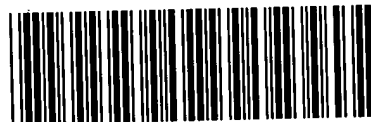


MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)
Annual Report 2021

8 Cumberland Place
Southampton
SO15 2BH

74th
ANNUAL REPORT
&
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

WEDNESDAY



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COMPANIES HOUSE

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CHAIRMAN'S FOREWORD

On behalf of my fellow trustees and our maritime charity Constituent members, I am pleased to report that the Merchant Navy Welfare Board has had a very successful 2021. Projects have been progressed, requests for help to find welfare have been satisfied, Port Welfare Committee meetings have been held, online training provided, and we are proud to have been appointed the UK's National Seafarers' Welfare Board by the MCA.

Aristotle said that the 'whole is greater than the sum of its parts' which is still accepted by businesses globally as accurate. When we work together, we are more effective which has been proven once again in 2021. The Board's staff is a small team of just 8 people, but between us, and with the help of our Constituent members and the support of government, we have achieved a lot.

The maritime charity sector is reported to number 140 charities but the most significant merchant navy and fishers' charities are the Board's Constituent member organisations, of which five are also MNWB trustees. In 2021, we welcomed Alabaré and the Defence Medical Welfare Service as Constituent members. We now have 45 maritime charities as Constituent members.

Throughout the year these charities have networked closely with each other through the Covid-19 Seafarers' Welfare Working Group which has enabled clear communications across the sector, connecting the beneficiary facing charities to the MCA and the UK Department for Transport. This group has ensured accurate and current information has reached Government to enable action and the provision of welfare where it has most been needed. Together we, as a sector, have been very effective and enhanced our reputation with the UK Government.

The Port Welfare Committees have continued to meet throughout the year whether remotely or face-to-face. The pandemic has improved our use of technology and has demonstrated that remote meetings are manageable and productive. One noticeable benefit has been the virtual attendance of those people traditionally unable to justify travel to every PWC meeting. Going forward, hybrid meetings, whether PWC or the Board, will be the norm.

2021 saw progress on strengthening the Board's governance. Our long-standing trustee, Ali Godfrey, assumed the role of our Safeguarding champion which will ensure that this important issue has a Board level champion. The Board does not actively fundraise but gains income from its endowed investments. I am pleased to report that the Board is invested in funds where the underlying managers have embedded strong Environmental, Social and Governance (ESG) disciplines as measured by the UN Principles for Responsible Investment. Throughout 2021, all underlying investment managers were signatories to these six principles. The Board's financial resilience remains strong with its endowed investments returning to pre-pandemic levels by the end of the year, net of operating funds received.

In 2021 we said farewell to Roxanne Le Voguer with her replacement, Joel Holt, a senior communications specialist, joining in early 2022. His task will be to broaden awareness of the vital role the MNWB plays within the maritime charity sector. At the end of 2021, our Chief Executive, Peter Tomlin, retired after 20 years at the Board, the last four as Chief Executive. I would like to thank them both for their contributions to the significant advances the Board has made in the last few years. The trustees would like to wish Roxanne every success in her new role at Horse & Rider and Pony magazines, and Peter a long, happy and well-earned retirement. Our new CEO, Stuart Rivers, joined in December and, after a structured and comprehensive handover, will take the reins at the beginning of 2022.

The MNWB's Council is structured to be representative of the sector with four trustees from our social partners, four from the UK Chamber of Shipping (shipowners), four from the charities and three people who are able to make a particular contribution due to their specialist knowledge. This latter category has fishers and accountancy expertise plus, in 2021 we welcomed Richard Ballantyne OBE from the British Ports Association. In addition to our trustees, the MCA attend Board meetings as an official Observer which ensures we work closely together.

As you will no doubt agree, I hope and pray that the peak of the pandemic is now behind us which will allow us to focus our 2022 efforts on improving welfare to seafarers and their dependants.

Captain A K Cassels
Chair

CHIEF EXECUTIVE'S INTRODUCTION

2021 has been another extraordinary year. The pandemic has once again dominated our lives and the impact of new Covid-19 variants has continued to cause major concerns for seafarers, fishers and their dependants.

Although stopping a pandemic is something that ultimately falls on systems and governments, the last two years have shown us that, when organisations decide to work together and pool their resources, they can make a real difference. Indeed, maritime charities that work collaboratively with Government, Shipowners and Unions have proven they can make a much greater impact on the welfare of seafarers and their families. As an umbrella charity, 'collaboration' between our Constituent organisations remains a constant theme. Therefore, the Board continues to organise regular meetings that link key elements of the UK maritime sector with its Port Welfare Committees (PWCs), covering all ports around the country and Gibraltar. These meetings continue to help improve communications, share important information and encourage partnership working. This has culminated in the UK Maritime Minister addressing the maritime charity sector and Government formally recognising MNWB as the 'National Seafarers' Welfare Board'. Legislation and policy take on even more importance during a crisis and this recognition will assist the UK to fulfil its many obligations as a signatory of ILO Maritime Labour Convention 2006. Indeed, Maritime and Coastguard Agency personnel are now playing an even more significant role in UK PWCs, proactively raising seafarers and fishers' safety and welfare standards.

Throughout the peaks and troughs of 2021 our combination of remote and 'in person' PWC meetings have been very well attended. This would not be possible without the leadership of our PWC Chairs and the attendance of members representing over 170 maritime organisations. The Board thanks all those who give so freely of their time to enhance the well-being of their port communities and the seafarers visiting our shores.

I am extremely proud of the way the MNWB staff has tackled the unforeseen problems posed by the ongoing pandemic. PWC Managers, Sarah Edward and Tom Holmer have guided and administered productive meetings, with Tom providing excellent maternity cover for Katherine Lockwood in 2022. Helen van Gass and Aiden Harvey have co-ordinated welfare issues, projects and improved our training offer with enthusiastic professionalism and Executive Assistant, Celia Jackson has consistently provided first rate administrative support. This year's achievements would not have been possible without the invaluable support of Deputy Chief Executive, Sharon Coveney who has managed staff and projects superbly throughout a most challenging period. I have also greatly appreciated and benefitted from the proactive support of MNWB Chair, Capt. Andrew Cassels, Vice Chair Mark Dickinson and our experienced trustees.

On a personal level it has been a great privilege to be a part of, and ultimately lead, the MNWB over many years culminating in the challenges the Board has faced since Covid-19 struck. I feel it is the right time to step aside and make way for someone with a fresh approach and the energy to take us forward into the changing world of 2022.

The new MNWB CEO, Stuart Rivers is a highly experienced and knowledgeable maritime charity executive with a technical background who, ably supported by our excellent staff, will take the Board forward. Stuart and I have been heavily involved in the development of the soon to be launched Port Visitor platform, which supports the new and existing PWCs/welfare boards around the world. This ambitious project has the potential to bring the sector together and take collaboration to the next level, promoting and supporting the provision of seafarers' welfare in ports when it is needed most.

Finally, I would like to thank all the MNWB Constituent organisations for their collaboration during my 20 years with MNWB and wish all my trustees, staff, colleagues and friends the very best for the future.

P D Tomlin MBE
Chief Executive

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

The trustees present their 74th Annual Report and the audited Financial Statements for the year ended 31 December 2021. They have adopted the provisions of the Charities SORP (FRS 102) '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) ('SORP 2019').

MISSION STATEMENT

"Supporting the provision of quality welfare services for seafarers and their dependants"

OBJECTIVES

The Key Objectives of the Merchant Navy Welfare Board are to:

- Help improve the effectiveness of all those charities caring for merchant seafarers, fishers and their dependants and this is done irrespective of nationality, religion or ethnic background.
- Strive to ensure that all welfare needs are met through the most effective deployment of resources.
- Facilitate the work of Constituent organisations through the provision of grants and specialist support services.
- Provide a dedicated welfare support and referral service for UK seafarers and their dependants.
- Manage and support Port Welfare Committees to develop local welfare services.
- Encourage and enable closer collaboration amongst both Constituent organisations and Port Welfare Committees.
- Represent and raise awareness of seafarers' welfare issues at national level.

N.B. The wording shown above summarises the formal Charitable Objects, a copy of which may be obtained upon request.

STATEMENT OF PUBLIC BENEFIT

The objectives, activities, achievements and performance of the Board, which the charity undertakes for the public benefit, are clearly set out in this report. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Board's aims and objectives and in planning future activities and setting out the grant making policy.

In the interests of transparency, the trustees make the following statements regarding public benefit:

- The clear benefits provided by the Board are delivered through the key objectives set out above and reflected in the disclosure of charitable expenditure in the Statement of Financial Activities.
- The primary objective of the Board is to help improve the effectiveness of all those charities caring for merchant seafarers, fishers and their dependants and this is done irrespective of nationality, religion or ethnic background.
- No detriment or harm arising from the work of the Board has been identified.
- The beneficiaries are those charities caring for merchant seafarers, fishers and their dependants. This is directly in accordance with the terms of the Board's constitution.
- The Board is active within the United Kingdom, Gibraltar and the Falkland Islands, and has worldwide connections.
- People in poverty are at the heart of what the Board does, and it is not aware of any Constituent member excluding benefits from anybody in poverty.
- There are no private benefits of which the Board is aware.

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

NATURE OF THE GOVERNING DOCUMENT

The Board is governed by Articles of Association adopted by a Special Resolution on 20 May 2010 and amended on 24 July 2015. These comply with the provisions of the Companies Act 2006 and the Charities Act 2011.

TAXATION STATUS

The Board, as a registered charity in England and Wales, is exempt from taxation on its charitable activities. This has been confirmed by H M Revenue & Customs.

REGISTRATION DETAILS

The Board is registered in England & Wales, under company number 453053, as a Company limited by guarantee and as such it does not have share capital. The Board is also registered under number 212799 with the Charity Commission for England & Wales and in Scotland with the Office of the Scottish Charity Regulator (OSCR) under number SC039669.

REGISTERED OFFICE

The registered office of the Board is 8 Cumberland Place, Southampton SO15 2BH
Telephone: 023 8033 7799 E-mail: enquiries@mnwb.org.uk
Website: www.mnwb.org

WELFARE ORGANISATIONS SUBSCRIBING TO THE CONSTITUTION OF THE BOARD (CONSTITUENT MEMBERS)

Aberdeen Seafarers' Centre	Sailors' Children's Society
Aged Merchant Seamen's and Sunderland Distressed Mariners' Fund	Sailors' Orphan Society of Scotland
Alabaré	Sailors' Society
Broughton House	Scottish Nautical Welfare Society
Care Ashore	Scottish Veterans' Residences
DMWS (Defence Medical Welfare Service)	Seafarers' Advice & Information Line
Erskine Hospital	Seafarers Hospital Society
Grimsby Sailors & Fishing Charity	Seamen's Christian Friend Society
Guild of Benevolence of the IMarEST	Seamen's Welfare Fund (Gibraltar)
Honourable Company of Master Mariners Charities	Shipwrecked Mariners' Society
Humber Seafarers' Service	SSAFA
Lighthouse Seafarers Mission (Falklands WB)	Stella Maris, Great Britain
Liverpool Sailors' Home Trust	The Fishermen's Mission
Liverpool Seafarers' Centre	The Mission to Seafarers
Lowestoft Fishermen's and Seafarers' Benevolent Society	The Seafarers' Charity
Manx Marine Society	Trinity House
Merchant Navy Association	Trinity House, Hull
Marine Society & Sea Cadet Association	Tyne Mariners' Benevolent Institution
Nautilus Welfare Fund	Veterans' Aid
Queen Victoria Seamen's Rest	Whitby Merchant Seamen's Hospital Houses
Royal Alfred Seafarers' Society	Willie Seager Memorial Trust
Royal Liverpool Seamen's Orphan Institution	Wilson's Mariners' Homes
Royal Merchant Navy Education Foundation	

N.B. These are not connected charities within the meaning of the SORP 2019.

Under its Articles of Association, the Board is no longer required to hold a formal Annual General Meeting. For any constitutional changes it will hold an Extraordinary General Meeting (EGM) to which all Constituent members will be invited.

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

TRUSTEES AND MEMBERSHIP OF THE COUNCIL

The Board's trustees are collectively known as its Council. New members are appointed by Council, primarily on the basis of the skills and experience required to carry out their responsibilities effectively in the best interest of the charity. Details of Council membership during 2021 and changes to the date of this report were as follows:

Patron: The Lord Prescott
Chair: Capt. A Cassels
Vice Chair: A M Dickinson

Ship Owners' & Ship Managers' Representatives:

Capt. A Cassels, UK Chamber of Shipping (Re-appointed 30.06.21) (Chair)
A Hodgson, UK Chamber of Shipping (Appointed 30.06.20)
T E Springett, UK Chamber of Shipping (Re-appointed 30.06.19)
M Rawson, UK Chamber of Shipping (Appointed 18.12.19)

Trade Union Representatives:

D Appleton, Nautilus International (Re-appointed 30.06.20)
M Carden, RMT (Re-appointed 30.06.21)
A M Dickinson, Nautilus International (Vice-Chair) (Re-appointed 30.06.19)
D Procter, RMT (Appointed 30.06.20)

Voluntary Sector Representatives:

D Thomas, Sailors' Children's Society (Re-appointed 30.06.19)
Capt. J Osmond RN, Shipwrecked Mariners' Society (Re-appointed 30.06.21)
Revd. I Ajibade, Mission to Seafarers (Appointed 30.06.19)
Cdr B Boxall-Hunt OBE, Royal Alfred Seafarers' Society (Appointed 30.06.21)
A Campbell OBE, Queen Victoria Seamen's Rest (Retired 30.06.21)

Persons able to make a particular contribution of value to the Charity because of their specialist expertise:

A Godfrey, Fishermen's Mission (Re-Appointed 02.11.19)
G Lane, Chartered Accountant (Re-appointed 30.06.19)
R Ballantyne OBE, British Ports Association (Appointed 30.06.21)
C Spencer, The Seafarers' Charity (Retired 30.06.21)

Observer Status

J Carlton, Maritime & Coastguard Agency

The Board wishes to place on record its appreciation for the contribution made by all members of the Council, in particular trustees who have retired during the year: Alexander Campbell and Catherine Spencer.

INDUCTION AND TRAINING OF TRUSTEES

Trustees are either appointed or elected. The UK Chamber of Shipping is responsible for appointing the Ship Owners' & Ship Managers' Representatives, currently four in number. Nautilus International and the Rail and Maritime Transport Union (RMT) are responsible for appointing the Trade Union Representatives, currently two each. The Constituent Maritime Charities elect the Voluntary Sector Representatives, currently four. The Council appoints those persons able to make a particular contribution, currently three. Each appointment, or election, for all backgrounds, is for a three-year term of office.

All newly appointed trustees are provided with an induction pack that includes the governing documents, latest annual report, recent minutes of Council and other relevant meetings, publicity literature and the Charity Commission's relevant publications and information leaflets. Within the first few months of their election,

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Council members are invited to attend an induction at the Board's offices where they are introduced to the staff, given a comprehensive insight into the daily operation and a briefing covering the Board's current strategy and projects. The 'Trustee Role Description', outlining the general duties of the Board, is reviewed annually.

PAYMENTS TO TRUSTEES

No member of Council receives any payment for acting as a trustee, other than, on occasion, out of pocket expenses.

CONFLICTS OF INTEREST

The Board maintains a register of interests of all trustees and senior staff. Additionally, at each meeting of the Council, all those present are asked to declare any potential conflicts of interest when appropriate.

COMPANY SECRETARY

Mr P. D. Tomlin MBE, Chief Executive

PROFESSIONAL ADVISERS

Auditors:

James Cowper Kreston, The White Building, Southampton, Hampshire, SO15 2NP

Bankers:

CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent, ME19 4JQ

Solicitors:

Blake Morgan LLP, Tollgate, Chandlers Ford, Eastleigh, SO53 3LG

Investment Manager:

Bordier & Cie (UK) PLC, 23 King Street, St James's, London, SW1Y 6QY

Pension Advisers:

Chadney Bulgin LLP, 89 Fleet Road, Fleet, Hampshire, GU51 3PJ

Accounts Administration:

Winchester Bourne Ltd, Sullivan Court, Wessex Business Park, Colden Common, Winchester, SO21 1WP

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

STAFF

The Board usually employs eight full time members of staff directly in its work. Details of staff members employed during 2021 were as follows:

Mr Peter Tomlin MBE	- Chief Executive (Retired 31.12.21)
Mr Stuart Rivers	- Chief Executive Officer Designate (From 01.12.21)
Miss Sharon Coveney	- Deputy Chief Executive
Miss Sarah Edward	- Port Welfare Committee Manager
Mrs Katherine Lockwood	- Port Welfare Committee Manager (Maternity leave)
Mrs Helen van Gass	- Welfare & Training Manager
Mr Aiden Harvey	- Projects & Welfare Coordinator
Mr Tom Holmer	- Port Welfare Committee Manager (Maternity Cover for Katherine Lockwood)
Ms Celia Jackson	- Executive Assistant & Office Manager
Miss Roxanne Le Voguer	- Communications Administrator (Resigned 09.07.21)

The Council is responsible for:

- all staff employment contracts based on advice from the Board's appointed human resources advisers.
- agreeing the employer's and minimum staff contributions towards the pension scheme.
- appointing a financial adviser to advise on the appointment of a pension provider.

Remuneration Policy

The Board is committed to ensuring that staff are adequately remunerated to ensure that it attracts and retains the right skills to achieve the charity's objectives.

In accordance with SORP 2019, the Board:

- discloses all payments to trustees (these are out of pocket expenses only).
- discloses staff in receipt of more than £60,000 salary including gross pay and taxable benefits.
- discloses the pension policy.
- confirms that there are no benefits in kind.

The Board has appointed a remuneration sub-committee, consisting of the Chairman and two trustees, advised by the Chief Executive (with exception of his own remuneration), which meets to review and recommend the pay for all staff.

The sub-committee:

- reviews the Board's salary structure using independent market benchmarking and makes amendments, when appropriate, to ensure that salaries remain competitive.
- approves the annual cost of living increase for all staff taking into account the most recent inflation figures.
- approves any consolidated pay awards over and above the cost of living index.

VOLUNTEER HELP

During the year, the Board appointed four Volunteer Ambassadors to profile its work around the UK and Overseas Territories. The Volunteer Ambassadors are tasked with raising awareness of the Board's support services and promoting the work of our Constituent Members in the wider maritime community. The Ambassadors appointed during the year were:

- Neil Atkinson
- Jerry Drewitt
- Alèxe Finlay
- Martin Phipps

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Board's Council holds three or four meetings annually. These are used to review current strategy, financial matters, investments, services to Constituent Members, grant distribution and agree future policy. In addition, it holds joint biennial meetings for Constituent and Port Welfare Committee members. In the event of needing to make any amendments to the Articles of Association the Board must convene an EGM for its Constituent members.

The Council takes the view that internal controls provide adequate safeguards. All transactions are properly authorised and recorded thus ensuring that any material errors and irregularities are detected and prevented.

RISK ASSESSMENT

The Board has a formal risk management process, which identifies the role for the Council as:

- ensuring that the identification, assessment and mitigation of risks are linked to the achievement of the Board's operational objectives.
- ensuring that the process covers all areas of risk, including financial, governance, operational and reputational risk, and is focused primarily on major risks including those arising from investment issues.
- ensuring that the process seeks to produce a risk exposure profile that reflects the Board's views as to the level of acceptable risk.
- reviewing and considering the principal results of risk identification, evaluation and management.

To ensure that risk management is a continuous process and embedded in all management and operational procedures, a review of the risk profile is completed annually by the Chief Executive. This includes an evaluation of current activities and risks posed, the effectiveness of controls in place that mitigate material risks posed and an action plan to develop additional controls where necessary.

COMPLAINTS PROCEDURE

The Board has in place a policy to deal with any complaints from the public or other organisations. Details of the policy can be found at www.mnwb.org/complaints-policy.

FINANCIAL CONTROLS

The Board believes that the system of internal control provides adequate assurance that assets are safeguarded, transactions are properly authorised and recorded and that material errors and irregularities are either prevented or detected at an early stage. The financial controls are reviewed annually.

FINANCIAL REVIEW

Following the impact of the Covid-19 pandemic on investment performance in 2020, the portfolio performed well in 2021 with returns of 13.5% for the calendar year. The origins of the good performance could be traced back to the steps taken in November 2020. The vaccine had been announced in early November and it had then felt appropriate to increase the equity exposure within the portfolio having previously been quite cautiously positioned. This proved to be a successful strategy by our investment managers and the portfolio made overall gains of £1,669,133 in 2021 (2020 -£188,983)

At the year-end, investments were valued at £15,180,802 (2020: £13,956,479) and total funds amounted to £15,456,907 (2020: £14,516,650).

RESERVES POLICY

The Council annually reviews the level of the Board's reserves available to meet the ongoing ability to finance administrative costs, services to Constituent members and grants. In order to determine and monitor the appropriate level of reserves, the Board assesses likely future demand for grants and services against income

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

expectation. Council, when determining the financial forecasts, considers the appropriate level of reserves. The Board takes the view that the investments held are adequate to generate funds to sustain the current levels of demand for the foreseeable future.

INCOME

Donations and Legacies

Whilst the Board does not actively fundraise amongst the public, it is always extremely grateful for any donations and legacies received, which are fully utilised in support of its objects. During 2021 a total of £ 4,554 (2020: £1,913) was received in donations and legacy income of £27,392 was received (2020: £7,000). The Board does not work with any commercial participators.

Government Contracts & Grants

The Board does not normally seek grants or contracts from central or local government. However, central government approached MNWB during the pandemic to participate in a ongoing seafarers' communications partnership project. The MiFi project entailed equal £7,000 grants from MNWB, The Seafarers' Charity and Department for Transport, who paid their contribution in early 2021.

Investment Income and Policy

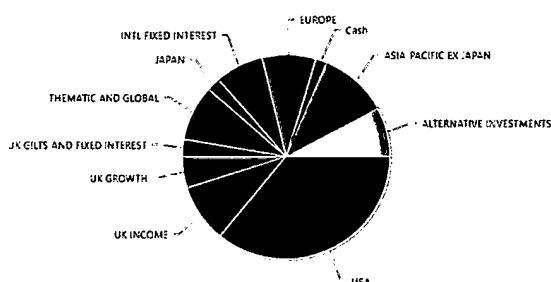
The Board annually provides its investment managers, Bordier & Cie (UK) PLC, with an investment policy. Their costs are based on the number of transactions each quarter together with fees charged for the management of the investment portfolio. Total costs amounted to £48,889 (2020: £45,619). The Board utilises benchmarks to monitor investment performance and reviews investment returns on a quarterly basis.

The primary source of income is from investments and a targeted 6% total return is a key part of the policy. The Board accepts this is a risk strategy intended to provide greater return. Whilst this continues to be maintained, it is reviewed annually and can be revised at any time considering needs and changing circumstances. The most recent industry review indicates that the number of older seafarers and their dependants is expected to decline more slowly than when last researched but will still accelerate over the next 15 years or so. As a counterbalance there is evidence that the needs of those receiving support are increasing and beneficiaries are living longer. At the same time there remains an ongoing need to support port-based welfare services for working seafarers. The long-term negative impact of the Covid-19 pandemic will be assessed on an ongoing basis.

The Asset Allocation as of 31st December 2021

Sector Allocation		
SECTOR	MARKET VALUE (£)	SECTOR (%)
UK GILTS AND FIXED INTEREST	409,138.61	2.70
UK GROWTH	759,602.03	5.00
UK INCOME	1,390,798.78	9.20
EUROPE	1,282,689.21	8.40
USA	5,452,695.30	35.90
INTL FIXED INTEREST	1,145,730.36	7.50
THEMATIC AND GLOBAL	1,324,862.51	8.70
ASIA-PACIFIC EX JAPAN	1,639,578.29	10.80
JAPAN	324,284.63	2.10
ALTERNATIVE INVESTMENTS	1,184,251.90	7.80
INVESTMENTS	14,913,631.61	98.10
CASH	267,170.99	1.80
GRAND TOTAL	15,180,802.60	100.00

Sector Breakdown

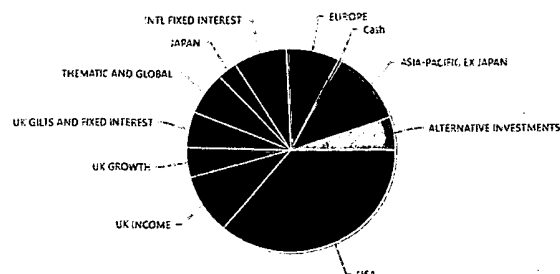


TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Asset Allocation as of 31st December 2020

Sector Allocation		
SECTOR	MARKET VALUE (£)	SECTOR (%)
UK GILTS AND FIXED INTEREST	785,583.72	5.60
UK GROWTH	671,728.56	4.80
UK INCOME	1,323,040.22	9.50
EUROPE	1,154,258.77	8.30
USA	5,051,383.26	36.20
INTL FIXED INTEREST	1,163,073.29	8.30
THEMATIC AND GLOBAL	951,216.52	6.80
ASIA-PACIFIC EX JAPAN	1,636,000.13	11.70
JAPAN	420,237.13	3.00
ALTERNATIVE INVESTMENTS	739,327.64	5.30
INVESTMENTS	13,895,849.25	99.50
CASH	60,629.51	0.40
GRAND TOTAL	13,956,478.76	100.00

Sector Breakdown



Social Investment Policy

The Board's investment policy is implemented through the use of collective investment funds rather than, for example, individual company shares. Given the diversified nature of underlying investments the Board has not imposed any specific ethical or geographical restrictions with regard to investment but expects the spirit and objectives of the United Nations-backed Principles for Responsible Investment (PRI) guidelines to be observed by the underlying investment fund managers. These Principles look to encompass environmental, social and corporate governance matters into firms' investment and decision-making processes. During 2020, the Board instructed its Investment Manager that it expects underlying managers to not only adopt the Principles for Responsible Investment as supported by the United Nations (UNPRI), but also to be signatories to it. The Board's Investment Policy has been strengthened to include a commitment to be provided with an ESG (Environmental, Social, and Corporate Governance) report on an annual basis.

Grants Added Back

Some grants were not fully expended and a total of £2,500 was added back into the Board's funds (2020: £111,956).

Restricted Funds

The Board maintained restricted funds for support programmes and projects, which are covered elsewhere in the report. These are as follows:

- Vehicle Replacement Programme Fund
- MN Medal Fund
- MiFi Project
- Seafarer Support (now a 'service to constituents')
- International Port Welfare Partnership Programme

EXPENDITURE

Staff

The Board usually employs eight full time members of staff directly and utilises consultants where specialist knowledge or expertise is required. The Board remained under contract during the year to the International Seafarers' Welfare Assistance Network (ISWAN) for the IPWP programme, which was funded by grants from partners. Further funding will be required in 2022 to support the continuation of the programme.

Pensions

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

In line with legislation set down by the Pensions Regulator all members of staff are entitled to enter a contributory group personal pension plan provided by the Board after 3 months' service, and all those currently employed are included (staff aged between 21 and 65 are automatically enrolled as required under pensions legislation). Following a satisfactory probationary period, normally 6 months, all new full-time staff members are offered a contract which allows them to receive an enhanced employer's contribution, conditional upon them also making an agreed increased minimum contribution.

Offices

The Board has a 10-year repairing lease for its offices at 8 Cumberland Place, Southampton SO15 2BH which commenced in December 2020. A full-term review took place in early 2020 and a new rental amount was agreed for the next five years. In 2021 internal and external refurbishment of the building was undertaken, which fulfils our obligations under the terms of the lease. The premises adequately meet the Board's needs for now and the short term. The current lease is due to terminate on 30th November 2030 with a break point in 2025.

Professional fees

The Board incurred professional fees in 2021 for audit and accountancy purposes.

Auditors and the Appointment of Auditors

The Board is required to have its accounts audited annually. Under the Articles of Association, the Council is responsible for appointing the auditor. The Board appointed James Cowper Kreston as auditors.

Accountancy fees

The Board's accounts administration is undertaken by Winchester Bourne Ltd, for which it pays a fee.

Membership of Organisations

The Board is a subscribing member of the following charitable organisations:

- Maritime Charities Group (MCG)
- International Seafarers' Welfare and Assistance Network (ISWAN)
- National Council for Voluntary Organisations (NCVO)
- The Association of Charitable Organisations (formerly – Association of Charity Officers) (ACO)
- Confederation of Service Charities (COBSEO)

ACHIEVEMENTS, PERFORMANCE AND IMPACT

GRANTS

Whilst the Board's main priority is that of providing support services to its Constituents, PWCs and working groups, its secondary priority is to provide capital grants. The amount available for this purpose is based on the overall return from the investment portfolio after deducting revenue costs and services to Constituents. In 2021 an overall sum of £83,552 was awarded in capital grants (2020 - £190,866). Before allocating grants, Council reviews the quality of each application and the impact that this would have on the maritime welfare community. In some cases, it will endeavour to share a grant with other organisations. Under its Small Grants Programme, the Board has authorised the Chair and Chief Executive to allocate individual grants of up to £5,000 throughout the year, up to a total annual limit of £50,000.

Grants Awarded

• Lighthouse Seafarers' Mission – Pool table replacement	£1,050
• Marine Society & Sea Cadets – Covid-19 Redundancy/Retraining Programme	£10,000
• Nautilus Welfare Fund – Four extra beds at Mariners' Park Care Home	£30,000
• Mediterranean Mission to Seafarers – Internal and external repairs to the Flying Angel Club	£1,259
• Mission to Seafarers, Newport – Roof repairs to Newport Seafarers' Centre	£5,000

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• Mission to Seafarers, North Tees – Covid-19 safeguards	£3,676
• Sailors' Children's Society - Extension of MN/FF home computers project	£20,000
• Sailors' Society – Repairs to Montrose Seafarers' Centre	£2,101
• Stella Maris – Renovation of Teignmouth and Plymouth Seafarers' Centres	£4,435
• Stella Maris – Teignmouth Emergency Recreational Fund	£81
• Fawley Seafarers' Centre - Replacement doors	£950
• Partnership NI Solent Unit Research on Covid19 Impact	£5,000

Grants to Joint Projects Managed by MNWB

Transfers from unrestricted to restricted funds were also made in the year in respect of the following:

- MNWB Vehicle Replacement Programme: annual contribution - £Nil (2020 - £47,000)
- MNWB IPWP Partner Programme: annual contribution - £30,000 (2020 - £20,000)
- Department for Transport, MNWB & The Seafarers' Charity MiFi project - £7,000 (2020 - £10,000)

Total of grants awarded to jointly funded projects in 2021 was £37,000 (2020 - £10,000)

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PROJECTS

MNWB Volunteer Ambassadors Pilot Programme

Neil Atkinson, Jerry Drewitt, Alèxe Finlay and Martin Phipps, all outstanding maritime professionals and well known for their work in support of seafarers' welfare, have agreed to become the Board's first cohort of Ambassadors. Working in collaboration with our Constituent organisations, the maritime industry, government, and wider public audiences around the UK and Overseas Territories, the Ambassadors will undertake an initial 12-month promotional outreach programme of visits and presentations, all designed to promote and profile the work of the Board. A promotional film is currently being produced by MNWB to help launch the project in early 2022.

Evaluation Studies

Over the years the Board has conducted evaluations and/or feasibility studies of ports and various seafarers' welfare facilities on behalf of the maritime sector. This helps promote the most effective and highest standards of welfare services for both serving and retired seafarers within the UK and Gibraltar.

ISWAN's International Port Welfare Partnership Programme (IPWP)

The success of the UK welfare board (PWC) system influenced ILO MLC, 2006, regulation 4.4 encouraging the establishment of similar welfare boards at local, regional and national level in order to review, support and promote seafarers' welfare in ports worldwide. As such, it provides an excellent example for other countries and ports around the world to follow, which is the primary aim of the IPWP project.

The ongoing restrictions on international travel during the year continued to affect seafarers due to repatriation difficulties at the end of contracts. This resulted in seafarers being at sea for much longer, affecting their wellbeing and that of their families. From a peak in 2020 of 400,000 seafarers affected, this number reduced to 200,000 in March 2021 and to around 60,000 in December 2021. This crew change crisis has highlighted the need for even more collaborative working and co-ordinated planning of shore-based welfare support to ensure that seafarers have access to good welfare facilities in port and, during the current pandemic, facilitate access to vaccines.

To facilitate collaborative working, the Port Visitor platform brings together key stakeholders from the maritime community to directly co-ordinate port welfare services and facilities. In 2021, with the support of an external consultant, the first release of the Port Visitor software was completed and went live to a small group of users so that essential data relating to ports, seafarers' centres and welfare boards could be populated. Additional functionality was developed during the year to provide information about the availability of Covid vaccinations on a port-by-port basis, making access to vaccines easier for visiting seafarers. The platform is unique in that, when fully launched, it will provide the most comprehensive source of port welfare information for seafarers and offer a set of tools to welfare boards that enable port based welfare services and facilities to review and report at local, regional and national level.

Several key stakeholders already support the IPWP project, but greater numbers of welfare boards around the world and wider adoption of the Port Visitor platform will drive collaboration between welfare providers, unions, shipowners, port owners/authorities and governments. This will be the priority for 2022 subject to funding being secured for investment in the project.

Sea Shed Digital Project

The original 'Sea-Shed Digital' pilot project formally concluded in 2019 but proved so successful that it has continued and is still in operation today. It was recently constituted as a charity in its own right under the name "Grampian Sea Shed". The group offers much needed support to retired seafarers to help to reduce isolation and loneliness.

Port Levies

MNWB continues to encourage ports around the UK to adopt port levy schemes to support the delivery of vital port welfare services and facilities. The partnership approach implemented in the Tyne and Humber ports is an excellent example of collaboration between the MNWB, the port owner and the local PWC. Port levy schemes are in place in more than 10 ports around the UK, although not all schemes follow the same format. For those ports that do not currently have a port levy scheme in place, MNWB can assist in the development and implementation in line with the proven model used on the Tyne. As we emerge from the pandemic, and welfare providers recover from its effects, we intend to further promote the adoption of port levies as a means of securing the future of seafarers' welfare in ports.

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On 1st July 2021, the New Zealand Government amended its Maritime Transport Act to support seafarers' wellbeing from levies collected in its ports. Estimates suggest that this legislative change will affect 10 ports in the country and benefit up to 130,000 seafarers each year. In 2022, MNWB will initiate dialogue with the UK Government to ascertain whether such a scheme could be implemented to improve seafarers' welfare nationally.

Port Based Welfare: Vehicle Replacement Programme (VRP)

The VRP is one of our most popular and successful programmes. It is managed by MNWB and jointly funded by MNWB, The Seafarers' Charity, ITF Seafarers' Trust and Trinity House. Although electric vehicles are not permitted on some port terminals, the Board encourages the adoption of electric or hybrid vehicles as part of the jointly funded Port Welfare Vehicle Replacement Programme and the first electric vehicle has been purchased for the Port of Aberdeen. More information about our environmental and climate change awareness can be found in the section below.

Due to the impact of the pandemic on participating welfare societies' ability to fundraise, and after consulting with our co-funders, a decision was made at the end of 2020 to hold the programme for 1 year. This would allow the societies with vehicles still to be replaced an extra year in which to do so. As we already had the money in place for these vehicles, no further funding for 2021 was needed. The vehicles that hadn't been replaced in 2020 became the new list for 2021, with the original list for 2021 being moved back to 2022 and so on. This, in effect, changed the programme from a 6-year to a 7-year renewal cycle. Although there were drawbacks to this change, they were far out-weighed by the benefits and the long-term sustainability of the programme as a whole.

As 2021 progressed and the effects of the pandemic were still being felt, a further review of the programme was undertaken. To counter-act the financial burden of replacing vehicles when the welfare societies' income was still stagnant, the programme funders agreed to use the operating surplus to provide enhanced grants for the vehicles due to be replaced this year. The grant level offered for each vehicle category was increased on the understanding that they would revert to their original levels for the following years. This additional support meant that societies had less to pay out themselves for replacing the vehicles and this was warmly welcomed by the societies involved. Out of the 13 vehicles on the new 2021 list, grants totalling just over £151,000 were paid out to help purchase 8 new vehicles, with 3 vehicles either being sold or not replaced as they were no longer needed, and the remaining 2 vehicles allowed to be carried forward to be replaced in 2022.

Environment & Climate Change Awareness

The Board is aware of the need to act in an environmentally responsible manner and meet the challenges of climate change. Our normal practice is to have face-to-face meetings, which we modified to video conference calls due to the pandemic. These meetings gained good attendance, especially from those who would normally have to travel a distance. We feel that in-person meetings are essential, but the benefit of virtual meetings in reducing our carbon footprint and increasing meeting attendance has been evidenced over the last two years. We therefore intend to offer hybrid meetings in future where practicable.

As stated in the report on the Vehicle Replacement Programme, reducing carbon emissions through the use of electric or hybrid vehicles is encouraged. As vehicles become due for replacement, we will ensure that consideration is given to the environmental options before releasing funding for new vehicles.

Equality, Diversity and Inclusion

Since 2021, the Board has been a member of the Maritime Charities Group EDI Working Group. The working group is looking at options for training among MCG members and the development of a diversity pledge. The overall aims of this group are to:

- Engage senior leadership to commit to improving ED&I within their organisation.
- Examine the state of ED&I in the Maritime Welfare Charity sector using The Seafarers' Charity research shared February 2020 as a baseline with regard to Trustee diversity.
- Build on work that was already been done by the maritime and wider sector.

MiFi Partnership Programme

The Board was delighted that the Department for Transport, The Seafarers' Charity and MNWB agreed to fund another year of this valuable collaborative initiative, which has continued to provide a lifeline for seafarers and

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fishers, particularly during the pandemic. The project, which started in 2019 as a pilot project funded by ITF Seafarers' Trust, is managed by the MNWB and supports the work of front-line welfare societies, providing seafarers and fishers in ports around the UK with access to free internet to connect with their families and friends. There are 40 MiFi units deployed throughout the UK to the following Maritime Welfare Charities' (MWCs) who provide welfare visits to ships arriving in UK ports: Aberdeen Seafarers' Centre, The Fishermen's Mission, Liverpool Seafarers' Centre, Mission to Seafarers, Queen Victoria Seamen's Rest, Stella Maris and Sailors' Society.

Unlike the first year of the project where a monthly data allowance of either 50 or 60GB was assigned to the units, the data allowance of all the connections has been increased to unlimited, meaning crew can download and stream to their hearts content, without exceeding the monthly allowance. In December this year, MNWB announced the launch of a photo competition to help showcase the MWCs' valuable work and the positive impact connectivity has on seafarers' well-being, particularly at Christmas. Entries will be judged by the project funders and the winner will be announced in early 2022.

PUBLICATIONS

The Board, on behalf of its Constituents, publishes, distributes and regularly reviews the following publications, which are also included on the Board's website:

Port Information Leaflets: The Board now has a catalogue of 45 Port Information Leaflets covering ports across the UK and Gibraltar. In 2021, 5 leaflets were published (including 2 new additions to the catalogue), with a total of 10,000 copies delivered to the ports in question for distribution to visiting seafarers. The leaflets are also available to view and download from our website and from the portvisitor.com platform.

The leaflets are reviewed each year by the local Port Welfare Committee (PWC) to ensure that the information is accurate. With the pandemic affecting businesses across all sectors, the leaflets will be updated to reflect the changes the pandemic has had on local ports and the services available to seafarers.

Remembering Those Left Behind: This booklet continues to provide advice for both those seeking to make funeral plans before their death and for people who are faced with making the funeral arrangements for a friend or loved one. The booklet has been updated and subject to approval the new edition will be published in 2022.

TRAINING COURSES

As a result of lockdown travel restrictions and working from home, the Board had to postpone all its instructor led training courses during 2021. As a result, MNWB signed up to iHASCO, a market-leading provider of Health & Safety and HR Compliance eLearning. The courses have proved extremely popular with MNWB Constituent organisations, several of which have been granted administrator access to the platform so that they can manage their own training schedule. Since March 2021, 1,360 training certificates have been issued.

The following courses are also offered to our Constituent organisations:

International Ship and Port Facility Security Code Awareness Course

The training provides an understanding of the ISPS Code, why it came into force and what it intended to achieve. Other objectives include knowing the rights of the seafarer to shore leave and welfare facilities and the rights and responsibilities of port facilities and seafarers' welfare organisations. The Board developed this online ISPS course in conjunction with Maretraining.com and is available at no cost to our Constituent organisations.

Supporting Seafarers' Mental Health & Wellbeing

This course used the Merchant Navy Training Board/Maritime Charities Group Standard as a best practice guide. The course was facilitated via Zoom and 5 sessions were held in 2021.

Ship Welfare Visitor

The Board's Ship Welfare Visitor online course continues to be an excellent opportunity for new ship visitors to learn the fundamentals and those who undertook the 'face to face' course some years ago to refresh their

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knowledge. During 2021 there were 152 local and international registrations for this popular course, which is an increase on previous years. A new updated version of the course will be launched in 2022.

WORKING GROUPS

Working groups provide Constituent members with an opportunity to work together on issues affecting seafarers and the maritime welfare providers. These collaborative groups share information of common interest; monitor the impact of changes; make recommendations based on best practice; consider priorities, particularly in relation to funding arrangements and act as a co-ordinating lobbying force to make representation to maritime funding charities and other appropriate organisations.

Established in 2020, the Covid-19 Seafarers' Welfare Working Group brought together the Merchant Navy & Fishing Fleets (MN/FF) welfare sector with monthly Zoom meetings involving the UK Government (Department for Transport), MCA, Chamber of Shipping, maritime Unions, British Port Authority, major maritime charity funders and 'front line' welfare providers. Meeting information and feedback is disseminated to the Board's 17 UK Port Welfare Committees covering all UK ports, Gibraltar and the Falkland Islands. The forum continues to create a positive connection between the Government and the maritime charity sector. On average, 30 participants attend the monthly meetings to ensure welfare concerns are understood across the sector.

Robert Courts MP, Minister for Aviation, Maritime & Security attended the Working Group twice during the year. He thanked members for their ongoing hard work supporting seafarers, fishers and their dependants throughout the ongoing pandemic. The Older Seafarers & Families Working Group (OSFWG) and Serving Seafarers Working Group (SSWG) were reintroduced in 2021 and each met twice via Zoom.

PORT WELFARE COMMITTEES (PWCs)

One of the many ways that the Board is able to "support the provision of quality welfare services for seafarers and their dependants" is through its welfare boards, otherwise known as PWCs. These extremely important committees cover ports throughout the United Kingdom and Gibraltar. The Board also supports the Falkland Islands' Port Welfare Board. Committees represent the local maritime community and consist of members with a vested interest in seafarers' welfare. PWCs are strategic partnerships whose role is to review the provision of seafarers' welfare locally, share expertise and make recommendations for changes and improvements. Each committee usually meets three times a year, with one meeting including an AGM.

The Board ensures that membership of its 15 UK PWCs and Gibraltar Seafarers' Welfare Board (GSWB) has, wherever possible, representatives of Government, ship owners, unions, port owners/authorities and voluntary societies so that seafarers' welfare services can be deployed, reviewed and supported in the most effective manner.

PWC meetings held in the spring and summer continued to be hosted online but it was a welcome relief to return to in person meetings in September and all meetings in the Autumn term managed to be held face to face. Several meetings were able to offer a hybrid option and members and our PWC managers again adapted well to the new setup. In total 48 meetings were held in 2021; 48 are planned for 2022 and it is hoped that meetings can continue to be held in person. The Board would like to record its thanks again to all PWC members for their continued support during the challenges of 2021.

Where appropriate, welfare programmes, projects and issues are communicated between PWCs, Working Groups and the Board. In 2021 the main issues dominating PWC meetings were again related to the pandemic, with seafarers' access to vaccinations and lack of certification dominating meetings. These issues were reported all the way to Government via the Covid-19 Working Group. Membership has remained consistent throughout the year with 361 representatives from organisations that include the MCA, Border Force, local authorities, police, port authorities, port health, ship owners, the maritime training colleges, seafarers' unions and the voluntary societies.

COMMITTEE CHAIRS

<i>Committee</i>	<i>Chair</i>	<i>Committee</i>	<i>Chair</i>
Bristol	Mr G Strickland	North & East Scotland	Mr D Kenwright

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Central & West Scotland	Mr J Hood	Northern Ireland	Mr P Hayes
East Anglia	S Supt T Jenkins	North West	Ms S Henney
Falkland Islands PWB	Ms C Roberts	South Wales	Mr E Watts MBE DL
Gibraltar SWB	Capt. J Ferro MBE	Southern	Capt. M Phipps MBE
Haven	Capt. A Parker	South West	Mr D Paul
Humber	Mr G Cudbertson	Tees	Capt. J Drewitt MBE
London and South East	Mr A Campbell OBE	Tyne	Mr A Feast
Milford Haven	Capt. M Andrews		

The Board awarded 22 Certificates of Commendation or Appreciation in 2021. These certificates are awarded to PWC members and volunteers who have demonstrated a notable contribution to the provision and improvement of seafarers' welfare.

PWC PROMOTIONAL GRANTS & EMERGENCY RECREATIONAL FUND FOR ABANDONED SEAFARERS & FISHERMEN

The Board sets aside an annual grant of up to £500 per PWC to promote seafarers' welfare and raise the profile of each committee locally. Whilst most committees have been unable to hold any events due to the pandemic, the Gibraltar Seafarers' Welfare Board were able to make use of the fund to support their Annual Seafarers' Thanksgiving Service that was held at the King's Chapel in October. The Board's emergency recreational fund was used to purchase meals out and take away food for two Indonesian fishermen who were rescued from a vessel in Brixham, whilst they waited to be repatriated.

WEBSITES & SOCIAL MEDIA

MNWB operates 4 websites: www.mnwb.org, www.merchantnavymedal.org, www.portvisitor.com and www.seafarerssupport.org. The Board's social media presence has continued to grow throughout the year. From the onset of the pandemic the Board focused on raising awareness of the help seafarers could seek from our Constituent members as well as the Seafarer Support referral service. MNWB's social media audience has continued to grow, the Seafarer Support Facebook page reached over 1,300 likes/followers and the MNWB Twitter page has gone from 1,485 (December 2020) to 2,028 (December 2021). The aim of the Board's social media channels is to improve outreach and proactively promote the work of its Constituent members along with the Seafarer Support and the IPWP programmes. All three audiences have their own pages on Facebook and Twitter with MNWB also on Instagram. To support its social presence, the MNWB has also created numerous videos in-house for use on these channels.

Caseworker Home Visits & Sea Searches

The Board is contacted directly by seafarers and their families in need of support or by external agencies that work on their behalf. Contact is made through either the Seafarer Support service or directly to the Board. The Board acts as the 'clearing house' for those Merchant Navy/Fishing Fleet personnel seeking welfare support and/or financial assistance from other maritime charities. Other than in an emergency, the Board does not directly provide grants to individuals, however, the Board does arrange caseworking assistance by trained caseworkers to review all applications before directing them on to the most appropriate sources of help. Cases continue to be processed via phone and email. This year saw 137 requests for SSAFA caseworkers and referrals being acted on in a fast and efficient manner. The Shipwrecked Mariners' Society also work in collaboration with the Board and arranges their caseworker visits directly with SSAFA. The Board's welfare team helped individuals in need secure grants, in addition to state benefits, from our maritime charity partners.

To qualify for grants from the maritime charities sector it is necessary for seafarers to prove their sea service. Seafarers are issued a Seaman's Discharge Book which has a record of all the ships and dates they sailed on. As proof of service is required to apply for funding from the maritime funding charities, the Board can assist by financing a search of the National Archives so that caseworkers can be provided with a duplicated copy of the seafarer's original discharge book. After 1972, when a new Merchant Shipping Act came into force, replacement Discharge Books were provided, however, duplicates are no longer produced. The Board arranges Sea Searches on behalf of SSAFA, Royal British Legion and Blind Veterans UK, amongst others. The National Archives was closed for most of 2020 but reopened in 2021 with restrictions put in place. The Board was able to organise and fund 37 sea searches that helped secure assistance for seafarers and their dependents.

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Welfare and Emergency Fund

An MNWB emergency fund has been established for small grants, normally up to £150. This grant can be awarded in cases where an eligible vulnerable client has been identified as having no visible means of support. This enables them, normally through a voucher, to purchase essential items whilst their application for assistance is being processed. In 2021 the number of grants awarded for emergency assistance increased to 45 (7 in 2020). 19 of these were funded by a generous gift from the Merchant Navy Association.

Seafarer Support

The Board continues to provide a valuable signposting service for serving and former seafarers, fishers and their dependents through the online Seafarer Support platform. The platform acts as a unique 'central source of information' for the entire UK maritime charity sector at www.seafarersupport.org. Using artificial intelligence search facilities, it signposts users to the most up-to-date information on 150 maritime charities that offer support to UK seafarers and their dependents. The system has a live 'chatbot' facility to enable users to communicate directly with the welfare team in real time.

Over the course of the year the Seafarer Support team helped generate 'grants to individuals' for clients from our maritime grant funding partners: Shipwrecked Mariners' Society, Seafarers Hospital Society, Nautilus Welfare Fund, Guild of Benevolence, The Honourable Company of Master Mariners, Tyne Mariners' Benevolent Institution, Sailors' Children's Society and the Royal Merchant Navy Education Foundation.

The Board continues to actively promote the service on social media and via online adverts. Towards the end of 2021 our welfare team began an outreach campaign targeting a plethora of external welfare organisations within the southern region. The number of unique visitors to the website totalled 8,168 during the period.

The Board fully funds this service currently but in 2022 it will seek sponsorship from the maritime industry, to ensure Seafarer Support is financially sustainable.

Red Ensigns for Funerals

MNWB provides Red Ensign flags on loan for funerals of MN personnel. Although only a very small element of what the Board does, they do provide solace and comfort to families in honouring their loved one's service. During 2021, flags were loaned out for 17 funerals and the Board is extremely grateful for the voluntary donations it received as a result.

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EXTERNAL PARTNERSHIPS & COLLABORATIONS

FESTIVAL OF REMEMBRANCE

Once again, the Board worked with the Royal British Legion to organise and fund Merchant Navy representation at the high profile, annual Festival of Remembrance event at the Royal Albert Hall. Working with the support of Warsash Maritime School and Princess Cruises, the Board arranged for five cadets from Warsash Maritime School and five British serving personnel from Princess Cruises to represent the Merchant Navy in 'the muster' at the Festival of Remembrance. The prestigious event was covered by the BBC and attended by the Board's Chief Executive.

MARITIME CHARITIES GROUP

Formerly a working group of the MNWB, the group went through several iterations after 2007 to become the Maritime Charities Group (MCG) that exists today. The MCG fosters collaboration across the maritime charity sector. It does this by sharing information, commissioning research, supporting the education and welfare of seafarers and their families and by the promotion of best practice within the maritime charity sector. Its vision is for a maritime charity sector that works collaboratively to achieve the greatest impact for seafarers, fishers and their families.

MERCHANT NAVY FUND

The Board is not an active fundraiser but works in close partnership with The Seafarers' Charity to promote the 'Merchant Navy Fund' (MNF). The Board provides its unique knowledge and understanding of the Merchant Navy and The Seafarers' Charity utilises its fundraising expertise and retains any funds raised. The Fund is administered by The Seafarers' Charity with the Board contributing £10,000 toward administration and marketing costs. This initiative is intended to raise money from MN associated personnel and their families specifically to support those with a MN background. In 2021, the MNF was linked to the successful 'Fly the Red Ensign' campaign and £36,983 was added to the fund during the year.

MERCHANT NAVY HONOURS CONSULTATIVE COMMITTEE

The Board administers the Merchant Navy Honours Consultative Committee (MNHCC) on behalf of the UK maritime industry. The committee, formally known as the Merchant Navy Medal Committee, meets by agreement with the Department for Transport and acts in an advisory capacity. The MNHCC can recommend awards to persons from the maritime industry that include higher Honours and medals for acts of courage. The Board operates the Merchant Navy Medal website www.merchantnavymedal.org and will continue to provide the Committee secretary and administer the MNM restricted fund.

Recipients of the 2021 awards were as follows:

Dr Phillip Belcher, for services to seafarer welfare during the Covid-19 pandemic

Captain Susan Emma Cloggie-Holden, for services to maritime diversity and inclusion

Captain Brian Cushing, for services to the maritime voluntary sector and mentoring

Captain John L. David FNI SCR, for services to the Merchant Navy, maritime careers and education

Mr Gordon Foot MA MSc FNI FIMarEST FCMI FILM FIIRSM, for services to maritime career promotion

Mr Roy Leslie Glencross, for services to the Merchant Navy and maritime charities

Captain Stephen M. Gobbi JP FNI FIMarEST, for services to the maritime sector and charities

Captain Bryan Jennings, for services to the maritime industry including during the Covid-19 pandemic

Mr Ian Kelly, for services to fishing safety

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Mr Simon Jeremy (Jebb) Kitchen, for services to the maritime sector

Captain Vishal Kumar, for services to seafarer welfare during the Covid-19 pandemic

Mr Paul Owen, for services to equality and maritime diversity

Chief Mate Christopher Scothern, for services to the Merchant Navy and maritime sector

Captain Eric Smith, for services to maritime safety and education

Captain Susan Thomson, for services to women in maritime and diversity

Ms Claire Womersley, for services to women in maritime and diversity

ANNUAL AWARD FOR SERVICES TO SEAFARERS' WELFARE 2021

The 2021 award was presented to Jake Pass, Mission to Seafarers (MtS) Chaplain for the Humber ports.

Jake has been described as a truly incredible and visionary young man with a deep passion for improving the lives of the current and next generation of seafarers. The award acknowledges his outstanding performance over the past year and his dedication to not only seafarers' welfare but also the well-being of the wider maritime community in numerous UK ports. During his relatively short career with MtS, Jake has worked in Belfast, Tilbury, Seattle, Dunkerque and the Humber region. Over the past four years he has led the work of MtS in all the Humber ports, bringing support, compassion and care to local and visiting seafarers and their families.

In 2019 Jake was elected as Chair of the Humber Port Welfare Committee (PWC), which represents the maritime welfare community and supports the provision of port welfare services. He successfully steered the PWC through the difficulties of the pandemic whilst also playing a key role in the modernisation and equitable distribution of the Humber Port Levy that helps fund welfare support.

Jake assisted the port of Seaham following the loss of their beloved local Port Chaplain and cares for the next generation of potential seafarers in his role as Chaplain to the Humber Sea Cadets. Throughout this period, he has been studying for ordination in the Church of England. He has worked tirelessly to personally support seafarers during the ongoing pandemic whilst encouraging all maritime welfare organisations to work collaboratively to improve all aspects of seafarers' welfare.

Well respected by the entire maritime community, Jake has proved himself an invaluable asset to the maritime welfare sector and is a worthy winner of the 2021 award.

FUTURE STRATEGY

Whilst much information about ongoing efforts is contained within the main body of the report, the Board reviews its future strategy annually whilst also reviewing the progress and achievements from the previous year. The list of key objectives set down in the 2020/21 review is as follows:

Completed objectives

- Seek UK Government & Tripartite Committee recognition as National Seafarers' Welfare Board
- Establish NSWB MoU and reporting system with MCA
- Re-establish Serving Seafarers and Older Seafarers & Families Working Groups
- Increase online presence and impact using social media and video channels
- Assess use of Onboard digital trustee software and evaluate the effectiveness of the new grants system
- Evaluate the effectiveness of the VRP programme and plan for new vehicles for 2022
- Investigate and implement third party online courses in collaboration with Constituent organisations
- Create a new online ISPS Course
- Provide staff with GDPR & Cybersecurity training via KnowB4 to ensure adequate level of knowledge
- Manage and review the MiFi project in 2021

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- Recruit, induct and support a small team of Volunteer Ambassadors
- Improve connection with MNA branches to increase outreach and invite appropriate membership on all UK PWCs
- Where appropriate, assist the MNHCC/DfT with updates to the MNMSM Royal Warrant
- Conduct an annual liaison visit to the MN Arboretum and promote the facility on a biannual basis
- Update 'Remembering those left behind' publication

Ongoing objectives

- Contact & populate Port Visitor platform with existing data on seafarers' centres and welfare boards worldwide
- Help review the role and objectives of MCG from a MN/FF perspective
- Evidence and promote the benefits of port levies to support sustainable port welfare services via social media, PWCs, Working Groups and conferences
- Produce a regular Seafarer Support newsletter promoting the work of Constituent members and seafarers' welfare in ports
- Create a new and updated Ship Welfare Visitors Course
- Create C188 Awareness Course & Guide
- Create and implement a measurable welfare case client feedback procedure
- Working with MCA, investigate the establishment and support of new welfare boards in the Red Ensign group in conjunction with the IPWP programme
- Form a working group to create a draft voluntary, best 'Code of Practice' for seafarers' welfare in ports

Future major objectives

- Review the needs of Constituent organisations following the pandemic
- Identify, define and communicate core values internally and externally
- Complete strategic review and define vision, mission and strategic priorities for the next period
- Establish formal operating model for the National Seafarers' Welfare Board
- Review the extent and success of port levies schemes in the UK
- Establish a mechanism for port welfare accreditation in support of ILO MLC, 2006
- Raise the profile of MNWB and its Constituents through media and public advocacy

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Merchant Navy Welfare Board for the purposes of company law) are responsible for preparing the Trustees Annual 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 judgements 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.

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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

The Trustees at the time when this Report of the Trustees is approved have confirmed that:

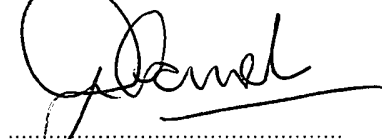
- so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable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

AUDITORS

As noted previously, the Board has dispensed with the requirement to hold an Annual General Meeting. In 2018, the Board appointed James Cowper Kreston as their auditors. The re-appointment of auditors will be decided annually at a Council meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
A K Cassels
Chair

10/3/2022

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MERCHANT NAVY WELFARE BOARD

Opinion

We have audited the financial statements of Merchant Navy Welfare Board (the 'charity') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, Charities Act 2011, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 charitable company'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.

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MERCHANT NAVY WELFARE BOARD
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- adequate 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 specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MERCHANT NAVY WELFARE BOARD
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor 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 the Act and relevant regulations made or having effect thereunder.

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

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

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MERCHANT NAVY WELFARE BOARD
(CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

MNFarwell

Michael Farwell MA FCA DChA (Senior statutory auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

2 Communications Road

Greenham Business Park

Greenham

Newbury

RG19 6AB

Date: *30/3/2022*

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

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations, legacies and grants	2	31,946	158,091	190,037	314,921
Investments	3	220,516	-	220,516	243,273
Other income	4	6,171	-	6,171	41,530
Total income		258,633	158,091	416,724	599,724
Expenditure on:					
Raising funds	5	48,889	-	48,889	45,619
Charitable activities:					
Support services to Constituent Members	6	59,475	372,992	432,467	370,508
Grants to support the work of Constituent Members	6	87,452	-	87,452	182,566
Grants unspent		(2,500)	-	(2,500)	(111,958)
Support to promote welfare activities	7	579,292	-	579,292	546,064
Total expenditure		772,608	372,992	1,145,600	1,032,799
Net expenditure before net gains/(losses) on investments		(513,975)	(214,901)	(728,876)	(433,075)
Net gains / (losses) on investments		1,669,133	-	1,669,133	(188,983)
Transfers between funds	15	(35,600)	35,600	-	-
Net movement in funds		1,119,558	(179,301)	940,257	(622,058)
Reconciliation of funds:					
Total funds brought forward as previously stated		14,158,313	358,337	14,516,650	15,092,888
Prior year adjustment		-	-	-	45,820
Total funds brought forward as restated		14,158,313	358,337	14,516,650	15,138,708
Net movement in funds		1,119,558	(179,301)	940,257	(622,058)
Total funds carried forward		15,277,871	179,036	15,456,907	14,516,650

The notes on pages 30 to 43 form part of these financial statements.

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)
REGISTERED NUMBER: 00453053

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	5,067	2,069
Investments	12	15,180,802	13,956,479
		<u>15,185,869</u>	<u>13,958,548</u>
Current assets			
Debtors	13	47,776	60,773
Cash at bank and in hand		358,915	709,880
		<u>406,691</u>	<u>770,653</u>
Creditors: amounts falling due within one year	14	(135,653)	(212,551)
Net current assets		<u>271,038</u>	<u>558,102</u>
Total assets less current liabilities		<u>15,456,907</u>	<u>14,516,650</u>
Total net assets		<u>15,456,907</u>	<u>14,516,650</u>
Charity funds			
Restricted funds	15	179,036	358,337
Unrestricted funds	15	15,277,871	14,158,313
Total funds		<u>15,456,907</u>	<u>14,516,650</u>

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 10/3/2022 and signed on their behalf by:

.....
Captain A K Cassels
Chairman of the Council

.....
Mr G Lane
Member of the Council

The notes on pages 30 to 43 form part of these financial statements.

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities (note 18)	(1,008,690)	(792,505)
Cash flows from investing activities		
Dividends and interest from investments	220,516	243,276
Purchase of tangible fixed assets	(7,601)	-
Proceeds from the sale of investments	2,484,349	6,836,109
Purchase of investments	(2,039,539)	(6,022,205)
Net cash provided by investing activities	657,725	1,057,180
Change in cash and cash equivalents in the year	(350,965)	264,675
Cash and cash equivalents at the beginning of the year	709,880	445,205
Cash and cash equivalents at the end of the year	358,915	709,880

The notes on pages 30 to 43 form part of these financial statements

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Merchant Navy Welfare Board meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost with the exception of investments which are included at fair value.

1.2 Company status

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustee in furtherance of the general objectives of the charity and have not been designated for other purposes. Unrestricted funds represent funds retained to provide the working capital to enable the Trustees to carry out activities as a provider of services to Seafarers.

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

1.4 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate.

Receipt of a legacy is recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

1.5 Expenditure

Expenditure which does not directly relate to grant making is analysed between charitable support costs, governance costs and costs of generating funds. Items which involve more than one cost category are apportioned as appropriate to the cost categories involved.

Support costs are those costs incurred in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method

Depreciation is provided on the following bases:

Fixtures and fittings	- 10% on cost
Computer equipment	- 33% on cost

1.7 Investments

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

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating income and expenditure account on a straight line basis over the lease term.

1.9 Cash at bank and in hand

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

1.10 Financial instruments

The charity 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.

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. Accounting policies (continued)

1.11 Pensions

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

MNWB has a Group Pension Plan & Group Stakeholder Pension Plan with Royal London.

2. Income from donations, legacies and grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	4,554	-	4,554	1,913
Legacies	27,392	-	27,392	7,000
Grants	-	158,091	158,091	306,008
	<u>31,946</u>	<u>158,091</u>	<u>190,037</u>	<u>314,921</u>
Total 2020	<u>8,913</u>	<u>306,008</u>	<u>314,921</u>	

3. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Quoted UK and Non-UK investments	220,516	220,516	243,207
UK Portfolio cash interest	-	-	66
	<u>220,516</u>	<u>220,516</u>	<u>243,273</u>
Total 2020	<u>243,273</u>	<u>243,273</u>	

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Other income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental of car park spaces	3,312	3,312	3,312
Courses	2,863	2,863	1,707
Sundry income	(4)	(4)	36,511
	<u>6,171</u>	<u>6,171</u>	<u>41,530</u>
Total 2020	<u>41,530</u>	<u>41,530</u>	

5. Raising Funds

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Portfolio management fees	48,889	48,889	45,619
	<u>45,619</u>	<u>45,619</u>	
Total 2020	<u>45,619</u>	<u>45,619</u>	

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. Support services to constituent members

	Unrestricted expenditure 2021 £	Restricted expenditure 2021 £	Total 2021 £	Total 2020 £
Vehicle Replacement Fund	-	152,460	152,460	104,346
MN Medal Fund	-	2,667	2,667	2,658
IPWP Programme	-	146,148	146,148	150,921
Seafarers Support	-	-	-	25,720
ABP Humber Levy	-	48,744	48,744	-
MNA Emergency Support Fund	-	2,129	2,129	-
MiFi Project	-	20,844	20,844	24,645
Caseworker costs	18,023	-	18,023	17,538
Training courses	24,657	-	24,657	5,444
Evaluation studies	1,000	-	1,000	1,000
Port welfare promotion	2,013	-	2,013	1,815
Merchant Navy Fund promotion contribution	-	-	-	5,823
Seafarer Support	6,764	-	6,764	8,669
COVID-19	-	-	-	18,480
Ambassadors	7,018	-	7,018	3,449
	<u>59,475</u>	<u>372,992</u>	<u>432,467</u>	<u>370,508</u>
Grants to support the work of Constituent Members	87,452	-	87,452	182,566
Grants unspent	(2,500)	-	(2,500)	(111,958)
	<u>144,427</u>	<u>372,992</u>	<u>517,419</u>	<u>441,116</u>
Total 2020	<u>132,826</u>	<u>308,290</u>	<u>441,116</u>	

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Support to promote welfare activities

	Management 2021 £	Governance 2021 £	Total 2021 £	Total 2020 £
Office running costs	15,947	-	15,947	16,202
Staff life assurance and training	12,260	-	12,260	13,855
Subscriptions and publications	4,524	-	4,524	3,278
Other costs	132,392	-	132,392	78,853
Head office costs	-	27,153	27,153	15,097
Trustees' expenses	-	546	546	675
Trustees' meeting costs	-	-	-	675
Legal and Professional Fees	-	4,194	4,194	4,581
Accountancy	-	19,425	19,425	20,400
Auditors' remuneration	-	9,860	9,860	7,200
Wages and salaries	265,674	22,628	288,302	333,274
National insurance	32,430	-	32,430	26,131
Pension cost	40,511	-	40,511	38,966
Depreciation	4,603	-	4,603	3,229
	<u>508,341</u>	<u>83,806</u>	<u>592,147</u>	<u>562,416</u>
	-	-	-	-
IPWP Support - Administration costs	(10,001)	-	(10,001)	(12,902)
Mi-Fi Support - Administration costs	(2,000)	-	(2,000)	(1,650)
MN Medal Fund Support - Administration costs	(1,400)	-	(1,400)	(1,800)
	<u>494,940</u>	<u>83,806</u>	<u>578,746</u>	<u>546,064</u>
	<u>474,808</u>	<u>71,256</u>	<u>546,064</u>	
Total 2020				

8. Governance Costs

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Support Costs	61,178	61,178	48,628
Wages and salaries	22,628	22,628	22,628
	<u>83,806</u>	<u>83,806</u>	<u>71,256</u>

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Operating expenditure

	2021 £	2020 £
Depreciation of tangible fixed assets: owned by the charity	4,603	3,229
Auditors' remuneration - audit	7,680	6,000
Auditors' remuneration - other services	2,180	1,200
	<u> </u>	<u> </u>

During the year, no Trustees received any remuneration (2020 - £NIL)

During the year, no Trustees received any benefits in kind (2020 - £NIL).

During the year, Trustee expenses were paid to one (2020 - four) Trustee amounting to £546 (2020: £675).

10. Staff costs

	2021 £	2020 £
Wages and salaries	293,502	333,274
Social security costs	27,230	26,131
Contribution to defined contribution pension schemes	40,511	38,966
	<u>361,243</u>	<u>398,371</u>

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

2021 No.	2020 No.
<u>9</u>	<u>9</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £70,001 - £80,000	1	1

The key management personnel of the charity received aggregate remuneration of £163,574 (2020: £150,501).

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2021	14,952	41,405	56,357
Additions	-	7,601	7,601
At 31 December 2021	<u>14,952</u>	<u>49,006</u>	<u>63,958</u>
Depreciation			
At 1 January 2021	12,982	41,306	54,288
Charge for the year	1,970	2,633	4,603
At 31 December 2021	<u>14,952</u>	<u>43,939</u>	<u>58,891</u>
Net book value			
At 31 December 2021	<u>-</u>	<u>5,067</u>	<u>5,067</u>
At 31 December 2020	<u>1,970</u>	<u>99</u>	<u>2,069</u>

12. Fixed asset investments

	Listed securities £	UK Portfolio cash investments £	Total £
Cost or valuation			
At 1 January 2021	13,895,849	60,630	13,956,479
Additions	1,832,998	206,541	2,039,539
Disposals	(2,484,349)	-	(2,484,349)
Revaluations	1,669,133	-	1,669,133
At 31 December 2021	<u>14,913,631</u>	<u>267,171</u>	<u>15,180,802</u>
Net book value			
At 31 December 2021	<u>14,913,631</u>	<u>267,171</u>	<u>15,180,802</u>
At 31 December 2020	<u>13,895,849</u>	<u>60,630</u>	<u>13,956,479</u>

MERCHANT NAVY WELFARE BOARD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Investments at market value comprise:

	2021 £	2020 £
Listed securities	14,913,631	13,895,849
Cash and settlements pending	267,171	60,360
Total Market value	15,180,802	13,956,209

Historical cost of listed securities held

	2021 £	2020 £
Historical cost	11,875,450	12,186,990

13. Debtors

	2021 £	2020 £
Other debtors	26,978	26,978
Prepayments and accrued income	20,798	33,795
	47,776	60,773

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	9,122	16,656
Grants payable	83,207	132,506
Other taxation and social security	7,714	7,950
Other creditors	564	420
Accruals and deferred income	35,046	55,019
	135,653	212,551

MERCHANT NAVY WELFARE BOARD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Unrestricted funds	<u>14,158,313</u>	<u>258,633</u>	<u>(772,608)</u>	<u>(35,600)</u>	<u>1,669,133</u>	<u>15,277,871</u>
Restricted funds						
Vehicle Replacement Programme	232,235	-	(152,460)	-	-	79,775
MN Medal Fund	3,809	1,400	(2,667)	(1,400)	-	1,142
IPWP Programme	100,507	84,758	(146,148)	30,000	-	69,117
MiFi Project	21,786	21,000	(20,844)	7,000	-	28,942
ABP Humber Levy	-	48,744	(48,744)	-	-	-
MNA Emergency Support Fund	-	2,189	(2,129)	-	-	60
Total Restricted funds	<u>358,337</u>	<u>158,091</u>	<u>(372,992)</u>	<u>35,600</u>	<u>-</u>	<u>179,036</u>
Total of funds	<u><u>14,516,650</u></u>	<u><u>416,724</u></u>	<u><u>(1,145,600)</u></u>	<u><u>-</u></u>	<u><u>1,669,133</u></u>	<u><u>15,456,907</u></u>

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15. Statement of funds (continued)

Vehicle Replacement Programme (VRP)

A partnership programme to provide grants to replace vehicles that provide welfare services covering UK ports, Gibraltar and the Falkland Islands. The VRP is funded equally between Seafarers' UK, ITF Seafarers' Trust, Trinity House and MNWB.

MN Medal Fund

The MN Medal Fund receives donations from the UK maritime sector to support the promotion and award of the Merchant Navy Medal for Meritorious Service, associated website and the annual meetings of the Merchant Navy Honours Consultative Committee that advises the Govt. Department for Transport.

IPWP Programme

Under the auspices of ILO Maritime Labour Convention 2006, the International Port Welfare Partnership Programme (IPWP) is funded equally by the ITF Seafarers' Trust, TK Foundation, Seafarers' UK and MNWB to promote and assist the establishment of welfare boards to enhance seafarers' welfare in ports, worldwide.

MiFi Project

A project managed by MNWB to provide Ship Welfare Visitors with mobile internet hubs (MiFi units) to improve communications and seafarers' welfare in ports. This project is funded by MNWB, The Seafarers' Charity and the Department for Transport.

ABP Humber Levy

The Humber Port Levy is a scheme introduced by port owner, ABP Humber. The Board provides administrative support for the scheme and acts as a clearing house for the distribution of funds to welfare providers in accordance with the agreed distribution formula.

MNA Emergency Support Fund

In 2021 the Merchant Navy Association kindly donated £2,189 to be used for grants awarded to seafarers in the form of an Emergency Welfare Grant. This donation enabled us to assist 19 seafarers and was used mainly for food vouchers.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds (continued)

Statement of funds - prior year

	As restated Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Unrestricted funds	14,786,389	293,716	(724,509)	(8,300)	(188,983)	14,158,313
Restricted funds						
Vehicle Replacement Programme	195,581	141,000	(104,346)	-	-	232,235
MN Medal Fund	6,742	1,425	(2,658)	(1,700)	-	3,809
IPWP Programme	107,845	143,583	(150,921)	-	-	100,507
Seafarers Support	25,720	-	(25,720)	-	-	-
MiFi Project	16,431	20,000	(24,645)	10,000	-	21,786
Total Restricted funds	352,319	306,008	(308,290)	8,300	-	358,337
Total of funds	15,138,708	599,724	(1,032,799)	-	(188,983)	14,516,650

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	5,067	-	5,067
Fixed asset investments	15,180,802	-	15,180,802
Current assets	227,655	179,036	406,691
Creditors due within one year	(135,653)	-	(135,653)
Total	15,277,871	179,036	15,456,907

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16. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	2,069	-	2,069
Fixed asset investments	13,956,479	-	13,956,479
Current assets	412,316	358,337	770,653
Creditors due within one year	(212,551)	-	(212,551)
Total	14,158,313	358,337	14,516,650

17. Pension commitments

The charity provides a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

MNWB has a Group Personal Pension Plan & Group Stakeholder Pension Plan with Royal London. Contributions made to the scheme amounted to £40,511 (2020 - £38,966). At the Balance Sheet date contributions of £Nil (2020 - £Nil) were outstanding.

18. Operating lease commitments

At 31 December 2021 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	31,665	31,665
Later than 1 year and not later than 5 years	116,746	121,765
Later than 5 years	109,667	105,000
	258,078	258,430

19. Related party transactions

There are a number of Constituent Members where there are common trustees with the Board and transactions take place during the year on an arm's length basis. Details of these transactions are disclosed in the Report of the Trustees.

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20. Controlling party

The charity is limited by guarantee and is controlled by its members.