



**THE  
FISHERMEN'S  
MISSION**

**Annual Report  
and  
Audited Financial Statements**

For the year ended 31 October 2023

**Royal National Mission to Deep Sea Fishermen**

(A Company limited by guarantee)

Company Registration Number 24477

England & Wales Charity Registration Number

232822

Scotland Charity Registered Number SC039088

**Mazars LLP, South West**

5<sup>th</sup> Floor, Merck House

Seldown Lane

Poole

Dorset

BH15 1TW

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023**

| <b>CONTENTS</b>                                    | <b>Pages</b> |
|--|--------------|
| Council Members and Advisers                       | 2            |
| Annual Report (incorporating the Strategic Report) | 3-15         |
| Report of the Independent Auditors                 | 16-19        |
| Statement of Financial Activities                  | 20-21        |
| Balance Sheet                                      | 22           |
| Cash Flow Statement                                | 23           |
| Notes to the Financial Statements                  | 24-39        |

Royal National Mission to Deep Sea Fishermen

**Trustees who served during the year (The Council of Management)**

Mr Michael Vlasto OBE

Chair of the Council of  
Management

Mr Ian Gatt

Deputy Chair

Rear Admiral Sir Jeremy de Halpert KCVO

Mr Nathan de Rozarieux

Reverend Derath Durkin

Mr Trevor James

The Very Reverend Dr David Lacy DL

Mr Thomas Maier

Mrs Kate Pound

Mr Mark Stubbings (appointed 18 April 2023)

Mrs Wilma Goodlad (appointed 18 April 2023)

Mrs Alicia Moyles (appointed 18 April 2023)

Ms Deanne Thomas (appointed 18 April 2023)

Mr Mark Greet (appointed 18 April 2023)

Mrs Elspeth MacDonald (appointed 1 October 2023)

Mr Jack Gatacre (appointed 11 October 2023)

Dr Jonathan Shepherd (retired 1 April 2023)

**Secretary and Registered Office**

Captain Marc Evans Royal Navy (Ret'd)

Mather House

4400 Parkway

Solent Business Park

Fareham

Hants PO15 7FJ

**Solicitors**

Wannops LLP incorporating

Brutton & Co

227 West Street

Fareham

Hampshire

PO16 0HA

**Executives**

Captain Marc Evans Royal Navy (Ret'd)

Chief Executive

Mrs Alison Godfrey

Director of Business Development

Burness Paull

Union Plaza

1 Union Wynd

Aberdeen

AB10 1DQ

Warner Goodman LLP

8 College Place

Southampton

SO15 2FF

**Bankers**

Lloyds TSB Bank Plc

Large Corporate

3 Town Quay

Southampton SO14 2AQ

**Investment Advisers**

Womble Bond Dickinson

One Trinity

Broad Chare

Newcastle Upon Tyne

NE1 2HF

**Registered Auditors**

Mazars LLP, South West

5<sup>th</sup> Floor, Merck House

Seldown Lane

Poole

Dorset BH15 1TW

**Investment Managers**

Sarasin & Partners

Juxon House

100 St Pauls Churchyard

London

EX4M 8BU

## **ANNUAL REPORT BY THE COUNCIL OF MANAGEMENT**

### **INTRODUCTION**

The Trustees of the Royal National Mission to Deep Sea Fishermen, who also act as Directors of the Fishermen's Mission for the purpose of the Companies Act, form a collective governing body known as the Council of Management, hereafter referred to as 'Council'.

Council presents its annual report and the audited financial statements for the year ended 31 October 2023.

Council confirms that the annual report and financial statements comply with the governing document, the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), the Companies Act 2006 and relevant law and United Kingdom Accounting Standards.

### **GOVERNANCE**

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

Under the Memorandum and Articles of Association, Council should have no more than fifteen, in number, Trustees appointed from membership of the Fishermen's Mission Association<sup>1</sup>.

Council normally meets in full session four times each year with concurrent business being conducted by three sub-committees: Finance & Resources; Internal Audit and Nominating & Executive Remuneration.

Separately, the Executive consists of the Chief Executive and the Director of Business Development who together conduct the routine management of the Fishermen's Mission, supported by the Senior Management Team.

### **THE CHARITABLE OBJECTIVE OF THE FISHERMEN'S MISSION**

**The Fishermen's Mission maintains a Christian presence in fishing communities around the British Isles through which to provide practical (including financial and healthcare), welfare, pastoral and spiritual support to active and former fishermen and their families.**

### **VALUES**

**The Fishermen's Mission's values** are founded on our ecumenical Christian faith and our commitment to provide practical help that makes a positive difference in people's lives; making tangible improvements to the lived experience of those we support.

**The Fishermen's Mission's focus** is on the people in need of the practical assistance and support we provide.

**The Fishermen's Mission's work** reflects the things that matter to us and which we care about:

---

<sup>1</sup> Council membership has temporarily increased to sixteen as new Trustees have been recruited and inducted into full memberships prior to planned retirements of other Trustees at the AGM scheduled for April 2024.

## Royal National Mission to Deep Sea Fishermen

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

The Fishermen's Mission's values align closely with the Nolan Principles of conduct in public life and the NCVO Charity Ethical Principles.

### **FUNDAMENTAL TASKS**

- To provide a 24/7 emergency response to all fishing emergencies at sea:
  - To aid the families of fishermen who have lost their lives or been seriously injured.
  - To look after the survivors of fishing vessel accidents.
  - To assist injured or ill fishermen and, where appropriate, arrange for them to receive enhanced medical attention.
  - To source emergency accommodation and catering facilities where there is no alternative provision.
- To make emergency grants to fishermen and their families in times of need.
- To help fishermen's families in cases of illness or distress.
- To provide Christian pastoral and practical support and access to specialist advice and counselling, in relation to the full range of welfare issues, including problems with debt, alcohol and drugs, benefit and employment issues, sickness, bereavement, stress and family and relationship difficulties.
- To facilitate and disperse regular and one-off grants from other charities to fishermen and their families.
- To provide welfare and support to overseas fishermen working in the UK industry, especially those that live aboard fishing vessels.
- To alleviate loneliness through home and hospital visits to retired fishermen and their families.
- To officiate at fishermen's funerals when requested.

### **STRATEGIC REPORT**

Council's Strategy is captured in six core delivery and three supporting Strategic Objectives which are reviewed annually.

In May 2022 the review for the operating year 1 November 2022 to 31 October 2023 was conducted by Council with the newly appointed Chief Executive, who had assumed that role on 1 April 2022. Once agreed, the objectives were shared with staff at the annual conference in June 2022 to aid staff understanding of Council's priorities and provide a clear line of sight from the strategic level through the operational level to the tactical delivery by those working at the quayside; the front line of the Fishermen's Mission's operations. The Strategic Objectives were formally approved by Council in October 2022 and issued as a formal policy statement.

The following review in May 2023, did not demand any significant changes to the current or future operating periods. Council decided on continuing progress along each line of activity and was provided with an Executive led assessment of progress at each full Council meeting. This led to an end-of-year conclusion that good progress had been made across eight of the nine objectives but that more work was needed to move forward the new and challenging environmental objective, which will receive specific attention from the Chief Executive and the individual Trustees championing environmental position during the course of the next operating year.

## Royal National Mission to Deep Sea Fishermen

The Strategic Objectives are summarised as follows:

- Enhance support to active and former fishermen and their families.
- Improve the collection, quality, management and utilisation of data.
- Extend our support to wider areas, both geographical and occupational.
- Facilitate lifestyle improvements for active and former fishermen and their families.
- Improve cooperative and collaborative engagement with others.
- Enhance further the reputation and brand of the Fishermen's Mission by improving quality assurance and governance and articulating the relevance of the Fishermen's Mission and its vision to 2026 to industry and others.
- Diversify voluntary income to ensure the continued funding of our work by introducing new methods of fundraising to appeal to a new, wider range of supporters.
- Improve Equity, Equality, Diversity & Inclusion (EEDI) across the whole charitable enterprise (including staff, volunteers, clients and donors).
- Reduce the carbon footprint and increase sustainability across the charitable enterprise.

### **SEAFIT**

SEAFIT is our frontline response to a dynamic demand for support of the health and well-being of those in our communities right around the UK. SEAFIT marked its fifth anniversary during this operating year. A joint initiative between the Fishermen's Mission and the Seafarers Hospital Society, SEAFIT has gone from being a limited programme during its first 3 years to being one of the principle delivery vehicles for what we do at the front line on the quayside.

With more events than in any previous year, 2022/2023 has been the busiest year in the 5-year history of SEAFIT (2021/2022 figures provided for comparison):

- 44 (33) quayside events with over 50 health providers;
- 187 (150) NHS health checks conducted;
- 157 (120) further health checks conducted at SEAFIT events;
- 158 (c300) mental health engagements;
- 634 (150) physiotherapy engagements for 151 clients;

We know that we are saving lives: A seemingly fit and healthy 40-year-old fishermen attended a quayside event in Scarborough. Initial checks showed him to be a great health with an ideal Body Mass Index, 20/20 vision, and no long-term health conditions. However, he showed signs and readings of very high blood pressure. He was referred to a GP immediately, was seen straight away and given urgent medication. His blood pressure did not drop, and the GP sent him to A&E. He was in immediate risk of heart attack and stroke due to high blood pressure but is now under the care of his GP and his condition supported with medication.

## Royal National Mission to Deep Sea Fishermen

In terms of the health and physical wellbeing of fishermen, this year has been dominated by the deadline at the end of November 2023 for them to obtain seafarers' medical fitness certificates to work at sea.

SEAFIT and the Fishermen's Mission have acted as a conduit of information for fishermen; a voice highlighting the health and welfare concerns of fishermen to the regulatory authorities but perhaps most importantly, as an enabler, connecting 465 fishermen with those permitted to, and with the capacity to, undertake medical assessments of fishermen at a time when many local community general practitioners did not have the ability to take on additional tasks.

Interest is growing from within the NHS. As a result of SEAFIT, the Fishermen's Mission has been invited to join a panel that supports the NHS Core20PLUS5 initiative; an NHS England approach to support the reduction of health inequalities at national and system level by defining a target population cohort and identifying five clinical areas requiring accelerated improvement.

Growing recognition within the healthcare sector has resulted in the Fishermen's Mission and Seafarers Hospital Society (as 'SEAFIT') being invited to participate in the annual NHS Confederation Exposition in Manchester, one of the biggest and most significant healthcare conferences in the UK attracting around 5,000 people over two days. The event allowed both Chief Executives to explain SEAFIT and the issues we seek to address to a large audience of like-minded healthcare professionals.

From humble beginnings, SEAFIT has grown in recognition. In 2022 it was shortlisted for awards but in 2023 it went further and won the Innovation of the Year category at the Fishing News Awards 2023 (industry recognition) and the Healthcare category at the Charity Awards 2023 (national charity sector recognition).

As the year came to its end, SEAFIT was notified that it had been shortlisted as a finalist by the Health Services Journal in its 2024 Awards (health sector recognition).

The recognition of SEAFIT is aligning well with our intent to highlight how the charity sector is plugging the gap between what the public sector (local authorities and the NHS) should be providing and what is being offered to under-represented and disadvantaged communities such as the fishermen and their families.

While the focus of the Fishermen's Mission's work, and SEAFIT activity in particular, is strictly UK based; our activity has attracted international recognition, notably from the New York Center for Agricultural Medicine and Health, and by association the Northeast Center for Occupational Health and Safety in New York State who have jointly invited us to share our experiences as they develop similar support networks for US based fishing communities. Through this connection the International Fishing Industry Safety & Health (IFISH) Conference invited us to present to their delegates in January 2024.

As SEAFIT celebrated its fifth anniversary, it was timely to conduct a quinquennial review of the activity supported by or delivered by our partners. The stand-out comments came from the public sector providers who advised that without SEAFIT resourcing support to the fishing community, they would be unable to extend their support to this area. In short, SEAFIT is the difference between the fishing community being able to access some frontline health services or not.

### **Equity, Equality, Diversity and Inclusivity (EEDI) Objectives**

## Royal National Mission to Deep Sea Fishermen

The Fishermen's Mission is an equal opportunity organisation. It is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, gender, sexual orientation, or disability and will make reasonable adjustments to meet the needs of staff who are or become disabled. In 2022/2023 the Fishermen's Mission became a Disability Confident employer.

Objectives set by Council for 2022/2023 have been fully implemented by the Executive team. These include Council undertaking external training and consultation to increase and update their knowledge, skills and understanding. An in-depth face to face training afternoon for all staff was held at the Annual Training Conference and a full review of the strategy and policies connected with EEDI has been carried out. Council has made a firm commitment to continue to prioritise this area of work and to strive towards continued diversity within the Board and the Fishermen's Mission.

### **Councils' Statement and Equity, Equality, Diversity and Inclusion (EEDI) Objectives 2023/2024:**

- Council recognises that Board diversity, in the widest sense, is important because it creates more balanced decision making. Where appropriate, this includes the communities and people the Fishermen's Mission serves. This increases our legitimacy and impact. Equity, equality and diversity are only effective and sustainable if the Council works to be inclusive, ensuring that all Trustees are welcomed, valued and able to contribute.
- Council further understands that a strong lead and commitment to EEDI are more likely to set a positive example and tone for the Fishermen's Mission by following an appropriate strategy for delivering our purpose and setting inclusive values and culture.

### **Council has agreed the following EEDI objectives for 2023/2024**

- To continue to increase the diversity of Council. Resolving to review how meetings and Council information can be made more accessible and to provide resources to support this objective. Creating a meeting environment which is fully accessible and inclusive, where all voices are equal, and Trustees can constructively challenge each other.
- Council will periodically take part in learning and/or reflection about EEDI and understand its responsibilities in this area. Acting on any gaps in understanding and regularly review board practice, cultures and behaviour affected by these gaps.
- Council will receive and review regularly the Executive and Senior Management Team EEDI Action Plan, focussing particularly on the following target areas:
- How the EEDI principles are embedded in the organisation and are used to deliver the charitable services of the Fishermen's Mission.
- The reduction to obstacles of participation within the Fishermen's Mission across all areas of work and in all areas of EEDI.
- To review recruitment processes and procedures to broaden the scope and attract a more diverse applicant base.

### **2022/2023 IMPACT**

The Fishermen's Mission remains the only national charity dedicated to the support of fishermen and their families. Everything we do is funded by our donors; we do not receive any government or lottery funding and so it is particularly pleasing to see that during the course of this operating year, the Fishermen's Mission has expended an increased amount,

## Royal National Mission to Deep Sea Fishermen

some £2.75M (an increase of £540K on the previous year) on activities that directly support the delivery of our charitable objects.

We have recorded over 22,386 (up from 21,000 in 2021/2022) direct client interactions, of which 20,277 were welfare specific (2021/2022: 17,300). Additionally, we have assisted some 3,727 clients, distributing some 971 one off grants totalling over £413,000.

Our staff have responded to (or were ready to respond to) around 45 emergency incidents at sea during the year.

As in recent years, the Fishermen's Mission has provided considerable support to migrant crew working in the UK especially in Scotland and Northern Ireland, working harmoniously with other agencies and charities where necessary and appropriate for the maximum benefit of those in need of our support.

### **PUBLIC BENEFIT**

Council has referred to the guidance published by the Charity Commission in reviewing the Fishermen's Mission's aims and objectives and in planning future activities and is satisfied that, as is evidenced by the information given in this report, that its activities are clearly for the public benefit.

### **FINANCIAL RISK MANAGEMENT**

In accordance with SORP 2015, key financial risks have been identified and measures undertaken to mitigate them. All risks are recorded in a Council endorsed Risk Register, which is subject to regular reviews by the Senior Management Team. Council reviews all significant risks at each Council meeting. The Council's leading financial risks were:

- **The Fishermen's Mission resources become over-stretched**, leading to an inability to deliver planned activity.
- **A significant downturn in fundraising**, potentially generated by donors' response to the increased cost of living and competing demands for charitable donations leads to the Fishermen's Mission being unable to deliver its core operational outputs, potentially becoming unsustainable and ultimately leading to the closure of the Fishermen's Mission.

In both instances Council would, as a short term emergency measure, meet the shortfall by use of reserves which provide the financial resilience that would enable the Fishermen's Mission to operate at current levels for at least two years

### **FUNDRAISING**

The Fishermen's Mission is registered with the Fundraising Regulator and works within the Code of Fundraising Practice and the Chartered Institute of Fundraising's guidance. During the period of this report no complaints were received regarding any fundraising appeals or practices.

Reflecting the valuing and care for our donors and supporters, the Fishermen's Mission neither purchases names nor addresses for fundraising purposes nor sells any information that it holds and only contacts those people who have purchased goods through our website, donated or offered support. No third parties are employed by the Fishermen's Mission to undertake fundraising on their behalf, although a small group of volunteers assist at

## Royal National Mission to Deep Sea Fishermen

fundraising events and with collection box distribution. All fundraising and marketing were carried out within the compliance framework of the Data Protection Act 2018.

The cost-of-living crisis, along with most charities, has affected income levels. Loyal supporters helped to maintain income levels. There has been an increase in the number of regular donors and income through online platforms. A pilot for the use of contactless giving machines has been encouraging and these have now been rolled out across the organisation. The introduction of a new website with an online shop selling new lines of merchandise has been successful.

The fundraising team continue to be imaginative and innovative in seeking to maintain income levels wherever possible and this has resulted in some new initiatives and a greater sense of team working across the whole organisation.

The Fishermen's Mission recognises both the demanding work and commitment of all the staff team in raising this income alongside a deep gratitude for the generosity of supporters and donors throughout the UK.

### Fundraising Team Development

The fundraising team and port staff have worked extremely hard together this year and successfully achieved the income targets. Despite this it was clear that some of donors found it a struggle to continue their donations. New initiatives have included a partnership to develop support from fishmongers, partnering with The National Federation of Fishmongers, the introduction of challenge events and a strong campaign to introduce greater income through the Gift Aid scheme. Donors and supporters remain the very lifeblood of the Fishermen's Mission.

### Fundraising from Trusts, Grant Making Foundations & Partners

Partnerships with grant making trusts and foundations remained key to the Fishermen's Mission overall income and this was particularly true of the continued, long-term funding relationships within the maritime sector, including The Seafarers' Charity, Trinity House, Fishmongers' Company, the Merchant Navy Welfare Board and Grimsby Sailors & Fishing Charity.

Outside the sector, key support was received from a sound base of grant making foundations and partners including the Thomas J Horne Memorial Trust, The Margot and Andrew Tennant Charitable Trust, Garfield Weston Foundation, and the Pemberton-Barnes Trust. Trusts and foundations are at the centre of the Fishermen's Mission's ability to deliver core services, broaden its work and develop new service provision.

### Digital and Social Media

A new website was created and delivered. This has increased the traffic to the site. The pages that are relevant to our clients have been the most visited which indicates that the website is being used by both supporters and those who need our assistance. Income from the site is consistent with expectations. A new Marketing and Communications Manager was appointed in the early summer.

### Supporters of the Fishermen's Mission

The Fishermen's Mission is proud to be supported by so many loyal friends from around the UK and beyond. It is a privilege to receive help and friendship from the Fishermen's Mission's supporters. The Fishermen's Mission values each call, email, letter and gift that is

## Royal National Mission to Deep Sea Fishermen

received as well as being deeply grateful for those who pray each week for the Fishermen's Mission's work and staff using the Prayer Calendar. It is recognised that giving is a very personal decision and the Fishermen's Mission is proud that so many people choose to support its work and recognises the vital support that donors and volunteers bring to the Fishermen's Mission.

### Legacy Income

Revenue from legacies remains key to the Fishermen's Mission's overall income. It underpins service provision but also helps to resource essential development work. Income from legacies during 2021/2022 was notably lower than in previous years and below the budgeted target. This was in part a result of the prevailing economic climate, but also a result of an administrative backlog at the HM Courts & Tribunals Service (HMCTS) probate service. Improvements in this service in 2022/2023 means that income held back last year has filtered through with a steady flow of legacy income throughout the year and the year ended over budget. Council is pleased to note that legacy notifications have remained stable, and a development and marketing strategy is in place.

## **THE FISHERMEN'S MISSION FINANCES**

### Overall Results

To meet the requirement of Section 28 of the FRS 102, the Retirement Benefit Pensions Scheme fund income and expenditure are shown within the Fishermen's Mission's accounts.

### The Fishermen's Mission Reserves

Reserves Policy:

In October 2022 Council reviewed and reissued their Investment Policy Statement, with some minor changes to the overall strategy for the reserves. To reflect their general judgements, Council maintains financial reserves to achieve four key objectives:

- To resource the immediate response to major fishing emergencies
- To generate income/revenue to support planned operational activity.
- To ameliorate short and longer-term challenges to assure business continuity, reserves are maintained to resource continued activity at current levels for at least 2 years.
- To help resource programmed activities that support and fulfil Council's Strategic Plan.

### Investments

Sarasin & Partners LLP are appointed as the Fishermen's Mission's Investment Managers.

Over the period, performance has met the benchmark criteria set by Council and has remained competitive with providers of similar investment vehicles.

### Ethical Exclusions

Council has set clear exclusions for the Fishermen's Mission's investments:

- There will be no holdings in companies with exposure to the production of tobacco or significant tobacco-related revenues (such as the retail and distribution of tobacco)

## Royal National Mission to Deep Sea Fishermen

products), or investment in indiscriminate weaponry (for example cluster munitions and landmines which are excluded from all portfolios, as are other activities that are subject to global sanctions)

The Fishermen's Mission's investments with Sarasins are in a pooled or commingled fund which we regularly review to assure ourselves that our ethical exclusions are not compromised (a recognised risk with investments in commingled funds). Council is however reassured that the Sarasin Charity Authorised Investment Funds (CAIFs) meet our ethical exclusions and also avoid investments in companies that generate significant revenues from:

- Adult entertainment
- Alcohol
- Armaments (including civilian firearms)
- Gambling
- Predatory lending

### Stewardship Approach (Source: Sarasin & Partners)

In addition to the exclusionary policy Sarasin & Partners act as stewards of the Fishermen's Mission's assets, a mind-set that is guided by a commitment to think like owners of the companies in which the Fishermen's Mission invests, rather than simply holders of the shares. On behalf of the Fishermen's Mission, Sarasin and Partners takes an active and responsible approach to investment with the principles of stewardship being embedded at the heart of their investment process.

The analysis of environmental, social and governance (ESG) factors forms an integral part of the consideration for every investment decision. Council strongly believes that this analysis must be conducted by Sarasin's equity and fixed income teams as any material risks and opportunities from ESG issues will influence the valuation of each company. Sarasin also has specialist stewardship analysts within the team, who advise on company engagements and lead the company's policy outreach work.

Sarasin scores each potential investment separately on the environmental, social and governance factors and then builds an overall ESG score with a range from A to E (where A is exemplary, and E is un-investable), which then feeds into the valuation methodology of each company.

Sarasin and Partners make an annual submission of their Stewardship Report to the Financial Reporting Council (FRC), in 2023 they succeeded again in passing the UK Stewardship Code test details of this submission can be found on Sarasin's website.

They also make a submission to the UN Principles for Responsible Investment; this is also available to view on the Sarasin website: <https://sarasinandpartners.com/stewardship/>

### Investment Performance (Source: Sarasin & Partners)

For the 12 months to 31<sup>st</sup> October 2023, the Fishermen's Mission investment portfolio generated a total return of +3.8% which was behind the long-term objective (inflation (UK CPI) +4%) of 10.9% and slightly behind the index benchmark of +4.2%, but ahead of the peer group return (ARC Steady Growth Charity Index) of 1.5%.

This has been a particularly volatile period for markets, economies and politics – the UK has navigated the aftermath of the Truss-Kwarteng mini-budget which triggered panic in bond

## Royal National Mission to Deep Sea Fishermen

markets, several high-profile bank failures in the US and Europe, rising global government debt levels, and a worrying escalation of global armed conflicts.

The portfolio's outperformance against its charity peer group has been supported by the strategic changes that Sarasin have made to the portfolio. Since 2018 the bond allocation has been reduced and the equity allocation has moved away from making a separate UK and a global allocation (ex UK) to an integrated global approach including the UK market. This has removed the UK equity bias from the portfolio construction. The natural Sterling weight has consequently been reduced from 75% to now c40%. The most recent change was made in June 2023, a well-timed reduction in UK equities and GBP, with the UK market underperforming its global peers since then.

Performance relative to the benchmark was held back by asset allocation, where Sarasin was slightly more defensive during the year and allocated less to equities, which performed remarkably well in light of the impact of generative Artificial Intelligence (AI), resilient corporate earnings, and a shifting sentiment around the trajectory of inflation and interest rates. The alternatives allocation unfortunately saw a decline, which has historically contributed a positive return and supported performance in the prior year when equities and bonds fell. This was largely due to falls in the share prices of listed investment trusts, particularly infrastructure investments. However, the underlying values of these infrastructure assets not only remain stable but also appreciated over the year, so we would expect their share prices to recover as macroeconomic conditions improve.

Since inception (13<sup>th</sup> September 2016) the Fishermen's Mission portfolio has generated an annualised net return of 5.4%, this is ahead of the initial projected 5–7-year return that Sarasin's presented to Council in 2016 of 5.2%.

### Income

The Net Movement in Funds for the year was an outflow of £673,997 (2021/2022: £2,281,138 outflow). This outflow was a direct result of a planned increase in charitable expenditure. The release of £612,908 previously designated for the buyout of the Fishermen Mission's closed Retirement Benefit Scheme resulted in the Fishermen Mission's free reserves at 31 October 2023 standing at £5,375,657.

Free reserves available for use by the Fishermen's Mission are those unrestricted funds that are readily realisable. These include Business Development funds that are used to resource new initiatives. Free reserves exclude those funds which are restricted or designated for specific purposes These include the equivalent of 2 years resource to cover costs for operations as stated in the Fishermen's Mission reserve policy (Business Continuity Reserves).

The calculation excludes funds invested in property and other fixed assets that will continue to be used in the day to day running of the Fishermen's Mission.

Donations and gifts totalled £1,505,162, a decrease of £4,628 on the 2021/2022 figure. The legacies received were £1,009,096 which was above the budget for the year.

### Expenditure

Further lifting of Covid-19 restrictions and development of the Fishermen's Mission's activities led to an increase in charitable expenditure to £2,749,563 (2021/2022: £2,214,784). As at 31 October 2023 staff numbered 68 (2021/2022: 67)

Retirement Benefit Pension Scheme

Broadstone continued to act as the administrator of the Retirement Benefits Scheme (RBS) until May 2023 when the administrative responsibilities were transferred, in full, to Legal and General Assurance Society (LGAS), who had previously acted solely as the pension Fund Manager.

The process of winding up the current RBS and complete the transfer of all elements of the scheme management to Legal & General continued throughout the operating period although the forecast that all matters would be concluded by year-end was not achieved.

Notice, under section 27 of the Trustee Act 1925, that the Trustees of the Royal National Mission to Deep Sea Fishermen RBS (RBS Trustees) intended to distribute the assets of the Scheme in accordance with the Scheme's governing documentation was widely promulgated in September 2023 with:

- Any employee or former employee of Royal National Mission to Deep Sea Fishermen, who believes that they were a member of the Scheme and who is not already receiving a pension in respect of their membership of the Scheme, or;
- Any person who believes themselves to be a beneficiary of the Scheme as a widow, widower or dependant of a deceased member of the Scheme, and/or;
- Any other person who believes they have a claim against, or an interest in, the Scheme, invited to notify the RBS Trustees before 8 December 2023.

Between Broadstone and Legal and General, and in full consultation with the RBS Trustees, a final Rolled Forward Adjustment Amount was calculated by Legal & General and agreed by all parties. A 'full & final payment' of £219,842, the agreed final sum owed by the Fishermen's Mission to LGAS, was paid in September 2023.

In approving this full and final payment to LGAS, the RBS Trustees approved the action to formally trigger the winding-up process of the RBS. Follow on timings are now much clearer and it is fully expected that the final audited accounts will be approved in early March 2024 with the RBS wound up fully, and to the entire satisfaction of all stakeholders, by the end of March 2024.

Throughout the process, The Pension Regulator has been kept apprised of progress and is content with the progress and actions to date.

While this process has taken longer than has been previously forecast; we have been subject to timings of activities out with our control. The Fishermen's Mission has sought to expedite the process but has remained cognizant of the absolute necessity to 'do this properly' and not allow any corners to be cut nor any issues to remain unaddressed. The RBS Trustees and Council are both confident and comfortable with the activity undertaken and the progress to date.

The continuing cost of professional services (actuarial, legal and financial) and the final sum payable to Legal and General to complete the winding up were anticipated by Council when the project to wind up the RBS commenced in 2020. These were additional costs to be included in the budget for the financial year 2022/2023 and were an important factor in the overall operating deficit.

## Royal National Mission to Deep Sea Fishermen

As we calculate the ratio of our overall expenditure against charitable output, we have necessarily taken these costs into account to avoid negatively biasing that ratio.

The FRS 102 valuation on 31 October 2023 saw the scheme's deficit remain at £0.00.

### **MEMBERS OF COUNCIL**

Council membership (the list of Trustees) during the year was as shown on page 2.

In accordance with the provisions of the Company's Articles of Association, Mr Ian Gatt, Sir Jeremy de Halpert and Mr Michael Vlasto retired by rotation at the Annual General Meeting in April 2023 and were re-elected.

One Trustee, Dr Jonathan Shepherd, retired permanently during the year (effective from the AGM in April 2023).

We employed Thewlis-Graham, an executive search and selection consultancy based in London specialising in the recruitment of Board and Senior Executive personnel in the Not-For-Profit and commercial sectors to assist our recruitment of new Trustees.

A rigorous advertising, third party assessment and initial selection process generated a number of candidates for Council-led interviews during the period January to March 2023 leading to the successful appointment of six new Trustees.

In planning for the future, in October Council temporarily exceeded the maximum number of Trustees (15) permitted by the governing document by one in anticipation of the known retirements of Trustees at the AGM in 2024. The Charity Commission was notified, there is no effect on the governance of the Fishermen's Mission and a formal record of this departure from the governing document has been retained in the Head Office.

### **RESPONSIBILITIES OF THE MEMBERS OF THE COUNCIL OF MANAGEMENT**

In keeping with company law, Council is responsible for preparing the Annual Report and prepare financial statements for each financial year. Council members must not approve the financial statements unless each Trustee is satisfied that they give a true and fair view of the situation 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, Council is required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgments and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

### **DISCLOSURE OF INFORMATION TO AUDITORS**

## Royal National Mission to Deep Sea Fishermen

Each of the persons who is a Trustee at the time when this Annual Report is approved confirms that:

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

### **AUDITORS**

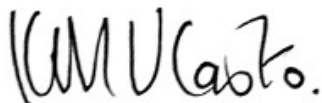
A comprehensive tendering process was conducted by Trustees in late 2022. Following down-selection and a detailed comparison of the tenders received, Mazars LLP were again appointed by the Members for the 2022/2023 and two subsequent annual audits of accounts.

In accordance with section 487 of the Companies Act 2006, a resolution proposing that Mazars LLP be reappointed as auditors of the charitable company for Financial Year 2022/2023 was put to the Annual General Meeting in April 2023 and passed.

Council approves the Annual Report and, in their capacity as Trustees and company directors, approve the Strategic Report incorporated therein.

Signed on behalf of the Council.

BY ORDER OF THE COUNCIL OF MANAGEMENT



**Michael Vlasto OBE**

**Chair**

**Date 23.2.24**

## **Independent auditor's report to the members of the Royal National Mission to Deep Sea Fishermen**

### **Opinion**

We have audited the financial statements of the Royal National Mission to Deep Sea Fishermen (the 'charity') for the year ended 31 October 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 October 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

## Royal National Mission to Deep Sea Fishermen

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

- adequate 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.

### **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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, data protection regulations.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal

## Royal National Mission to Deep Sea Fishermen

entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees' and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of the audit report

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



Jonathan Marchant (Feb 28, 2024 12:55 GMT)

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

Date Feb 28, 2024

## Royal National Mission to Deep Sea Fishermen

### STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the income and expenditure account) For the year ended 31 October 2023

|  | Notes | Unrestricted Funds<br>2023<br>£ | Restricted Funds<br>2023<br>£ | Total Funds 2023<br>£ | Total<br>Funds 2022<br>£<br>RESTATED |
|--|-------|---------------------------------|-------------------------------|-----------------------|--------------------------------------|
| <b>INCOMING RESOURCES -</b>  |       |                                 |                               |                       |                                      |
| <b>Incoming resources from generating funds:</b>                       |       |                                 |                               |                       |                                      |
| Voluntary Income: Donations & Gifts                                    |       | 1,089,503                       | 415,659                       | 1,505,162             | 1,509,790                            |
| Legacies   |       | 888,915                         | 120,181                       | 1,009,096             | 265,803                              |
| Investment Income  | 2     | 300,000                         | 0                             | 300,000               | 300,000                              |
| <b>Incoming resources from charitable activities</b>                   |       |                                 |                               |                       |                                      |
| Charity Shop   |       | 129,250                         | 0                             | 129,250               | 115,289                              |
| <b>Other incoming resources</b>  |       |                                 |                               |                       |                                      |
| Net realised gain on sale of fixed assets                              |       | 2,838                           | 0                             | 2,838                 | 110,360                              |
| Rental Income  |       | 48,763                          | 0                             | 48,763                | 47,871                               |
| <b>TOTAL INCOMING RESOURCES</b>  |       | <b>2,459,269</b>                | <b>535,840</b>                | <b>2,995,109</b>      | <b>2,349,113</b>                     |
| <b>RESOURCES EXPENDED</b>  |       |                                 |                               |                       |                                      |
| <b>Less: Costs of generating funds</b>                                 |       |                                 |                               |                       |                                      |
| Fundraising  |       | 283,405                         | 26,843                        | 310,248               | 380,314                              |
| Admin Costs  |       | 689,467                         |                               | 689,467               | 689,469                              |
| <b>Charitable activities</b>   |       |                                 |                               |                       |                                      |
| Charitable expenditure   |       | 2,264,780                       | 484,783                       | 2,749,563             | 2,214,784                            |
| <b>TOTAL RESOURCES EXPENDED</b>  |       | <b>3,237,652</b>                | <b>511,626</b>                | <b>3,749,278</b>      | <b>3,284,567</b>                     |
| <b>NET (OUTGOING)/INCOMING RESOURCES BEFORE OTHER GAINS AND LOSSES</b> |       |                                 |                               |                       |                                      |
|  |       | (778,383)                       | 24,214                        | (754,169)             | (935,454)                            |
| <b>OTHER RECOGNISED GAINS AND LOSSES</b>                               |       |                                 |                               |                       |                                      |
| Unrealised (loss)/gain on investment assets & transfer                 |       | 30,172                          | 0                             | 30,172                | (1,489,684)                          |
| Actuarial gain on defined pension scheme                               | 10/16 | 50,000                          | 0                             | 50,000                | 144,000                              |
| <b>NET MOVEMENT IN FUND</b>  |       | <b>(698,211)</b>                | <b>24,214</b>                 | <b>(673,997)</b>      | <b>(2,281,138)</b>                   |

## Royal National Mission to Deep Sea Fishermen

---

### RECONCILIATION OF FUNDS

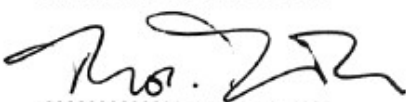
|                                   |    |                   |                |                   |                   |
|-----------------------------------|----|-------------------|----------------|-------------------|-------------------|
| Balance brought forward on        |    |                   |                |                   |                   |
| 1 November 2022                   | 10 | 12,801,479        | 249,572        | 13,051,051        | 15,332,189        |
| <b>Balance carried forward on</b> |    |                   |                |                   |                   |
| <b>31 October 2023</b>            | 10 | <b>12,103,268</b> | <b>273,786</b> | <b>12,377,054</b> | <b>13,051,051</b> |

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

**BALANCE SHEET AS AT 31 OCTOBER 2023**

|   | Notes | 2023<br>£                | 2022<br>£                |
|---|-------|--------------------------|--------------------------|
| <b>FIXED ASSETS</b>                                   |       |                          |                          |
| Investments Shares - General                          | 6     | 9,699,655                | 10,306,170               |
| Investments – George Watts Fund                       | 6     | 684,463                  | 677,115                  |
| Tangible Assets                                       | 7     | 1,523,060                | 1,562,721                |
|   |       | <u>11,907,178</u>        | <u>12,546,006</u>        |
| <b>CURRENT ASSETS</b>                                 |       |                          |                          |
| Debtors   | 8     | 191,236                  | 118,216                  |
| Cash at bank and in hand                              |       | 420,563                  | 479,035                  |
|   |       | <u>611,799</u>           | <u>597,251</u>           |
| <b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b> |       |                          |                          |
|   | 9     | (141,923)                | (92,206)                 |
|   |       | <u>469,876</u>           | <u>505,045</u>           |
| <b>NET CURRENT ASSETS</b>                             |       |                          |                          |
| <b>NET ASSETS BEFORE PENSION LIABILITY</b>            |       |                          |                          |
|   |       | 12,377,054               | 13,051,051               |
| Defined benefit pension scheme liability              | 16    | 0                        | 0                        |
| <b>NET ASSETS AFTER PENSION LIABILITY</b>             |       |                          |                          |
|   | 12    | <u><b>12,377,054</b></u> | <u><b>13,051,051</b></u> |
| <b>FUNDS OF THE CHARITY</b>                           |       |                          |                          |
| Restricted funds                                      | 11    | 273,786                  | 249,572                  |
| Designated funds                                      | 10/12 | 6,785,371                | 7,437,635                |
|   |       | <u>7,059,157</u>         | <u>7,687,207</u>         |
| Free reserves   |       |                          |                          |
| • Pension deficit                                     | 16    | 0                        | 0                        |
| • General fund  | 10/12 | 5,317,897                | 5,363,844                |
|   |       | <u>5,317,897</u>         | <u>5,363,844</u>         |
| <b>TOTAL CHARITY FUNDS</b>                            |       |                          |                          |
|   |       | <u><b>12,377,054</b></u> | <u><b>13,051,051</b></u> |

The financial statements on pages 20 to 39 were approved by the Members of the Council of Management on 7 February 2024 and were signed on its behalf by:

  
 .....  
 Michael Vlasto OBE )  
  
  
 .....  
 Tom Maier )

Members of the Council of Management

**CASH FLOW STATEMENT**

For the year ended 31 October 2023

|  | <b>Note</b> | <b>2023</b>      | <b>2022</b>        |
|--|-------------|------------------|--------------------|
|  | <b>S</b>    | <b>£</b>         | <b>£</b>           |
| <b>Cash flows from operating activities:</b>               | 18a         | (928,989)        | (1,042,100)        |
| <b>Net cash (used in)/provided by operating activities</b> |             | <u>(928,989)</u> | <u>(1,042,100)</u> |
| <b>Cash flows from investing activities</b>                |             |                  |                    |
| Interest received  |             | 0                | 0                  |
| Interest paid  |             | (1,062)          | (10,046)           |
| Dividends received from investments (gross)                |             | 300,000          | 300,000            |
| Purchase of tangible fixed assets                          |             | (61,360)         | (116,836)          |
| Sale of tangible fixed assets                              |             | 3,600            | 188,367            |
| Sale of investments  |             | 720,918          | 00,000             |
| Realised profit on investment/increase in cash             |             | (91,579)         | 0                  |
| <b>Net cash used in investing activities</b>               |             | <u>870,517</u>   | <u>761,485</u>     |
| <b>Change in cash and cash equivalents in the year</b>     |             | <u>(58,472)</u>  | <u>(280,615)</u>   |
| Cash and cash equivalents on 31 October 2022               |             | <u>479,035</u>   | <u>759,650</u>     |
| Cash and cash equivalents on 31 October 2023               |             | <u>420,563</u>   | <u>479,035</u>     |

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 October 2023**

**1. ACCOUNTING POLICIES**

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

**Basis of preparation**

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

**(a) Income from donors and supporters**

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

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

**(b) Legacies received**

Legacy income is recognised when there is sufficient evidence to provide the necessary certainty that the legacy will be received, and the value of the incoming resource can be measured with sufficient reliability. Estimated legacy income of £865,748 (2022: £847,760) has not been included in the Statement of Financial Activities because the conditions of recognition have not been met.

**(c) Tangible fixed assets and depreciation**

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

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

Individual fixed assets costing more than £1,000 are capitalised at cost and

are subsequently stated at cost less depreciation.

(d) **Capital grants**

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

(e) **Investments**

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

(f) **Investment income**

Investment income is shown on an accrual's basis.

(g) **Classification of expenditure**

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

(h) **Charitable expenditure**

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

(i) **Fundraising expenditure**

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

(i) **Administration/Support expenses**

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

(k) **Governance costs**

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

(l) **Operating lease**

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

(m) **Pension costs**

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

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

(n) **Funds**

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

Designated funds are those whose use is not legally restricted but whose purpose has been designated by Council. Council is entitled to change its mind and use these funds in whichever way it sees fit. The allocation of the Designated fund has been added as a note under the fund analysis.

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

(o) **Cash and Equivalents**

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

(p) **Financial Instruments**

The Fishermen's Mission only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(q) **Going Concern**

A five-year rolling business plan underpins Trustees' strategic assessments of going concern out to the medium term (3 years). This plan cascades through an annual budget assumptions process and thence to the production of the in-year budget that reflects:

## Royal National Mission to Deep Sea Fishermen

- Core business expenditure
- Planned business development and business continuity
- Forecasts for key voluntary income streams (notably risks)

Where appropriate, funds from a designated 'Development Fund' in the reserves are allocated to balance the budget and reduce in-year income risk. To sustain going concern for the medium term, as a strategic priority, the Trustees aim to maintain the level of free reserves to support a minimum level of two years core service delivery (Business Continuity Reserves), as stated in the Fishermen's Mission reserve policy.

Based on this assessment the Trustees are satisfied that reserves are set at a reasonable level. The Fishermen's Mission has sufficient liquid resources to meet its planned obligations and maintain its stated reserve policy and has adopted a going concern basis for preparation of the financial statements.

The Fishermen's Mission is assessed to be a going concern.

### (r) **Key Estimations**

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

Creditors are recognised where the Fishermen's Mission has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Trade debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accruals and prepayments are calculated at year end. Invoices are accrued into the accounts if they are received after the end of the financial year but are either dated in the current financial year or are for goods/services received in the current financial year. Invoices are prepaid if they have been received during the year but they fully or proportionately relate to the following year.

Accrued income is included at the best estimate of the amount's receivable at the balance sheet date.

### (s) **Restatement**

The Trustees have reflected on the historic split of costs between fundraising and administration and consider the revised apportionments and allocation in 2023 to more accurately reflect the position of the Fishermen's Mission. The 2022 financials have been restated to reflect the treatment which resulted in a decrease in fundraising costs of £563,177 and an increase in administration costs of £563,177.

2. INVESTMENT INCOME

|                         | 2023<br>£      | 2022<br>£      |
|-------------------------|----------------|----------------|
| Income from Investments | 300,000        | 300,000        |
|                         | <u>300,000</u> | <u>300,000</u> |

3. TOTAL RESOURCES EXPENDED

3a Costs of generating voluntary income

|               | Restricted<br>Fund<br>2023<br>£ | Unrestricted<br>Fund<br>2023<br>£ | Total Funds<br>2023<br>£ | Total Funds<br>2022<br>£ |
|---------------|---------------------------------|-----------------------------------|--------------------------|--------------------------|
| Fundraising   | 26,843                          | 283,405                           | 310,248                  | 380,314                  |
| Admin/Support | 0                               | 689,467                           | 689,467                  | 689,469                  |
|               | <u>26,843</u>                   | <u>972,872</u>                    | <u>999,715</u>           | <u>1,069,783</u>         |

3b Governance cost

|                      | Restricted<br>Fund<br>2023<br>£ | Unrestricted<br>Fund<br>2023<br>£ | Total Funds<br>2023<br>£ | Total<br>Funds<br>2022<br>£ |
|----------------------|---------------------------------|-----------------------------------|--------------------------|-----------------------------|
| Salaries and related | 0                               | 33,931                            | 33,931                   | 36,008                      |
| Council expenses     | 0                               | 35,217                            | 35,217                   | 22,869                      |
| Audit fee & FRS Note | 0                               | 33,450                            | 33,450                   | 18,000                      |
|                      | <u>0</u>                        | <u>102,598</u>                    | <u>102,598</u>           | <u>76,877</u>               |

3c Direct Costs

|                         | Welfare<br>2023<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|-------------------------|----------------------|--------------------|--------------------|
| Manual staff costs      | 61,664               | 61,664             | 53,452             |
| Uniformed staff costs   | 1,310,165            | 1,310,165          | 1,006,781          |
| Depreciation            | 53,396               | 53,396             | 63,879             |
| Centres operating costs | 720,876              | 720,876            | 584,926            |
| Welfare payments        | 44,743               | 44,743             | 27,628             |
| Publicity               | 2,824                | 2,824              | 0                  |

Royal National Mission to Deep Sea Fishermen

|                  |                  |                  |
|------------------|------------------|------------------|
| <b>2,193,668</b> | <b>2,193,668</b> | <b>1,736,666</b> |
|------------------|------------------|------------------|

3d **Support Costs**

|                  | <b>Costs of<br/>Generating<br/>Funds<br/>2023<br/>£</b> | <b>Governanc<br/>e<br/>2023<br/>£</b> | <b>Welfare<br/>2023<br/>£</b> | <b>Total<br/>2023<br/>£</b> | <b>Total<br/>2022<br/>£</b> |
|------------------|---|---------------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Admin costs (HQ) | 119,088   | 0                                     | 547,138                       | 666,226                     | 497,851                     |
|                  | <b>119,088</b>  | <b>0</b>                              | <b>547,138</b>                | <b>666,226</b>              | <b>497,851</b>              |

3e **Analysis of resources expended by expenditure type**

|                           | <b>Staff Costs<br/>2023<br/>£</b> | <b>Depn<br/>2023<br/>£</b> | <b>Other Costs<br/>2023<br/>£</b> | <b>Total<br/>2023<br/>£</b> | <b>Total<br/>2022<br/>£</b> |
|---------------------------|-----------------------------------|----------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Costs of generating funds |                                   |                            |                                   |                             | <b>RESTATED</b>             |
| Fundraising               | 310,248                           | 0                          | 0                                 | 310,248                     | 380,314                     |
| Admin                     | 427,724                           | 1,898                      | 259,845                           | 689,467                     | 689,469                     |
| Welfare                   | 1,337,898                         | 97,524                     | 1,211,543                         | 2,646,965                   | 2,137,908                   |
| Governance                | 33,931                            | 0                          | 68,667                            | 102,598                     | 76,876                      |
|                           | <b>2,109,801</b>                  | <b>99,422</b>              | <b>1,540,055</b>                  | <b>3,749,278</b>            | <b>3,284,567</b>            |

3f **Analysis of resources expended by activities**

|         | <b>Activities<br/>undertaken<br/>directly<br/>2023<br/>£</b> | <b>Support Costs<br/>2023<br/>£</b> | <b>Total<br/>2023<br/>£</b> | <b>Total<br/>2022<br/>£</b> |
|---------|--|-------------------------------------|-----------------------------|-----------------------------|
| Welfare | 2,193,668  | 547,138                             | 2,740,806                   | 2,214,785                   |

4. **NET INCOMING RESOURCES**

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

|   | <b>2023<br/>£</b> | <b>2022<br/>£</b> |
|---|-------------------|-------------------|
| Depreciation of tangible fixed assets         | 100,259           | 108,779           |
| Auditors' remuneration – audit fees           | 26,400            | 14,000            |
| (Profit) on disposal of fixed assets          | 2,838             | 0                 |
| Interest payable – bank interest              | 1,062             | 10,046            |
| Operating lease rentals – plant and equipment | 3,300             | 3,841             |
| Operating lease rentals – other               | 36,005            | 58,944            |

## 5. EMPLOYEE INFORMATION

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

|  | <b>2023</b> | <b>2022</b> |
|--|-------------|-------------|
|  | Number      | Number      |
| Fishermen's Mission Staff – Port and Fundraising | 47          | 46          |
| Administration Staff – Head Office               | 11          | 11          |
| Support Staff (Ports)                            | 10          | 10          |
|  | <b>68</b>   | <b>67</b>   |

Employment costs for all full time and part time staff:

|                       | <b>2023</b>      | <b>2022</b>      |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and Salaries    | 1,757,450        | 1,552,517        |
| Social Security Costs | 165,238          | 149,520          |
| Pension Costs         | 129,072          | 123,073          |
|                       | <b>2,051,760</b> | <b>1,825,110</b> |

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

|                     | <b>2023</b> | <b>2022</b> |
|---------------------|-------------|-------------|
|                     | Number      | Number      |
| £60,001 - £70,000   | 0           | 1           |
| £70,001 - £80,000   | 0           | 0           |
| £80,001 - £90,000   | 1           | 1           |
| £90,001 - £100,000  | 1           | 0           |
| £100,001 - £110,000 | 0           | 0           |

The pension contribution made by the employer on behalf of one employee above was £7,193 (2022: £6,810).

The Fishermen's Mission has identified Key Management Personnel as the current Executive Team, their total remuneration amounts to £190,036 (2022: £200,642). In Financial Year 2022 there was a period when there was a change in CEO with a crossover period therefore salaries were higher.

### **Council members' remuneration, expenditure and donations given**

No Council member received any remuneration for Financial Year 2022/2023 (2021/2022: nil). Costs relating to Council members' expenditure included in governance expenses were for accommodation, travel, and meal costs. Council Members claimed expenses during the year of £25,689 (2022: £17,800) although this includes costs of recruiting new Trustees of £13,999.

Donations of £2,790 (2022: £2,086) were received from Council members.

6. **FIXED ASSET INVESTMENTS**

|                                | <b>Listed<br/>Investments<br/>£</b> |
|--------------------------------|-------------------------------------|
| <b>Market Value</b>            |                                     |
| At 1 November 2022             | 10,983,285                          |
| Increase/(Decrease) in Cash    | 16,299                              |
| Net Investment/(Disinvestment) | (720,918)                           |
| Realised Profit/(Loss)         | 75,280                              |
| Unrealised Profit/(Loss)       | 30,172                              |
| <b>At 31 October 2023</b>      | <b>10,384,118</b>                   |

**Fixed asset investment represents:**

|                   |                   |
|-------------------|-------------------|
| Cash              | 102,260           |
| Currency Sterling | 288,364           |
| Mixed Investments | 9,993,494         |
|                   | <b>10,384,118</b> |

The following investments represents more than 5% of the portfolio by market value:

|                                     |                   |
|-------------------------------------|-------------------|
| Sarasin Endowments Fund Class A INC | 9,993,494         |
| ISC Sterling Liquidity Fund         | 390,624           |
|                                     | <b>10,384,118</b> |

Investment Income of £300,000 is released at £75,000 each quarter and is shown as in Note 2.

7. **TANGIBLE FIXED ASSETS**

|   | <b>Freehold<br/>and<br/>Leasehold<br/>Property</b> | <b>Motor<br/>Vehicles</b> | <b>Furniture,<br/>Fixtures, Fittings<br/>and Computer<br/>Equipment</b> | <b>Total</b>     |
|---|--|---------------------------|---|------------------|
| <b>Cost</b>                                   | £  | £                         | £   | £                |
| At 1 November 2022                            | 2,483,386  | 427,027                   | 130,899   | 3,041,312        |
| Additions                                     | 0  | 61,360                    | 0   | 61,360           |
| Disposals                                     | 0  | (36,281)                  | 0   | (36,281)         |
| At 31 October 2023                            | <b>2,483,386</b>                                   | <b>452,106</b>            | <b>130,899</b>  | <b>3,066,391</b> |
| <b>Depreciation</b>                           |  |                           |   |                  |
| At 1 November 2022                            | 1,034,813  | 323,460                   | 120,317   | 1,478,590        |
| Charge for year                               | 48,826   | 45,889                    | 5,546   | 100,261          |
| Disposals                                     | 0  | (35,520)                  | 0   | (35,520)         |
| At 31 October 2023                            | <b>1,083,639</b>                                   | <b>333,829</b>            | <b>125,863</b>  | <b>1,543,331</b> |
| <b>Net Book Values at 31<br/>October 2023</b> | <b>1,399,747</b>                                   | <b>118,277</b>            | <b>5,036</b>  | <b>1,523,060</b> |
| <b>Net Book Value at 31<br/>October 2022</b>  | <b>1,448,573</b>                                   | <b>103,567</b>            | <b>10,582</b>   | <b>1,562,721</b> |

The Freehold properties include 11 Retirement properties and the Head Office in Whiteley. The Leasehold properties costs related to works carried out on 5 leased units to make them

Royal National Mission to Deep Sea Fishermen

suitable for Fishermen's Mission use.

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | <b>2023</b>    | <b>2022</b>    |
|--------------------------------|----------------|----------------|
|                                | <b>£</b>       | <b>£</b>       |
| Other Debtors                  | 3,589          | 983            |
| Prepayments and Accrued Income | 187,646        | 117,233        |
|                                | <b>191,235</b> | <b>118,216</b> |

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | <b>2023</b>    | <b>2022</b>   |
|---------------------------------|----------------|---------------|
|                                 | <b>£</b>       | <b>£</b>      |
| Trade Creditors                 | 54,331         | 37,838        |
| Other Creditors                 | 315            | 1,223         |
| Other Taxes and Social Security | 46,753         | 39,814        |
| Accruals and Deferred Income    | 40,525         | 13,331        |
|                                 | <b>141,924</b> | <b>92,206</b> |

10. **FUNDS**

|  | <b>Unrestricted<br/>Funds</b> |                         |                             | <b>Restricted<br/>Funds</b> | <b>Total</b>      |
|--|-------------------------------|-------------------------|-----------------------------|-----------------------------|-------------------|
|  | <b>General<br/>Fund</b>       | <b>Pension<br/>Fund</b> | <b>Designated<br/>Funds</b> | <b>£</b>                    | <b>£</b>          |
|  | <b>£</b>                      | <b>£</b>                | <b>£</b>                    | <b>£</b>                    | <b>£</b>          |
| At 1<br>November<br>2022                             | 5,363,844                     | 0                       | 7,437,635                   | 249,572                     | 13,051,051        |
| Net Incoming<br>Resources for<br>the Year            | (628,428)                     | (50,000)                | (99,955)                    | 24,214                      | (754,169)         |
| Net<br>Unrealised<br>Gain on<br>Investment<br>Assets | 30,172                        | 0                       | 0                           | 0                           | 30,172            |
| Investment<br>buyout                                 | 612,908                       |                         | (612,908)                   | 0                           | 0                 |
| George Watts<br>Fund (NE<br>Scotland)                | 0                             |                         | 0                           |                             | 0                 |
| Actuarial<br>Adjustment<br>Gain                      | 0                             | 50,000                  | 0                           | 0                           | 50,000            |
| Carry Value<br>Fixed Assets                          | (60,599)                      |                         | 60,599                      | 0                           | 0                 |
| <b>At 31<br/>October<br/>2023</b>                    | <b>5,317,897</b>              | <b>0</b>                | <b>6,785,371</b>            | <b>273,786</b>              | <b>12,377,054</b> |

10a. DESIGNATED FUNDS ANALYSIS

|                                    | At 1<br>November<br>2022 | Incoming       | Expenditure      | Trf to GF        | 31<br>October<br>23 |
|------------------------------------|--------------------------|----------------|------------------|------------------|---------------------|
| Fixed Assets                       | 1,477,634                | 0              | (90,397)         | 60,599           | 1,447,836           |
| Pension<br>Cov/Buyout<br>Provision | 1,000,000                | 0              | (362,092)        | (612,908)        | 25,000              |
| Major Emergency                    | 500,000                  | 0              | 0                | 0                | 500,000             |
| Business<br>Continuity             | 2,750,000                | 0              | 0                | 0                | 2,750,000           |
| Business<br>Development            | 1,032,886                | 409,096        | (63,910)         | 0                | 1,378,072           |
| George Watts<br>Fund               | 677,115                  | 26,348         | (19,000)         | 0                | 684,463             |
|                                    | <b>7,437,635</b>         | <b>435,444</b> | <b>(535,399)</b> | <b>(552,309)</b> | <b>6,785,371</b>    |

**Fixed Assets** – in Financial Year 2022/2023 2 vehicles were sold and 3 new ones were purchased

**Pension Cov/Buyout** - Admin charges of £142k were paid (including 2 GMP Equalisation payments) and a Final Premium of £220K was paid to L&G. £25k has been left in Designated Funds for further admin charges in Financial Year 2023/2024 and the balance has been transferred to the General Fund

**Major Emergency** – no movement

**Business Continuity** – no movement

**Business Development** – The incoming funds of £409k are the excess legacies received over the budget (£1,009k actual vs £600k budget). These funds are to be used on developing the business which is currently mainly with IT Projects. £63k has currently been spent on the new website

**George Watt Fund** - £7k Gain on investment and £19k Interest income received. The interest income was spent fully in the Aberdeen and Fraserburgh areas

Royal National Mission to Deep Sea Fishermen

11. RESTRICTED FUNDS ANALYSIS

| CENTRES REVENUE                              | At<br>01 November<br>2022 | Incoming       | Expenditure    | 31 October |
|--|---------------------------|----------------|----------------|------------|
| Shetland Fishermens' Widows                  | 50,475                    | 0              | 219            |            |
| Retired Fishermens & Widows                  | 726                       | 0              | 0              |            |
| Age UK                                       | 370                       | 0              | 0              |            |
| 'Joanna C'                                   | 18,803                    | 0              | 18,794         |            |
| St Hilda Trust (Fish Quay Hub)               | 820                       | 0              | 820            |            |
| Whitby Seafoods                              | 10,000                    | 0              | 0              |            |
| Seafarers Charity/NorthEast Hardship         | 2,594                     | 10,000         | 1,071          |            |
| James Reckitt Trust                          | 36,696                    | 0              | 15,792         |            |
| Suffolk County Council *                     | 11,000                    | 0              | 12,203         |            |
| MNWB – SHOUT                                 | 0                         | 14,067         | 12,742         |            |
| MNWB – Bridlington Health Trainer            | 0                         | 15,144         | 11,732         |            |
| Balmoral Comtec Ltd                          | 0                         | 2,071          | 1,087          |            |
| Forbes Ettles Hurry                          | 0                         | 102,039        | 51,020         |            |
| SEAFIT Q2 – Fairwinds                        | 0                         | 10,000         | 9,500          |            |
| SEAFIT Q3 – Fishwell                         | 0                         | 10,000         | 323            |            |
| SEAFIT – Aberdeen Health Lifestyle Advisor** | 0                         | 10,000         | 27,157         |            |
| Seafarers Charity – Migrant Fishermen        | 0                         | 56,936         | 33,086         |            |
| Trinity House                                | 0                         | 10,000         | 0              |            |
| Garfield Weston Foundation – Fairwinds       | 0                         | 10,000         | 9,115          |            |
| Enquest                                      | 0                         | 500            | 3              |            |
| S Buckley (Fleetwood)                        | 30,000                    | 0              | 12,016         |            |
| Acquired Fixed Asset Fund                    | 85,089                    | 0              | 9,864          |            |
| <b>GRAND TOTAL</b>                           | <b>249,572</b>            | <b>250,757</b> | <b>226,543</b> |            |

**Note.** Funding for Suffolk CC\* project received over 2 years and budgeted on a flat line. The project has concluded and the deficit will be zeroed by a transfer from unrestricted funds in 2023/2024. SEAFIT Aberdeenshire Lifestyle Advisor\*\* partially funded in 2022/2023; the balance of costs will be received from grant sharing and use of unrestricted funds in 2023/2024.

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

|                           | <b>Tangible<br/>Fixed<br/>Assets</b> | <b>Investments</b> | <b>Net Current<br/>Assets</b> | <b>Pension<br/>Liability</b> | <b>Total</b>      |
|---------------------------|--------------------------------------|--------------------|-------------------------------|------------------------------|-------------------|
|                           | <b>£</b>                             | <b>£</b>           | <b>£</b>                      | <b>£</b>                     | <b>£</b>          |
| <b>Restricted Funds</b>   |                                      |                    |                               |                              |                   |
| Expenditure Fund          | 0                                    | 0                  | 198,561                       | 0                            | 198,561           |
| Acquired Fixed Assets     | 75,225                               | 0                  | 0                             | 0                            | 75,225            |
|                           | <b>75,225</b>                        | <b>0</b>           | <b>198,561</b>                | <b>0</b>                     | <b>273,786</b>    |
| <b>Unrestricted Funds</b> |                                      |                    |                               |                              |                   |
| Designated Fund           | 1,447,836                            | 684,463            | 4,653,072                     | 0                            | 6,785,371         |
| General Fund              | 0                                    | 9,699,655          | (4,381,758)                   | 0                            | 5,317,897         |
| Pension Scheme Fund       | 0                                    | 0                  | 0                             | 0                            | 0                 |
|                           | <b>1,523,061</b>                     | <b>10,384,118</b>  | <b>469,875</b>                | <b>0</b>                     | <b>12,377,054</b> |

The Expenditure Fund is a fund which consists of income given for the purchase of specific items. The Acquired Fixed Assets Fund is a restricted fund consisting of assets with restrictions on use.

The Designated Fund is a fund consisting of all fixed assets with no restrictions on use. It includes provisions to underpin various Fishermen's Missions strategies including Major Emergencies. The George Watts Fund has been designated to provide an annual income and if required capital project funding for the Northeast of Scotland.

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

**13. TAXATION**

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

**14. FUTURE CAPITAL EXPENDITURE**

|  | <b>2023</b> | <b>2022</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Authorised by Council but not contracted for | 83,852      | 117,500     |
| Contracted for but not provided              | 0           | 0           |

## 15. FINANCIAL COMMITMENTS

At 31 October 2023, the Fishermen's Mission had annual commitments under non-cancellable operating leases expiring as follows: -

|                      | Land & Building |                | Other        |               |
|----------------------|-----------------|----------------|--------------|---------------|
|                      | 2023            | 2022           | 2023         | 2022          |
|                      | £               | £              | £            | £             |
| Due within 1 year    | 36,005          | 58,944         | 3,300        | 3,841         |
| Due within 2-5 years | 56,566          | 102,375        | 6,600        | 9,900         |
| More than 5 years    | 0               | 0              | 0            | 0             |
|                      | <u>92,571</u>   | <u>161,319</u> | <u>9,900</u> | <u>13,741</u> |

## 16. PENSIONS

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

The Fishermen's Mission operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Fishermen's Mission, being invested with investment management companies. Contributions to the scheme are charged to the Statement of Financial Activities to spread the cost of pensions over employees' working lives with the Fishermen's Mission. A qualified independent actuary, on the basis of triennial valuations last carried out on the 31 October 2015, updated to 31 October 2019, using the projected unit method determines the contributions.

The scheme was suspended from 1 November 2007 and so no contributions relating to wages and salaries were made during the year ended 31 October 2023. The Fishermen's Mission did make contributions towards administration costs of the pension scheme during the year as agreed in the Schedule of Contributions.

Additional contributions have been made by the Fishermen's Mission from 1 November 2004, such amounts of a regular and one-off nature as may be agreed between the Trustees and the employer from time to time and recorded in a Trustee minute or resolution. These contributions have been made to remove the deficiency in respect of past service at the valuation date.

In the year to October 2023 charges of **£142,250** were incurred relating to RBS Pension administration costs, this includes two GMP Equalisation payments totalling £4,210. There was also a final premium payment to Legal & General of £219,842

**Principal actuarial assumptions at the year-end were as follows:**

|   | 2023 | 2022 |
|---|------|------|
| Discount Rate   | 5.5% | 4.7% |
| Inflation - RPI                                       | 3.6% | 3.7% |
| Pension increases in deferment                        | 3.6% | 3.7% |
| RPI minimum 3% pa and maximum 5% pa pension increases | 3.7% | 3.7% |

Royal National Mission to Deep Sea Fishermen

|   |                                   |      |
|---|-----------------------------------|------|
| RPI maximum 5% pa pension increases         | 3.4%                              | 3.5% |
| Post retirement mortality:                  | 100% S3NA CMI 2022 (core) (1.25%) |      |
|   | 95% S2NA CMI 2021(core) (1.25%)   |      |
| Life expectancy at age 65 of male aged 65   | 86.7                              | 87.2 |
| Life expectancy at age 65 of female aged 65 | 89.2                              | 89.7 |
| Life expectancy at age 65 of male aged 45   | 87.9                              | 88.5 |
| Life expectancy at age 65 of female aged 45 | 90.6                              | 91.1 |

**The current asset split is as follows:**

|   | <b>Period to<br/>31 Oct 2023</b> | <b>Period to<br/>31 Oct 2022</b> |
|---|----------------------------------|----------------------------------|
| Equities                                    | 0                                | 0                                |
| Property                                    | 0                                | 0                                |
| Cash  | 0                                | 0                                |
| Liability Driven Investments (LDI) Strategy | 0                                | 0                                |
| Annuity contract                            | 0                                | £7,396,000                       |
| Self Sufficiency Fund                       | 0                                | 0                                |
| Net current assets                          | 0                                | £55,000                          |
| <b>Total Assets</b>                         | <b>£0</b>                        | <b>£7,451,000</b>                |

**Balance Sheet**

|  | <b>31 Oct 2023</b> | <b>31 Oct 2022</b> |
|--|--------------------|--------------------|
| Fair value of assets                         | 0                  | £7,451,000         |
| Defined benefit obligation                   | 0                  | (£7,451,000)       |
| Surplus/(Shortfall)                          | 0                  | £20,000            |
| Effect of asset ceiling/IFRIC14              | 0                  | (£20,000)          |
| <b>Net defined benefit (liability)/asset</b> | <b>£0</b>          | <b>£0</b>          |

**Amount recognised in Profit and Loss**

|   | <b>Period to<br/>31 Oct 2023</b> | <b>Period to<br/>31 Oct 2022</b> |
|---|----------------------------------|----------------------------------|
| Current service cost                        | 0                                | 0                                |
| Administration expenses                     | £50,000                          | £144,000                         |
| Interest costs                              | £335,000                         | £195,000                         |
| Interest income                             | (£335,000)                       | (£211,000)                       |
| Interest on effect of asset ceiling/IFRIC14 | 0                                | £16,000                          |
| <b>Total charge to Profit and Loss</b>      | <b>£50,000</b>                   | <b>£144,000</b>                  |

**Amount charged to other comprehensive income**

|  | <b>Period to<br/>31 Oct 2023</b> | <b>Period to<br/>31 Oct 2022</b> |
|--|----------------------------------|----------------------------------|
| Return on assets less interest income            | (£982,000)                       | (£4,260,000)                     |
| Actuarial gains/(losses) – change in assumptions | £792,000                         | £3,347,000                       |
| Change in impact of asset ceiling/IFRIC14        | £20,000                          | £957,000                         |
| <b>Total remeasurements</b>                      | <b>(£170,000)</b>                | <b>£44,000</b>                   |

**Change of changes in present value of DB obligation**

|  | <b>Period to<br/>31 Oct 2023</b> | <b>Period to<br/>31 Oct 2022</b> |
|--|----------------------------------|----------------------------------|
| <b>Value of liabilities at start</b>     | £7,431,000                       | £ 11,067,000                     |
| Current service costs                    | 0                                | 0                                |
| Past service costs                       | 0                                | 0                                |
| Interest cost                            | £335,000                         | £195,000                         |
| Benefits received/(paid)                 | (£592,000)                       | (£484,000)                       |
| Change due to settlement or curtailments | 0                                | 0                                |
| Experience (gain)/loss on experience     | 0                                | 0                                |
| Change in assumptions (gain)/loss        | (£792,000)                       | (£3,347,000)                     |
| Settlement Payments                      | (£6,382,000)                     | 0                                |
| Closing defined benefit obligations      | <b>£0</b>                        | <b>£7,431,000</b>                |
| <b>Change in value of assets</b>         |                                  |                                  |

|  | <b>Period to<br/>31 Oct 2023</b> | <b>Period to<br/>31 Oct 2022</b> |
|--|----------------------------------|----------------------------------|
| <b>Value of assets at start</b>        | £7,451,000                       | £12,028,000                      |
| Interest on assets                     | £335,000                         | £211,000                         |
| Employer contributions                 | £220,000                         | £100,000                         |
| Member contributions                   | 0                                | 0                                |
| Benefits paid                          | (£592,000)                       | (£484,000)                       |
| Administration costs                   | (£50,000)                        | (£144,000)                       |
| Settlements and curtailments           | (£6,382,000)                     | 0                                |
| Actuarial gain/(loss) on Scheme assets | (£982,000)                       | (£4,260,000)                     |
| <b>Value of assets at end</b>          | <b>£0</b>                        | <b>£7,451,000</b>                |

**Change in effect of the asset ceiling/IFRIC14**

|  | <b>Period to<br/>31 Oct 2023</b> | <b>Period to<br/>31 Oct 2022</b> |
|--|----------------------------------|----------------------------------|
| <b>Opening effect of the asset ceiling/IFRIC14</b> | £20,000                          | £961,000                         |
| Interest on effect of assets ceiling/IFRIC14       | £0                               | £16,000                          |
| Change in the effect of asset ceiling/IFRIC14      | (£20,000)                        | (£957,000)                       |
| <b>Closing effect of the asset ceiling/IFRIC14</b> | <b>£0</b>                        | <b>£20,000</b>                   |

**GROUP PERSONAL PENSION**

The Fishermen's Mission also operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Fishermen's Mission in an independently administered fund. The pension cost charge represents contributions payable by the Fishermen's Mission to the fund. At the year end, there were no unpaid contributions (2022: none).

|   | <b>2023</b>    | <b>2022</b>    |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| Contributions payable by the Fishermen's Mission for the year | <b>129,072</b> | <b>123,073</b> |

17. **RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year.

**Disclosure:** Mrs Alison Godfrey (Director of Business Development) at the Fishermen's Mission is a key management person for the Fishermen's Mission. Mrs Godfrey is also a serving trustee of the Merchant Navy Welfare Board (MNWB)'s Council which receives and approves grant applications from the Fishermen's Mission along with other charities and organisations. As one of approximately 15 current trustees, there is a recognised degree of influence as she advises the Council as a "*person able to make a particular contribution due to their specialist expertise*" but this is not considered to be 'significant influence' so as to be in conflict under the definition of related party transactions.

Note. During Financial Year 2022/2023 the Fishermen's Mission received grants from MNWB totalling £150,824 (including £125K of funding which flowed through MNWB from the Department for Transport). In Financial Year 2021/2022, the total value of grants received from MNWB was £81,360.

18. **CASH FLOW STATEMENT**

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

|  | <b>2023</b>      | <b>2022</b>        |
|--|------------------|--------------------|
|  | <b>£</b>         | <b>£</b>           |
| Net expending resources                                    | (754,169)        | (935,454)          |
| Investment income  | (300,000)        | (300,000)          |
| Interest payable   | 1,062            | 10,046             |
| Depreciation on tangible fixed assets                      | 100,259          | 108,779            |
| (Increase)/Decrease in debtors                             | (73,020)         | 27,078             |
| (Decrease)/Increase in creditors                           | 49,717           | 13,811             |
| Pension scheme contributions in excess of charge           | 50,000           | 144,000            |
| (Gain)/Loss on Disposal of Fixed Assets                    | (2,838)          | (110,360)          |
| <b>Net Cash Provided by (Used In) Operating Activities</b> | <b>(928,989)</b> | <b>(1,042,100)</b> |

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

|   | <b>2023</b>    | <b>2022</b>    |
|---|----------------|----------------|
|   | <b>£</b>       | <b>£</b>       |
| (Decrease)/Increase in cash in the year     | (58,472)       | (280,615)      |
| Changes in net cash balance from cash flows | (58,472)       | (280,615)      |
| Net cash balance brought forward            | 479,035        | 759,650        |
| <b>Net cash balance carried forward</b>     | <b>420,563</b> | <b>479,035</b> |

(c) **Analysis of net cash resources for the year**

|                                 | <b>At 31</b>   | <b>Cash</b>     | <b>At 31</b>   |
|---------------------------------|----------------|-----------------|----------------|
|                                 | <b>October</b> | <b>Flows</b>    | <b>October</b> |
|                                 | <b>2022</b>    |                 | <b>2023</b>    |
|                                 | <b>£</b>       | <b>£</b>        | <b>£</b>       |
| <b>Cash in hand and at bank</b> | <b>479,035</b> | <b>(58,472)</b> | <b>420,563</b> |

19. **POST BALANCE SHEET EVENT**

There are no post balance sheet events for Financial Year 2022/2023.