Disposals	-	-	-	-
At 31 October 2018	2,556,530	335,829	302,881	3,195,240
Depreciation				
At 1 November 2017	707,040	234,591	233,393	1,175,023
Charge for year	104,077	33,408	20,069	157,555
Disposals	-	-	-	-
At 31 October 2018	811,117	267,999	253,462	1,332,578
Net Book Values at				
31 October 2018	1,745,413	67,830	49,419	1,862,662
At 31 October 2017	1,835,403	101,238	46,457	1,983,098

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other Debtors	922	2,622
Prepayments and Accrued Income	33,993	57,467
	34,915	60,089

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade Creditors	22,153	8,259
Other Creditors	3,805	4,397
Other Taxes and Social Security	34,527	31,790
Accruals and Deferred Income	168,466	14,000
	228,951	58,446

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

10. FUNDS

	Unrestricted Funds				Total
	General Fund	Pension Fund	Designated Funds	Restricted Funds	
	£	£	£	£	£
At 1 November 2017	10,445,227	(1,873,000)	2,636,575	210,561	11,419,363
Net Incoming Resources for the Year	420,253	71,000	-	39,992	531,245
Other gains on defined pension scheme	-	488,000	-	-	488,000
Net Unrealised Loss on Investment Assets	(228,503)	-	-	-	(228,503)
Major Emergency Provision	(500,000)	-	500,000	-	-
Past service cost on Defined Benefit Scheme (GMP)	-	(288,000)	-	-	(288,000)
Business development & continuity provision	(3,000,000)	-	3,000,000	-	-
Increase in the Mission Covenant to the final salary pension scheme	(150,000)	-	150,000	-	-
George Watts Fund (NE Scotland)	(608,786)	-	608,786	-	-
Actuarial Gain on Defined Benefit Scheme	-	329,000	-	-	329,000
Transfers Between Funds	75,174	-	(75,174)	-	-
At 31 October 2018	6,453,365	(1,273,000)	6,820,187	250,553	12,251,105

11. RESTRICTED FUNDS ANALYSIS

	At 1 November 2017	Incoming	Expenditure	At 31 October 2018
Future Expenditure Fund	1,955	155,795	156,535	1,215
Shetland Fishermen's Ass	56,790	-	2,242	54,548
M J Pipe Trust	25,862	-	9,609	16,253
Fishmongers' Hall	5,417	-	5,417	-
Seafarers UK (Annual Grant)	-	190,319	174,766	15,553
Seafarers UK (Fishwell)	7,950	-	7,950	-
Morrison's FFP (Scotland)	2,278	-	1,945	333
J O Henderson	13,786	-	13,786	-
Seafarers UK (H&WB)	-	150,000	51,747	98,253
MNWB (Prison Project)	-	6,007	1,295	4,712
Age UK	-	1,362	437	925
W M Mann Foundation	-	1,500	-	1,500
PF Charitable Trust	-	1,000	-	1,000
Far & Wide (Aberdeen)	-	5,000	-	5,000
Acquired Fixed Assets Fund	96,523	-	45,262	51,261
	210,561	510,983	470,991	250,553

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 October 2018 (continued)

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Investments	Net Current Assets	Pension Liability	Total
	£	£	£	£	£
Restricted Funds					
Future Expenditure Fund	-	-	1,215	-	1,215
SFUK annual grant	-	-	15,553	-	15,553
Shetland Fishermen's Ass	-	-	54,548	-	54,548
M J Pipe Trust	-	-	16,253	-	16,253
SFUK "GetSeaFit" Project	-	-	98,253	-	98,253
Morrison Training Fund	-	-	333	-	333
Far & Wide Aberdeen	-	-	5,000	-	5,000
PF Charitable Trust	-	-	1,000	-	1,000
WM Mann Foundation	-	-	1,500	-	1,500
Age UK (Social)	-	-	925	-	925
MNWB Project	-	-	4,712	-	4,712
Acquired Fixed Assets	51,261	-	-	-	51,261
	51,261	-	199,292	-	250,553
Unrestricted Funds					
Designated Funds	1,811,401	608,786	4,400,000	-	6,820,187
General Fund	-	10,259,858	(3,806,493)	-	6,453,365
Pension Scheme Fund	-	-	-	(1,273,000)	(1,273,000)
	1,862,662	10,868,644	792,799	(1,273,000)	12,251,105

The Future Expenditure Fund is a fund which consists of income given for the purchase of specific items. The SFUK annual grant is a brought forward grant for Hull fund. The Shetland Fishermen's Association is a restricted fund consisting of income given for use in the Shetland Islands. The M J Pipe Trust is for use in Lowestoft. SFUK "GetSeaFit" is to underpin the health project around several ports. The Acquired Fixed Assets Fund is a restricted fund consisting of assets with restrictions on use.

The Designated Fund is a fund consisting of all fixed assets with no restrictions on use. It includes provisions to underpin the Fishermen's Missions strategy to provide Major Emergency Provision, increased pension covenant and a provision for business development and continuity. The George Watts Fund is a legacy trust fund that has been designated to provide an annual income and if required capital project funding for the North East of Scotland.

The General Fund is an unrestricted fund which can be used for any charitable purpose. The Pension Scheme Fund is an unrestricted fund equal to the year-end liability of the defined benefit pension scheme.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

13. TAXATION

The Fishermen's Mission is a charity and as such is exempt from taxation on its income and gains to the extent that they are applied to its charitable purpose.

14. FUTURE CAPITAL EXPENDITURE

	2018 £	2017 £
Authorised by the Council but not contracted for	110,150	15,589
Contracted for but not provided	-	-

15. FINANCIAL COMMITMENTS

At 31 October 2018, the Fishermen's Mission had annual commitments under non-cancellable operating leases expiring as follows: -

	Land & Building		Other	
	2018 £	2017 £	2018 £	2017 £
Due within 1 year	72,296	74,221	4,000	4,577
Due within 2-5 years	87,042	115,584	7,743	11,743
More than 5 years	41,666	61,899	-	-
	201,004	251,704	11,743	16,320

16. PENSIONS

In accordance with Financial Reporting Standard 102 – (FRS 102) the charity is required to disclose certain information concerning assets, liabilities, income and expenditure related to pension schemes for its employees.

The charity operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the charity, being invested with investment management companies. Contributions to the scheme are charged to the Statement of Financial Activities to spread the cost of pensions over employees' working lives with the charity. A qualified independent actuary on the basis of triennial valuations last carried out on the 31 October 2015, updated to 31 October 2018, using the projected unit method determines the contributions.

The scheme was suspended from 1 November 2007 and so no contributions relating to wages and salaries were made during the year ended 31 October 2018. The Fishermen's Mission did make contributions towards administration costs of the pension scheme during the year as agreed in the Schedule of Contributions.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

Additional contributions have been made by the charity from 1 November 2004, such amounts of a regular and one-off nature as may be agreed between the Trustees and the employer from time to time and recorded in a Trustee minute or resolution. These contributions have been made to remove the deficiency in respect of past service at the valuation date. A contribution was made in the year ended 31 October 2018 of £200,000. The expected payment in the year to 31 October 2019 is £200,000.

Principal actuarial assumptions at the year end were as follows:

	2018	2017
Discount Rate	2.7%	2.6%
Inflation	3.5%	3.5%
Pension increases in deferment (Non GMP)	3.5%	3.7%
RPI minimum 3% pa and maximum 5% pa pension increases	3.7%	3.7%
RPI maximum 5% pa pension increases	3.3%	3.3%
Post retirement mortality:	95% of S2NXA CMI 2017 (1.25%)	
	95% of S2NXA CMI 2016 (1.25%)	
Life expectancy at age 65 of male aged 65	87.5	87.7
Life expectancy at age 65 of female aged 65	89.5	89.6
Life expectancy at age 65 of male aged 45	88.9	89.1
Life expectancy at age 65 of female aged 45	91.0	91.1

The current asset split is as follows:

Bid Value at 31 October 2018

Equities	£5,042,000
Property	£535,000
Diversified growth fund	£1,799,000
Liability Driven Investment (LDI) Strategy	£822,000
Cash and net current assets	£2,062,000
Total Assets	£10,260,000

Balance Sheet

	31 Oct 2018	31 Oct 2017
Fair value of assets	£10,260,000	£9,895,000
Defined benefit obligation	(£11,533,000)	(£11,768,000)
Surplus/(shortfall) in scheme	(£ 1,273,000)	(£ 1,873,000)

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

Amount recognised in Profit and Loss

	Period to 31 Oct 2018	Period to 31 Oct 2017
Current service cost	-	-
Administration costs	£166,000	£209,000
Interest on liabilities	£299,000	£285,000
Interest on assets	(£258,000)	(£259,000)
Past service costs	£288,000	£546,000
Settlements and curtailments	-	-
Total charge to Profit and Loss	£495,000	£781,000

Remeasurements over the year

	Period to 31 Oct 2018	Period to 31 Oct 2017
Return on assets less interest income	(£59,000)	(£332,000)
Experience losses/(gains) on liabilities	-	£567,000
Losses/(gains) from changes to demographic assumptions	(£92,000)	(£34,000)
Losses/(gains) from changes to financial assumptions	(£178,000)	£117,000
Change in impact of asset ceiling	-	-
Total remeasurements	(£329,000)	£318,000

Change in value of DB liabilities

	Period to 31 Oct 2018	Period to 31 Oct 2017
Value of liabilities at start	£11,768,000	£ 10,814,000
Current service costs	-	-
Members contributions	-	£27,000
Past service costs	£288,000	£546,000
Interest cost	£299,000	£285,000
Benefits paid	(£552,000)	(£554,000)
Change due to settlement or curtailments	-	-
Experience (gain)/loss on liabilities	-	£567,000
Assumptions (gain)/loss	(£270,000)	£83,000
Closing defined benefit obligations	£11,533,000	£11,768,000

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

Change in value of assets

	Period to 31 Oct 2018	Period to 31 Oct 2017
Value of assets at start	£9,895,000	£9,861,000
Interest on assets	£258,000	£259,000
Employer contributions	£766,000	£179,000
Member contributions	-	£27,000
Benefits paid	(£552,000)	(£554,000)
Administration costs	(£166,000)	(£209,000)
Settlements and curtailments	-	-
Actuarial gain/(loss) on Scheme assets	£59,000	£332,000
Value of assets at end	£10,260,000	£9,895,000

Employer contributions of £766,000 includes £488,000 received from insurance company relating to a deed error.

GROUP PERSONAL PENSION

The Fishermen's Mission also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Fishermen's Mission in an independently administered fund. The pension cost charge represents contributions payable by the Fishermen's Mission to the fund. At the year end, there were no unpaid contributions (2017: none).

	2018 £	2017 £
Contributions payable by the charity for the year	106,158	79,205

17. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

ROYAL NATIONAL MISSION TO DEEP SEA FISHERMEN

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2018 (continued)

18. CASH FLOW STATEMENT

(a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2018	2017
	£	£
Net (expenditure)/incoming resources	531,245	331,415
Investment income	(211,908)	(226,927)
Interest payable	8,581	8,324
Depreciation on tangible fixed assets	157,555	174,349
(Increase)/Decrease in stocks	-	450
Decrease/(Increase) in debtors	25,174	59,550
Increase/(Decrease) in creditors	170,505	(95,132)
Pension scheme contributions in excess of charge	(112,000)	30,000
Loss/(Gain) on Disposal of Fixed Assets	-	(16,433)
Net Cash Provided by (Used In) Operating Activities	569,152	265,596

(b) Reconciliation of net cash flow to movement in net cash balance

	2018	2017
	£	£
(Decrease)/Increase in cash in the year	45,084	(281,164)
Changes in net cash balance from cash flows	45,084	(281,164)
Net cash balance brought forward	941,751	1,222,915
Net cash balance carried forward	986,835	941,751

(c) Analysis of net cash resources for the year

	At 1 November 2017	Cash Flows	At 31 October 2018
		£	£
Cash in hand and at bank	941,751	45,084	986,835