

Charity Registration No. 220793

Company Registration No. 189439 (England and Wales)

THE MERSEY MISSION TO SEAFARERS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



THE MERSEY MISSION TO SEAFARERS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs P Brown Mr T Dickinson Mr J Mace Rev'd C Evans Mr G Rafferty Mr P Parker Rev'd D Pailing Mr W Bowley	(Appointed 4 April 2018)
Secretary & Chief Executive	Mr J Wilson	
Charity number	220793	
Company number	189439	
Presidents	The Bishop of Chester The Bishop of Liverpool The Bishop of Sodor and Man The Bishop of Birkenhead The Bishop of Warrington	
Hon. Treasurer	Mr T E Dickinson	
Hon. Chaplin	Rev'd G Cuff	
Registered office	Colonsay House 20 Crosby Road South Waterloo Liverpool Merseyside L22 1RQ	
Independent examiner	Helen Furlong FCCA McLintocks Limited 46 Hamilton Square Birkenhead Wirral Merseyside CH41 5AR	
Bankers	Barclays Bank PLC 18-22 Liverpool Road Crosby Liverpool L23 5SF	

THE MERSEY MISSION TO SEAFARERS

LEGAL AND ADMINISTRATIVE INFORMATION

Investment advisors

Tilney
Royal Liver Building
Pier Head
Liverpool
L3 1NY

THE MERSEY MISSION TO SEAFARERS

CONTENTS

	Page
Trustees' report	1 - 4
Independent examiner's report	5
Statement of financial activities	6 - 7
Summary income and expenditure account	
Balance sheet	8 - 9
Notes to the financial statements	10 - 20

THE MERSEY MISSION TO SEAFARERS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report and financial statements for the year ended 31 December 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objects for which the Mission is established are:-

- to provide rooms for seafarers for the purposes of meeting, assembly, refreshment, reading writing or recreation, and offices in connection therewith.
- to promote and minister to the spiritual, moral and temporal welfare of the seafaring community who frequent the ports of the River Mersey and Isle of Man.

The Trustees remain focused in supporting the work of Liverpool Seafarers Centre, through which the charitable objects of The Mersey Mission to Seafarers is executed. Liverpool Seafarers Centre has the facilities to meet the need of all visiting Seafarers, irrespective of their individual colour, race, creed or belief. The service delivery is through the office of the Honorary Chaplain and or the team of Ship Visitors, who comprise staff members and volunteers. Liverpool Seafarers Centre, based in Waterloo adjacent to the main entrance to The Port of Liverpool is the focal point from which all services are delivered, either within the centre or whilst out ship visiting. Operating 7 days per week at times to meet demand, the services are well received by all, as referenced by the remarks in the visitors' book. Liverpool Seafarers Centre is representative of the "parent society's" being an ecumenical partnership between the Apostleship of the Sea (Liverpool) and The Mersey Mission to Seafarers. Today all staff members, are employees of Liverpool Seafarers Centre, all of whom along with the team of volunteers uphold the Christian ethos of the centre.

With 90% of world trade and 95% of UK trade transported by sea, through its charitable objective of providing "welfare services" to all Seafarers confirm public benefit. Trustees are conscious of the public benefit principal, by which the charity is governed enabling its charitable status to continue.

While the direction and policies of the 'Mission' are determined by the Trustees, who act in an honorary capacity and meet at regular intervals to monitor the affairs of the 'Mission', the Chief Executive has responsibility for the day to day running of the 'Mission'.

Volunteers remain an integral part of the organisation, without whom many of the services will be lacking. Currently 18 dedicated individuals offer their time freely to support the welfare of Seafarers.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

THE MERSEY MISSION TO SEAFARERS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Achievements and performance

Charitable activities

The Trustees' primary objective is to deliver a first class service to all Seafarers as part of their Christian outreach, whilst at the same time, ensuring a sustainable financial position both now and for years to come. It is through the ecumenical partnership between the Apostleship of the Sea (Liverpool) and The Mersey Mission to Seafarers that this service delivery is achieved. Liverpool Seafarers Centre, a registered charity and company limited by guarantee, created by this partnership, is the vehicle through which both partners execute their committed objective. Liverpool Seafarers Centre is the lifeline to all Seafarers, to include fishers, for whom the service is aimed, and who benefit from its delivery. Whilst The Mersey Mission to Seafarers is not itself directly involved in front line service delivery, it has a responsibility, since its founding on 24 November 1856, towards the welfare of all Seafarers irrespective of nationality, belief or rank, it sees all Seafarers as being equal. Fellow human beings from the economically disadvantaged country's of the world today make up the pool from which Seafarers are drawn. It is paramount that all need as presented by the individual Seafarer is met. On occasions this is not always possible, due to many external factors, it is then through the network of Mission's throughout the world that contact is maintained to ensure that what is not completed within our geographical area, is highlighted to kindred Society's / Mission's in other ports.

The Trustees have committed to fund the operating cost of Liverpool Seafarers Centre on a 50 / 50 basis with the Apostleship of the Sea (Liverpool) with whom an ecumenical covenant is agreed. Celebrating 10 years in 2018 of this partnership, The Mersey Mission to Seafarers is able to commit to a first class service provision across the area, 7 days per week, 365 days of the year, to all Seafarers. Today's Seafarer cites loneliness, isolation, fatigue, monotony as common issues which they are challenged on a daily basis, a friendly listening ear can often relieve the burden of mental pressure. Something as simple as allowing a Seafarer to smile, can momentarily relieve this burden. None of our mission in Ministry will be possible without our dedicated Volunteers, not only the 21 who support our activity through the centre, but the many who support our endeavours through the continuous supply of woolly hats, warm clothing, books and periodicals of interest, CD's and DVD's, confectionary and cakes, children's clothing, toys and jigsaws, all of which are given to Seafarers, with the message that they have been given to us to pass on with love. Bibles too are in demand, which bring comfort to our many Seafarers. Many of the aforementioned items are placed around the centre for Seafarers to take, without drawing any attention. Many gifts are brought to the centre at both Christmas and Easter for onward distribution to Seafarers. The Trustees wish to place on record their thanks to all individuals and groups, to include many parishes within the locality who support our work with these generous donations.

For the retired Seafarer, who through age, personal reason or illness is no longer employed, a means through which communication is maintained with the numerous maritime associations of past shipping companies is offered by Liverpool Seafarers Centre. This may necessitate a home visit, which may assist with an identified need, relieve loneliness or isolation or simply a befriending service. As a need is identified, practical support is offered and when necessary financial support through a discretionary grant, the replacement of household goods or a contribution towards funeral expenses. As Honorary Agent on behalf of the Shipwrecked Mariners society and representative of other Maritime Organisations, strong links are maintained with the Maritime Community.

Financial review

The 'Mission's' net incoming resources from charitable activities for the year was a deficit of £91,477 (2017 £26,671) there were losses on investments of £107,969 (2017 gains £54,219) making a total deficit of £199,446 (2017 £27,298 surplus). This amount has reduced surplus funds brought of £1,640,507 leaving funds of £1,441,061 to be carried forward. Investments reduced by £208,881 to £1,430,831 and also cash balances have reduced by £19,809 to £5,399.

The 'Mission' awarded grants totaling £132,500 (2017 £132,500) towards the running costs of the Liverpool Seafarers Centre. In addition the charity supports individual beneficiary's, who themselves have been Seafarers or their spouse or partner through the provision of one off or discretionary grants, the replacement of household items and as needs arise contribution towards funeral expenses.

THE MERSEY MISSION TO SEAFARERS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2018**

Reserves policy

The Trustees agreed policy to maintain sufficient reserves, will generate a level of income from its investments including the property together with donations and fundraising effort to meet the annual expenditure in the medium to long term, thus ensuring the sustainability of the charity. The Trustees are united in their determination and commitment to ensure that sufficient funds are available. The decision was taken to increase investment income to meet the current liability of 50% of Liverpool Seafarers Centre's operating costs, this has had the effect of a change to the investment risk from low to medium.

Investment policy

The Trustees are empowered by the Articles of Association to invest any trust monies, as authorised by law, in such a manner as they think fit. The Trustees have adopted a policy for the portfolio of investments that is designed to optimise returns over the longer term and thus provide a regular flow of funds to support the commitment to meet its obligation of 50% of the operating cost of Liverpool Seafarers Centre. In managing the reserve and regularly assessing the market risk, the Trustees review the investment policy annually. The risk is currently set at medium, with the emphasis of generating income whilst achieving capital growth. The investments are divided amongst a wide range of equities and trust funds. The portfolio is externally managed by investment managers who themselves are regulated by the Financial Conduct Authority. Updates are received on a quarterly basis, once a year the investment manager meets with the Trustees to discuss the performance of the portfolio, together with a forecast of future trends. At this time the Trustees consider the future cash requirements to be funded. In the implementation of the investment policy, the Trustees follow the Charity Commission guidance for investment of charitable funds.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans

The Mission is committed along with the Apostleship of the Sea (Liverpool) to support the work of Liverpool Seafarers Centre to meet the spiritual and pastoral needs of all Seafarers for the foreseeable future. The Mission will continue to meet its liability of 50% of the operating cost to ensure its future on a secure footing. Disappointingly in 2018, the intention to extend its provision to the smaller ports on the NW coast did not materialise, however the Trustees are committed to develop this initiative, with some discussions ongoing to this becoming a reality. It remains the intention to develop a Hub at the Port of Garston. The provision of welfare services at the Cruise Terminal is evolving with each season bringing extra demands. Following a most successful year, it is planned to expand this provision through the introduction of a WiFi enabled designated crew only area, quayside to afford crew who have limited shore leave the opportunity to communicate with family and friends away from the vessel. Relationships are being formed with crew on vessels which during the season make repeat calls to Liverpool. This has expanded our service to a post box for online ordering and for the advance purchase of items when crew are unable to go ashore.

THE MERSEY MISSION TO SEAFARERS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs P Brown

Mr T Dickinson

Mr G Corkish

(Resigned 3 December 2018)

Capt M Jones

(Resigned 3 December 2018)

Mr J Mace

Rev'd C Evans

Mr G Rafferty

Mr P Parker

Rev'd D Pailing

Mr W Bowley

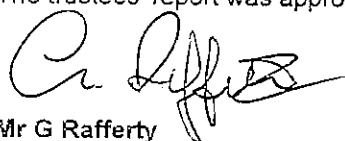
(Appointed 4 April 2018)

Recruitment and appointment of new Trustees

Trustees are drawn from the Merseyside Area and most are already familiar with the practical work of the centre when appointed. Any new trustee will be encouraged to attend short training sessions to familiarise themselves with the charity and the context in which it operates. The Chief Executive ensures that the Board is kept up to date with any changes in legislation, rules and regulations which may affect the Charity.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.



Mr G Rafferty

Trustee

Dated: 18 March 2019

THE MERSEY MISSION TO SEAFARERS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE MERSEY MISSION TO SEAFARERS

I report to the trustees on my examination of the financial statements of The Mersey Mission To Seafarers (the charity) for the year ended 31 December 2018.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

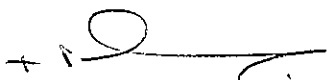
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Helen Furlong FCCA
McLintocks Limited

46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR

Dated: 18 March 2019

THE MERSEY MISSION TO SEAFARERS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2018

Current financial year

	Notes	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total 2018 £	Total 2017 £
<u>Income and endowments from:</u>						
Donations and legacies	3	11,636	14,320	-	25,956	100,950
Investments	4	56,057	-	-	56,057	38,537
Other income	5	28	-	-	28	21
Total income		67,721	14,320	-	82,041	139,508
<u>Expenditure on:</u>						
Raising funds	6	8,227	-	-	8,227	398
<u>Charitable activities</u>						
Provision of welfare services & support	7	141,504	23,787	-	165,291	166,031
Total charitable expenditure		141,504	23,787	-	165,291	166,031
Total resources expended		149,731	23,787	-	173,518	166,429
Net gains/(losses) on investments	12	(61,922)	-	(46,047)	(107,969)	54,219
Net movement in funds		(143,932)	(9,467)	(46,047)	(199,446)	27,298
Fund balances at 1 January 2018		651,278	14,723	974,506	1,640,507	1,613,209
Fund balances at 31 December 2018		507,346	5,256	928,459	1,441,061	1,640,507

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE MERSEY MISSION TO SEAFARERS

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Prior financial year

		Unrestricted funds 2017 £	Restricted funds 2017 £	Endowment funds 2017 £	Total 2017 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	85,769	15,181	-	100,950
Investments	4	38,537	-	-	38,537
Other income	5	21	-	-	21
Total income		124,327	15,181	-	139,508
<u>Expenditure on:</u>					
Raising funds	6	398	-	-	398
<u>Charitable activities</u>					
Provision of welfare services & support	7	140,219	25,812	-	166,031
Total charitable expenditure		140,219	25,812	-	166,031
Total resources expended		140,617	25,812	-	166,429
Net gains/(losses) on investments	12	11,021	-	43,198	54,219
Net movement in funds		(5,269)	(10,631)	43,198	27,298
Fund balances at 1 January 2018		656,547	25,354	931,308	1,613,209
Fund balances at 31 December 2018		651,278	14,723	974,506	1,640,507

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE MERSEY MISSION TO SEAFARERS

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	13		1		1
Investment properties	14		375,000		375,000
Investments	15		1,055,831		1,264,712
			<u>1,430,832</u>		<u>1,639,713</u>
Current assets					
Debtors	17	30,709		-	
Cash at bank and in hand		5,399		25,208	
		<u>36,108</u>		<u>25,208</u>	
Creditors: amounts falling due within one year	18	(25,879)		(24,414)	
Net current assets			10,229		794
Total assets less current liabilities			<u>1,441,061</u>		<u>1,640,507</u>
Capital funds					
Endowment funds - general			928,459		974,506
Income funds					
Restricted funds	19		5,256		14,723
Unrestricted funds			507,346		651,278
			<u>1,441,061</u>		<u>1,640,507</u>

THE MERSEY MISSION TO SEAFARERS

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

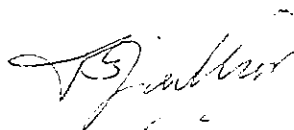
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 18 March 2019



Mrs P Brown
Trustee

Mr T Dickinson
Trustee



Company Registration No. 189439

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity information

The Mersey Mission To Seafarers is a private company limited by guarantee incorporated in England and Wales. The registered office is Colonsay House, 20 Crosby Road South, Waterloo, Liverpool, Merseyside, L22 1RQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Entitlement to the grant funding is subject to performance conditions. Income is recognised in the Statement of Financial Activities when the related services have been provided, income received in advance of those services being provided is deferred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally on notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis. All expenses including support costs are allocated to the particular expenditure heading.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity.

The costs of generating funds consist of investment management costs.

The costs of charitable activities include grants made, governance costs and support costs.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% on cost
-----------------------	-------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2018 £	2018 £	2018 £	2017 £	2017 £	2017 £
Donations and gifts	3,636	-	3,636	2,443	-	2,443
Legacies receivable	8,000	-	8,000	83,326	-	83,326
Shipwrecked Mariners Society	-	14,320	14,320	-	15,181	15,181
	<u>11,636</u>	<u>14,320</u>	<u>25,956</u>	<u>85,769</u>	<u>15,181</u>	<u>100,950</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2018 £	2017 £
Rental income	17,500	17,500
Income from listed investments	38,557	21,037
	<u>56,057</u>	<u>38,537</u>

5 Other income

	Unrestricted funds	Unrestricted funds
	2018 £	2017 £
Bank interest	28	21

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2018 £	2017 £
Investment management	8,227	398
	<u>8,227</u>	<u>398</u>

7 Charitable activities

	2018 £	2017 £
Honoraria	1,999	2,001
Other SMS costs	22,035	21,742
Vehicle leasing	4,817	3,900
	<u>28,851</u>	<u>27,643</u>
Grant funding of activities (see note 8)	134,252	136,570
Share of support costs (see note 9)	188	18
Share of governance costs (see note 9)	2,000	1,800
	<u>165,291</u>	<u>166,031</u>
Analysis by fund		
Unrestricted funds	141,504	140,219
Restricted funds	23,787	25,812
	<u>165,291</u>	<u>166,031</u>

8 Grants payable

	2018 £	2017 £
Grants to institutions: Liverpool Seafarers Centre	132,500	132,500
Grants to individuals	1,752	4,070
	<u>134,252</u>	<u>136,570</u>

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Grants payable

(Continued)

9 Support costs

	Support costs £	Governance costs £	2018 £	Support costs £	Governance costs £	2017 £
Other costs	188	-	188	18	-	18
Independent examiner's fee	-	2,000	2,000	-	1,800	1,800
	<u>188</u>	<u>2,000</u>	<u>2,188</u>	<u>18</u>	<u>1,800</u>	<u>1,818</u>
Analysed between Charitable activities	<u>188</u>	<u>2,000</u>	<u>2,188</u>	<u>18</u>	<u>1,800</u>	<u>1,818</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

There were no employees during the year.

12 Net gains/(losses) on investments

	Unrestricted funds 2018 £	Endowment funds general 2018 £	Total 2018 £	Unrestricted funds 2017 £	Endowment funds general 2017 £	Total 2017 £
Revaluation of investments	(62,677)	(50,039)	(112,716)	11,021	43,198	54,219
Gain/(loss) on sale of investments	<u>755</u>	<u>3,992</u>	<u>4,747</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(61,922)</u>	<u>(46,047)</u>	<u>(107,969)</u>	<u>11,021</u>	<u>43,198</u>	<u>54,219</u>

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

13 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2018	50,000
At 31 December 2018	50,000
Depreciation and impairment	
At 1 January 2018	49,999
At 31 December 2018	49,999
Carrying amount	
At 31 December 2018	1
At 31 December 2017	1

14 Investment property

	2018 £
Fair value	
At 1 January 2018 and 31 December 2018	375,000

The freehold property was revalued at 31 December 2014 on an open market basis by Charles Parker Bennett, Chartered Surveyors, who are independent valuers and surveyors in the sum of £750,000 for the whole building. The property is owned equally by the "Mission" and The Apostleship of the Sea (Liverpool). Accordingly the value shown in the financial statements is £375,000.

If investment properties were stated on an historical cost basis rather than a fair value basis, the amounts would have been included as follows:

	2018 £	2017 £
Cost	425,000	425,000
Accumulated depreciation	-	-
Carrying amount	425,000	425,000

15 Fixed asset investments

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

15	Fixed asset investments	(Continued)
		Listed investments £
	Cost or valuation	
	At 1 January 2018	1,264,712
	Additions	1,299,944
	Valuation changes	(107,970)
	Disposals	(1,400,855)
	At 31 December 2018	1,055,831
	Carrying amount	
	At 31 December 2018	1,055,831
	At 31 December 2017	1,264,712

Fixed asset investments revalued

The investments have been valued at market value by Tilney and COIF, who are authorised investment institutions, and the investments are held by their nominee company.

The historical cost of the listed investments was £ 1,169,100 (2017 £1,102,189).

16	Financial instruments	2018 £	2017 £
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	1,532	-
	Equity instruments measured at cost less impairment	1,055,831	1,264,712
	Carrying amount of financial liabilities		
	Measured at amortised cost	25,879	24,414
17	Debtors		
	Amounts falling due within one year:		
	Other debtors	1,959	-
	Prepayments and accrued income	28,750	-
		30,709	-

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

18 Creditors: amounts falling due within one year

	2018 £	2017 £
Other creditors	23,879	22,614
Accruals and deferred income	2,000	1,800
	<u>25,879</u>	<u>24,414</u>

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2018 £	Movement in funds		Balance at 31 December 2018 £
		Incoming resources £	Resources expended £	
Shipwrecked Mariners Fund	14,723	14,320	(23,787)	5,256
	<u>14,723</u>	<u>14,320</u>	<u>(23,787)</u>	<u>5,256</u>

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

20 Analysis of net assets between funds

Fund balances at 31 December 2018 are represented by:

	Unrestricted 2018 £	Restricted 2018 £	Endowment 2018 £	Total 2018 £	Unrestricted 2017 £	Restricted 2017 £	Endowment 2017 £	Total 2017 £
Tangible assets	1	-	-	1	1	-	-	1
Investment properties	-	-	375,000	375,000	-	-	375,000	375,000
Investments	502,372	-	553,459	1,055,831	665,206	-	599,506	1,264,712
Current assets/(liabilities)	4,973	5,256	-	10,229	(13,929)	14,723	-	794
	507,346	5,256	928,459	1,441,061	651,278	14,723	974,506	1,640,507

THE MERSEY MISSION TO SEAFARERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	3,900	3,900
Between two and five years	9,154	13,054
	<u>13,054</u>	<u>16,954</u>

22 Related party transactions

The 'Mission' together with the Apostleship of the Sea (Liverpool) a registered charity No: 224664 jointly own the premises of Colonsay House.

They have entered into an agreement to underwrite the costs equally of the Liverpool Seafarers Centre (Registered Charity: 1125539).

During the year the 'Mission' gave financial support amounting to £132,500 (2017 £132,500) with the Apostleship of the Sea (Liverpool) giving the same amount. Similarly, both bodies received income from Liverpool Seafarers Centre (LSC) of £17,500 each being the rent charged for the use of Colonsay House by LSC.

At 31 December 2018 £23,878.94 (2017:£22,613.93 due from LSC) was due to LSC from the 'Mission'.

23 Company limited by guarantee

The 'Mission' is a company limited by guarantee, registered in England and Wales. The Mission's registered number and registered office can be found on the information page of the Report of the Trustees. On a winding up each person who is a member at the date of winding up or who has ceased to be a member during the year prior to that date is liable to contribute a sum not exceeding £1 towards the assets of the company.