

TYNE MARINERS' BENEVOLENT INSTITUTION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2016

CHARITY NO: 229236

HOMES & COMMUNITY AGENCY NO: A3721

TYNE MARINERS BENEVOLENT INSTITUTION

ASSOCIATION DETAILS

Secretaries and Principal Office

Hadaway & Hadaway
Midland Chambers
58 Howard Street
North Shields
Tyne & Wear
NE30 1AL

Auditor

Tait Walker LLP
Chartered Accountants
& Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Solicitors

Hadaway & Hadaway
Midland Chambers
58 Howard Street
North Shields
Tyne & Wear
NE30 1AL

Managing Agents

Tyne Housing Association Limited
St Silas Church Building
Clifford Street
Byker
Newcastle upon Tyne
NE6 1PG

Bankers

CAF Bank Limited
25 Kings Hill
West Malling
Kent
ME19 4JQ

Registration

Registered Charity Number	0229236
Homes & Communities Agency Number	A3721

TYNE MARINERS BENEVOLENT INSTITUTION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees present their report and the audited financial statements for the year ended 31 December 2016.

Principal Activity

The principal activity of the Association is the provision of housing for occupation by ex-seafarers or their widows, and the provision of monthly pensions and other sums to ex-seafarers or their widows.

Members of the Board of Trustees

The Members of the Board of Trustees during the year ended 31 December 2016 were:-

R.I.D. Souter	- Chairman
M. Bird	- Treasurer / Vice Chairman
Captain S.C. Healy	- The Master of Trinity House
D.F. Hamilton	(resigned 17/11/2016)
Miss D. Erskine	
The Reverend D Kirkwood (Vicar of Tynemouth)	(resigned 04/04/2016)
Captain A.J. Hogg	
Captain R. D. Nelson	
P. A. Dade	
Lt Cmdr A. S. Collier RNR	
A. R. Horn	
L. Arkley	

STRUCTURE, GOVERNANCE AND MANAGEMENT

Tyne Mariners' Benevolent Institution is a registered charity, registered with the Charity Commission (number 229236) and a Registered Social Landlord (number A3721) registered with the Homes & Communities Agency.

The Institution was established in accordance with the requirements of the Trust Deed dated 8th July 1902, last amended on 26th April 2006.

OBJECTIVES AND ACTIVITIES

1. To provide monthly pensions and other sums to ex-seafarers or their widows who have satisfied the criteria of financial need, period of sea service and residential qualification.
2. To make available residences at the Master Mariners Homes, North Shields for ex-seafarers or their widows who satisfy the criteria under objective 1 above or other persons in need who satisfy criteria approved by the Trustees.
3. To maintain the Master Mariners Homes to the necessary standard.
4. To administer the charity in accordance with Charity Commission guidelines, to keep proper accounting records and be responsible for investment policy.

The Institution may not charge rent for dwellings, only a maintenance contribution sufficient to manage them and keep them in good repair. Wherever the terms "rent" and "tenant" are used, it is for convenience only and has no other significance.

The Tyne Mariners' Benevolent Institution is governed by trustees who are voluntary individuals, headed by the Chairman and Vice-Chairman of the trustees. The charity is administered by Hadaway & Hadaway, solicitors of North Shields, who receive annual emoluments from the charity in recognition of their work for the year.

TYNE MARINERS BENEVOLENT INSTITUTION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2016

ACHIEVEMENTS AND PERFORMANCE

The Tyne Mariners Benevolent Institution continues to provide accommodation at The Master Mariners Homes for seafarers and their families. The properties have been fully occupied this year with demand and a waiting list currently existing. The Trustees have continued to carry out ongoing repairs to the properties. It was identified this year that the Care Call System required renewal and following successful grant applications The Merchant Navy Welfare Board are to provide financial assistance for these works.

The Trustees are grateful for the continued support provided by The Merchant Navy Welfare Board and also Trinity House.

The Charity continues on a sound financial footing and the Charity continues to pay annuities to a regular numbers of recipients and 2016 has not seen any substantial reduction in the number of recipients. The Charity, therefore, continues to provide accommodation and financial support for seafarers within the North East region.

FINANCIAL REVIEW

The financial statements presented for the year, show a surplus of £155,826 (2015 - £22,149) after the substantial uplifts to the value of investments held which totalled £109,630 (2015: fall in value of £7,500). Transfers to designated reserves totalling £3,480 (2015 - £3,480) were made whilst transfers to the revaluation reserve were made to reflect the year end difference between historic cost and market value of investments.

Investments continued to be managed by UBS on a discretionary basis. Their performance is monitored regularly by the Trustees and has been considered satisfactory. Costs are controlled by the Secretaries and/or Managing Agents. Management accounts are reviewed by the Trustees quarterly. Note 2 shows that costs have increased compared to the previous year, due to an increase in repairs and the UBS management fees.

The trustees consider the financial position of the Institution to be satisfactory.

The financial statements, which have been prepared in accordance with the Statement of Recommended Practice: Accounting by Registered Social Landlords (Update 2014), conform to current statutory requirements and comply with the Institution's governing documents.

RESERVES POLICY

The trustees have established a policy to ensure that the charity's unrestricted revenue reserves funds, which are the free reserves of the charity, do not fall below the amount required to run the charity's activities for a year (approximately £214,000) should there be any call on the funds of the charity. The current balance of the charity's reserves is considered to be satisfactory by the trustees.

RISK POLICY

Risk factors faced by the Charity moving forward relate to the maintenance and repair of the building at the Master Mariners Homes Tynemouth Road being a listed building of substantial age. The Trustees are aware of the continuing requirements to maintain the property which is subject to constant review. No substantial refurbishments will be required in the near future and the Charity is satisfied that the sound financial footing of the Charity mitigates any risks substantially.

The ability to pay annuities is a further risk faced by the Charity. With the continued support of Trinity House and the reserves held by the Charity and the decreasing number of recipients due to age factors the Charity is confident that payments will be maintained and the risk restricted.

TYNE MARINERS BENEVOLENT INSTITUTION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2016

PUBLIC BENEFIT STATEMENT

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The charitable objectives also are set in order to provide a clear and demonstrable public benefit.

PLANS FOR THE FUTURE

The Institution will continue to provide support by way of payment of pensions to retired seafarers and their families and will continue a rolling programme of improvements to the Master Mariners Homes.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Cooperative and Community Benefit Societies Act 2014 and registered social housing legislation require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Institution and the result of the Institution for that period. In preparing those financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis where it is appropriate to do so.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Institution and to enable them to ensure that the financial statements comply with the Cooperative and Community Benefit Societies Act 2014, Schedule 1 to the Housing and Regeneration Act 2008 and the Accounting Directions for Private Registered Providers of Social Housing April 2015.

The trustees acknowledges its ultimate responsibility for ensuring that the Institution has in place a system of controls that is appropriate to the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Institution or for publication;
- the maintenance of proper accounting records, and
- the safeguarding of assets against unauthorised use or disposition and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

It is the responsibility of the trustees to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements include:

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Institution's assets;
- experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance;

TYNE MARINERS BENEVOLENT INSTITUTION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2016

STATEMENT OF TRUSTEES' RESPONSIBILITIES (CONTINUED)

- forecasts and budgets are prepared which allow the trustees to monitor the key business and financial objectives and risks and the progress towards financial objectives set for the year and the medium term; regular management accounts are prepared promptly providing relevant, reliable and up-to-date financial and other information; significant variances from budget are investigated as appropriate;
- all investment projects are subject to formal authorisation procedures by the trustees;
- the trustees reviews reports from the managing agents and from the external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Institution;
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The trustees have reviewed the effectiveness of the system of internal financial control in existence in the Institution for the year 31 ended December 2016 and no weaknesses in internal financial control resulted in material losses, contingencies, or uncertainties which require disclosure in the financial statements or the auditors' report on the financial statements.

Statement of Disclosure of Information to Auditors

We, the Board members of the Institution who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Institution's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Board members in order to make ourselves aware of any relevant audit information and to establish that the Institution's auditors are aware of that information.

Auditor

A resolution to re-appoint Tait Walker LLP as auditor for the ensuing year will be proposed at the annual general meeting.

The financial statements were approved by the trustees on16.5.17..... and signed on its behalf by:-

.......... R. I. D. Souter - Chairman

TYNE MARINERS' BENEVOLENT INSTITUTION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TYNE MARINERS' BENEVOLENT INSTITUTION

FOR THE YEAR ENDED 31 DECEMBER 2016

We have audited the financial statements of Tyne Mariners Benevolent Institution for the year ended 31 December 2016, on pages 8 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Institution's members, as a body, in accordance with Section 137 of the Housing and Regeneration Act 2008, Section 145 of the Charities Act 2011 and Regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the Institution's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Institution and the Institution's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustee's Responsibilities set out on pages 4 to 5, the committee is responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Institution's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Institution's affairs as at 31 December 2016 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011, the Cooperative and Communities Benefit Societies Act 2014, the Housing and Regeneration Act 2008 and The Accounting Directions for Private Registered Providers of Social Housing April 2015.

TYNE MARINERS' BENEVOLENT INSTITUTION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TYNE MARINERS' BENEVOLENT INSTITUTION

FOR THE YEAR ENDED 31 DECEMBER 2016

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the Financial Statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit.

In addition, we have nothing to report in respect of the following matter where the Housing & Regeneration Act 2008 required us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.



Simon Brown ACA (Senior Statutory Auditor)
For and on behalf of
Tait Walker LLP
Chartered Accountants & Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 16.5.17

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

TYNE MARINERS' BENEVOLENT INSTITUTION


STATEMENT OF COMPREHENSIVE INCOME (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

AS AT 31 DECEMBER 2016

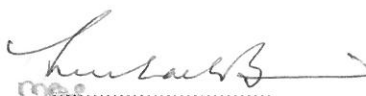
		2016	2015
	Note	£	£
TURNOVER	2	259,534	232,281
Operating costs	2	(213,509)	(203,058)
OPERATING SURPLUS	2/5	46,025	29,223
Interest receivable	4	171	426
SURPLUS / (DEFICIT) BEFORE TAX		46,196	29,649
Taxation	6	-	-
SURPLUS / (DEFICIT) FOR THE YEAR		46,196	29,649
Other recognised gains / (losses) in the year: Change in fair value of investments		109,630	(7,500)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		155,826	22,149

The results for the year relate wholly to the continuing operations of the Association.

Approved by the Board and signed on its behalf on16.5.17.....



 R. I. D Souter
 Chairman



 M. Bird
 Treasurer / Vice Chairman

The notes on pages 11 to 21 form part of these financial statements.

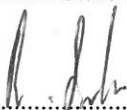
TYNE MARINERS' BENEVOLENT INSTITUTION

STATEMENT OF FINANCIAL POSITION

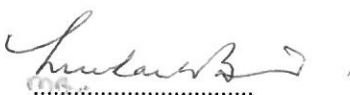
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Housing properties	7	314,549	325,284
Other tangible fixed assets	8	13,202	15,531
Investments	9	1,230,229	1,103,756
		<u>1,557,980</u>	<u>1,444,571</u>
CURRENT ASSETS			
Debtors	10	23,284	30,573
Cash and cash equivalents		137,172	108,043
		<u>160,456</u>	<u>138,616</u>
CREDITORS: Amounts falling due within one year	11	11,494	14,955
NET CURRENT ASSETS		<u>148,962</u>	<u>123,661</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,706,942</u>	<u>1,568,232</u>
CREDITORS: Amounts falling due after more than one year	12	376,413	393,529
TOTAL NET ASSETS		<u>1,330,529</u>	<u>1,174,703</u>
CAPITAL AND RESERVES			
Revaluation reserves	15	151,461	45,247
Designated reserves	14	272,845	269,365
Revenue reserves		<u>906,223</u>	<u>860,091</u>
TOTAL CAPITAL AND RESERVES		<u>1,330,529</u>	<u>1,174,703</u>

The financial statements were approved by the Trustees on 16.5.17 and signed on its behalf by:-



 R. I. D Souter
 Chairman



 M. Bird
 Treasurer / Vice Chairman

The notes on pages 11 to 21 form part of these financial statements.

TYNE MARINERS' BENEVOLENT INSTITUTION

STATEMENT OF CHANGE IN RESERVES

AS AT 31 DECEMBER 2016

	Revaluation reserve	Designated reserves	Revenue reserves	Total Reserves
Balance at 1 January 2015	53,115	265,885	833,554	1,152,554
Surplus / (deficit) from statement of comprehensive income year ended 31 December 2015 – Total Comprehensive Income	-	-	22,149	22,149
Transfer from unrestricted reserves to designated reserves	-	3,480	(3,480)	-
Transfer from revaluation reserves to unrestricted reserves	(7,868)	-	7,868	-
Balance at 31 December 2015	45,247	269,365	860,091	1,174,703
Surplus / (deficit) from statement of comprehensive income year ended 31 December 2016 – Total Comprehensive Income	-	-	155,826	155,826
Transfer from unrestricted reserves to designated reserves	-	3,480	(3,480)	-
Transfer from unrestricted reserves to revaluation reserves	106,214	-	(106,214)	-
Balance at 31 December 2016	151,461	272,845	906,223	1,330,529

The notes on pages 11 to 21 form part of these financial statements.

TYNE MARINERS' BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, Financial Reporting Standard 102 (FRS102), the Accounting Directions for Private Registered Providers of Social Housing April 2015 and the Statement of Recommended Practice Accounting by Registered Social Landlords, Update 2014 (SORP2014).

In accordance with FRS102 PBE3.3A the trustees confirm that this Registered Social Housing Provider is a Public Benefit Entity (PBE).

The trustees have chosen to utilise the exemptions available under paragraph 1.11 of FRS102, and have therefore chosen not to prepare a cashflow statement and supporting notes.

A summary of the more important accounting policies are set out in paragraphs (a) to (l) below:-

(a) **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include investments at fair value.

(b) **Turnover**

Turnover represents rental income and service charges receivable net of rent and service charge losses from voids. Turnover is recognised as the period of rent is due.

(c) **Housing Properties, Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost, less accumulated depreciation.

Major components of housing properties, such as the internal fittings and heating components, have been accounted for and depreciated separately from the housing structure, over their expected useful economic lives.

Depreciation is charged on a straight line basis at rates anticipated to write off the cost of the asset, over the expected useful economic lives of the assets as follows:

Land	Not depreciated
Housing Properties	
Structure	50 years
Roof	50 years
Kitchens	15 years
Bathrooms	15 years
Doors	40 years
Windows	40 years
Boilers	10 years

None of the Institution's housing properties are considered to be investment properties.

(d) **Other Fixed Assets**

Fixtures & Fittings	15% Reducing balance
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The useful economic lives of all tangible fixed assets are reviewed annually.

TYNE MARINERS' BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES *(continued)*

(e) **Social Housing Grant**

Social Housing Grant (SHG) received as a capital contribution, in line with SORP2014 and the 'accruals method', is held separately as a creditor due more than one year, unless part of the SHG relates to a disposal of property and becomes recycled or repayable, in which case it is apportioned to creditors due less than one year accordingly. The 'accruals method' is applied as the RSHP holds all social housing properties at their historic cost.

The SHG is then amortised in line with the depreciation of the 'structure' component of the housing properties and released over 50 years (2%). The amortisation released in respect of the SHG is recognised in the Statement of Comprehensive Income as 'income'.

SHG received towards revenue expenditure is matched against that expenditure by being included in turnover in the income and expenditure account. The related expenditure is included under operating costs. SHG is recognised in the same period as the related expenditure provided the conditions for its receipt have been satisfied and there is reasonable assurance that the grant will be received.

SHG received and not matched by development expenditure or relevant expenditure in the income and expenditure account is included in current liabilities. The amount of SHG in advance is calculated by reference to the aggregate of all schemes in the SHG funded development programme.

(f) **Taxation**

The Institution is exempt from paying tax.

(g) **Designated Reserves**

Designated reserves are part of unrestricted reserves which have been earmarked by the Board for a particular purpose. Such designations may be reversed by future Board decisions. Expenditure cannot be directly set against designated reserves but is taken through the income and expenditure account. A transfer is then made from designated reserves as appropriate.

The Registered Social Housing Provider (RSHP) designates those reserves set aside for future major repairs on all of its housing properties. The amounts set aside are based on a stock condition survey of the RSHP's housing properties and represents the expenditure that cannot be met from the RSHP's future rental income stream. The designated reserve is the amount that the Board estimates is required for future major repairs.

(h) **Financial Instruments**

A financial instrument is a contract that gives rise to a financial asset or liability within the financial statements of the Institution. The committee of management have reviewed the financial instruments held within the Institution's financial statements and consider them to be 'basic' and as such are recognised at their transactional value.

(i) **Rent Arrears and Advances**

In accordance with the Accounting Direction April 2015, rent arrears and advances are not net-off and are presented as part of debtors and creditors respectively. Where a payment plan has been entered into for rent arrears, which is considered to be material, then the rent arrears debtor is adjusted to its net present value.

TYNE MARINERS' BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

2. (A) TURNOVER, OPERATING COSTS AND OPERATING SURPLUS FOR THE YEAR

	Turnover	Operating costs	2016 Operating surplus	Turnover	Operating costs	2015 Operating surplus
	£	£	£	£	£	£
Social Housing Lettings (note B)	158,976	(106,039)	52,937	161,776	(95,792)	65,984
Activities other than Social Housing Activities (note C)	100,558	(107,470)	(6,912)	70,505	(107,266)	(36,761)
TOTAL	259,534	(213,509)	46,025	232,281	(203,058)	29,223

(B) PARTICULARS OF TURNOVER AND OPERATING EXPENDITURE FROM SOCIAL HOUSING LETTINGS

	2016 £	2015 £
Income		
Rent receivable net of voids	141,860	144,660
Amortised social housing grant	17,116	17,116
Turnover from Social Housing Lettings	158,976	161,776
Operating expenditure		
Management	36,154	33,825
Bad debts	2,949	(1,150)
General repairs	15,567	10,868
Services	38,305	38,771
Depreciation on housing properties	10,735	10,737
Depreciation on other fixed assets	2,329	2,741
Operating expenditure on Social Housing Lettings	106,039	95,792
Operating surplus on Social Housing Lettings	52,937	65,984
Void Losses	2,582	2,704
(being rental income lost as a result of property not being let)		

TYNE MARINERS' BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

(C) PARTICULARS OF TURNOVER AND OPERATING EXPENDITURE FROM OTHER ACTIVITIES

	2016	2015
Income	£	£
Donations: Trinity	38,850	37,000
Tyne & Blyth Shipping & Mercantile Benevolent Fund	31,615	-
Other income	-	2,577
Investment income	30,093	30,928
Turnover from other activities	100,558	70,505
 Operating expenditure		
Pension payments	90,461	91,818
Donations	250	-
Management	15,336	15,173
National association fees	283	275
Other legal fees	1,140	-
Operating expenditure on other activities	107,470	107,266
 Operating surplus/(deficit) on other activities	(6,912)	(36,761)

TYNE MARINERS' BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. STAFF, KEY MANAGEMENT PERSONNEL, DIRECTORS' EMOLUMENTS AND RELATED PARTIES

No employee earned more than £60,000. As the Institution has no employees, it has no Key Management Personnel. The Trustees are defined as the Board of Management and therefore could be classed as Key Management Personnel. None of the Board of Management received any emoluments during 2016 (2015 £nil). The Institution has no other paid Executive Officers.

The total expenses reimbursed to the Trustees not chargeable for UK income tax during 2016 was £Nil (2015: £Nil).

Where trustees are tenants, tenancies are on normal commercial terms.

The administration and management of the Association was carried out by Hadaway & Hadaway and Tyne Housing Association Limited.

4. INTEREST RECEIVABLE

	2016	2015
	£	£
Bank interest receivable	171	426
	<u>171</u>	<u>426</u>

TYNE MARINERS BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

5. OPERATING SURPLUS

	2016 £	2015 £
The operating surplus for the year is stated after charging:		
Depreciation on housing properties	10,735	10,737
Depreciation on other fixed assets	2,329	2,741
Amortisation of social housing grant	(17,116)	(17,116)
Auditor's remuneration	5,340	5,340
Auditor's – other services	300	300
(Profit) / loss on fair value movement on investments	<u>(106,214)</u>	<u>7,868</u>

6. TAXATION

No liability to taxation arises from the surplus arising from rent from members as the Institution is entitled to relief under S488 of the Income and Corporation Taxes Act 1988.

7. TANGIBLE FIXED ASSETS

	2016 £	2015 £
Housing properties – freehold		
Gross cost		
At 1 January & 31 December	<u>880,553</u>	<u>880,553</u>
Depreciation		
At 1 January	555,269	544,532
Charge	10,735	10,737
At 31 December	<u>566,004</u>	<u>555,269</u>
Net book value 31 December	<u>314,549</u>	<u>325,284</u>

TYNE MARINERS BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

8. OTHER FIXED ASSETS

	2016 £	2015 £
Cost		
At 1 January & 31 December	<u>41,867</u>	<u>41,867</u>
Depreciation		
At 1 January	26,336	23,595
Charge	<u>2,329</u>	<u>2,741</u>
At 31 December	<u>28,665</u>	<u>26,336</u>
Net book value 31 December	<u>13,202</u>	<u>15,531</u>

9. INVESTMENTS

	2016	2015
Fair value:		
As at 1 January	1,103,756	977,715
Additions	416,058	366,595
Disposals at opening market value	(387,180)	(233,136)
Unrealised gain / (loss) in period	106,214	(7,868)
Difference between gain on market value and gain on historical cost	<u>(8,619)</u>	<u>450</u>
At 31 December	<u>1,230,229</u>	<u>1,103,756</u>
UK Equities	386,896	293,956
Non UK Equities	304,352	263,435
UK Bonds	500,507	510,710
Non UK Bonds	1,553	1,411
Money Market Time	<u>36,921</u>	<u>34,244</u>
	<u>1,230,229</u>	<u>1,103,756</u>
(b) Historic Cost		
As at 1 January	1,058,510	924,600
Additions	416,058	366,595
Disposals	(395,799)	(232,259)
Other Movement	-	(426)
As at 31 December	<u>1,078,769</u>	<u>1,058,510</u>

TYNE MARINERS BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

9. INVESTMENTS *(continued)*

(c) Realised Gain / (Losses)

	2016 £	2015 £
On Cost	3,416	368
Less: Difference between gains / (losses) arising in both cost and fair value	(15,451)	(876)
Gain / (loss) realised: Difference between proceeds and fair value disposals	(12,035)	(508)

(d) Unrealised Gain / (Loss) on Fair Value

	2016 £	2015 £
Per investment note	106,214	(7,868)
Realised gain / (loss) on cost	3,416	368
Other recognised gains / (losses) in Statement of Comprehensive Income	109,630	(7,500)

10. DEBTORS

	2016 £	2015 £
Amounts falling due within one year:		
Rent arrears (gross)	5,690	6,995
Less: bad debt provision	(4,944)	(2,356)
Other debtors	15,165	18,904
	15,911	23,543
Prepayments and accrued income	7,373	7,030
	23,284	30,573

11. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Rent in advance	3,153	3,991
Accruals	8,341	10,964
	11,494	14,955

TYNE MARINERS BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

12. CREDITORS: Amounts falling due after more than one year, including convertible debts

	2016	2015
	£	£
Social Housing Grant (amortised cost)	<u>376,413</u>	<u>393,529</u>

The Social Housing Grant is amortised in line with the life of the 'structure' component, at a rate of 2%, and released as 'income' to the Statement of Comprehensive Income on that basis.

SOCIAL HOUSING GRANT

	2016	2015
	£	£
Amounts received:		
At 1 January & 31 December	<u>855,818</u>	<u>855,818</u>
Amortisation:		
At 1 January	462,289	445,173
Released during year	17,116	17,116
On disposals	-	-
Transfer	-	-
At 31 December	<u>479,405</u>	<u>462,289</u>
Carrying value:		
At 31 December	<u>376,413</u>	<u>393,529</u>

13. FINANCIAL INSTRUMENTS

The Institution considers that its financial instruments comprise the Social Housing Grant (SHG); as such it is included as a liability within the financial statements. As the Institution has no intention to dispose of its housing properties the SHG will not become repayable. As a result, the total balance of the SHG creditor is presented as falling due in five years or more. The financial instruments are repayable as follows:

	2016	2015
	£	£
In five years or more	<u>376,413</u>	<u>393,529</u>

TYNE MARINERS BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

14. DESIGNATED RESERVES

				2016	2015
	Capital Account	Cyclical Repairs and Maintenance	Contingencies Fund	Total	Total
	£	£	£	£	£
As at 1 January 2015	82,095	119,840	67,430	269,365	265,885
Transfer from revenue reserve	-	3,480	-	3,480	3,480
As at 31 December 2016	82,095	123,320	67,430	272,845	269,365

From time to time, the Institution received donations in the form of legacies. Where the amount received is £1,000 or more, the trustees consider it appropriate to credit the amount received to a designated reserve entitled Capital Account

Cyclical Repairs and Maintenance

The annual transfer of £3,480 has been made to be utilised when the cyclical repairs are undertaken.

Contingencies (Extraordinary Repairs) Fund

The contingencies (extraordinary repairs) fund was established under an Order of the Board of Charity Commissioners of England and Wales, dated 10th November 1982.

The trustees have transferred the annual amount only this year.

15. REVALUATION RESERVE

	2016	2015
	£	£
Opening Balance	45,247	53,115
Unrealised gains / (losses) in period	106,214	(7,868)
Closing Balance	151,461	45,247

The trustees have transferred the unrealised gains / (losses) on the investments to the revaluation reserve in line with the current accounting policy.

16. CAPITAL COMMITMENTS

There is no capital expenditure which has been contracted for, but not provided in the financial statements (2015: £nil).

17. CONTINGENT LIABILITIES

There are no contingent liabilities (2015: £nil).

TYNE MARINERS BENEVOLENT INSTITUTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

18. RELATED PARTY TRANSACTIONS

During the year, the charity was gifted the assets of Tyne & Blyth Shipping & Mercantile Benevolent Fund, a registered charity which has objectives in common with Tyne Mariners Benevolent Fund. Investments were gifted and sold during the year with proceeds being received of £30,854 and residual assets received in cash of £760. The charity also paid the final accountancy fee on behalf of Tyne & Blyth Shipping & Mercantile Benevolent Fund for £1,140.

There have been no transactions with any other related parties in either the current or prior year.

19. ACCOMMODATION MANAGED BY OTHERS

	2016	2015
General needs housing units	<u>30</u>	<u>30</u>

20. ULTIMATE CONTROLLING PARTY

In the opinion of the trustees there is no ultimate controlling party.