



**THE CORPORATION OF TRINITY HOUSE
OF DEPTFORD STROND**

**REPORT OF THE CORPORATE BOARD AND GROUP ACCOUNTS
OF
THE CORPORATE CHARITY AND ITS SUBSIDIARIES INCLUDING
THE TRINITY HOUSE MARITIME CHARITY**

FOR THE YEAR ENDED 31 MARCH 2020

THE CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND

The Corporate Board, as trustees, present their annual report and the accounts for the year ended 31 March 2020.

THE CORPORATION'S OBJECTIVES AND ACTIVITIES

The Corporation of Trinity House was incorporated by Royal Charter in 1514 and its primary aims are to serve the mariner with support to those in need, to provide education and training in seamanship and to promote safe navigation at sea.

With this in mind, the Corporation's vision is:

To be a key influencing UK maritime charity promoting the safeguarding of shipping and seafarers by providing Education, Training, Support and Welfare to the seafaring community.

The principal charity is the Corporate Charity which is responsible for the licensing of Deep Sea Pilots, the provision of expertise on maritime matters and the appointment of Nautical Assessors to assist the Admiralty Court. Under its Royal Charters, it is also responsible for the upkeep of Trinity House and the maintenance and good governance of the Trinity House Fraternity which now numbers more than 400 Elder and Younger Brethren.

The Corporation's subsidiary charity, the Trinity House Maritime Charity, is governed by a scheme of the Charity Commission. Its primary objects are the provision of almshouse accommodation for needy mariners and their dependants and the payment of annuities. The scheme also provides for a number of other charitable objects concerning: education and training in navigation and seamanship; the advancement of public safety - in particular the safety of mariners and shipping generally; the relief of need amongst mariners and their dependants; and the education of the public in matters relating to navigation, shipping and seamanship.

The Corporation's activities, as set out below, demonstrate that Trinity House operates for the public benefit under four charitable purposes as defined in the Charities Act 2011. These are: the relief of those in need; the advancement of education; the advancement of health and saving lives; and the advancement of the arts, culture, heritage or science. The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

The Corporation's activities in relation to the above objectives are as follows:

Welfare Services

The Trinity House Maritime Charity operates 18 almshouses in Walmer, Kent which are purpose built and fitted out with the elderly in mind. Otherwise known as the Trinity Homes, each bungalow overlooks attractive, landscaped gardens and there is also a spacious communal common/dining room which is available to all residents.

Although the almshouses are not nursing homes as such, the Homes Supervisor is usually available on weekdays for consultation and advice. Night Attendants are also on duty overnight every day of the week and an emergency care line system is in place where, in the event of sudden illness or a fall, a resident can quickly call for help.

To be eligible to stay in the Homes, residents must be mariners (or widows or dependent children of mariners) in financial need, who have normally had over 15 years' service at sea. Residents are typically aged 60 and above.

In addition, the Charity makes regular payments to up to 60 annuitants, some of whom are residents at the Trinity Homes. Occasional one-off grants are also made as direct support to former mariners (and their dependants) in financial need.

The Charity's other significant activity within the welfare sector is the award of grants to other maritime charities. Given the number of well-established maritime charities which provide welfare services directly to those in need, the trustees consider that it would be an inefficient use of resources to duplicate their efforts; they therefore prefer to fulfil the Corporation's secondary objectives through support for these charities by way of major grants.

To further improve its efficiency in this area, the Charity is a member of the Merchant Navy Welfare Board Serving Seafarer and Older Seafarer and Families Working Groups, and the Maritime Charities Group (MCG) which comprises the ten major grant-making charities in the maritime welfare sector: Seafarers UK; Merchant Navy Welfare Board; Nautilus International; Seafarers' Hospital Society; Royal Navy and Royal Marines Charity; Greenwich Hospital; ITF Seafarers' Trust; Lloyds Register Foundation; TK Foundation and Trinity House. The MCG fosters collaboration across the maritime charity sector; it does this by sharing information, commissioning research, supporting the education and welfare of seafarers and their families, and by the promotion of best practice within the maritime charity sector.

Youth Opportunities and Training

This charitable activity, which enables young people to experience life at sea, has a three-fold aim. Firstly, young people gain confidence at sea by handling small and large craft which, in turn, enhances public safety at sea. Secondly, such activities promote the education and training of those who wish to pursue a career at sea. The confidence gained can often open the young people's eyes to the wealth of opportunities available that they may not have considered or have even been aware of. Finally, this activity increases awareness of navigation, shipping and seamanship alongside highlighting the role of Trinity House and other agencies in promoting the safety of shipping.

In this regard, the Corporation provides major grants to two maritime charities engaged in the provision of such activities: the Marine Society and Sea Cadets and the Tall Ships Youth Trust. The Corporation also funds career development bursaries awarded by the Association of Sea Training Organisations (ASTO) to those who seek to pursue careers in sail training organisations, RYA Yachtmaster Scholarships for those working in the small commercial vessel sector and a superyacht cadetship through the United Kingdom Sailing Academy (UKSA).

Education and training in navigation, seamanship and marine engineering is mainly provided through the Corporation's Merchant Navy Scholarship Scheme (MNSS). Through the Scheme, young people training to become officers in the Merchant Navy are supported by bursaries through their academic courses and sea-going training. Candidates, who are usually between 16 and 18½ years old, undertake a three year programme split between nautical college and time at sea in a variety of sea-going vessels. Cadets can train as Deck, Engineer or Electro-Technical Officers (ETOs).

Public Safety and Education

The safety of mariners and shipping generally, and of the public who travel by ship, is the core activity of Trinity House in its capacity as a General Lighthouse Authority. It is also a charitable activity of the Corporation's charities which provide a number of major grants for this purpose.

The Trinity House Maritime Charity also provides grants towards the advancement of education in maritime matters such as seamanship.

Maintaining the Fabric and Heritage of Trinity House

The maintenance of the fabric and heritage of Trinity House is an essential part of the Corporation's activities. This Grade I listed building dates from 1795 and was restored and re-opened in 1953 following wartime damage.

Although it continues to be the headquarters building of the Lighthouse Service and of the Corporation's charities, its ceremonial rooms are normally seen by well over 20,000 visitors each year who attend for conferences, receptions and other functions (though markedly fewer in the circumstances of the Covid-19 pandemic – see page 12). These include the annual general meetings of other charities in the maritime sector and the Corporation also participates in London Open House. Although the building is used extensively for the Corporation's own administrative and operational purposes, its successful promotion to external users not only enhances public understanding of the important role of the Corporation but also maximises the use of its assets.

The majority of the costs of maintaining Trinity House are funded by room letting income and the building is normally available for use each day throughout the year apart from a four-week refit in August and the days between Christmas and New Year.

Deep Sea Pilotage and Provision of Nautical Assessors

A further important role of the Corporation regarding navigational safety is that of a Deep Sea Pilotage Authority where suitable candidates are licensed. Currently the Corporation is encouraging more candidates to seek Deep Sea Pilotage licences as they play an increasingly important role in the safety of shipping in the English Channel, North Sea and around our coasts. The costs involved in obtaining a licence can be considerable and under this scheme, bursaries are awarded to successful candidates to help them with the purchase of necessary equipment and mitigate the costs involved in training.

In addition, the Corporation is required to appoint Nautical Assessors to assist the Admiralty Court where the judge requires additional navigational expertise. Cases may involve complex technical and professional issues and hearings may last two weeks or more.

Trustees' review of charitable expenditure and grant-making policy

Following on from the initial changes made to the Charity's grant making processes last year, further work has been undertaken to clarify the charity room grant policy. This ensures that those eligible organisations who meet our charitable objectives are offered the same level of support whether large or small. Charity visits continue to be an important part of our work, not only to build good relationships with those that we fund, but also as a means of providing Trustees with an up to date picture of how the beneficiary organisation works, the need that it is addressing and the impact that the Charity's funding has had. Last year, grant reporting was in its infancy but this has developed further with clearer reporting guidelines and timescales. This enables the Charity to have a greater understanding of the difference that the funding has made not only to the organisation but to its beneficiaries, students or project.

In the previous year, the Charity held a seminar for those organisations that it supports alongside other maritime Charities. It was entitled "Separate but United" and focussed on how we can foster greater collaboration across the maritime sector and beyond. Presentations were given on partnership working both within and outside of the maritime charity sector from organisations working with elderly seafarers and young families, as well as the lessons learnt from collaboration. The seminar allowed the Charity to be a conduit enabling a wide range of organisations, who may not have met in other circumstances, the opportunity to come together, learn from each other and forge new contacts. Over fifty people attended and feedback was extremely positive.

Notwithstanding the above, the trustees continue to maintain the policy that where possible, the allocation of grants expenditure by the Maritime Charity between education and training, welfare and safety should be in the proportion 6:4:1.

Subsidiary companies

The management of the ceremonial room lettings referred to above is undertaken by Trinity House Events Limited, a wholly owned subsidiary company of the Corporate Charity. Profits generated by the company are directed towards the Corporation's charitable objects.

The Corporate Charity is also the sole owner of Trinitas Services Limited, the principal activity of which is the management and operation of 37 former lighthouse keepers' cottages as holiday accommodation. The day-to-day management of the company is carried out by staff employed by the Trinity House Lighthouse Service (see page 15).

ACHIEVEMENTS AND PERFORMANCE

Welfare Services

During the year the Corporation spent £1.67 million towards the welfare of mariners and their dependants compared with £1.62 million in the previous year. Including support costs, this equates to 35% of the total charitable expenditure in the year (excluding restricted grants made from the Department for Transport Fund – see 'Public Safety and Training' below) compared with the trustees' target of 36% of expenditure.

Expenditure in the year included:

- The maintenance and upkeep of the Trinity Homes in Walmer (£328,000). The Homes are regularly inspected by the Corporation's surveyors and all 18 bungalows and the communal building continue to be in good repair. However, a recent review by the new General Manager has revealed a number of areas that require attention in order to ensure compliance with Health and Safety and a programme of rectification and maintenance is underway. The gardens continue to be beautifully maintained and are much appreciated by the residents. No major projects were undertaken in the year but a number of minor adaptations to individual properties were made in the year.

Sadly, two residents passed away during the year and this resulted in two bungalows being vacant at the year end. Every effort is being made to appoint new beneficiaries for the bungalows but this is, of course, being made much more difficult as a result of the current coronavirus pandemic.

- Major grants to 19 welfare charities in the maritime sector totalling £743,000.
- Minor grants (generally those under £10,000) to welfare charities and individuals totalling £281,000.
- Annuities to 33 retired seafarers in financial need at a rate of £780 per annum.

One of the welfare charities to receive a grant of £20,000 was Combat Stress. They are the UK's leading charity for veterans' mental health. For over a century they have helped former servicemen and women overcome mental health issues. Today they focus on delivering specialist treatment and support to veterans who have severe mental health conditions such as complex post-traumatic stress disorder. The Charity has supported Combat Stress for many years, ensuring that the team can

provide their critical services to former members of the Royal Navy, Royal Marines and Merchant Navy.

“We are extremely grateful for the support of Trinity House Maritime Charity. It will help us in achieving our vision for all former servicemen and women with complex mental health problems to live full and meaningful lives”

Another welfare charity to receive a grant of £6,930 was The Silver Line. The Seafarers’ Link service operated by The Silver Line provides free, regular, group friendship telephone calls which enable up to six like-minded people to talk together for an hour. The calls offer an easy way to connect people who have a maritime background, all those with a Royal Navy, Royal Marines, Royal Fleet Auxiliary, Merchant Navy, WRENS or fishing background are welcome to join. The group enables ex-seafarers to make new friends enabling them to share stories and experiences of life at sea without having to leave their homes. The Charity’s grant enabled the Silver Line to further engage with the maritime sector, develop new referral partnerships to reach those “hidden” seafarers who would benefit from the friendship and camaraderie that the telephone circles can bring.

‘The recent funding support from Trinity House has enabled us to promote Seafarers’ Link to Seafarers, to benefit from regular telephone contact to combat loneliness and isolation across the UK’.

Youth Opportunities and Training

The Corporation’s expenditure on this charitable objective totalled £2.80 million compared with £3.1 million in the previous year. This includes support costs and equates to 60% of the total charitable expenditure in the year compared with the trustees’ target of 55% of expenditure. Again, these figures exclude restricted grants made from the Department for Transport Fund.

The cost of the Merchant Navy Scholarship Scheme (MNSS) was the largest item of charitable expenditure in the year totalling £1.88 million. This cost, however, was partially offset by government grants of £626,000.

Over the last year, we have been encouraged by the high calibre of cadets applying for a Trinity House cadetship and the female intake has also slightly increased compared with previous years. The numbers of those seeking an engineering cadetship has also increased but we are continuing to experience difficulties in recruiting suitable candidates wishing to follow the Electrical Technical Officer (ETO) route. In total, 115 cadets were undergoing training under the MNSS at the year end.

A total of 37 cadets graduated in the year with an Officer of the Watch (OOW) and an HND or Foundation Degree qualification; 23 of these were ‘Deck’ cadets, 11 were ‘Engineer’ and three were ETO. It is very encouraging to see that many of these graduates have now secured employment within the Maritime sector and we have received several letters of thanks for the support and opportunity Trinity House has given them. We also remain confident that many will become the next generation of both senior officers afloat and leaders in the maritime sector ashore.

Since the year end, as is the case with so many industries, the coronavirus pandemic is presenting the shipping industry with some significant challenges with many shipping companies making redundancies and cut backs. However, we will continue to make every effort to help Trinity House graduates to secure employment.

Partnerships secured with several organisations have been a great asset in securing employment for the Trinity House cadets. For example, under the terms of an agreement, TeeKay Gas contributes 50% of the cost of training a number of Trinity House cadets on its highly sophisticated gas carriers and some of whom have now been offered junior officer positions with the company.

We have also entered into a partnership with the UK Sailing Academy (UKSA) and the first intake of six cadets was recruited in the year. These are following the OOW 3000t CoC training programme and the majority will enter the Superyacht sector on completion of Phase 1 of the course. A Trinity House Younger Brother, who is monitoring the cadets' progress (to ensure that they receive the necessary level of support) is influential in maintaining this relationship, and candidates are currently being interviewed. This is, of course, all subject to the UKSA being able to reopen in light of the restrictions imposed through the COVID-19 government guidelines.

In conjunction with the Royal Navy/Merchant Navy Liaison Officer, who is also a Trinity House Younger Brother, and following consultation with the Maritime Coastguard Agency, we have also developed a fast track scheme to enable Royal Navy Executive Officers, Engineering Officers and Senior Rates who meet the necessary academic levels, to transfer to the Merchant Navy. This has proved successful, with one deck and two engineering fast track cadets from the Royal Navy, gaining their commercial OOW qualification in the year.

Our other major expenditure area under the Youth Opportunities and Training objective is on major grants which totalled £475,000. The recipients of these grants were charities engaged in providing opportunities for young people to experience sailing and other maritime activities and the provision of training. These charities included the Marine Society and Sea Cadets (£147,000) and the Tall Ships Youth Trust (£49,000).

The minor grants awarded in this area have also shown a significant impact. The National Coastwatch Institution was awarded £15,000 towards the rewriting of their Operations and Safety Manual and radio training for the volunteers. From small beginnings at Bass Point on the Lizard peninsula in Cornwall in 1994, twenty six years on, NCI maintains 56 stations plus a number of remote cameras, operated by over 2,650 fully trained volunteers acting as the eyes and ears of the emergency services. The team keep an eye on users of the inshore waters, beaches and coastline and listen for any emergency calls on VHF radio. While sophisticated electronic communications systems are commonplace, a computer cannot spot a distress flare, an overturned boat, a yachtsman, kayaker or fisherman in trouble, but a trained watchkeeper can.

"National Coastwatch continues to benefit from the support of grants from Trinity House in the creation of a long awaited rewrite of its complex Station Operations and Management manual"

The Fellowship Afloat Charitable Trust (FACT) was awarded a Waterborne Training and Access grant of £10,000 towards their training programme. FACT is an outdoor activity centre based in Tollesbury, serving nearly 2,000 residential and day visitors a year, chiefly children and young people. FACT aims to develop young people's talents, teamwork, leadership and character through sailing and a range of adventure activities. Each year around 75% (1,300) of FACT's beneficiaries are children and young people who attend as part of youth groups, school trips and RYA training courses. Since 2013, 1,613 young people from low-income backgrounds have been supported by FACT's bursary fund.

"We have a long-standing relationship with Trinity House which dates back to 1991 when we purchased the former No. 15 Lightvessel and transformed her into Trinity, our unique residential floating activity centre. We are very grateful for all the support Trinity House has offered FACT over the years, most recently in awarding us the Waterborne Training and Access Grant which has given a huge boost to our Training budget. We look forward to accommodating many more young people on board Trinity and giving them some life long memories and skills."

Public Safety and Education

Including support costs, unrestricted grant expenditure on this charitable activity totalled £255,000 compared with £193,000 in the previous year. This equates to 5% of the total charitable expenditure in the year compared with the trustees' target allocation of 9%.

In addition, restricted grants totalling £519,000 were disbursed from the Charity's **Department for Transport Fund** and details of these are set out in a separate section below.

One of the Corporation's beneficiary organisations to receive a grant of £25,000 was the Animateur Project. Based in Newlyn but serving the whole of the UK, the Animateurs support the fishing community, especially smaller fishers working on under 10m boats, to access appropriate financial support and help them with the grant application process. By supporting fishers, a third of whom lack the level of literacy required to complete complex grant applications, to access the financial support needed to undertake improvements to their vessels, the safety of the vessel and her crew is improved. The Animateur project is an excellent example of how the Charity works in partnership within the maritime sector and is co-funded with the Fishmongers' Company and Seafarers UK.

“The financial support from Trinity House has been a vital key component in enabling this service to deliver real change to over 200 fishing family businesses, unlocking well over £1million in grant support”.

The Royal Institute of Navigation (RIN) was awarded a grant of £17,600. This support enables the Institute to offer a broader programme of activities than would otherwise have been possible. The RIN is an inclusive organisation, bringing diverse disciplines together to work towards a more navigable world and approximately 40% of its membership are either professional mariners or leisure sailors. The RIN's Small Craft Group has offered a range of activities to mariners and their Professional Maritime Navigation Group was relaunched earlier in the year.

“The objects of the RIN and Trinity House Maritime Charity have significant overlap in relation to safety of the mariner. We aim to bring people together to share insights and build understanding, all focused on navigation expertise, safety and efficiency. The Trinity House grant enables RIN to do more and to reach more people”

Safety and Education grants disbursed from the Department for Transport Fund

As reported in the previous year's report and accounts, a Grant Funding Agreement with the Department for Transport approving the payment of a grant to the Trinity House Maritime Charity of £3.0 million was signed on 27 March 2019. This grant, which was received in April 2019, was in support of safety and training related matters within the charity's objects and in the year a total of £519,000 was disbursed mainly to Seafish (£452,000) and the Royal Yachting Association (£64,000).

Seafish is a Non-Departmental Public Body (NDPB) which supports the seafood sector in the UK to help it thrive. The grants awarded to them by the Charity were in support of a number of projects being undertaken by them, namely: a fishing safety media campaign; general training for fishermen in England and Wales; purchases of Personal Flotation Devices and Personal Locator Beacons, and cold water shock training.

The grant to the International Seafarers and Assistance Network (ISWAN) was in support of seafarers' mental wellbeing whilst the grant to the Royal Yachting Association (RYA) was in support of a safe boating brief.

Maintenance of the Fabric and Heritage of Trinity House

Expenditure on this eighteenth century Grade I Listed building in the year totalled £1.52 million compared with £874,000 in the previous year. However, the current year's figure includes an impairment 'cost' of £575,000 in respect of a recent revaluation of the treasures. Specifically, this cost relates to a ship model which had been previously valued (in 2012) at £600,000 but, as a result of recent academic research which suggested that it was a 20th century copy rather than a 17th century

original, it is now valued at just £25,000. This impairment ‘cost’ has no impact on the Charity’s revenue funds and free reserves.

Excluding the impairment cost, expenditure totalled £945,000 and a significant part of this related to annual planned maintenance works which included the replacement of the two chlorifiers in the basement. These controlled the building’s hot water supply and were becoming increasingly unreliable, being last replaced at least 15 years ago. This expenditure was mainly funded by income derived from the letting of the ceremonial rooms through the Corporation’s subsidiary company, Trinity House Events Limited.

Investments

- *Trinity Village* (value £246.2 million): the main objective for the year concerning the Charity’s main investment property portfolio (“Trinity Village”) was to maintain and sustainably improve the rental income. A key component of this strategy is the maintenance of the estate at a high standard to achieve good rental levels.

Rental income rose by 7.6% in the year. This was mainly as a result of the completion of the Swan Street/Harper Road development which had been undertaken with the Charity’s development partner, Acorn Galliard. This project secured for the Charity 23 newly-built flats and a small commercial unit in place of an old sorting office and a disused court house building. Completion was finally achieved in September 2019 and the flats are producing additional rental income for the Charity of approximately £600,000 per annum. This is being applied for charitable purposes.

The trustees are also pleased to report that the value of the estate rose by 2.5% in the year. However, as a result of Covid-19, this valuation has been reported on the basis of ‘material valuation uncertainty’ in accordance with RICS guidance (note 16).

During the year, the trustees instructed Knight Frank to carry out a detailed strategic review of the Trinity Village Estate with a view to identifying the opportunities that existed to grow the net income. The aim of the review was to also ascertain the options for diversification, both now and in the future. This was reviewed by the trustees in the autumn of 2019 and Knight Frank are currently in the process of preparing a business plan with a view to implementing the recommendations put forward in the strategic review.

- *Portfolio investments* (value: £13.0 million): in May 2019, following an extensive review by Deloitte, the trustees agreed to appoint BlackRock as investment managers in place of Sarasin LLP and to move from ‘active’ to ‘passive’ management of the portfolios. This has resulted in lower management costs for the Charities.

The primary portfolio is the permanent endowment (‘Capital’) fund and this recorded a total return in the financial year of -9.33% compared with the benchmark of -9.03%. This negative performance (in line with the benchmark) was mainly as a result of the outbreak of the Covid-19 pandemic in late March 2020. Performance continues to be closely monitored by the Committee and Board on a quarterly basis.

FUTURE PLANS

During the coming year the trustees will seek to:

- Disburse £1.47 million in major grants from the Charities’ unrestricted funds, and a further £350,000 in minor grants to other maritime charities and organisations.

- Monitor and mitigate the effects of the COVID-19 pandemic on the sources of income of both Charities.
- Establish options for a significant Emergency Fund that targets longer term need stemming from COVID-19.
- Continue to disburse grants from the DfT restricted fund towards safety and training related matters, in accordance with the Charities' objects.
- Continue to maintain the almshouses to a high standard and at full occupancy.
- Continue to recruit high-quality candidates to the MNSS and to explore new opportunities with other charities and organisations.
- Implement the Trinity Village Business Plan prepared by Knight Frank following strategic review, with the objectives of growing the net income of the estate and ascertaining the options for diversification.
- Continue to explore means of increasing income through the Corporate Charity's subsidiary company, Trinity House Events Limited, whilst mitigating and recovering from the impact of the COVID-19 pandemic.
- Replace the room letting software with a more comprehensive, better supported and user-friendly system.
- Continue to maintain the Trinity House Grade I listed building to a high standard with planned works in the year.
- Carry out a review of the Corporate Structure, including governance and departmental procedures.
- Assess options for recommendation to the Court in relation to refreshing the Corporation's Charters.

FINANCIAL REVIEW

Financial Commentary

The financial statements which follow this report show the combined accounts of the Corporate Charity and the Trinity House Maritime Charity, and the group accounts which include the results of the Corporate Charity's two subsidiary companies, Trinitas Services Limited and Trinity House Events Limited. The following narrative relates to the group accounts only.

Starting with by far the larger of the two Charities, the Trinity House Maritime Charity's unrestricted funds produced a surplus in the year of £91,000 compared with the previous year's surplus of £93,000.

The Maritime Charity's unrestricted income rose from £7.0 million to £7.2 million partly as a result of a 7.6% increase in estate income which totalled £7.1 million for the year.

Unrestricted charitable expenditure totalled just over £4.0 million which was the same as in the previous year. This comprised £1.6 million on welfare activities, £2.2 million on youth opportunities and training and £255,000 on public safety and education. Expenditure on raising funds rose from

£2.7 million in the previous year to £3.1 million largely as a result of health and safety improvements on the Trinity Village estate.

Overall, after taking account of an actuarial loss on the pension scheme (under the provisions of FRS 102) of £45,000, the Charity's unrestricted reserves increased by £46,000 to £1.16 million.

Turning to the Maritime Charity's restricted funds, grants totalling £519,000 were disbursed in the year from the Department for Transport Fund. These grant payments were in support of improving the safety and training of UK fishermen and the balance of the Fund at the year end was £2.4 million. The charity's restricted funds at the year end stood at £2.7 million compared with £3.2 million in the previous year.

The Maritime Charity's permanent endowment ('capital') funds increased by £4.0 million in the year to £265.7 million. This was mainly as a result of a 2.5% revaluation gain on the Trinity Village investment property portfolio which, at the year end, was valued at £246.2 million. As noted earlier, this valuation is subject to 'material valuation uncertainty' as a result of Covid-19.

Turning to the Corporate Charity and its subsidiaries, room letting income suffered a downturn, falling from £669,000 in the previous year to £539,000. This was mainly as a result of the economic uncertainty caused by Brexit, especially during the first quarter following the postponement of the date to exit the EU. Partly as a result of this, the Charity's overall income fell from £2.2 million in the previous year to £2.0 million. The Charity's expenditure rose from £2.2 million in the previous year to £2.9 million. However, the main reason for this increase was an impairment 'charge' of £575,000 in respect of a ship model. This charge (together with depreciation on the Trinity House building of £130,000), only affected the Charity's fixed assets designated fund and had no impact on the Charity's free reserves. As a result of the fall in income and impairment cost, the Charity produced a deficit of £839,000. (It should be noted that excluding the impairment and depreciation charges, the deficit reduces to £134,000.) Overall, after investment losses of £78,000 and an actuarial loss of £14,000 on the pension scheme, the Charity showed a net decrease in funds of £931,000 to £10.2 million.

Overall, the total combined funds of the two charities and their subsidiaries stood at £279.7 million compared with £277.2 million in the previous year.

Investment policy

The Maritime Charity's investment portfolio is comprised of residential and commercial property (the 'Trinity Village') which was valued at £246.2 million at 31 March 2020, agricultural holdings valued at £5.6 million and portfolio investments (including cash awaiting investment) valued at £12.0 million. The Corporate Charity also has portfolio investments which were valued at £1.1 million.

The trustees' policy with regard to the Trinity Village is to:

- Seek the maximum level of sustainable rental income;
- Undertake scheduled and periodic property maintenance obligations as they arise and in accordance with good standards of workmanship and safe working practice;
- Enhance further, where appropriate, the prime residential areas of the Trinity Village internally and externally; and
- Examine opportunities for strategic redevelopment of commercial properties, usually upon reversion of leases.

As noted earlier, during the year, the estate managers carried out a detailed strategic review of the Trinity Village with a view to identifying opportunities to grow the net income. Since the year end, the estate managers have produced a business plan setting out the options for implementing the recommendations put forward in the strategic review. They are also considering options, for both now and in the future, for diversifying the charity's investment portfolio as a whole.

In April 2019, following an extensive review by Deloitte Total Reward & Benefits Limited ('Deloitte') on the portfolio investment allocations and policies, the trustees appointed BlackRock as investment managers in place of Sarasin & Partners LLP and agreed to move from 'active' management to 'passive' management of the portfolios. This has resulted in lower management costs.

During the year, the trustees' policy with regard to the primary investment portfolio (the Trinity House Maritime Charity 'Capital Fund') was to grow the Fund in order to support capital expenditure on Trinity Village. Accordingly, BlackRock were instructed to adopt a primarily passive approach to provide a cost-efficient way of gaining exposure to developed liquid markets (ie. equities, bonds and gilts). As recommended by Deloitte, the agreed asset allocations are as follows:

| <u>Name of BlackRock Pooled Fund</u> | <u>Benchmark</u> | <u>Benchmark Allocation</u> |
|---|--|-----------------------------|
| Shares Developed World Index Fund GBP Hedged | MSCI World Net TR Index | 67.5% |
| Shares Emerging Markets Index Fund | MSCI Emerging Markets Index, Net Returns in GBP | 7.5% |
| Shares UK Credit Bond Index Fund | iBoxx Sterling Non-Gilts Index | 17% |
| Shares Index Linked Gilt Index Fund | FTSE Actuaries UK Index-Linked Gilts over 5 years | 8% |

Principal risks and uncertainties

The Corporation's Schedule of Significant Risks is reviewed at least once a year by the Risk Management Committee. This is always comprised of the Deputy Master, one of the two trustees with significant business and commercial experience (see page 14), one of the Wardens, and the Secretary to the Corporation. Once reviewed by the Committee, the Schedule together with the minutes of the meeting are discussed and approved by the Corporate Board.

The Schedule of Significant Risks covers all aspects of the Corporation's operations including property and portfolio investment management, the Trinity House building and contents, income levels, financial management, human resources, information technology, legislation, governance and loss of reputation. All potential risks are assessed on their probability of occurrence and impact to the Corporation both 'prior to mitigation' and 'post mitigation' on a scale ranging from a 'very low' (less than 10% chance) likelihood to 'very high' (more than 80% chance).

The Schedule of Significant Risks identifies the key risks to the Charities and subsidiary companies to be as follows:

- *Trinity Village estate* – loss or diminution in value of property assets; loss of income for charitable purposes; litigation by tenants and leaseholders; prosecution by statutory authorities; failure to exploit asset value; insufficient diversity in the property and investment portfolio.

The trustees believe that the above risks have been mitigated by the retention of suitably qualified and experienced property management agents and surveyors, legal advisers and insurance brokers. The managing agents and lawyers provide regular detailed reports which are discussed at quarterly monitoring meetings. Other less formal meetings are also regularly held, often on the estate itself. The trustees also retain an Honorary Surveyor who is independent of the professional advisers and from whom they occasionally seek advice.

The trustees maintain suitable levels of reserves to mitigate against a loss in rental income from the estate. Estate income and expenditure is also monitored by the Board through the production of quarterly management accounts and budgets.

- *Trinity House building* - loss of room letting income (through the Corporation's subsidiary company, Trinity House Events Limited – see below); potential loss of life or injury and damage to property through fire, terrorism or inadequate maintenance; failure of the building management system; loss of heritage.

The trustees believe that the above risks are mitigated by regular property maintenance and safety checks, fire drills and reviews of evacuation procedures. Insurance is reviewed annually and a planned maintenance programme drawn up and managed by the Corporation's surveyors is carried out each year. The surveyors also ensure that full compliance with building and other regulations is maintained. The Tower of London has also kindly agreed to provide emergency conservator and storage support for the fine art 'treasures' in the event of an incident.

Income from the letting of the ceremonial rooms and the building's maintenance costs are monitored by the Board by means of quarterly management accounts and budgets. In addition to free reserves, trustees maintain a designated fund ('House Designated Fund') to ensure that sufficient monies are available for major repairs and refurbishments (both emergency and planned) to the building.

- COVID-19 – the effects of the pandemic pose differing risks to the Corporate Charity and the Trinity House Maritime Charity, as well as to the health and safety of staff and visitors.

For the Corporate Charity: risks to income associated with the inability to let rooms in the building through compliance with related legislation, and the public appetite for events, leading to depletion of the Charity's reserves and failure of Trinity House Events Limited (THEL) as a going concern.

The trustees believe that these risks are mitigated by THEL's working to optimise its recovery strategy while, at the same time, a regular review of fixed costs is maintained. However, the directors of THEL are looking closely at all the available options in considering the company's future in light of the impact of COVID-19.

For the Maritime Charity: risks to income from Trinity Village associated with inability of residential tenants to pay rent, commercial tenant business failures, government constraints on landlords, and broader impact on the rental market in London in general and in the area of Trinity Village in particular. This would impact upon charitable disbursements and estate husbandry.

The trustees believe that these risks are mitigated by advice and careful superintendence from their estate managers, Knight Frank.

The risk to staff and visitors includes the possibility of an outbreak in the House leading to enforced closure of the building, further loss of income, liability and reputational damage. This has been mitigated by a full risk assessment resulting in all measures being taken to render and sustain Trinity House as COVID-safe.

The trustees have assessed the major risks to which the charities are exposed and are satisfied that appropriate measures and effective systems and controls are in place to mitigate them. They intend reviewing risk on a more frequent basis, with the Risk Register used to better effect as a practical management tool.

Reserves policy

Corporate Charity

The Charity has reserves totalling £9.7 million comprising designated funds (£9.2 million), a pension reserve deficit (£124,000), restricted funds (£60,000) and unrestricted funds (free reserves) of £578,000. The designated funds are made up as follows:

- *House Designated Fund*: the purpose of this is to enable major refurbishments of the Trinity House building to be carried out in accordance with the long-term maintenance plan drawn up by the Charity's surveyors. The costs of maintaining this Grade I listed building are high and the plan has identified the requirement for considerable maintenance expenditure over the next 10 years. This is particularly essential in light of the fact that the building is Grade I listed and needs to be maintained to a very high standard to attract clients wishing to hire the function rooms, thus sustaining the Charity's room letting income. The balance of the Fund is £603,000 (2019: £826,000) and future planned works include the replacement of the two main passenger lifts and dumb waiters. The need to maintain the House Designated Fund at a relatively high level has been exemplified by the outbreak of the COVID-19 pandemic and the resulting loss of room letting income from mid-March 2020.
- *Fixed Assets Fund*: this is represented by tangible fixed assets not readily available to meet expenditure and the balance at the year end was £8.6 million (2019: £9.3 million).

The trustees' policy is to maintain free reserves at a level equivalent to between three and six months' operating expenditure. The balance of free reserves at the year end was £578,000 (2019: £586,000) which is equivalent to approximately six months' operating expenditure which is within the Trustees' target range.

Trinity House Maritime Charity

The Charity has reserves totalling £269.6 million comprising permanent endowment funds (£265.7 million), designated funds (£677,000), a pension reserve deficit (£331,000), restricted funds (£2.7 million) and unrestricted funds (free reserves) of £819,000. Income received from the permanent endowment funds is available for general purposes in accordance with the Charity's governing documents. The designated funds are made up as follows:

- *Extraordinary Repair Fund*: to meet the requirement of the charity's governing document to provide for extraordinary repairs, improvement and rebuilding of the Trinity Homes at Walmer. At the year end, the balance of this fund was £177,000 (2019: £177,000).
- *Merchant Navy Scholarship Scheme fund (MNSS)*: the trustees' policy is to maintain this fund at a level equivalent to between three and six months of the operating costs of the MNSS. The balance of the fund at the year end was £500,000 (2019: £500,000) which was equivalent to three months' operating costs.

The trustees' policy is to maintain free reserves at a level equivalent to between three and six months' operating expenditure. The balance of free reserves at the year end totalled £819,000 (2019: £682,000) which is equivalent to five months' operating expenditure and is within the target range.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trinity House was incorporated by Royal Charter in 1514. A Charter of Confirmation was granted in 1685 and, although supplemental Charters were granted for specific purposes between 1870 and 1978, the 1685 Charter remains the Corporation's principal governing document. The Corporation's duties as a General Lighthouse Authority are conducted by the Trinity House Lighthouse Service under powers given by the Merchant Shipping Acts. However, the funding, operations and management of the Lighthouse Service are entirely separate from those of the Corporation's charity undertakings and as a result, are not dealt with in these accounts.

The Corporate Charity is the principal charity (Registration Number 211869). The Trinity House Maritime Charity is a subsidiary of the Corporate Charity (Registration Number 211869/23) and is governed by a Scheme of the Charity Commission dated 7 August 1995. The Charity Commission granted a Uniting Direction on 24 May 2004 to enable the two charities to be combined for the purposes of reporting and the presentation of accounts.

The Members of the Corporate Board are elected by the Court of the Corporation and act as trustees of the charities. The trustees who served during the period from 1 April 2019 to the date of this report were as follows:

| | |
|---|-----------|
| Captain Ian McNaught MNM (<i>Deputy Master</i>) | 1,2,3,4,5 |
| Captain Nigel Palmer OBE MNM | 1,3,5 |
| Rear Admiral David Snelson CB | 1,5 |
| Captain Roger Barker MNM 1 | |
| Captain Nigel Hope RD* RNR | 1 |
| Captain Stephen Gobbi JP MA LLB | |
| Commodore William Walworth CBE MNM RFA | |
| Commodore Robert Dorey RFA | |
| Malcolm Glaister Esq | 2,4,5 |
| Richard Sadler Esq | 2,3,4,5 |

Committee membership:

- 1 *Member of the Management Committee*
- 2 *Member of the Investment and Audit Committee*
- 3 *Member of the Risk Management Committee*
- 4 *Member of the Remuneration Committee*
- 5 *Member of the Estates' Committee*

Commodore Martin Atherton OBE RN succeeded Commander Graham Hockley RN as Secretary to the Corporation in November 2019. The Secretary is the principal officer of the two charities with day-to-day responsibility for their effective operation and administration.

The Corporation's Royal Charters provide for the election of 31 Elder Brethren who collectively constitute the Court. All the trustees of the charities are Elder Brethren. The Court is supported and advised by a Fraternity of Younger Brethren, both men and women, who represent the broad constituencies with which the Corporation is associated. These individuals are likely to be senior professionals from the Merchant Navy or the Royal Navy, Pilots or Harbour Masters, or those engaged in other areas of the maritime sector including the shipping industry, associated businesses or statutory agencies. Others may have a background in sailing or the voluntary sector.

Those selected to serve as trustees reflect this broad range of skills and experience. The Board therefore comprises those with extensive knowledge and experience of the maritime sector in its widest sense. All are or have been senior figures in the sector; most also serve on the governing bodies of, or are otherwise associated with, other agencies and charities in the sector. Two members

of the Board have particular business and commercial experience and also serve as trustees of the Trinity House Corporate Pension Scheme.

Since trustees are elected from within the wider Fraternity, they will normally have extensive knowledge and experience of the functions of the charities and their operation. Nevertheless, new trustees are made aware of their responsibilities and are briefed formally by the Secretary on their role as trustees, the charities' governing documents, the way in which the trustee body operates, and the activities of the charities. Trustees are also regularly apprised of developments within the sector.

The Board meets six times a year and has appointed a number of Committees to discharge certain functions. These include the Remuneration, Investment and Audit, and Estates' Committees. The principal Committee, however, is the Management Committee which meets six times a year in the interval between Board meetings. This is empowered to approve minor grants and certain other matters, and make recommendations to the Board on matters of policy, the award of major grants and strategic issues. As highlighted earlier in this report, the Board has also appointed a Risk Management Committee.

The staff of the charities are led by the Secretary of the Corporation. Other staff are engaged in the financial and operational administration of the charities' functions, income generation, and the provision of support services at the Corporation's headquarters building at Tower Hill. There is also a small staff employed at the Trinity Homes in Walmer which are provided by the Trinity House Maritime Charity.

The key management personnel comprise the trustees, the Secretary to the Corporation, the Head of Finance, who is also a Deputy Secretary to the Corporation, and the Head of Events.

Staff salaries are reviewed annually by the Remuneration Committee which comprises the Deputy Master and the two trustees who have extensive experience in business and commerce. The Corporation believes in trying to attract and retain good quality staff for the long term and the Committee engaged a firm of consultants to carry out a detailed external pay review in 2018. The recommendations of this review were implemented in the previous financial year.

The Corporate Charity has two wholly owned subsidiary companies. The first of these, Trinitas Services Limited, was incorporated in 1993 and its principal activity is the operation of 37 former lighthouse keepers' cottages as holiday accommodation. Two of the five directors of the company are also members of the Corporate Board and a third director is the Secretary of the Corporation and principal officer of the charities.

The principal activity of the second company, Trinity House Events Limited, is the letting of the function rooms at Trinity House. Two of the company's three directors is a member of the Corporate Board and another is the Secretary of the Corporation and principal officer of the charities.

Fundraising statement

The charities do not actively solicit donations and therefore are not registered with the Fundraising Regulator and do not subscribe to any fundraising codes of practice. When donations from individuals are received, the charities aim to protect personal data and never sell data or swap data with other organisations. During 2019 and 2020, the charities received no complaints about fundraising activities.

THE CORPORATE BOARD'S RESPONSIBILITIES IN RELATION TO THE ACCOUNTS

The Corporate Board is responsible for preparing the Report of the Corporate Board and group accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Corporate Board to prepare accounts for each financial year which give a true and fair view of the state of affairs of the combined charities and the group (the combined charities and subsidiary companies) and of the income and expenditure of the charities and the group for that period.

In preparing these accounts, the Corporate Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charities and the group will continue in operation.

The Corporate Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charities and the group and enable it to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charities' governing documents. It is also responsible for safeguarding the assets of the charities and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Corporate Board on 6 October 2020 and signed on its behalf by

A handwritten signature in black ink, reading 'Ian McNaught', with a stylized flourish at the end.

Captain Ian McNaught
Deputy Master

OTHER REFERENCE DETAILS

Principal Office

Trinity House
Tower Hill
London EC3N 4DH

Telephone: 020 7481 6900
Website: www.trinityhouse.co.uk

Advisers

Auditor:

Buzzacott LLP
130 Wood Street
London EC2V 6DL

Managing Agents:

Knight Frank LLP
55 Baker Street
London W1U 8AN

Savills Ltd
Olympic House
Doddington Road
Lincoln LN6 3SE

Surveyors to the Corporate Charity:

Cluttons LLP
2 Portman Street
London W1H 6DU

Solicitors:

Forsters LLP *and*
31 Hill Street
London W1J 5LS

Stone King Sewell LLP
16 St John's Lane
London EC1M 4BS

Investment Managers:

BlackRock UK Retail Client Management
12 Throgmorton Avenue
London EC2N 2DL

Bankers:

Barclays Bank PLC
Level 28, 1 Churchill Place
London E14 5HP

INDEPENDENT AUDITOR'S REPORT TO THE CORPORATE BOARD OF THE CORPORATION OF TRINITY HOUSE

Opinion

We have audited the accounts of the combined charities of the Corporation of Trinity House and their subsidiaries (the group) for the year ended 31 March 2020 which comprise the group and combined charities' statement of financial activities, the group and combined charities' balance sheets, the group statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- ◆ give a true and fair view of the state of the group's and of the combined charities' affairs as at 31 March 2020 and of their income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Emphasis of matter

We draw attention to the disclosure in note 16 to the accounts, which explains the 'material valuation uncertainty' in respect of the investment properties as at 31 March 2020.

Our opinion is not modified in respect of this matter.

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 accounts section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- ◆ the Corporate Board's use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- ◆ the Corporate Board has not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the group's or the combined charities' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The Corporate Board is responsible for the other information. The other information comprises the information included in the Report of the Corporate Board and group accounts other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the Report of the Corporate Board is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of the Corporate Board's responsibilities in relation to the accounts, the Corporate Board is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Corporate Board determines is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Corporate Board is responsible for assessing the group's and the combined charities' 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 Corporate Board either intends to liquidate the group or the combined charities' or to cease operations, or has no realistic alternative but to do so.


Auditor's responsibilities for the audit of the accounts

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

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

Use of our report

This report is made solely to the Corporate Board, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Corporate Board, those matters we are required to state to it 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 combined charities and the Corporate Board as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'Buzzacott LLP', is positioned above the printed name of the firm.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

16 October 2020

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
GROUP STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 2020

| | Corporate Charity funds (including subsidiaries) | Trinity House Unrestricted funds | Maritime Restricted funds | Charity Permanent Endowment funds | Total 2020 | Total 2019 |
|--|--|--|---------------------------------|--|----------------|----------------|
| Notes | £000 | £000 | £000 | £000 | £000 | £000 |
| INCOME FROM: | | | | | | |
| Donations and legacies | 2 | 7 | - | - | 7 | 3,084 |
| Charitable activities | 3 | 460 | 17 | 626 | 1,103 | 1,224 |
| Other trading activities | 4 | 1,562 | - | - | 1,562 | 1,683 |
| Investments | 5 | 9 | 7,222 | 7 | 7,238 | 6,922 |
| TOTAL INCOME | | 2,038 | 7,239 | 633 | 9,910 | 12,913 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 6 | 1,325 | 3,116 | - | 4,457 | 4,017 |
| Charitable activities: | | | | | | |
| Welfare | 7 | 26 | 1,597 | - | 1,666 | 1,621 |
| Youth opportunities and training | 8 | - | 2,180 | 626 | 2,806 | 3,055 |
| Public safety and education | 9 | - | 255 | 519 | 774 | 193 |
| Maintaining the fabric and heritage of Trinity House | 10 | 945 | - | - | 945 | 874 |
| Impairment of treasure | 10 | 575 | - | - | 575 | - |
| Role as a Deep Sea Pilotage Authority | 11 | 6 | - | - | 6 | 12 |
| Provision of Nautical Assessors | 11 | - | - | - | - | 8 |
| TOTAL EXPENDITURE | | 2,877 | 7,148 | 1,145 | 11,229 | 9,780 |
| NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS AND LOSSES | | (839) | 91 | (512) | (1,319) | 3,133 |
| Gains on the revaluation and disposal of investment properties | 16 | - | - | - | 5,048 | 4,211 |
| (Losses) / gains on the revaluation and disposal of portfolio investments | 16 | (78) | - | - | (1,033) | 940 |
| NET (EXPENDITURE) / INCOME | | (917) | 91 | (512) | 3,956 | 8,284 |
| OTHER RECOGNISED GAINS AND LOSSES: | | | | | | |
| Actuarial loss on defined benefit pension scheme | 25 | (14) | (45) | - | (59) | (627) |
| NET MOVEMENT IN FUNDS | | (931) | 46 | (512) | 2,559 | 7,657 |
| BALANCE AT 1 APRIL 2019 | | 11,142 | 1,119 | 3,193 | 277,176 | 269,519 |
| BALANCE AT 31 MARCH 2020 | | 10,211 | 1,165 | 2,681 | 279,735 | 277,176 |

Detailed comparative figures are disclosed in note 29 to the accounts.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
COMBINED CHARITIES' STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 2020

| | | Corporate Charity funds | Trinity House Unrestricted funds | Maritime Charity Restricted funds | Permanent Endowment funds | Total 2020 | Total 2019 |
|---|-------|-------------------------------|--|---|---------------------------------|-----------------------|-----------------------|
| | Notes | £000 | £000 | £000 | £000 | £000 | £000 |
| INCOME FROM: | | | | | | | |
| Donations and legacies | 2 | 7 | - | - | - | 7 | 3,084 |
| Charitable activities | 3 | 460 | 17 | 626 | - | 1,103 | 1,224 |
| Other trading activities | 4 | 519 | - | - | - | 519 | 631 |
| Investments | 5 | 9 | 7,222 | 7 | - | 7,238 | 6,922 |
| TOTAL INCOME | | 995 | 7,239 | 633 | - | 8,867 | 11,861 |
| EXPENDITURE ON: | | | | | | | |
| Raising funds | 6 | 298 | 3,116 | - | 16 | 3,430 | 3,047 |
| Charitable activities: | | | | | | | |
| Welfare | 7 | 26 | 1,597 | - | 43 | 1,666 | 1,621 |
| Youth opportunities and training | 8 | - | 2,180 | 626 | - | 2,806 | 3,055 |
| Public safety and education | 9 | - | 255 | 519 | - | 774 | 193 |
| Maintaining the fabric and heritage of Trinity House | 10 | 945 | - | - | - | 945 | 874 |
| Impairment of treasure | 10 | 575 | - | - | - | 575 | - |
| Role as a Deep Sea Pilotage Authority | 11 | 6 | - | - | - | 6 | 12 |
| Provision of Nautical Assessors | 11 | - | - | - | - | - | 8 |
| TOTAL EXPENDITURE | | 1,850 | 7,148 | 1,145 | 59 | 10,202 | 8,810 |
| NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS AND LOSSES | | (855) | 91 | (512) | (59) | (1,335) | 3,051 |
| Gains on the revaluation and disposal of investment properties | 16 | - | - | - | 5,048 | 5,048 | 4,211 |
| (Losses) / gains on the revaluation and disposal of portfolio investments | 16 | (78) | - | - | (1,033) | (1,111) | 940 |
| NET (EXPENDITURE) / INCOME | | (933) | 91 | (512) | 3,956 | 2,602 | 8,202 |
| OTHER RECOGNISED GAINS AND LOSSES: | | | | | | | |
| Actuarial loss on defined benefit pension scheme | 25 | (14) | (45) | - | - | (59) | (627) |
| NET MOVEMENT IN FUNDS | | (947) | 46 | (512) | 3,956 | 2,543 | 7,575 |
| BALANCE AT 1 APRIL 2019 | | 10,657 | 1,119 | 3,193 | 261,722 | 276,691 | 269,116 |
| BALANCE AT 31 MARCH 2020 | | 9,710 | 1,165 | 2,681 | 265,678 | 279,234 | 276,691 |

Detailed comparative figures are disclosed in note 29 to the accounts.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
BALANCE SHEETS
at 31 March 2020

| | | Group | Combined | | Group | Combined |
|---|--------------|----------------|------------------|--|----------------|------------------|
| | | 2020 | charities | | 2019 | charities |
| | <i>Notes</i> | £000 | £000 | | £000 | £000 |
| FIXED ASSETS | | | | | | |
| Tangible fixed assets | 15 | 10,983 | 10,427 | | 11,663 | 11,158 |
| Investments | 16 | 265,354 | 265,354 | | 262,860 | 262,860 |
| | | 276,337 | 275,781 | | 274,523 | 274,018 |
| CURRENT ASSETS | | | | | | |
| Stocks | | 7 | - | | 7 | - |
| Debtors | 17 | 1,264 | 1,102 | | 4,364 | 4,150 |
| Cash at bank and on deposit | | 4,060 | 3,723 | | 983 | 703 |
| | | 5,331 | 4,825 | | 5,354 | 4,853 |
| CURRENT LIABILITIES: | | | | | | |
| amounts falling due within one year | 18 | (1,478) | (917) | | (2,365) | (1,844) |
| NET CURRENT ASSETS | | 3,853 | 3,908 | | 2,989 | 3,009 |
| NET ASSETS EXCLUDING PENSION LIABILITY | | 280,190 | 279,689 | | 277,512 | 277,027 |
| Defined benefit pension liability | 25 | (455) | (455) | | (336) | (336) |
| NET ASSETS INCLUDING PENSION LIABILITY | | 279,735 | 279,234 | | 277,176 | 276,691 |
| FUNDS | | | | | | |
| Corporate Charity | | | | | | |
| <i>Income funds:</i> | | | | | | |
| Designated funds | 19 | 9,196 | 9,196 | | 10,107 | 10,107 |
| Other unrestricted funds | | 578 | 578 | | 586 | 586 |
| Pension reserve | | (124) | (124) | | (96) | (96) |
| Restricted funds | 20 | 60 | 60 | | 60 | 60 |
| | | 9,710 | 9,710 | | 10,657 | 10,657 |
| Trinity House Maritime Charity | | | | | | |
| <i>Income funds:</i> | | | | | | |
| Designated funds | 21 | 677 | 677 | | 677 | 677 |
| Other unrestricted funds | | 819 | 819 | | 682 | 682 |
| Pension reserve | | (331) | (331) | | (240) | (240) |
| Restricted funds | 22 | 2,681 | 2,681 | | 3,193 | 3,193 |
| | | 3,846 | 3,846 | | 4,312 | 4,312 |
| <i>Capital funds:</i> | | | | | | |
| Permanent endowment funds | 23 | 265,678 | 265,678 | | 261,722 | 261,722 |
| | | 269,524 | 269,524 | | 266,034 | 266,034 |
| Non-charitable trading funds | 24 | 501 | - | | 485 | - |
| TOTAL FUNDS | | 279,735 | 279,234 | | 277,176 | 276,691 |

Approved on behalf of the Corporate Board :



Deputy Master, Trinity House

6 October 2020

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
GROUP STATEMENT OF CASH FLOWS
For the year ended 31 March 2020

| | 2020 | 2019 |
|--|--------------|----------------|
| | £000 | £000 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES (A) | 1,640 | 1,342 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Payments to acquire tangible fixed assets | (152) | (135) |
| Payments to improve investment properties | (1,672) | (1,572) |
| Proceeds from sales of investment properties | 216 | 3 |
| Payments to acquire portfolio investments | (14,421) | (680) |
| Proceeds from sales of portfolio investments | 16,470 | 1,241 |
| NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES | 441 | (1,143) |
| CHANGE IN CASH AND CASH EQUIVALENTS | 2,081 | 199 |
| CASH AND CASH EQUIVALENTS AT 1 APRIL 2019 | 2,129 | 1,930 |
| CASH AND CASH EQUIVALENTS AT 31 MARCH 2020 (B) | 4,210 | 2,129 |

**(A) RECONCILIATION OF NET INCOME / (EXPENDITURE) TO
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES:**

| | 2020 | 2019 |
|--|--------------|--------------|
| | £000 | £000 |
| Net (expenditure) / income for the year before investment gains and losses | (1,319) | 3,133 |
| Adjustments for: | | |
| Depreciation | 252 | 242 |
| Impairment of treasure | 575 | - |
| Provision for recoverability of programme-related investment | - | 250 |
| Loss on disposal of fixed assets | 5 | 2 |
| Change in stocks | - | 4 |
| Change in debtors | 2,954 | (2,806) |
| Change in creditors | (887) | 482 |
| FRS 102 pension cost adjustment | 60 | 35 |
| Net cash provided by operating activities | 1,640 | 1,342 |

(B) ANALYSIS OF CASH AND CASH EQUIVALENTS:

| | 31 March | 31 March |
|--|-----------------|-----------------|
| | 2020 | 2019 |
| | £000 | £000 |
| Cash at bank and on deposit | 4,060 | 983 |
| Cash held on deposit by estate managing agents (note 17) | 86 | 235 |
| Cash held on deposit by property managing agents (note 17) | 28 | 22 |
| Cash held on deposit by managing agents of Merchant Navy Scholarship Scheme (note 17) | - | 3 |
| Cash held by investment managers (note 16) | 36 | 886 |
| | 4,210 | 2,129 |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 March 2020 with comparative information presented for the year to 31 March 2019.

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) rather than the previous withdrawn version which it replaced.

The charities constitute public benefit entities as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest one thousand pounds.

Basis of consolidation

The assets and liabilities and the income and expenditure of the Corporation as General Lighthouse Authority for England and Wales are administered by it under statutory authority and are dealt with in separate accounts.

Group:

The Group statement of financial activities and Group balance sheet consolidate the accounts of the subsidiary undertakings with those of the combined charities.

Combined charities:

In accordance with the Uniting Direction approved by the Charity Commission on 24 May 2004, the combined charities' accounts deal with the assets and liabilities, the income and expenditure of the Corporation of Trinity House of Deptford Strond (in its Corporate capacity) and the assets and liabilities, the income and the expenditure of the Trinity House Maritime Charity, which is also under the trusteeship of the Corporation.

As the restricted funds of the Corporate Charity are not material, their income and expenditure are not shown separately in the statement of financial activities but are disclosed in the notes.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates. The more significant areas in the financial statements where these judgements and estimates have been made include:

- allocation of support costs across charitable activities
- investment property valuation (see note 16)
- pension surplus or deficit valuation
- depreciation
- recoverability of programme-related investments

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

1. ACCOUNTING POLICIES (continued)

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. This includes consideration of the impact of the Covid-19 pandemic on the group's operations with a particular focus on the charities' beneficiaries and suppliers; and on the charities' income, expenditure and reserves. The trustees have made this assessment in respect of a period of at least one year from the date of approval of these accounts.

The trustees of the charities have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. The trustees are of the opinion that the group members will have sufficient resources to meet their liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2021, the most significant areas that affect the carrying value of the assets held by the charities are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Report of the Corporate Board for more information).

The subsidiary companies have suffered from difficult post year end trading conditions caused by the pandemic. In particular, this remains the case for Trinity House Events Limited (THEL) which operates in the hospitality sector, and the directors of THEL are looking closely at all the available options in considering the company's future.

Income recognition

Income is recognised in the period in which the charities have entitlement to the income, when that income can be measured reliably and when it is probable that it will be received.

Grants from government and other agencies have been included as income for charitable activities where these amount to a contract for service but as donations where the money is given with greater freedom of use.

Donations are recognised when the charities have confirmation of both the amount and settlement date. For donations pledged but not received, the amount is accrued when the receipt is considered probable.

Income from charitable activities comprise grants from government and other agencies relating to cadet training, and an annual contribution from the Trinity House Lighthouse Service. Grants are accrued for when the receipt is considered probable.

Other trading activities relate to income from the charities' two subsidiaries, Trinitas Services Limited and Trinity House Events Limited.

Investment income comprises dividends from the charities' listed investment portfolio and rental income from the investment property portfolio. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Rental income is recognised throughout the year as and when rents fall due.

Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a. The costs of raising funds include the salaries, direct costs and overheads associated with generating rental income from Trinity House and the lighthouse cottages which are let by Trinitas Services Limited, the maintenance cost of the investment properties, fees paid in connection with the management of the charities' investments and related support costs.
- b. The costs of charitable activities comprise expenditure on the charities' primary charitable purposes as described in the Report of the Corporate Board and include an appropriate proportion of support costs. Costs are analysed by the principal activities of welfare, youth opportunities and training, public safety and education, maintaining the fabric and heritage of Trinity House, role as a Deep Sea Pilotage Authority and provision of Nautical Assessors.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

1. ACCOUNTING POLICIES (continued)

- c. Grants are charged to the statement of financial activities when the beneficiary has been informed of the grant and there are no conditions that enable the charities to avoid the expenditure. Where the charities retain the discretion to avoid the expenditure, such grants are noted as financial commitments in the notes to the accounts.
- d. Support costs comprise the cost of staff employed under joint contracts of employment and administration costs. The Corporate Charity meets all of these costs which are subsequently allocated between the Corporate Charity and the Trinity House Maritime Charity. The basis of apportionment of these support costs between the Corporate Charity and the Trinity House Maritime Charity is reviewed annually in the light of the level of activity of each charity during the year.

Tangible fixed assets

All assets with a purchase price of over £500 and with an expected useful life of more than one year are capitalised.

Freehold properties and plant, equipment, fixtures and fittings and treasures are stated at cost less depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life :

| | |
|------------------------|------------|
| Freehold properties | - 2% |
| Plant and equipment | - 25% |
| Fixtures and fittings | - 10 - 20% |
| Leasehold improvements | - 5% |

No depreciation is charged in respect of the treasures as it is not deemed to be material after taking account of expected useful lives and expected residual values.

An annual impairment review is performed and an impairment charge is made where necessary.

Investments

Investment properties are included in the accounts at open market value and are revalued periodically by the Corporate Board based on professional advice.

Portfolio investments are included in the accounts at their market value at the end of the financial period. The market value of fixed interest securities reflects accrued interest at the balance sheet date.

Realised and unrealised gains or losses on investment assets are credited or charged to the statement of financial activities in the year in which they occur.

Programme related investments are assets held by the charities in order to directly further the charitable purposes of the charities; any financial return obtained is not a primary reason for making the investment.

Programme related investments comprise concessionary loans to a third party interest free or at below prevailing market rates and are initially recognised at the amount paid with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted for impairment, if applicable. Any impairment loss is recognised as expenditure on charitable activities within the statement of financial activities.

Stocks

Stocks of publications and consumables for resale are valued at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

1. ACCOUNTING POLICIES (continued)

Creditors and provisions

Creditors and provisions are recognised: where there is an obligation at the balance sheet date as a result of a past event; where it is probable that a transfer of economic benefit will be required in settlement; and, where the amount of the obligation can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Pension costs

The charities' defined benefit pension scheme assets are measured using market values. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and accuracy to the liability.

Any increase in the present value of the liabilities within the Scheme expected to arise from employee service in the period is allocated across expense categories on a fair and consistent basis.

Actuarial gains and losses are included in the statement of financial activities in other recognised gains and losses for the period.

Contributions in respect of the charities' Group Personal Pension Scheme are recognised in the statement of financial activities when they become due.

Fund structure

Unrestricted funds

The unrestricted funds are revenue funds which are expendable at the discretion of the Corporate Board in furtherance of the objects of the charities. Included within unrestricted funds are designated funds which are funds set aside out of unrestricted funds and designated for specific purposes by the Corporate Board.

Restricted funds

The restricted funds can only be applied in accordance with the donors' explicit terms.

Permanent endowment funds

Permanent endowment funds are capital funds where there is no power to convert the capital into income and which must generally be held indefinitely. Income arising on the funds is credited to unrestricted funds.

Financial instruments

The charities only have financial assets and liabilities that qualify as basic financial instruments. Except for portfolio investments which are measured at their fair value as at the balance sheet date, basic financial instruments are initially recognised at their transaction value and subsequently measured at their settlement value.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

2. DONATIONS AND LEGACIES

Group and combined charities

| | Corporate Charity | Trinity House Maritime Charity | | Total 2020 | Total 2019 |
|---------------------------------------|-----------------------|-----------------------------------|---------------------|-----------------------|-----------------------|
| | Unrestricted funds | Unrestricted funds | Restricted funds | | |
| | £000 | £000 | £000 | £000 | £000 |
| Grant from Department for Transport | - | - | - | - | 3,000 |
| Other donations and legacies received | 7 | - | - | 7 | 84 |
| Total 2020 | 7 | - | - | 7 | 3,084 |
| Total 2019 | 18 | 46 | 3,020 | 3,084 | |

A Grant Funding Agreement with the Department for Transport approving the payment of a grant to the Trinity House Maritime Charity of £3,000,000 was signed on 27 March 2019.

3. INCOME FROM:

CHARITABLE ACTIVITIES

Group and combined charities

| | Corporate Charity | Trinity House Maritime Charity | | Total 2020 | Total 2019 |
|---|-----------------------|-----------------------------------|---------------------|-----------------------|-----------------------|
| | Unrestricted funds | Unrestricted funds | Restricted funds | | |
| | £000 | £000 | £000 | £000 | £000 |
| Welfare | - | 17 | - | 17 | 15 |
| Youth opportunities and training | - | - | 626 | 626 | 750 |
| Contribution from Trinity House Lighthouse Service | 315 | - | - | 315 | 306 |
| Other | 145 | - | - | 145 | 153 |
| Total 2020 | 460 | 17 | 626 | 1,103 | 1,224 |
| Total 2019 | 459 | 15 | 750 | 1,224 | |

4. INCOME FROM:

OTHER TRADING ACTIVITIES

| | 2020 | 2019 |
|---|--------------|--------------|
| | £000 | £000 |
| Group: | | |
| Letting of function rooms by Trinity House Events Limited | 539 | 669 |
| Letting of lighthouse cottages by Trinitas Services Limited | 1,023 | 1,014 |
| | 1,562 | 1,683 |
| Combined charities: | | |
| Income from Trinity House Events Limited: | | |
| Corporate Charity management charge | 300 | 340 |
| Gift Aid donations | 219 | 291 |
| | 519 | 631 |

The above Combined Charities' income for the years ended 31 March 2020 and 31 March 2019 related to Corporate Charity unrestricted funds.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

5. INCOME FROM:
INVESTMENTS
Group and combined charities

| | Corporate Charity | Trinity House Maritime Charity | | Total 2020 | Total 2019 |
|--|-------------------------------|-----------------------------------|-----------------------------|---------------|---------------|
| | Unrestricted funds £000 | Unrestricted funds £000 | Restricted funds £000 | £000 | £000 |
| Investment properties | - | 7,066 | - | 7,066 | 6,569 |
| Portfolio investments | 8 | 145 | - | 153 | 348 |
| Bank interest and other finance income | 1 | 11 | 7 | 19 | 5 |
| Total 2020 | 9 | 7,222 | 7 | 7,238 | 6,922 |
| Total 2019 | 31 | 6,891 | - | 6,922 | |

6. EXPENDITURE ON:
RAISING FUNDS
Group and combined charities

| | Corporate Charity | | Trinity House Maritime Charity | | Total 2020 | Total 2019 |
|--|-------------------------------|-----------------------------|-----------------------------------|----------------------------|---------------|---------------|
| | Unrestricted funds £000 | Restricted funds £000 | Unrestricted funds £000 | Endowment funds £000 | £000 | £000 |
| Letting of function rooms | 298 | - | - | - | 298 | 338 |
| Management of investment assets: | | | | | | |
| Estate managers' fees | - | - | 618 | - | 618 | 595 |
| Legal and other administration fees | - | - | 210 | - | 210 | 255 |
| Investment managers' fees | - | - | - | 16 | 16 | (20) |
| Maintenance of investment assets: | | | | | | |
| Repairs, maintenance and refurbishment of estates | - | - | 1,637 | - | 1,637 | 1,382 |
| Support costs | - | - | 651 | - | 651 | 497 |
| Combined charities | 298 | - | 3,116 | 16 | 3,430 | 3,047 |
| Letting of lighthouse cottages | 1,027 | - | - | - | 1,027 | 954 |
| Letting of function rooms | - | - | - | - | - | 16 |
| Group | 1,325 | - | 3,116 | 16 | 4,457 | 4,017 |
| Total 2019 - Combined charities | 338 | - | 2,733 | (24) | 3,047 | |
| Total 2019 - Group | 1,308 | - | 2,733 | (24) | 4,017 | |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

7. EXPENDITURE ON CHARITABLE ACTIVITIES:
WELFARE

| Group and combined charities | Corporate Charity Unrestricted funds £000 | Trinity House Maritime Charity Unrestricted funds £000 | Endowment funds £000 | Total 2020 £000 | Total 2019 £000 |
|---|---|--|----------------------------|-----------------------|-----------------------|
| Maintenance and upkeep of the Trinity Homes | - | 285 | 43 | 328 | 265 |
| Major grants paid | - | 743 | - | 743 | 780 |
| Minor grants paid | 26 | 255 | - | 281 | 299 |
| Support costs | - | 314 | - | 314 | 277 |
| Total 2020 | 26 | 1,597 | 43 | 1,666 | 1,621 |
| Total 2019 | 40 | 1,538 | 43 | 1,621 | |

During the year, the following major grants were made to other charities and organisations:

| | £ | |
|--|----------------|---|
| Shipwrecked Fishermen & Mariners' Royal Benevolent Society | 110,000 | To support their one-off and regular grants to seafarers. |
| Royal Alfred Seafarers' Society | 100,000 | Towards funding care for elderly seafarers and providing sheltered housing. |
| Nautilus UK | 82,760 | Towards support staff for residents of the Trinity House Hub and provision of a nurse to work with residents with dementia. |
| Sailors' Children's Society | 68,200 | Towards the Society's monthly grants to seafarers' families. |
| Merchant Navy Welfare Board | 67,000 | Towards the Vehicle Replacement Programme and Seafarers Support. |
| Royal National Mission to Deep Sea Fishermen | 61,600 | To provide support to fishermen and their families. |
| Royal Navy & Royal Marines Children's Fund | 47,300 | To assist in providing financial support to the children of RN/RM/RFA families. |
| Tyne Mariners' Benevolent Institute | 38,850 | To assist the charity in providing support to ex-seafarers. |
| Royal Liverpool Seamen's Orphan Institution | 35,200 | To assist the charity in providing support to the bereaved families of our merchant and fishing fleet. |
| Seafarers UK | 30,000 | Towards providing support to other maritime charities and research into the needs of the UK fishing fleet. |
| Combat Stress | 20,000 | Towards mental health support for seafaring veterans. |
| Alabare | 20,000 | Towards their supported housing for seafaring veterans. |
| Sir Oswald Stoll Foundation (STOLL) | 19,500 | Towards providing dedicated caseworker support for seafaring veteran beneficiaries. |
| Queen Victoria Seamen's Rest | 12,500 | Towards a keycare door entry system and replacement windows for seafaring residents. |
| Marine Charities Group | 10,000 | Annual membership contribution. |
| SSAFA Forces Help | 10,000 | Towards their casework service for seafaring beneficiaries. |
| Aggie Weston's | 10,000 | Towards a pastoral worker for members of the RFA. |
| Care for Veterans | 10,000 | Towards rehabilitation programme for seafaring residents. |
| ANSS | 5,000 | Annual contribution towards the service. |
| Prior year grant not paid | (15,000) | |
| | <u>742,910</u> | |

8. EXPENDITURE ON CHARITABLE ACTIVITIES:
YOUTH OPPORTUNITIES AND TRAINING

| Group and combined charities | Trinity House Maritime Charity Unrestricted funds £000 | Restricted funds £000 | Total 2020 £000 | Total 2019 £000 |
|--|--|-----------------------------|-----------------------|-----------------------|
| Merchant Navy Scholarship Scheme | 1,253 | 626 | 1,879 | 1,748 |
| Major grants paid | 475 | - | 475 | 470 |
| Minor grants paid | 23 | - | 23 | 51 |
| Impairment of programme-related investment (note 16) | - | - | - | 250 |
| Support costs | 429 | - | 429 | 536 |
| Total 2020 | 2,180 | 626 | 2,806 | 3,055 |
| Total 2019 | 2,290 | 765 | 3,055 | |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

8. EXPENDITURE ON CHARITABLE ACTIVITIES:
YOUTH OPPORTUNITIES AND TRAINING (continued)
Group and combined charities

During the year, the following major grants were made to other charities and organisations:

| | £ | |
|--|----------------|---|
| Marine Society & Sea Cadets | 147,250 | For distribution to units for projects, urgent repairs and upgrades. |
| UK Sailing Academy | 80,000 | To fund one year's training for five cadets. |
| London Nautical School | 53,128 | Towards providing nautical studies and minibuses to take students to waterborne activities. |
| Tall Ships Youth Trust | 49,500 | To assist in providing sailing opportunities for young people. |
| Association of Sea Training Organisations (ASTO) | 37,000 | Towards bursaries to assist those wishing to obtain qualifications to develop their careers in sail training. |
| Hull Trinity House | 24,000 | To fund the refurbishment of their Rib. |
| Portsmouth Sail Training Trust | 20,000 | To support 28 young people through their Cadetship programme. |
| AHOY Centre | 20,000 | Towards the cost of maintaining boats and equipment. |
| Gosport Marine Scene | 20,000 | Towards the employment costs of a Managing Director. |
| Seafarers UK | 20,000 | Towards the Marine Engineering Pathway schools programme. |
| National Coastwatch | 15,000 | Towards the cost of updating their operations and training manual and radio training courses. |
| Exe Sailing Club | 12,000 | To purchase additional Zests. |
| Thames Sailing Barge Trust | 10,000 | Towards their training programme for Mates and Skippers. |
| Fellowship Afloat | 10,000 | Towards their training programme for instructors. |
| Prior year grant not paid | (43,000) | |
| | <u>474,878</u> | |

9. EXPENDITURE ON CHARITABLE ACTIVITIES:
PUBLIC SAFETY AND EDUCATION
Group and combined charities

| | Trinity House Maritime Charity | | Total 2020 | Total 2019 |
|-------------------|-----------------------------------|-----------------------------|---------------|---------------|
| | Unrestricted funds £000 | Restricted funds £000 | £000 | £000 |
| Major grants paid | 91 | 516 | 607 | 99 |
| Minor grants paid | 114 | 3 | 117 | 60 |
| Support costs | 50 | - | 50 | 34 |
| Total 2020 | <u>255</u> | <u>519</u> | <u>774</u> | <u>193</u> |
| Total 2019 | <u>193</u> | <u>-</u> | <u>193</u> | |

During the year, the following major grants were made to other charities and organisations:

| | £ | |
|---|----------------|---|
| Seafish | 452,150 | Towards training for fishermen, e-learning, a media fishing safety campaign, and: purchase of Personal Flotation Devices and Personal Location Beacons. |
| Royal Yacht Association - Alcohol Awareness | 63,917 | Towards a Safe Boating brief. |
| Nautical Institute | 25,000 | Towards the production of the 'Navigator' magazine - designed to inspire professionalism in marine navigators. |
| Animateurs | 25,000 | Towards the animateur project working directly with fishermen to secure grants for safety equipment and improvements. |
| CHIRP Charitable Trust | 20,000 | Towards the cost of providing their confidential reporting system. |
| Royal Institute of Navigation | 17,600 | Towards the cost of providing membership events. |
| Northern Exposure Rescue | 10,000 | Towards the cost of two outboard motors. |
| Prior year grant not paid. | (7,000) | |
| | <u>606,667</u> | |

The grants to Seafish (£452,150) and the Royal Yacht Association (£63,917) were paid from restricted funds.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

10. EXPENDITURE ON CHARITABLE ACTIVITIES:
MAINTAINING THE FABRIC AND HERITAGE OF TRINITY HOUSE
Group and combined charities

| | Total | Total |
|--|--------------|--------------|
| | 2020 | 2019 |
| | £000 | £000 |
| Staff and pension costs | 235 | 204 |
| Repairs, renewals and planned maintenance | 257 | 238 |
| Light, heat, insurance and other running costs | 160 | 147 |
| Depreciation | 130 | 127 |
| Support costs | 163 | 158 |
| Total 2020 | <u>945</u> | <u>874</u> |
| Impairment of treasure (see below) | <u>575</u> | <u>-</u> |

The impairment of a treasure relates to the recent decrease in value of a ship model from £600,000 to £25,000. This model, which was previously thought to have been constructed in the seventeenth century, is now, after recent academic research, deemed to be a twentieth century copy.

The above expenditure for the years ended 31 March 2020 and 31 March 2019 related to Corporate Charity unrestricted funds.

11. EXPENDITURE ON CHARITABLE ACTIVITIES:
ROLE AS A DEEP SEA PILOTAGE AUTHORITY AND PROVISION OF NAUTICAL ASSESSORS

Expenditure on these categories in the two years ended 31 March 2020 and 31 March 2019 was from Corporate Charity unrestricted funds.

12. ANALYSIS OF SUPPORT COSTS

| | Office | Service | Administration | Total | Total |
|--|---------------|----------------|-----------------------|--------------|--------------|
| | staff | staff | costs | 2020 | 2019 |
| | £000 | £000 | £000 | £000 | £000 |
| Raising funds | 379 | 42 | 230 | 651 | 497 |
| Welfare | 173 | 22 | 119 | 314 | 277 |
| Youth opportunities and training | 237 | 29 | 163 | 429 | 536 |
| Public safety and education | 28 | 3 | 19 | 50 | 34 |
| Maintaining the fabric and heritage of Trinity House | 163 | - | - | 163 | 158 |
| | <u>980</u> | <u>96</u> | <u>531</u> | <u>1,607</u> | <u>1,502</u> |

Support costs, including governance costs of £226,335 (2019: £244,735) include auditor's remuneration of £36,618 (2019: £34,982) for audit services and £6,232 (2019: £2,900) for non-audit services. In addition to the fees noted above, audit fees of £12,565 (2019: £16,351) and other fees paid to auditors of £4,477 (2019: £2,687) in relation to Trinitas Services Limited and Trinity House Events Limited are included in expenditure on raising funds.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

13. STAFF COSTS AND TRUSTEES' REMUNERATION

| | 2020 | 2019 |
|--|--------------|--------------|
| | £000 | £000 |
| Wages and salaries | 945 | 861 |
| Social security costs | 101 | 104 |
| Other pension costs - defined benefit scheme | 171 | 164 |
| - group personal pension plan | 64 | 52 |
| Other staff costs | 66 | 35 |
| | <u>1,347</u> | <u>1,216</u> |

The average number of staff during the year was 22 (2019: 20).

The number of employees whose emoluments, excluding pension contributions and employer's national insurance contributions, but including taxable benefits, fell within the following ranges:

| | 2020 | 2019 |
|---------------------|----------|----------|
| £160,000 - £169,999 | - | 1 |
| £110,000 - £119,999 | - | 1 |
| £100,000 - £109,999 | 2 | - |
| £90,000 - £99,999 | - | 1 |
| £70,000 - £79,999 | <u>1</u> | <u>-</u> |

Of the higher paid employees, contributions were made to the defined benefit scheme for 2 (2019: 2) individuals. The emoluments of the highest paid individual includes pay in lieu of pension contributions.

The total cost of employing key management, comprising the Secretary, the Deputy Secretary and Head of Finance, and the Events Manager, including employer's pension contributions and employer's national insurance contributions was £501,989 (2019: £543,339).

Travel and subsistence expenses totalling £5,843 (2019: £20,441) were incurred by 7 (2019: 7) members of the Corporate Board in the year.

Fees and taxable expenses paid to members of the Corporate Board by the charities amounted to £43,597 (2019: £44,128) in the year. These comprised :

- Fees and expenses of £38,428 (2019: £32,689) paid to Captain Hope in his capacity as the Director of the Merchant Navy Scholarship Scheme. These are pursuant to Clause 44 (3) of the Trinity House Maritime Charity Scheme of 7 August 1995.
- Assistance to the Admiralty Court in the provision of Nautical Assessors. Fees are set by the Practice Division of the Registrar of Civil Appeals and the Admiralty Register and are payable by the party setting down an action. No fees and expenses were paid in the year (2019: £4,072).
- Fees of £5,169 (2019: £7,367) paid in the year to Captain Gobbi in his capacity as Examiner of Deep Sea Pilots pursuant to an Order made by the Charity Commission dated 10 January 2007.

A total premium of £1,300 (2019: £1,030) was paid in the year to provide the trustees with indemnity insurance.

14. TAXATION

The Charities are exempt from Corporation Tax and Income Tax on their charitable activities by virtue of their status as registered charities. Trinitas Services Limited and Trinity House Events Limited are subject to Corporation Tax on any taxable profits arising.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

15. TANGIBLE FIXED ASSETS

GROUP

| | Leasehold improvements | Freehold properties Trinity House | Trinity Homes, Walmer | Treasures | Plant and equipment, fixtures and fittings | TOTAL |
|------------------------------|---------------------------|---|-----------------------------|---------------------|---|----------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| <u>COST</u> | | | | | | |
| At 1 April 2019 | 530 | 6,090 | 2,175 | 4,052 | 619 | 13,466 |
| Additions in year | 93 | - | - | 1 | 58 | 152 |
| Disposals in year | (8) | - | - | - | (12) | (20) |
| At 31 March 2020 | <u>615</u> | <u>6,090</u> | <u>2,175</u> | <u>4,053</u> | <u>665</u> | <u>13,598</u> |
| <u>DEPRECIATION</u> | | | | | | |
| At 1 April 2019 | 189 | 840 | 347 | - | 427 | 1,803 |
| Charge for the year | 42 | 120 | 43 | - | 47 | 252 |
| Impairment in year (note 10) | - | - | - | 575 | - | 575 |
| Disposals in year | (4) | - | - | - | (11) | (15) |
| At 31 March 2020 | <u>227</u> | <u>960</u> | <u>390</u> | <u>575</u> | <u>463</u> | <u>2,615</u> |
| <u>NET BOOK VALUE</u> | | | | | | |
| At 31 March 2020 | <u>388</u> | <u>5,130</u> | <u>1,785</u> | <u>3,478</u> | <u>202</u> | <u>10,983</u> |
| At 31 March 2019 | <u>341</u> | <u>5,250</u> | <u>1,828</u> | <u>4,052</u> | <u>192</u> | <u>11,663</u> |

COMBINED CHARITIES

| | Freehold properties Trinity House | Trinity Homes, Walmer | Treasures | Plant and equipment, fixtures and fittings | TOTAL |
|------------------------------|---|-----------------------------|---------------------|---|----------------------|
| | £000 | £000 | £000 | £000 | £000 |
| <u>COST</u> | | | | | |
| At 1 April 2019 | 6,090 | 2,175 | 4,052 | 229 | 12,546 |
| Additions in year | - | - | 1 | 17 | 18 |
| At 31 March 2020 | <u>6,090</u> | <u>2,175</u> | <u>4,053</u> | <u>246</u> | <u>12,564</u> |
| <u>DEPRECIATION</u> | | | | | |
| At 1 April 2019 | 840 | 347 | - | 201 | 1,388 |
| Charge for the year | 120 | 43 | - | 11 | 174 |
| Impairment in year (note 10) | - | - | 575 | - | 575 |
| At 31 March 2020 | <u>960</u> | <u>390</u> | <u>575</u> | <u>212</u> | <u>2,137</u> |
| <u>NET BOOK VALUE</u> | | | | | |
| At 31 March 2020 | <u>5,130</u> | <u>1,785</u> | <u>3,478</u> | <u>34</u> | <u>10,427</u> |
| At 31 March 2019 | <u>5,250</u> | <u>1,828</u> | <u>4,052</u> | <u>28</u> | <u>11,158</u> |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
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16. FIXED ASSET INVESTMENTS

| | 2020 | 2019 |
|--|--|----------------------------------|
| | £000 | £000 |
| Investment properties (see below) | 252,049 | 245,545 |
| Portfolio investments (see below) | 13,019 | 16,179 |
| Cash held by investment managers | 36 | 886 |
| | 265,104 | 262,610 |
| Programme-related investments (see below) | 250 | 250 |
| | 265,354 | 262,860 |
| | Freehold investment properties £000 | Portfolio investments £000 |
| Market value at 31 March 2019 | 245,545 | 16,179 |
| Sale of leasehold interests | (216) | - |
| Disposals | - | (16,470) |
| Capital improvements | 1,672 | - |
| Acquisitions at cost | - | 14,421 |
| Gains / (losses) on revaluations and disposals | 5,048 | (1,111) |
| Market value at 31 March 2020 | 252,049 | 13,019 |
| Historical cost | 11,884 | 14,420 |

The market value of the freehold investment properties is based on valuations carried out by Cluttons LLP, Chartered Surveyors and Savills, Chartered Surveyors, at 31 March 2020. In providing their valuation, Cluttons LLP reported that as a result of the Covid-19 pandemic, market activity is being impacted in many sectors. As at the valuation date, less weight can be attached to previous market evidence for comparison purposes. The valuation is therefore reported on the basis of 'material valuation uncertainty' in accordance with RICS guidance. Consequently, less certainty - and a higher degree of caution - should be attached to the valuation than would normally be the case.

The portfolio investments are invested using UK authorised institutional pooled funds. These funds are highly diversified across a wide range of underlying investments and comprise the following material holdings:

| Security | Holding | Total market value £ | Percentage of total market value |
|--|-----------|----------------------------|--|
| BLACKROCK ISH WLD /IND (IE) FLX AC GBP HDG | 9,501,077 | 8,226,227 | 63.2% |
| BLACKROCK ISHR CRDT BD IDX (IE) INS GBP DS | 2,603,903 | 2,567,354 | 19.7% |
| BLACKROCK IDX LK GLT FD (UK) X INC | 1,232,559 | 1,323,524 | 10.2% |
| BLACKROCK EM IDX FD (IE) FLX DS GBP | 2,410,675 | 901,451 | 6.9% |
| | | 13,018,556 | 100% |

The programme-related investments comprise a loan of £250,000 to the Tall Ships Youth Trust on 2 July 2013. The trustees have agreed to extend the full repayment date of the loan from 2 July 2017 to 2 July 2022.

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17. DEBTORS

Due within one year:

| | Group 2020 £000 | Charities 2020 £000 | Group 2019 £000 | Charities 2019 £000 |
|--|--------------------------------|------------------------------------|--------------------------------|------------------------------------|
| <i>Trinity Village:</i> | | | | |
| Rent arrears less provision for doubtful debts | 150 | 150 | 200 | 200 |
| Monies held by estate managing agents | 86 | 86 | 235 | 235 |
| <i>Trinitas Services Limited :</i> | | | | |
| Monies held by property managing agents | 28 | - | 22 | - |
| <i>Other :</i> | | | | |
| Trade debtors | 36 | 5 | 85 | 4 |
| Monies held by managing agent of the Merchant Navy Scholarship Scheme | - | - | 3 | 3 |
| Amount owed by Trinity House Lighthouse Service | 5 | 5 | - | - |
| Prepayments and accrued income | 899 | 818 | 795 | 689 |
| Social Security and other taxes | 40 | 18 | 5 | - |
| Grant from the Department for Transport (see note 2) | - | - | 3,000 | 3,000 |
| Other debtors | 20 | 20 | 19 | 19 |
| | 1,264 | 1,102 | 4,364 | 4,150 |

18. CREDITORS

Due within one year:

| | Group 2020 £000 | Charities 2020 £000 | Group 2019 £000 | Charities 2019 £000 |
|--|--------------------------------|------------------------------------|--------------------------------|------------------------------------|
| Expense creditors | 107 | 103 | 135 | 129 |
| Rents in advance, Trinity Village | 85 | 85 | 69 | 69 |
| Deferred income | 238 | 238 | 394 | 224 |
| Social Security and other taxes | 90 | 2 | 105 | 28 |
| Other creditors | 18 | 9 | 9 | 1 |
| Accruals - Trinity Village | 346 | 346 | 1,160 | 1,160 |
| - other | 471 | 113 | 381 | 218 |
| Amounts owed to Trinity House Lighthouse Service | 123 | - | 112 | - |
| Amounts owed to Trinity House Events Limited | - | 21 | - | 15 |
| | 1,478 | 917 | 2,365 | 1,844 |

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19. CORPORATE CHARITY - DESIGNATED FUNDS

| | Balance at 1 April 2019 £000 | New designations £000 | Utilised / released £000 | Balance at 31 March 2020 £000 |
|-----------------------|------------------------------------|-----------------------------|--------------------------------|-------------------------------------|
| House Designated Fund | 826 | - | (223) | 603 |
| Fixed Assets Fund | 9,281 | - | (688) | 8,593 |
| | <u>10,107</u> | <u>-</u> | <u>(911)</u> | <u>9,196</u> |

House Designated Fund

This fund is designated by the Corporate Board for major refurbishment of the Grade I, Trinity House building and includes a contingency for replacement of the two passenger lifts and dumb waiters.

Fixed Assets Fund

This fund represents the net book value of the tangible fixed assets excluding those that are restricted funds and is designated as the funds are not readily available to meet expenditure.

20. CORPORATE CHARITY - RESTRICTED FUNDS

| | Balance at 1 April 2019 £000 | Income £000 | Expenditure £000 | Balance at 31 March 2020 £000 |
|-------------------------------------|------------------------------------|----------------|---------------------|-------------------------------------|
| Warden's Trinity House Relief Fund | 2 | - | - | 2 |
| Brethren's Covenant and Gift Scheme | 58 | - | - | 58 |
| | <u>60</u> | <u>-</u> | <u>-</u> | <u>60</u> |

Warden's Trinity House Relief Fund

This fund was established to provide discretionary grants and loans to employees of the Corporation of Trinity House in circumstances of urgent domestic necessity. It is represented by net current assets.

Brethren's Covenant and Gift Scheme ("The Fabric Fund")

This fund was established for the specific purpose of renewal and improvement of furniture and decor of the Trinity House. It is represented by fixed and net current assets.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
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21. TRINITY HOUSE MARITIME CHARITY - DESIGNATED FUNDS

The unrestricted funds of the Trinity House Maritime Charity include the following designated funds which have been set aside by the Corporate Board for specific purposes:

| | Balance at 1 April 2019 £000 | New Designations £000 | Utilised / Released £000 | Balance at 31 March 2020 £000 |
|----------------------------------|------------------------------------|-----------------------------|--------------------------------|-------------------------------------|
| Extraordinary Repair Fund | 177 | - | - | 177 |
| Merchant Navy Scholarship Scheme | 500 | - | - | 500 |
| | <u>677</u> | <u>-</u> | <u>-</u> | <u>677</u> |

Extraordinary Repair Fund

This meets a requirement of the Trinity House Maritime Charity's Scheme to establish and maintain a reserve fund to provide for extraordinary repairs, improvement and rebuilding of the Trinity Homes, Walmer.

The Merchant Navy Scholarship Scheme

The operation of this scheme was transferred from the Corporate Charity to the Trinity House Maritime Charity in 1995. At 31 March 2020, there were 115 (2019: 105) cadets under sponsorship for training as Deck or Engineer Officers. The amount designated to this Fund represents between three and six months' operating costs of the Merchant Navy Scholarship Scheme.

22. TRINITY HOUSE MARITIME CHARITY - RESTRICTED FUNDS

| | Balance at 1 April 2019 £000 | Movement in funds | | Balance at 31 March 2020 £000 |
|--|------------------------------------|-------------------|---------------------|-------------------------------------|
| | | Income £000 | Expenditure £000 | |
| Swire Scholarship Fund | 110 | | | 110 |
| Swire Yeoman Support Fund | 25 | - | - | 25 |
| Captain John Bury Memorial Prize Fund | 12 | - | - | 12 |
| Grants for Merchant Navy Scholarship Scheme: | | | | |
| Government funding | - | 626 | (626) | - |
| British Marine Prize Fund | 46 | - | - | 46 |
| Department for Transport Fund | <u>3,000</u> | <u>7</u> | <u>(519)</u> | <u>2,488</u> |
| | <u>3,193</u> | <u>633</u> | <u>(1,145)</u> | <u>2,681</u> |

The Swire Scholarship Fund was established in March 2012 to assist cadets undergoing training in the Merchant Navy Scholarship Scheme to study for a Full Honours Degree. Such assistance is awarded to those cadets who have demonstrated exceptional progress both academically and practically throughout their training.

The Swire Yeoman Support Fund was established in October 2017 to provide guidance and mentoring to cadets who have qualified from the Merchant Navy Scholarship Scheme.

The Captain John Bury Memorial Prize Fund was established to provide awards for outstanding achievement for cadets undergoing training in the Merchant Navy Scholarship Scheme. The Fund was established in memory of the late Captain Bury, Elder Brother of Trinity House.

The British Marine Prize Fund was established to provide prizes to cadets undergoing training in the Merchant Navy Scholarship Scheme. The prize is awarded to the cadet producing the best completed training record book.

The Department for Transport Fund relates to funds from the Department of Transport in support of safety and training related matters within the Charity's objects (see note 2).

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23. TRINITY HOUSE MARITIME CHARITY - PERMANENT ENDOWMENT FUNDS

| | Balance at 1 April 2019 | Movement in funds | | Balance at 31 March 2020 |
|--------------------------------|-------------------------------|-------------------|---------------------|--------------------------------|
| | | Expenditure | Gains and losses | |
| | £000 | £000 | £000 | £000 |
| Trinity Village | 254,030 | - | 3,999 | 258,029 |
| Church and West Farms, Goxhill | 4,424 | - | - | 4,424 |
| Martines Farm, Essex | 1,240 | - | - | 1,240 |
| Trinity Homes, Walmer | 2,028 | (43) | - | 1,985 |
| | <u>261,722</u> | <u>(43)</u> | <u>3,999</u> | <u>265,678</u> |

Trinity Village

The freehold of this estate, situated in South London, was conveyed to the Charity by Christopher Merrick in 1660. The fund is mainly represented by residential and commercial properties which were valued at £246,220,500 at 31 March 2020 and portfolio investments and cash which were valued at £11,960,000. Under the terms of the conveyance, income earned from this fund is available for general purposes.

Church and West Farms, Goxhill

This estate came to the Charity under the will of Captain Robert Sandes dated 1720. The fund is represented by agricultural land, now of 546 acres (221 hectares), in North Lincolnshire and cash. Under the terms of the bequest, income earned from this fund is available for general purposes. The farms were valued at £4,388,000 at 31 March 2018.

Martines Farm, Essex

This estate was bequeathed to the Charity by Captain Robert Fisher in 1714. The fund is represented by freehold agricultural land now of 65.7 acres (26.6 hectares). Under the terms of the bequest, income earned from this fund is available for general purposes. The farm was valued at £1,240,000 at 31 March 2018.

Trinity Homes, Walmer

These Homes, which are freehold charity property, belong to the Corporation for the use of residents in conformity with the provisions of the Charity's scheme. They are situated near Deal, in Kent, and provide accommodation for persons who are or were formerly British Seamen and Mariners (including Masters and Pilots) and their dependants who are in need. The Homes comprise 18 self contained units of accommodation and the only income received is a contribution from each resident towards heating of the dwellings. This fund is represented in the balance sheet by tangible fixed assets (note 15) and an investment property.

24. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

| | Corporate Charity | | Trinity House Maritime Charity | | Endowment | Non-charitable | Total |
|--|-----------------------|---------------------|-----------------------------------|---------------------|----------------|----------------|-----------------------|
| | Unrestricted funds | Restricted funds | Unrestricted funds | Restricted funds | funds | trading funds | 2020 |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Fund balances at 31 March 2020 are represented by : | | | | | | | |
| Tangible fixed assets | 8,592 | 36 | 14 | - | 1,783 | 558 | 10,983 |
| Investments | 1,054 | - | - | - | 264,300 | - | 265,354 |
| Current assets | 204 | 24 | 2,321 | 2,681 | (405) | 506 | 5,331 |
| Current liabilities | (104) | - | (790) | - | - | (584) | (1,478) |
| Inter-charity balance | 49 | - | (49) | - | - | - | - |
| Group balance | (21) | - | - | - | - | 21 | - |
| Defined benefit pension liability | (124) | - | (331) | - | - | - | (455) |
| Total net assets | <u>9,650</u> | <u>60</u> | <u>1,165</u> | <u>2,681</u> | <u>265,678</u> | <u>501</u> | <u>279,735</u> |

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25. PENSION COMMITMENTS

The Corporation operates a defined benefit scheme (the 'Scheme') in the UK for the majority of its employees. This Scheme was closed to new members on 18 July 2006. A defined contribution scheme (group personal pension plan) was established for new staff joining after that date.

The Corporate Charity is the sponsoring employer to the defined benefit scheme. The assets of the Scheme are held separately from those of the combined charities.

The contributions are determined on the basis of triennial valuations by an actuary using the Attained Age method. Following the valuation as at 1 October 2017, the employer's current contribution rate increased (from 1 June 2018) from 34.4% to 34.8% of pensionable pay. The employees' contribution rate remained at 1.5% of pensionable pay. The total contributions for the year in these accounts were £115,000. The valuation showed that the market value of the Scheme's assets was £6,868,000 and that the ongoing funding level was 100%.

The assumptions which had the most significant effect on the results of the valuation were as follows:

| | |
|-------------------------------|-----------|
| RPI | 3.6% p.a. |
| Earnings increases | 3.6% p.a. |
| Pre-retirement discount rate | 4.2% p.a. |
| Post-retirement discount rate | 2.0% p.a. |

Financial Reporting Standard 102 - Retirement Benefits

The following information has been calculated by a qualified, independent actuary for the purpose of inclusion in these accounts. It should be emphasised that, in accordance with the requirements of FRS 102, the assets and liabilities of the Scheme are valued with reference to current market conditions and may, therefore, vary widely from year to year.

| | 2020 | 2019 |
|---|---------------------|---------------------|
| | £000 | £000 |
| Market value of assets | 7,068 | 7,141 |
| Defined benefit obligation | (7,523) | (7,477) |
| Deficit in the Scheme - net pension liability | <u>(455)</u> | <u>(336)</u> |

The assets in the Scheme were:

| | 2020 | 2019 |
|------------------------------|---------------------|---------------------|
| | £000 | £000 |
| Equities | 2,341 | 4,364 |
| Bonds | 4,510 | 2,465 |
| Insured pensions (annuities) | 41 | 50 |
| Cash | 176 | 262 |
| Total market value of assets | <u>7,068</u> | <u>7,141</u> |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
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25. PENSION COMMITMENTS (continued)

The major assumptions used by the actuary were:

| | 2020 | 2019 |
|-------------------------------|------|------|
| Inflation - RPI | 3.1% | 3.7% |
| Rate of increase in salaries | 3.1% | 3.7% |
| Rate of increase for pensions | 3.0% | 3.4% |
| Discount rate for liabilities | 2.2% | 2.5% |

The mortality tables used are the S2NA base tables projected by year of birth in line with the CMI 2016 "core" mortality projections with a long-term rate assumption of 1.2% per annum. To give an indication of life expectancies, a person who is currently aged 63 is assumed to live on average until the age of 87 years in the case of a man and 89 years in the case of a woman.

Reconciliation of the fair value of plan assets over the year

| | 2020 | 2019 |
|---|--------------|--------------|
| | £000 | £000 |
| Fair value of plan assets at 1 April 2019 | 7,141 | 6,900 |
| Interest income on plan assets | 176 | 185 |
| Remeasurement - return on plan assets excluding interest income | (17) | 141 |
| Contributions by the charities | 115 | 133 |
| Contributions by the members | 5 | 6 |
| Benefits paid (including expenses) | (352) | (224) |
| Fair value of plan assets at 31 March 2020 | <u>7,068</u> | <u>7,141</u> |
| Return on plan assets | <u>159</u> | <u>326</u> |

Reconciliation of defined benefit obligations over the year

| | 2020 | 2019 |
|--|--------------|--------------|
| | £000 | £000 |
| Defined benefit obligations at 1 April 2019 | 7,477 | 6,574 |
| Current service cost | 166 | 169 |
| Contributions by the members | 5 | 6 |
| Interest expense on defined benefit obligation | 185 | 177 |
| Remeasurement - effect of experience adjustments loss | 312 | 316 |
| Remeasurement - effect of changes in assumptions (gain) / loss | (270) | 452 |
| Benefits paid | (352) | (224) |
| Past service cost | - | 7 |
| Defined benefit obligations at 31 March 2020 | <u>7,523</u> | <u>7,477</u> |

The movement in the Scheme's deficit during the year is made up as follows:

| | 2020 | 2019 |
|--|------------|------------|
| | £000 | £000 |
| Net pension liability at 1 April 2019 | 336 | (326) |
| Amount recognised in expenditure | 175 | 168 |
| Gain recognised in other recognised gains and losses | 59 | 627 |
| Contributions by the charities | (115) | (133) |
| Net pension liability at 31 March 2020 | <u>455</u> | <u>336</u> |

The liability in the Scheme and the movements in the year have been allocated between the two charities based on the contributions payable in the year.

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25. PENSION COMMITMENTS (continued)

The following amounts have been included in the statement of financial activities:

Analysis of the amount charged as expenditure

| | 2020 | 2019 |
|--|--------------|--------------|
| | £000 | £000 |
| Current service cost | (166) | (169) |
| Past service cost | - | (7) |
| Interest income on Scheme assets | 176 | 185 |
| Interest expense on defined benefit obligation | (185) | (177) |
| Total charge to expenditure | (175) | (168) |

Remeasurements recognised in other recognised gains and losses

| | 2020 | 2019 |
|---|-------------|--------------|
| | £000 | £000 |
| Remeasurement - effect of experience adjustments loss | (312) | (316) |
| Remeasurement - effect of changes in assumptions gain / (loss) | 270 | (452) |
| Remeasurement - return on plan assets including interest income (loss) / gain | (17) | 141 |
| Total remeasurement loss recognised in other recognised gains and losses | (59) | (627) |

26. SUBSIDIARY COMPANIES

- (a) **Trinitas Services Limited** is a wholly-owned subsidiary of the Corporation of Trinity House, incorporated on 19 March 1993 and is registered in England, number 02801613. The address of its Registered Office is Trinity House, The Quay, Harwich, Essex CO12 3JW and its principal activity is the letting of lighthouse cottages.

A summary of the results for the year is as follows:

| | 2020 | 2019 |
|-------------------------|-------------|-------------|
| | £000 | £000 |
| Turnover | 1,023 | 1,013 |
| Total expenditure | (1,027) | (957) |
| Profit after tax | (4) | 56 |
| Total assets | 822 | 781 |
| Total liabilities | (381) | (348) |
| Net assets | 441 | 433 |

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26. SUBSIDIARY COMPANIES (continued)

- (b) **Trinity House Events Limited** is a wholly owned subsidiary of the Corporation of Trinity House, incorporated on 26 January 2011 and registered in England, number 7506615. The address of its Registered Office is Trinity House, Tower Hill, London EC3N 4DH and its principal activity is the letting of the function rooms at Trinity House.

A summary of the results for the year is as follows:

| | 2020 | 2019 |
|---------------------|--------------|-------|
| | £000 | £000 |
| Turnover | 539 | 669 |
| Total expenditure | (300) | (355) |
| Profit for the year | 239 | 314 |
| Total assets | 260 | 238 |
| Total liabilities | (200) | (200) |
| Net assets | 60 | 38 |

27. GRANTS AND COMMITMENTS

Grants paid to institutions in the year totalled £1,955,000 (2019: £1,962,000) whilst grants paid to individuals totalled £25,740 (2019: £28,934). Full details of all grants paid can be obtained from the Secretary to the Corporation.

At 31 March 2020, grant commitments from future income were £3,450,000 (2019: £3,623,000).

At 31 March 2020, the Trinity House Maritime Charity was committed to payments of £2,399,000 (2019: £1,805,000) in respect of the Merchant Navy Scholarship Scheme.

28. RELATED PARTY TRANSACTIONS

Owing to the Charities' operations and the composition of the Corporate Board, it is inevitable that grants will be made to organisations in which a trustee may have an interest. Similarly, properties may be leased to trustees or other related parties. All grants and transactions involving such organisations and related parties are conducted at arm's length.

Except for transactions with trustees included in note 13, there are no other related party transactions requiring disclosure.

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND

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29. COMPARATIVES

(a) GROUP STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2019

| | | Corporate Charity funds (including subsidiaries) | Trinity House Unrestricted funds | Maritime Charity Restricted funds | Charity Permanent Endowment funds | Total 2019 |
|--|-------|--|--|---|--|----------------|
| | Notes | £000 | £000 | £000 | £000 | £000 |
| INCOME FROM: | | | | | | |
| Donations and legacies | 2 | 18 | 46 | 3,020 | - | 3,084 |
| Charitable activities | 3 | 459 | 15 | 750 | - | 1,224 |
| Other trading activities | 4 | 1,683 | - | - | - | 1,683 |
| Investments | 5 | 31 | 6,891 | - | - | 6,922 |
| TOTAL INCOME | | 2,191 | 6,952 | 3,770 | - | 12,913 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 6 | 1,308 | 2,733 | - | (24) | 4,017 |
| Charitable activities: | | | | | | |
| Welfare | 7 | 40 | 1,538 | - | 43 | 1,621 |
| Youth opportunities and training | 8 | - | 2,290 | 765 | - | 3,055 |
| Public safety and education | 9 | - | 193 | - | - | 193 |
| Maintaining the fabric and heritage of Trinity House | 10 | 874 | - | - | - | 874 |
| Role as a Deep Sea Pilotage Authority | 11 | 12 | - | - | - | 12 |
| Provision of Nautical Assessors | 11 | 8 | - | - | - | 8 |
| TOTAL EXPENDITURE | | 2,242 | 6,754 | 765 | 19 | 9,780 |
| NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS AND LOSSES | | (51) | 198 | 3,005 | (19) | 3,133 |
| Gains / (losses) on the revaluation and disposal of investment properties | 16 | - | - | - | 4,211 | 4,211 |
| Gains / (losses) on the revaluation and disposal of portfolio investments | 16 | 24 | (5) | - | 921 | 940 |
| NET (EXPENDITURE) / INCOME | | (27) | 193 | 3,005 | 5,113 | 8,284 |
| OTHER RECOGNISED GAINS AND LOSSES: | | | | | | |
| Actuarial (loss) / gain on defined benefit pension scheme | 25 | (153) | (474) | - | - | (627) |
| NET MOVEMENT IN FUNDS | | (180) | (281) | 3,005 | 5,113 | 7,657 |
| BALANCE AT 1 APRIL 2018 | | 11,322 | 1,400 | 188 | 256,609 | 269,519 |
| BALANCE AT 31 MARCH 2019 | | 11,142 | 1,119 | 3,193 | 261,722 | 277,176 |

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29. COMPARATIVES (continued)

(b) COMBINED CHARITIES' STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2019

| | | Corporate Charity funds | Trinity House Unrestricted funds | Maritime Charity Restricted funds | Permanent Endowment funds | Total 2019 |
|---|-------|-------------------------------|--|---|---------------------------------|----------------|
| | Notes | £000 | £000 | £000 | £000 | £000 |
| INCOME FROM: | | | | | | |
| Donations and legacies | 2 | 18 | 46 | 3,020 | - | 3,084 |
| Charitable activities | 3 | 459 | 15 | 750 | - | 1,224 |
| Other trading activities | 4 | 631 | - | - | - | 631 |
| Investments | 5 | 31 | 6,891 | - | - | 6,922 |
| TOTAL INCOME | | 1,139 | 6,952 | 3,770 | - | 11,861 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 6 | 338 | 2,733 | - | (24) | 3,047 |
| Charitable activities: | | | | | | |
| Welfare | 7 | 40 | 1,538 | - | 43 | 1,621 |
| Youth opportunities and training | 8 | - | 2,290 | 765 | - | 3,055 |
| Public safety and education | 9 | - | 193 | - | - | 193 |
| Maintaining the fabric and heritage of Trinity House | 10 | 874 | - | - | - | 874 |
| Role as a Deep Sea Pilotage Authority | 11 | 12 | - | - | - | 12 |
| Provision of Nautical Assessors | 11 | 8 | - | - | - | 8 |
| TOTAL EXPENDITURE | | 1,272 | 6,754 | 765 | 19 | 8,810 |
| NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS AND LOSSES | | (133) | 198 | 3,005 | (19) | 3,051 |
| Gains / (losses) on the revaluation and disposal of investment properties | 16 | - | - | - | 4,211 | 4,211 |
| Gains / (losses) on the revaluation and disposal of portfolio investments | 16 | 24 | (5) | - | 921 | 940 |
| NET (EXPENDITURE) / INCOME | | (109) | 193 | 3,005 | 5,113 | 8,202 |
| OTHER RECOGNISED GAINS AND LOSSES: | | | | | | |
| Actuarial (loss) / gain on defined benefit pension scheme | 25 | (153) | (474) | - | - | (627) |
| NET MOVEMENT IN FUNDS | | (262) | (281) | 3,005 | 5,113 | 7,575 |
| BALANCE AT 1 APRIL 2018 | | 10,919 | 1,400 | 188 | 256,609 | 269,116 |
| BALANCE AT 31 MARCH 2019 | | 10,657 | 1,119 | 3,193 | 261,722 | 276,691 |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
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29. COMPARATIVES (continued)

(c) INCOME FROM:

CHARITABLE ACTIVITIES

Group and combined charities

| | Corporate Charity | Trinity House Maritime Charity | | Total 2019 |
|---|-----------------------|-----------------------------------|---------------------|---------------|
| | Unrestricted funds | Unrestricted funds | Restricted funds | |
| | £000 | £000 | £000 | £000 |
| Welfare | - | 15 | - | 15 |
| Youth opportunities and training | - | - | 750 | 750 |
| Contribution from Trinity House Lighthouse Service | 306 | - | - | 306 |
| Provision of Nautical Assessors | - | - | - | - |
| Other | 153 | - | - | 153 |
| Total 2019 | 459 | 15 | 750 | 1,224 |

(d) INCOME FROM:

INVESTMENTS

Group and combined charities

| | Corporate Charity | Trinity House Maritime Charity | | Total 2019 |
|--|-----------------------|-----------------------------------|---------------------|---------------|
| | Unrestricted funds | Unrestricted funds | Restricted funds | |
| | £000 | £000 | £000 | £000 |
| Investment properties | - | 6,569 | - | 6,569 |
| Portfolio investments | 31 | 317 | - | 348 |
| Bank interest and other finance income | - | 5 | - | 5 |
| Total 2019 | 31 | 6,891 | - | 6,922 |

(e) EXPENDITURE ON RAISING FUNDS

Group and combined charities

| | Corporate Charity | | Trinity House Maritime Charity | | Total 2019 |
|--|-----------------------|---------------------|-----------------------------------|--------------------|---------------|
| | Unrestricted funds | Restricted funds | Unrestricted funds | Endowment funds | |
| | £000 | £000 | £000 | £000 | £000 |
| Letting of function rooms | 338 | - | - | - | 338 |
| Management of investment assets: | | | | | |
| Estate managers' fees | - | - | 595 | - | 595 |
| Legal and other administration fees | - | - | 255 | - | 255 |
| Investment managers' fees | - | - | 4 | (24) | (20) |
| Maintenance of investment assets: | | | | | |
| Repairs, maintenance and refurbishment of estates | - | - | 1,382 | - | 1,382 |
| Support costs | - | - | 497 | - | 497 |
| Combined charities | 338 | - | 2,733 | (24) | 3,047 |
| Letting of lighthouse cottages | 954 | - | - | - | 954 |
| Letting of function rooms | 16 | - | - | - | 16 |
| Group | 1,308 | - | 2,733 | (24) | 4,017 |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
For the year ended 31 March 2020

29. COMPARATIVES (continued)

(f) EXPENDITURE ON CHARITABLE ACTIVITIES:
WELFARE

| Group and combined charities | Corporate Charity | Trinity House Maritime Charity | | Total 2019 |
|---|----------------------|-----------------------------------|-----------|---------------|
| | Unrestricted | Unrestricted | Endowment | |
| | funds | funds | funds | |
| | £000 | £000 | £000 | £000 |
| Maintenance and upkeep of the Trinity Homes | - | 222 | 43 | 265 |
| Major grants paid | - | 780 | - | 780 |
| Minor grants paid | 40 | 259 | - | 299 |
| Support costs | - | 277 | - | 277 |
| Total 2019 | 40 | 1,538 | 43 | 1,621 |

(g) EXPENDITURE ON CHARITABLE ACTIVITIES:
YOUTH OPPORTUNITIES AND TRAINING

| Group and combined charities | Trinity House Maritime Charity | | Total 2019 |
|--|-----------------------------------|------------|---------------|
| | Unrestricted | Restricted | |
| | funds | funds | |
| | £000 | £000 | £000 |
| Merchant Navy Scholarship Scheme | 983 | 765 | 1,748 |
| Major grants paid | 470 | - | 470 |
| Minor grants paid | 51 | - | 51 |
| Impairment of programme-related investment | 250 | - | 250 |
| Support costs | 536 | - | 536 |
| Total 2019 | 2,290 | 765 | 3,055 |

(h) EXPENDITURE ON CHARITABLE ACTIVITIES:
PUBLIC SAFETY AND EDUCATION

| Group and combined charities | Trinity House Maritime Charity | | Total 2019 |
|------------------------------|-----------------------------------|------------|---------------|
| | Unrestricted | Restricted | |
| | funds | funds | |
| | £000 | £000 | £000 |
| Major grants paid | 99 | - | 99 |
| Minor grants paid | 60 | - | 60 |
| Support costs | 34 | - | 34 |
| Total 2019 | 193 | - | 193 |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND

NOTES TO THE GROUP AND COMBINED ACCOUNTS

For the year ended 31 March 2020

29. COMPARATIVES (continued)

(i) ANALYSIS OF SUPPORT COSTS

| | Office staff £000 | Service staff £000 | Administration costs £000 | Total 2019 £000 |
|---|-------------------------|--------------------------|---------------------------------|-----------------------|
| Raising funds | 272 | 35 | 190 | 497 |
| Welfare | 145 | 20 | 112 | 277 |
| Youth opportunities and training | 281 | 39 | 216 | 536 |
| Public safety and education | 18 | 2 | 14 | 34 |
| Maintaining the fabric and heritage of Trinity House | 158 | - | - | 158 |
| Total 2019 | <u>874</u> | <u>96</u> | <u>532</u> | <u>1,502</u> |

(j) CORPORATE CHARITY - DESIGNATED FUNDS

| | Balance at 1 April 2018 £000 | New designations £000 | Utilised / released £000 | Balance at 31 March 2019 £000 |
|-----------------------|------------------------------------|-----------------------------|--------------------------------|-------------------------------------|
| House Designated Fund | 831 | 200 | (205) | 826 |
| Fixed Assets Fund | 9,403 | - | (122) | 9,281 |
| | <u>10,234</u> | <u>200</u> | <u>(327)</u> | <u>10,107</u> |

(k) CORPORATE CHARITY - RESTRICTED FUNDS

| | Balance at 1 April 2018 £000 | Income £000 | Expenditure £000 | Balance at 31 March 2019 £000 |
|--------------------------------------|------------------------------------|----------------|---------------------|-------------------------------------|
| Warden's Trinity House Relief Fund | 2 | - | - | 2 |
| Brethren's' Covenant and Gift Scheme | 58 | - | - | 58 |
| | <u>60</u> | <u>-</u> | <u>-</u> | <u>60</u> |

(l) TRINITY HOUSE MARITIME CHARITY - DESIGNATED FUNDS

| | Balance at 1 April 2018 £000 | New designations £000 | Utilised / released £000 | Balance at 31 March 2019 £000 |
|----------------------------------|------------------------------------|-----------------------------|--------------------------------|-------------------------------------|
| Extraordinary Repair Fund | 177 | - | - | 177 |
| Merchant Navy Scholarship Scheme | 500 | - | - | 500 |
| | <u>677</u> | <u>-</u> | <u>-</u> | <u>677</u> |

CORPORATION OF TRINITY HOUSE OF DEPTFORD STROND
NOTES TO THE GROUP AND COMBINED ACCOUNTS
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29. COMPARATIVES (continued)

(m) TRINITY HOUSE MARITIME CHARITY - RESTRICTED FUNDS

| | Balance at 1 April 2018 | Movement in funds | | Balance at 31 March 2019 |
|--|----------------------------|-------------------|---------------------|-----------------------------|
| | £000 | Income £000 | Expenditure £000 | £000 |
| Swire Scholarship Fund | 105 | 20 | (15) | 110 |
| Swire Yeoman Support Fund | 25 | - | - | 25 |
| Captain John Bury Memorial Prize Fund | 12 | - | - | 12 |
| Grants for Merchant Navy Scholarship Scheme: | | | | |
| Government funding | - | 750 | (750) | - |
| Sponsorship from the Jersey Harbour Board | - | - | - | - |
| British Marine Prize Fund | 46 | - | - | 46 |
| Department for Transport Fund | - | 3,000 | - | 3,000 |
| | <u>188</u> | <u>3,770</u> | <u>(765)</u> | <u>3,193</u> |

(n) TRINITY HOUSE MARITIME CHARITY - PERMANENT ENDOWMENT FUNDS

| | Balance at 1 April 2018 | Movement in funds | | Balance at 31 March 2019 |
|--------------------------------|-------------------------------|---------------------|-----------------------------|--------------------------------|
| | £000 | Expenditure £000 | Gains and losses £000 | £000 |
| Trinity Village | 248,874 | - | 5,156 | 254,030 |
| Church and West Farms, Goxhill | 4,424 | - | - | 4,424 |
| Martines Farm, Essex | 1,240 | - | - | 1,240 |
| Trinity Homes, Walmer | 2,071 | (43) | - | 2,028 |
| | <u>256,609</u> | <u>(43)</u> | <u>5,156</u> | <u>261,722</u> |

(o) ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

| | Corporate Charity | | Trinity House Maritime Charity | | Endowment | Non-charitable | Total |
|--|-------------------------------|-----------------------------|-----------------------------------|-----------------------------|----------------|-----------------------|----------------|
| | Unrestricted funds £000 | Restricted funds £000 | Unrestricted funds £000 | Restricted funds £000 | funds £000 | trading funds £000 | 2019 £000 |
| Fund balances at 31 March 2019 are represented by : | | | | | | | |
| Tangible fixed assets | 9,282 | 33 | 15 | - | 1,828 | 505 | 11,663 |
| Investments | 1,137 | - | 1,264 | - | 260,459 | - | 262,860 |
| Current assets | 394 | 27 | 1,790 | 3,193 | (565) | 515 | 5,354 |
| Current liabilities | (146) | - | (1,699) | - | - | (520) | (2,365) |
| Inter-charity balance | 11 | - | (11) | - | - | - | - |
| Group balance | 15 | - | - | - | - | (15) | - |
| Defined benefit pension asset | (96) | - | (240) | - | - | - | (336) |
| Total net assets | <u>10,597</u> | <u>60</u> | <u>1,119</u> | <u>3,193</u> | <u>261,722</u> | <u>485</u> | <u>277,176</u> |