

**REGISTERED COMPANY NO. SC389483**

**SCOTTISH CHARITY NO. SCO41938**

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**THE MISSION TO SEAFARERS SCOTLAND LIMITED  
TRUSTEES' ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**THE MISSION TO SEAFARERS SCOTLAND LIMITED**  
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**YEAR ENDED 31 DECEMBER 2016**

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**THE MISSION TO SEAFARERS SCOTLAND LIMITED  
TRUSTEES' REPORT  
YEAR ENDED 31 DECEMBER 2016**

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**The Mission to Seafarers Scotland Limited Trustees' Annual Report (incorporating the directors' report) for the financial year ending 31 December 2016**

A charity registered in Scotland, no.SC389483

A company limited by Guarantee, registered in Scotland no. SCO41938

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**Charity information**

**PATRON**

Her Majesty The Queen

**PRESIDENT**

Her Royal Highness The Princess Royal

**CHAIRMAN OF THE BOARD**

The Revd Canon Dr Robert Harley

**VICE CHAIRMAN OF THE BOARD**

Captain Martyn Clark

**TREASURER**

Mr David Graham-Service

**MEMBERS OF THE BOARD (THE TRUSTEES)**

The Revd Canon Dr Robert Harley

Captain Martyn Clark

Mr Ray Myers

Mrs Jennifer Gray

Mr David Graham-Service

**COMPANY SECRETARY**

Mrs Eileen Reilly

**REGISTERED OFFICE**

109 Avalon Gardens

Linlithgow

EH49 7PL

**SOLICITORS**

Anderson Strathearn LLP

1 Rutland Court

Edinburgh

EH3 8EY

**AUDITORS**

Price Bailey LLP

7th Floor Dashwood House

69 Old Broad Street

London

EC2M 1QS

**BANKERS**

Bank of Scotland

PO Box 1000

BX21LB

**THE MISSION TO SEAFARERS SCOTLAND LIMITED  
TRUSTEES' REPORT  
YEAR ENDED 31 DECEMBER 2016**

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The trustees (who are also directors of the charity for the purposes of the Companies Act) present their report and accounts for the year ended 31 December 2016. The trustees' report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006. The combined annual report contains a director's report as required by company law.

**The Charity's organisation – Trustees**

The Mission to Seafarers Scotland Limited (the MtSSL) was incorporated on 25 November 2010 as a company limited by guarantee (Number SC389483) and a charity registered with the Office of the Scottish Charity Regulator (Number SCO41938). The MtSSL is a wholly owned subsidiary of The Mission to Seafarers (the Mission), an incorporated charity in England & Wales (Company Number 6220240 and Charity Number 1123613).

The MtSSL is governed and directed by a Board of Directors (the trustees) whose names appear on page 1. The Chairman and Vice-Chairman are elected for a period of 4 years at an AGM. Other elected trustees serve for a period of 4 years, apart from those over 70 years of age who are elected annually. All those elected may be re-elected for a second four year period or a further year up to a maximum of 8 years if over 70.

The parent body may appoint up to three trustees. The trustees may appoint or reappoint trustees at a meeting of the trustees.

The Board has a minimum of 3 trustees and meets approximately four times a year.

The Board is committed to observing high standards of overall governance by reference to the key principles of Good Governance set out in the Code for the Voluntary and Community Sector published in October 2010 (second edition) and endorsed by the Charity Commission.

The Board maintains and reviews a skills audit of trustees to ensure the skills set of members reflect the requirements of the charity. A trustee recruitment process has also been agreed for transparency and clarity whereby potential trustees are interviewed by unconnected representatives of the Board.

All trustees are given an induction on first appointment to familiarise themselves not only with the work of the MtSSL but also their responsibilities as a trustee. Some may undergo more specific training in the form of short external courses, either as a trustee of the charity or on behalf of another charity of which they might also be a trustee.

**The Charity's organisation – management team and staff**

The Mission to Seafarers has seconded and funds one member of staff to carry out the day to day operations of the MtSSL. The accounts include an estimate for the cost of these services as income and expenditure to reflect the true costs of running the charity.

Although the member of staff is line managed from London, the Board of Directors oversees their work in Scotland.

The parent body The Mission to Seafarers has a world-wide chaplaincy presence in around 260 ports. Working with staff and volunteers, the chaplains are the primary means of delivering care to seafarers around the globe. Chaplains are funded either locally or through grants from the Mission, or work as honorary chaplains on a voluntary basis. The Mission provides funding for around 30 chaplains who are managed by the Secretary General of The Mission to Seafarers and by Regional Directors located around the world including 15 who are directly employed by the Mission. Most chaplains are ordained Anglican priests who may be based in the Mission's centres or operate through mobile ministries. Working alongside chaplains are the centre staff who primarily manage the running of UK centres. They may be assisted by volunteers and together they provide numerous valuable services including ship visiting, transportation, centres facilities and the offer of friendship, support and help to seafarers.

**The Charity's organisation**

Volunteers provide the essential backbone by which the MtSSL is able to operate seven days a week, all the year round. The volunteers work under the direction of The Mission to Seafarers Scotland chaplain who appoints a lead volunteer to coordinate their activities. All volunteers irrespective of their

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role must complete the Merchant Navy Welfare Board's accredited training to be authorised as an accredited Ship Welfare Visitors. This training must be renewed every three years. In addition specific training is undertaken for different types of vessels. The volunteers also attend a monthly meeting from February until November. This enables them to share their experiences and identify elements of their work that could be improved. Currently our volunteers cover:

- Grangemouth Docks for Container ships and Cargo vessels
- Braefoot Bay for Gas tankers
- Rosyth Docks for Cruise ships
- Grangemouth Centre, a drop in centre for all seafarers.
- South Queensferry, a temporary drop in centre.
- Hound Point for large oil tankers

The main role of the volunteers is to:

- Support the seafarers when they are in port through talking with them and listening to them.
- Assisting them in the purchasing of phone cards which in many cases is a lifeline to their family and friends.
- Identifying and spiritual needs and referring those to the chaplain.
- Signposting them to the shops and local community.
- When possible taking them on day trips in order that they can spend some time off the vessel.
- Operating within the Grangemouth centre and South Queensferry drop in centre.

**The Charity's objectives and activities for the public benefit**

The object of the MtSSL is to promote the spiritual, moral and physical wellbeing of seafarers and their families worldwide.

**What difference does the MtSSL make?**

The MtSSL continues to expand its facility of providing both directly and indirectly emergency assistance, practical support and a friendly welcome to crews visiting circa 86 ports in Scotland. Whether caring for victims of piracy or providing a lifeline to those stranded in foreign ports, we are there for the globe's 1.3 million merchant seafarers of all ranks, nationalities and beliefs. Seafarers face many challenges which the charity seeks to address in a manner consistent with Christian principles and the received practice of the Anglican Communion. These challenges include:

- Life at sea is often lonely. Crews are much smaller than they used to be which, combined with long tours of duty, can lead to tensions on board and the craving to talk to someone other than another crew member.
- Life at sea is often difficult and dangerous with long anti-social hours and the risk of shipwreck or piracy.
- Seafarers and their families have little or no ability to communicate with each other whilst the seafarer is at sea, heightening tensions and anxiety.
- The increase of pirate attacks adds to the seafarers' psychological burden.
- Ports are often secure facilities in isolated locations, leaving seafarers with little or no access to the facilities ashore. In port turnaround times have been reduced.
- Seafarers' contracts are routinely more than 6 months and may be as long as 18 months.
- Seafarers often do not speak the language of the country in the ports they visit. This can make them feel isolated and vulnerable.
- When seafarers arrive in port their free time may be short and at unsocial hours.
- Quite often, even when at anchor or in port, seafarers are not allowed to leave their ship and go ashore.
- Seafarers are generally hardworking, courteous and proud but they are not always treated with respect by the general public in the countries they visit.

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TRUSTEES' REPORT  
YEAR ENDED 31 DECEMBER 2016**

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In satisfying its object, and trying to address the challenges faced by seafarers, the charity provides the following benefits every day of the year:

**Pastoral Care**

The chaplain and volunteers visit seafarers on their ships or ashore and provide a friendly ear, counselling and practical assistance including clothing, money or accommodation in times of crisis or day-to-day need in Scotland. The charity will seek to help the families of seafarers who are in difficulty due to piracy, accident, arrest, illness or maltreatment. This will involve referring on to specialist services, other charities or direct assistance as resources permit.

**Hospitality**

Working in conjunction with and using the facilities of like-minded organisations to provide the seafarers with: A safe environment away from their ships in which to relax and rest.

Transport to and from centres or their ship to the nearest town or shopping facility.

Communication facilities with access to the internet, SKYPE calls to make contact with family and friends. Recreation facilities, including television, DVDs, karaoke, books, pool tables and table tennis. These facilities aim to be 'a home away from home'.

**Spiritual Support and Guidance**

The charity recognises that seafarers have spiritual needs and, if requested, it aims to offer access to spiritual support according to individual seafarer's needs; providing church services, Christian literature and access to other forms of worship as requested.

**Advocacy services**

The charity provides information on and referral to services providing advocacy support, justice issues within the shipping industry and services for seafarers' rights.

The trustees confirm that they have referred to the guidance contained in OSCAR's updated guide to the 2006 regulations (August 2011) on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

**The Charity's work in Scotland in 2016**

The primary objective of the MtSSL remains unchanged: to identify and help seafarers in need of welfare support, regardless of nationality or faith and whilst consolidating progress to date we continue to expand our efforts to respond to the needs of seafarers visiting Scottish ports.

2016 was a year of growth and consolidation:

**Aberdeen:**

A donation of £5000 was gifted to the Aberdeen Seafarers Centre to assist in the work of supporting officers and crew for all the ships visiting Aberdeen harbour. The MtSSL does not have a direct presence at the centre but our logo is displayed above the entrance.

**Grangemouth:**

The Grangemouth centre had over 2000 visitors and the whole of the building is now fully operational. Several significant improvements have been made. The opening of the kitchen has meant hot drinks are now available 24hrs a day, pool, freeview TV, table tennis electronic keyboard and wifi are all

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available free of charge. At the beginning of November a door counter was fitted which recorded over 250 visitors to the centre in that month. As the centre is open 24 hours a day seven days a week and is predominately unmanned close circuit TV was also installed.

During the course of the year the chaplain and volunteers visited the officers and crews of over 1000 ships.

The continuing presence of the V ships (Vos offshore supply vessels) has allowed us to build an ongoing relationship with their crews.

In 2017 (see future plans below) we are moving on to a taxi service for the outlying crews in the oil and chemical berths.

**South Queensferry:**

Another successful year in South Queensferry with the "Drop in" Centre located at the Priory. On the best day we recorded 30 visitors during a 2 hour opening slot.

Plans (see future plans below) for another venue which would be open for the full day are being developed for the 2017 cruise ship season. This will continue on the success already established.

**Rosyth:**

Another very busy year visiting cruise ships at Rosyth. In the order of 27 were visited between May and September. Without our volunteers this level of coverage could not have happened. Our volunteers excelled themselves and deserve to be proud of all they achieved.

**Hound Point and Braefoot Bay:**

Visits continue at Hound Point and Braefoot Bay. Towards the end of 2016 the MtSSL was notified that the organisation had been nominated for an award from Shell UK Limited. In December 2016 we were informed by Shell that an award had been given for our work at Braefoot Bay during the course of the year. The presentation will take place in January 2017.

**Dundee:**

Our chaplain also attended visits to the cruise Ships in Dundee during 2016 and took part in the planning for those visits.

**Other activities:**

In addition to this work, the chaplain and trustees recognise the work of so many unnamed knitters across the country. In excess of 3,000 hats have been knitted and distributed. The trustees extend a very grateful thanks on behalf of all the crews who have received hats and scarves throughout the year.

Our thanks are also extended to all of the churches who have supported the MtSSL this year. Over 30 Sea Sundays have been led by the Mission's chaplain and other Sea Sundays have been held from South Queensferry to Islay, to Elgin.

As in past years the MtSSL has taken part in the collection and distribution of Christmas parcels for our seafarers. Over 400 parcels will have been distributed this year.

We continue to work with our partners in Apostleship of the Sea and Sailors Society.

During all the visits that have been made by chaplain and volunteers the words we have received most this year has been "THANK YOU", which demonstrates practically the need that we are filling through all our visits.

A grant of £10,000 was received through the Peter Dixon Charitable Trust. Part of the funding was used in 2016 to start an emagazine and promote volunteer recruitment in Scotland. The balance of the grant will be utilised in 2017 to develop and set up a Scottish web site ([www.mtss.scot](http://www.mtss.scot)) and also run some advertising features specifically targeting the Scottish market. These advertisements will focus on recruiting volunteers for ship visiting both for all cargo vessels and cruise ships visiting the

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Firth of Forth. In addition they will aim to promote the requirements for "woolly hats" and seek to find similarly minded individuals that may wish to become a trustee of the MtSSL.

**Financial review**

The Mission to Seafarers seconds a chaplain and provides additional support through the Company Secretary free of charge. This has been treated as a gift in kind of £77,857 (2015: £76,450) in voluntary income.

During 2016 the MtSSL did not contribute any financial funding to The Mission to Seafarers in London in respect of the costs incurred. However to assist in the costs of the chaplain:-

- The income from Woolly Hat day was channelled to The Mission to Seafarers.
- The income from Old Pulteney campaign, the Maritime Malt, was channelled to The Mission to Seafarers.
- The income gifted to seafarers generated from a Scottish postcode was channelled to The Mission to Seafarers.
- All Scottish gift aid claims were channelled to The Mission to Seafarers.

Sea Sunday revenue decreased over 2016 to £5,484 (2015: £6,195) however the number of Sea Sunday services (50) remained static.

Supporting seafarers by the sale of phone top up and "sim" cards has almost trebled over last year demonstrating the real need to enable seafarers to contact family and friends. This part of the MtSSL's activity is not seen as a fundraising activity but a means of improving the seafarers' welfare. The cost of this service was £29,729 (2015: £11,466) with an income of £29,756 (2015: £10,966).

Charitable expenditure accounts for 100% (2015: 94%) of total expenditure. The trustees are content with this result as events in 2017 and beyond will build on the foundations laid since incorporation.

The overall result is a surplus of £20,310 (2015: surplus £19,749). The Board is satisfied with this result and will make a contribution of £15,000 to The Mission to Seafarers towards the cost of the chaplain in 2017.

**Reserves**

The reserves currently stand at £101,463 (2015: £81,153) which comprise of £95,629 unrestricted funds (2015: £81,153) and £5,834 restricted funds (2015: none).

The underpinning view of the Board is to maintain reserves approximately equal to one year's total running costs of The Mission to Seafarers Scotland Limited. By maintaining this level of reserves the work of the MtSSL in Scotland will be protected even during adverse times. The reserves are set aside to meet a potential need, such as an unexpected drop in income but are not set aside for a specific purpose.

The Board review the amount of reserves held annually and are satisfied with the sums held.

**Risks**

The major risks to which the MtSSL is exposed, as identified by the charity, have been reviewed and systems and procedures established to manage them. A Risk Register has been compiled citing major risks, the controls already in place to mitigate and manage those risks, and the future actions planned to further reduce the net risk to which the charity remains exposed. In accordance with board policy the Register was reviewed and approved by trustees. It will be kept under regular review.

The most significant risk is the developing dependency on volunteers to support the chaplain in providing services to seafarers in the ports. The risk is mitigated by careful selection and appropriate training and certification by the Merchant Navy Welfare Board.



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**Future plans**

As the commitments of the chaplain to Scottish Ports increase so does the dependence on competent trained volunteers. The increase in volunteer numbers, geographical development and activities also demands a more focussed degree of managing and co-ordination across the team. In this regard the trustees will undertake a review of its strategic plan including a re-assessment of the mechanisms and resources through which the skills and contributions of both honorary chaplains and volunteer teams can be optimised. Supporters make our work possible.

Fundraising activities must continue and the managing and operating the Grangemouth Port Centre for Seafarers and its usage will continuously be tracked and monitored to ensure the centre is servicing the welfare needs of its users and its existence justified. Following an initial successful outcome further investment in the building and its facilities will take place in 2017.

During the early part of 2017 a Taxi service within the Port of Grangemouth will start enabling seafarers to travel from their ship to Grangemouth town centre or to the MtSSL's centre within the docks. This will be a free service for all seafarers visiting Grangemouth Docks.

Plans are being put in place to open a centre at the pier head in South Queensferry on the days that cruise ships anchor off that location. This venue will give free access to the internet, tea and coffee and the opportunity to chat with the MtSSL's volunteers and chaplain. It is expected that this service will be available for all ship visits in 2017 and will be available for the full day (9am to 5pm) of the visit ensuring maximum availability for the crew and officers.

It is hoped to broaden the awareness of the MtSSL volunteers by offering both national and international training courses. This is still at the early stage but funding has been budgeted in order that this can be developed in 2017.

The Board of trustees have agreed to contribute to the funding of the role of the MtSSL's chaplain by contributing £15,000 to The Mission to Seafarers in January 2017 and for the following two years.

**Key Performance Indicators**

During the course of 2017 the MtSSL will be preparing a set of Key Performance Indicators (KPIs) to enable the review of the charity to be undertaken more effectively.

Initially, and subject to review, the following KPIs are being considered:-

1. Donor Growth (Year-Over-Year); The unique number of donors from one year to the next.
2. Sea Sunday growth (Year-Over-Year); The unique number of churches holding Sea Sunday services from one year to the next.
3. Donation Growth; Change in donations from year to year on a monthly basis.
4. Average Gift Size Growth; Change in the average value of donations for Sea Sundays and individual donations.
5. Online Gift Percentage; Change in on-line Giving year on year.

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**TRUSTEES' REPORT**  
**YEAR ENDED 31 DECEMBER 2016**

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**Statement of Trustees' Responsibilities**

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable;
- the charity complies with relevant laws and regulations.

So far as each of the trustees at the date of this report is aware, there is no relevant audit information of which the company's auditors are unaware. Each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved and authorised for issue by the Board on 27<sup>th</sup> April 2017 and signed on its behalf by:



**Chairman and trustee**  
**The Revd Canon Dr R Harley**

**THE MISSION TO SEAFARERS SCOTLAND LIMITED**  
**AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Independent Auditor's Report to the trustees of The Mission to Seafarers Scotland Limited**

We have audited the financial statements of The Mission to Seafarers Scotland Limited for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company, the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement the trustees set out on page 8, (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report 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 charitable company's affairs as at 31 December 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and

**THE MISSION TO SEAFARERS SCOTLAND LIMITED**  
**AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Annual Report

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

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



**Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)**

For and on behalf of:

**Price Bailey LLP**  
Chartered Accountants  
Statutory Auditors

7<sup>th</sup> Floor  
Dashwood House  
69 Old Broad Street  
London  
United Kingdom  
EC2M 1QS

9 May 2017

**THE MISSION TO SEAFARERS SCOTLAND LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
<b>INCOME FROM:</b>							
Donations and legacies	3	109,746	10,000	119,746	107,163	-	107,163
Charitable activities							
<i>Provision of services to seafarers</i>		29,756	-	29,756	10,966	-	10,966
<b>TOTAL</b>		<b>139,502</b>	<b>10,000</b>	<b>149,502</b>	<b>118,129</b>	<b>-</b>	<b>118,129</b>
<b>EXPENDITURE ON:</b>							
Raising funds	4	-	-	-	5,914	-	5,914
Charitable activities	4						
<i>Provision of services to seafarers</i>		125,026	4,166	129,192	92,466	-	92,466
<b>TOTAL</b>		<b>125,026</b>	<b>4,166</b>	<b>129,192</b>	<b>98,380</b>	<b>-</b>	<b>98,380</b>
<b>NET INCOME FOR THE YEAR BEING</b>							
<b>NET MOVEMENT IN FUNDS</b>		<b>14,476</b>	<b>5,834</b>	<b>20,310</b>	<b>19,749</b>	<b>-</b>	<b>19,749</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward		81,153	-	81,153	61,404	-	61,404
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>95,629</b>	<b>5,834</b>	<b>101,463</b>	<b>81,153</b>	<b>-</b>	<b>81,153</b>

All the above results are derived from continuing activities. All gains and losses in the year are included above.

Notes 1 to 15 form part of these financial statements.

**THE MISSION TO SEAFARERS SCOTLAND LIMITED**  
**COMPANY NUMBER SC389483**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	Notes	Total 2016 £ Total	Total 2015 £ Total
<b>CURRENT ASSETS</b>			
Debtors	7	512	-
Cash at bank and in hand		<u>100,951</u>	<u>81,950</u>
		<b>101,463</b>	<b>81,950</b>
<b>LIABILITIES</b>			
Creditors falling due within one year	8	-	797
<b>TOTAL NET ASSETS</b>		<u><b>101,463</b></u>	<u><b>81,153</b></u>
<b>CHARITY FUNDS</b>			
Unrestricted	9	95,629	81,153
Restricted	10	<u>5,834</u>	<u>-</u>
<b>TOTAL CHARITY FUNDS</b>		<u><b>101,463</b></u>	<u><b>81,153</b></u>

These accounts have been prepared in accordance with the provisions of the small companies' regime.

Approved and authorised for issue by the trustees on 27 April 2017

Signed on its behalf by:



Chairman/trustee  
The Revd Canon Dr R Harley



Honorary Treasurer/trustee  
Mr D Graham-Service

Notes 1 to 15 form part of these financial statements.

**THE MISSION TO SEAFARERS SCOTLAND LIMITED**  
**STATEMENT OF CASHFLOWS**  
**AS AT 31 DECEMBER 2016**

The Mission to Seafarers Scotland Limited Company No SC389483

**STATEMENT OF CASH FLOWS AT 31 DECEMBER 2016**

	Notes	2016 £	2015 £
<b>Cash flows from operating activities:</b>			
<i>Net cash provided by operating activities</i>	13	19,001	21,089
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the beginning of the reporting period		81,950	60,861
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>100,951</u>	<u>81,950</u>

Notes 1 to 15 form part of these Financial Statements.

**THE MISSION TO SEAFARERS SCOTLAND LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2016**

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**1. GENERAL INFORMATION**

The Mission to Seafarers Scotland Limited (the MtSSL) is a company limited by guarantee (Number SC389483) and a charity registered with the Office of the Scottish Charity Regulator (Number SCO41938) both registered in Scotland. The address of the registered office is 109 Avalon Gardens, Linlithgow, EH49 7PL.

The Mission to Seafarers Scotland Limited meets the definition of a public benefit entity under FRS102.

The MtSSL is a wholly owned subsidiary of The Mission to Seafarers, an incorporated charity registered in England & Wales (Company Number 6220240 and Charity Number 1123613).

**2. ACCOUNTING POLICIES**

**a) Basis of preparation**

Statement of Compliance

The Financial Statements have been prepared under the historical cost convention and 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 (FRS102) and the special provisions of the Companies Act 2006 relating to small companies.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are shown below.

**b) Going concern**

The trustees consider that there are no material uncertainties about the MtSSL's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the cost of the donated services from The Mission to Seafarers. With regard to 2017, the most significant area of uncertainty for the MtSSL is the level of donation income which needs to be raised each and every year. This is covered in more detail in the Financial review section of the Trustees' Annual Report.

**c) Fund accounting**

Unrestricted funds are available to spend on activities that further the objectives of the MtSSL.

Restricted Funds represent donations for specific purposes. Restricted funds may only be used to fulfil the donor's restriction which must also further the charitable activities of the MtSSL. Details of restricted funds are set out in note 10. Transfers to unrestricted funds represent the release for the year of these donations.

**d) Income**

The value of all income accruing to the charity is recorded in the Statement of Financial Activities (SoFA) as soon as it is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. Where income has related expenditure, the income and expenditure are reported gross in the SoFA.

**Donations, grants and gifts** are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the MtSSL is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.



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**Legacies** of property and investments are included initially at the market value ruling on the date of transfer. Legacies are recognised in the SoFA at the earlier of actual receipt or on receipt of Estate accounts which confirm entitlement to receive the legacy, probability of receipt and an accurate measure of the amount.

**Event income** received in advance for a future fundraising event or a grant received relating to the following year are deferred until the criteria for income recognition are met.

**Interest on deposit funds** is recognised when the amounts can be measured reliably which is normally upon notification of the amount paid or payable by the bank.

**Sponsorship** from events, fundraising and events registration fees is recognised in income when the event takes place.

**Trading income** is recognised at the point of sale.

**e) Expenditure**

Expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

**Operating lease** costs are charged on a straight line basis over the lease term.

**Support costs** including irrecoverable VAT and Governance costs (which comprise amounts related to constitutional and statutory requirements and include audit fees, professional fees and trustees' expenses) are charged to the headings on the SoFA based on the proportion those categories have in relation to total expenditure before Support costs.

See Note 4 for a further analysis of expenditure.

**f) Donated Services**

Donated services or facilities are recognised when the MtSSL has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably.

Donated services relating to services provided by the parent charity are included as the cost to the parent charity and allocated to expenditure headings accordingly.

**g) Volunteers**

Volunteers make a valuable contribution to the charitable activities of the charity. The value of their services is not included in these accounts as it is impossible to measure. However, further details of their valuable contribution to the MtSSL is provided in the Trustees' Annual Report.

**h) Debtors**

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

**i) Cash at bank and in hand**

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

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**j) Creditors**

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

**k) Financial instrument**

The MtSSL only has financial assets and financial liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value (note 15).

**l) Foreign currency translation**

There are no foreign currency transactions and therefore no gains or losses are recognised in the SoFA.

**m) Taxation**

The MtSSL is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the MtSSL is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**3. DONATIONS AND LEGACIES**

	Unrestricted	Restricted	2016 total	Unrestricted	Restricted	2015 total
	£	£	£	£	£	£
General donations	5,605	-	5,605	9,468	-	9,468
Sea Sunday donations	5,484	-	5,484	6,195	-	6,195
Trusts and grant donations:						
Inverclyde Bequest Fund	1,500	-	1,500	3,050	-	3,050
Dr Olva and Mrs Kerr Trust	7,500	-	7,500	7,500	-	7,500
Mrs Jane Allan Award	500	-	500	500	-	500
Theodore Salvesson Memorial Trust	-	-	-	4,000	-	4,000
The Peter Dixon Charitable Trust	-	10,000	10,000	-	-	-
The Merchant Navy Welfare Board	1,300	-	1,300	-	-	-
Legacies	10,000	-	10,000	-	-	-
Gift in Kind	77,857	-	77,857	76,450	-	76,450
	<u>109,746</u>	<u>10,000</u>	<u>119,746</u>	<u>107,163</u>	<u>-</u>	<u>107,163</u>

Restricted income in 2016 was £10,000 (2015: Nil) relating to the Peter Dixon Charitable Trust.

**THE MISSION TO SEAFARERS SCOTLAND LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**4. ANALYSIS OF EXPENDITURE**

Raising Funds

There are no fundraising expenses (2015: £5,914) as the remit of this post, which was previously seconded to the MtSSL by The Mission to Seafarers, has changed with fundraising activities focussed on supporting the activities for the whole of the UK and Europe.

Charitable Activities

The majority of the costs £121,934 (2015: £86,824) are for providing services to seafarers including

- some of the donated services received from the parent charity from the employment of a chaplain £74,330 (2015: £71,400)
- purchase of phone cards £29,729 (2015: £11,466) for sale to seafarers
- running costs of the Grangemouth centre £5,400 (2015: £1,902)
- grants given £6,075 (2015: none)
- volunteer, general and marketing costs £6,400 (2015: £2,056)

There are further support costs £7,528 (2015: £6,003).

Restricted expenditure in 2016 was £4,166 (2015: nil) relating to the Peter Dixon Charitable Trust donation. The expenditure is included within volunteer, general and marketing costs above.

Support costs

	<b>Fundraising</b>	<b>Charitable activities</b>	<b>2016 Total</b>	<b>Fundraising</b>	<b>Charitable activities</b>	<b>2015 Total</b>
	£	£	£	£	£	£
Donated services from The Mission to Seafarers; admin and accountancy support	-	2,976	2,976	183	2,867	3,050
Governance, irrecoverable VAT and other general admin	-	4,282	4,282	178	2,775	2,953
<b>Total</b>	<b>-</b>	<b>7,258</b>	<b>7,258</b>	<b>361</b>	<b>5,642</b>	<b>6,003</b>

Support costs have been charged to the above headings in the proportion those categories have in relation to total expenditure before support costs. All support costs in 2016 and 2015 were unrestricted.

Total auditor's remuneration included in governance costs amounted to £1,500 (2015: £1,500)

**5. AVERAGE NUMBER OF EMPLOYEES**

There are no directly employed staff (2015: none) but there is one (2015: two) full-time seconded member of staff (chaplain) which forms part of the gift in kind. The trustees are the senior management team as they are directly responsible for day to day management.

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**6. TRANSACTIONS WITH TRUSTEES**

The charity does not pay its trustees but will reimburse expenses actually incurred. Expenses totalling £1,709 (2015: £1,845) have been reimbursed to two trustees (2015: four) for travel to attend meetings and for operational expenditure of the MtSSL.

**7. DEBTORS**

	2016 £	2015 £
The Mission to Seafarers	512	-
	<u>512</u>	<u>-</u>

**8. CURRENT LIABILITIES**

	2016 £	2015 £
The Mission to Seafarers	-	797
	<u>-</u>	<u>797</u>

**9. UNRESTRICTED FUNDS**

	Opening balance £	Income £	Expenditure £	Closing balance £
General funds	81,153	139,502	125,026	95,629
	<u>81,153</u>	<u>139,502</u>	<u>125,026</u>	<u>95,629</u>

**10. RESTRICTED FUNDS**

	Opening balance £	Income £	Expenditure £	Closing balance £
Peter Dixon Charitable Trust	-	10,000	4,166	5,834
	<u>-</u>	<u>10,000</u>	<u>4,166</u>	<u>5,834</u>

**11. RELATED PARTY TRANSACTIONS**

There were no related party transactions that require disclosure in 2016 (2015: none).

The Mission to Seafarers is a related party and the ultimate controlling party whose objectives are to promote the spiritual, moral and physical wellbeing of seafarers and their families worldwide. Their principal activities include providing ship visiting, welfare services and friendship to seafarers worldwide through chaplains, volunteers and centres. The Mission to Seafarers is the sole member of the MtSSL and the MtSSL's Company Secretary is also an employee of The Mission to Seafarers.

The MtSSL is part of The Mission to Seafarers' VAT group and reports financial information quarterly to The Mission to Seafarers.

The MtSSL is consolidated into the group financial statements of The Mission to Seafarers, which are available from the Registered Office address on page 1.

Transactions with other entities within the group are not disclosed as the company has taken advantage of the exemption available under FRS102 1A.

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**12. ULTIMATE CONTROLLING PARTY**

The ultimate parent is The Mission to Seafarers, registered Company Number 6220240 and Registered Charity number 1123613 in England and Wales.

**13. RECONCILIATION OF NET MOVEMENT IN FUNDS TO  
NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Net income for the reporting period (as per the Statement of Financial Activities)	<b>20,310</b>	<b>19,749</b>
<b>Adjustments for:</b>		
(Increase)/Decrease in debtors	<b>(512)</b>	<b>543</b>
(Decrease)/Increase in creditors	<b>(797)</b>	<b>797</b>
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>19,001</b>	<b>21,089</b>

**14. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Cash in hand	<b>100,951</b>	<b>81,950</b>
	<hr/>	<hr/>
<b>Total cash and cash equivalents</b>	<b>100,951</b>	<b>60,861</b>

**15. FINANCIAL INSTRUMENTS**

The carrying amounts of the charity's financial instruments are as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<b>512</b>	<b>-</b>
	<hr/>	<hr/>
	<b>512</b>	<b>-</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<b>-</b>	<b>797</b>
	<hr/>	<hr/>
	<b>-</b>	<b>797</b>

Financial assets that are debt instruments, measured at amortised cost, comprise of other debtors.

Financial liabilities measured at amortised cost, comprise other creditors.

