

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION**

**INCORPORATED BY ROYAL CHARTER 1921**

**FINANCIAL STATEMENTS**

**31 December 2007**

**Charity Number: 526379**

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1921**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

<b>Contents</b>	<b>Pages</b>
Legal and administrative details	1
Trustees' annual report	2 to 4
Independent auditors' report	5 to 6
Statement of financial activities	7
Balance sheet	8
Notes to the financial statements	9 to 17

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**LEGAL AND ADMINISTRATIVE INFORMATION**

PATRON  
THE RIGHT HONOURABLE THE EARL OF DERBY

CHAIRMAN OF THE EXECUTIVE COMMITTEE  
P O COPLAND

HONORARY TREASURER  
T C HART

TRUSTEES

P O COPLAND  
T C HART  
J R HULMES

D G BEAZLEY  
I C HIGBY  
S E SUTHERLAND

SECRETARY  
MRS L GIDMAN

PRINCIPAL OFFICE  
TOWER BUILDINGS, 22 WATER STREET  
LIVERPOOL, L3 1BA

BANKERS  
BARCLAYS BANK PLC, MERCHANTS COURT, 2-12 LORD ST, LIVERPOOL L2 1TS

SOLICITORS  
BRABNERS CHAFFE STREET, HORTON HOUSE, EXCHANGE FLAGS, LIVERPOOL, L2 3YL

AUDITORS  
BLEASE LLOYD & CO, 56 HAMILTON STREET, BIRKENHEAD, CH41 5HZ

INVESTMENT MANAGERS  
CITI QUILTER, 12 PRINCES PARADE,  
PRINCES DOCK, LIVERPOOL, L3 1BG

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 DECEMBER 2007**

**Introduction**

The Trustees present their 139<sup>th</sup> report since the formation of the Institution in 1869, along with the financial statements of the Charity for the year ended 31 December 2007. 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 trust deed, applicable law and requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

The Institution was founded in 1869 and incorporated under Royal Charter dated 13 December 1921. Its governing instrument is its Royal Charter, as amended subsequently.

**Objects and Policies**

The object for which the Institution is established and incorporated continues to be to support the sons and daughters of deceased British seafarers, by providing help with education costs and maintenance. Help is provided in the form of grants payable from the Charity's unrestricted funds.

The policies of the Institution, including the grants payable, are determined by the Trustees, who act in an honorary capacity and meet at regular intervals to monitor the affairs of the Institution, but responsibility for the day to day running of the Institution is delegated to the Secretary.

**Trustees**

The Trustees are set out on page 1 and all served throughout the year ended 31 December 2007. We regret to report the death of two of our long standing Trustees.

Mr Lionel Storrs who was a Trustee for 36 years and our President for the last 10 years died in May 2007.

Miss Jenny Kemp, who also served throughout the year died in February 2008 after 14 years as a Trustee; they will be greatly missed. The appointment of Trustees has to be agreed unanimously by the existing Trustees, and any Trustees can nominate a potential new Trustee. No Trustee has any interest in the charity.

New Trustees are invited and encouraged to attend short briefing sessions to familiarize themselves with the Institution and the context within which it operates. The Secretary ensures that the Committee is kept up to date with any changes in legislation, rules and regulation which may affect the Institution.

**Financial Review**

An increase in incoming resources attributable to higher donations and grants receivable was balanced by an increase in outgoing resources as a result of a higher amount of grants being paid out. Changes in Government Legislation during the year made it possible for the amounts paid to some of the most needy of children to be increased for the second half of the year. Overall, there were net outgoing resources of £106,040 in the year, a slight increase on the previous year.

After taking account of the net investment gains in the year, the closing net assets decreased to £3,485,984, a reduction of £95,906 over the net asset value at the previous year end. The year end position is shown in the Balance Sheet on page 8, and is regarded as satisfactory.

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**TRUSTEES' ANNUAL REPORT (continued)**

**YEAR ENDED 31 DECEMBER 2007**

**Financial Review (continued)**

The Trustees' policy to draw on the Institution's funds whenever necessary to help maintain, and where possible, enhance the level of grants we make to the children, continues. The total income of some of our families is still inadequate, and the efforts of the Trustees are constantly directed towards the provision of funds to ensure that the education of the children does not unduly suffer. The resources available for distribution are regularly reviewed by the Committee in an endeavour to maximise our grants to the children.

**Review of Activities and Achievements**

During the year 15 new beneficiaries started to receive grants and 20 beneficiaries finished their education, making 109 young persons being supported as at the end of December 2007, compared with 114 in 2006.

On the educational side, it is heartening to report again the impressive list of achievements by those beneficiaries who went forward into further education, many of whom emerged with Degrees and other excellent qualifications. Many congratulations to them all.

**Annual General Meeting**

Our Annual General Meeting is special in that the people who benefit from the Institution actually play a major part in the day's proceedings, which once again, took place in the Liverpool Town Hall. We give our most sincere thanks to the Deputy Lord Mayor, Councillor Steven Rotheram for permitting us to meet there, and for taking such a personal interest in our affairs.

**Reserve Policy**

The general unrestricted funds are free reserves of the charity and the Trustees balance the need to maximise those reserves, to ensure sufficient funds are available to cover grants payable and administration costs for the foreseeable future, with a policy of supplementing income from those reserves in order to maintain and enhance the level of grants.

**Investments Policy**

The Trustees have appointed an independent Investment Manager to carry out all investments on their behalf, as nominees for the Institution. The Investment Manager reports regularly to the Trustees, and in this way, the Trustees ensure all investments are managed in accordance with their available powers and responsibilities.

The Institution has prepared a written policy statement covering its investments with the Investment Manager, who follows a socially responsible investment policy giving due consideration towards social, environmental and ethical matters within stocks and shares in which the Institution's funds are invested. The funds are invested in a wide range of UK securities with the main objective of achieving a satisfactory total return through the realisation of shares to supplement income as and when required. The Trustees consider the return on investments to be satisfactory.

**Risk Management**

The trustees regularly consider the operational and business risks which the charity faces and confirm that they have established systems to mitigate the significant risks.

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**TRUSTEES' ANNUAL REPORT (continued)**

**YEAR ENDED 31 DECEMBER 2007**

**Related Party**

The Institution is related to the Liverpool Sailors Home Trust by virtue of common trustees. There is a cross-charging arrangement in place in respect of work it carries out on behalf of the Trust, details of which are given in note 3 to the accounts.

**Statement of the Trustees' Responsibilities**

Law applicable to charities in England and Wales requires the Trustees of a charity to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources for that period.

The second schedule to the Constitution dated 15 October 1977 requires the Treasurer to exhibit a general statement of the pecuniary affairs of the Institution with detailed accounts of the receipts and expenditure at the annual general meeting.

In preparing these accounts the Trustees are required to follow best practice and to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the accounts on the going concern basis unless it is inappropriate to presume the Institution will continue.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity, and to ensure that the accounts comply with current requirements. They are also responsible for safeguarding the assets of the Institution and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. The Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

**Donations**

We again extend our grateful thanks to the many organisations and individuals who assist us so generously by way of donations and grants.

Approved by the trustees on  
and signed on their behalf by

P O Copland

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROYAL LIVERPOOL SEAMEN'S  
ORPHAN INSTITUTION**

**YEAR ENDED 31 DECEMBER 2007**

We have audited the financial statements on pages 7 to 17 which have been prepared under the accounting policies set out on pages 9 to 10.

This report is made solely to the charity's Trustees, as a body, in accordance with Sections 43 and 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of the Trustees and the Auditors**

As described in the Statement of Trustees' Responsibilities on page 4, the trustees are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We are not required to consider whether the statement in the Trustees' Annual Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the Trustees' Annual Report and consider the implication for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**Basis of Audit Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROYAL LIVERPOOL SEAMEN'S  
ORPHAN INSTITUTION (continued)**

**YEAR ENDED 31 DECEMBER 2007**

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 December 2007 and of its incoming resources and application of resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 2003.
- the information given in the Trustees' Report is consistent with the financial statements.

Blease Lloyd & Co  
Chartered Accountants and Registered Auditors  
Birkenhead

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 DECEMBER 2007**

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds 2007 £	Total Funds 2006 £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds:</b>					
Donations and legacies	2	18,036	-	18,036	4,187
Grants receivable	3	92,925	-	92,925	86,395
Investment income	4	159,830	-	159,830	168,912
Interest receivable	5	520	-	520	297
<b>TOTAL INCOMING RESOURCES</b>		<b>271,311</b>	<b>-</b>	<b>271,311</b>	<b>259,791</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds	6	3,620	2,779	6,399	6,420
Charitable activities	7	364,045	-	364,045	350,101
Governance costs	8	6,907	-	6,907	7,596
<b>TOTAL RESOURCES EXPENDED</b>	9	<b>374,572</b>	<b>2,779</b>	<b>377,351</b>	<b>364,117</b>
<b>NET OUTGOING RESOURCES FOR THE YEAR</b>		<b>(103,261)</b>	<b>(2,779)</b>	<b>(106,040)</b>	<b>(104,326)</b>
<b>OTHER RECOGNISED GAINS AND LOSSES</b>					
Net gains on disposal of investments		60,044	4,063	64,107	60,154
Unrealised gains/(losses) on investments		18,470	(72,443)	(53,973)	149,828
<b>NET MOVEMENT IN FUNDS RELATING TO THE YEAR</b>		<b>(24,747)</b>	<b>(71,159)</b>	<b>(95,906)</b>	<b>105,656</b>
Balances brought forward		2,238,201	1,343,689	3,581,890	3,476,234
Balances carried forward		2,213,454	1,272,530	3,485,984	3,581,890

The notes on pages 9 to 17 form part of these financial statements.

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**BALANCE SHEET**

**31 December 2007**

	Note	£	<u>2007</u>	£	£	<u>2006</u>	£
<b>FIXED ASSETS</b>							
Tangible assets	10			<b>3,033</b>			7,144
Investments	11			<b>3,413,543</b>			3,526,178
				<u><b>3,416,576</b></u>			<u>3,533,322</u>
<b>CURRENT ASSETS</b>							
Debtors	12	<b>89,347</b>				8,807	
Cash at bank and in hand		<b>20,871</b>				76,249	
				<u><b>110,218</b></u>		<u>85,056</u>	
<b>CREDITORS:</b> Amounts falling due within one year	13	<b>40,810</b>				36,488	
						<u>36,488</u>	
<b>NET CURRENT ASSETS</b>				<u><b>69,408</b></u>			<u>48,568</u>
<b>NET ASSETS</b>				<u><b>3,485,984</b></u>			<u><u>3,581,890</u></u>
<b>FUNDS</b>							
Endowment	14			<b>1,272,530</b>			1,343,689
Unrestricted:							
Designated funds	15			<b>157,000</b>			140,000
Other charitable funds				<b>2,056,454</b>			2,098,201
				<u><b>3,485,984</b></u>			<u><u>3,581,890</u></u>

These financial statements were approved by the members of the committee on the and are signed on their behalf by:

P O Copland  
Chairman

T C Hart  
Hon. Treasurer

The notes on pages 9 to 17 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), applicable accounting standards and the Charities Act 1993.

**Incoming Resources**

All income is recognised in the statement of financial activities when the conditions for entitlement have been met and there is reasonable assurance of amount and receipt. Where a claim for repayment of income tax has or will be made, such income is grossed up by the tax recoverable.

*Donations and Legacies*

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in other expenditure. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

*Investment Income*

Investment income is accounted for when receivable. Tax recoverable on investment income is accounted for in the same period as the related income.

**Resources Expended**

Costs of generating funds comprise those directly attributable to managing the investment portfolio and raising investment income.

Grants payable are accounted for when the Trustees have accepted a legal or moral obligation to make the grant.

Support costs comprise costs for processing grants and applications, including support to actual and potential applicants. Governance costs comprise costs for the running of the charity itself as an organisation.

**Investments**

Realised and unrealised gains and losses are calculated by reference to book values and have been included in the statement of financial activities. Investments are stated at market value at the balance sheet date.

**Fixed Assets**

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Computers	20%
Fixtures and fittings	20%
Motor vehicles	33%

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

**1. ACCOUNTING POLICIES (cont.)**

**Fund Accounting**

The charity maintains various types of funds as follows:

**Endowment funds**

Endowment funds represent grants, donations and legacies where the donor stipulated that the capital must be retained.

**Unrestricted funds**

**Designated funds** are amounts which have been put aside out of unrestricted funds at the discretion of the Trustees, and comprise a future grants fund representing funds set aside to meet grant commitments made by the Trustees.

**General unrestricted funds** represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

**Pension Costs**

The charity contributes to individual Personal Pension Plans in respect of its current employees. The charity also pays salaried pensions to two former employees. The charge in the statement of financial activities represents contributions payable during the year.

<b>2 DONATIONS AND LEGACIES</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Donations	<b>18,036</b>	<b>4,187</b>
	<u>          </u>	<u>          </u>

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

<b>3 GRANTS RECEIVABLE</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Bearwood Foundation	<b>17,500</b>	-
Inverclyde Bequest Fund	<b>3,250</b>	3,250
Seafarers UK	<b>60,000</b>	60,000
P & O	-	10,500
Liverpool Shipwreck & Humane Society*	<b>7,925</b>	7,645
Liverpool Sailors' Home Trust*	<b>4,250</b>	5,000
	<b>92,925</b>	<b>86,395</b>

\* The Liverpool Sailors' Home Trust shares offices with the Institution and has common Trustees. The above income has been received as a contribution towards salaries, pension contributions and payments and office expenses. Liverpool Shipwreck & Humane Society, which does not have common Trustees, also shares offices with the Institution, and similarly makes a contribution, as above, towards those expenses.

**4 INVESTMENT INCOME**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
UK government stocks	<b>38,690</b>	47,542
UK quoted investments	<b>81,551</b>	89,906
UK investment and unit trusts	<b>22,729</b>	19,477
UK portfolio cash	<b>16,860</b>	11,987
	<b>159,830</b>	<b>168,912</b>

**5 INTEREST RECEIVABLE**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Bank interest receivable	<b>520</b>	297

**6 COST OF GENERATING FUNDS**

	<b>Unrestricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds 2007</b>	<b>Total Funds 2006</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Investment management fees	<b>3,620</b>	<b>2,779</b>	<b>6,399</b>	6,420

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

**7 CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds 2007</b>	<b>Total Funds 2006</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Grants:</b>				
Maintenance	261,347	-	261,347	244,140
Clothing	13,238	-	13,238	18,040
	<b>274,585</b>	<b>-</b>	<b>274,585</b>	<b>262,180</b>
<b>Support Costs:</b>				
Staff costs	74,307	-	74,307	71,151
Office costs	9,779	-	9,779	9,616
Travel expenses	1,263	-	1,263	3,088
Depreciation	4,111	-	4,111	4,066
	<b>364,045</b>	<b>-</b>	<b>364,045</b>	<b>350,101</b>

Grant assistance has been paid to 109 children during the year (2006 : 114 children). A full list of the individual grant recipients that are funded is available from our office.

**8 GOVERNANCE COSTS**

	<b>Unrestricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds 2007</b>	<b>Total Funds 2006</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Audit fees	3,525	-	3,525	3,425
AGM expenses	3,382	-	3,382	4,171
	<b>6,907</b>	<b>-</b>	<b>6,907</b>	<b>7,596</b>

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

**9 TOTAL RESOURCES EXPENDED**

	<b>Staff Costs £</b>	<b>Depreciation £</b>	<b>Grants Paid and other costs £</b>	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Cost of generating funds	-	-	<b>6,399</b>	<b>6,399</b>	6,420
Charitable expenditure	<b>74,307</b>	<b>4,111</b>	<b>285,645</b>	<b>364,063</b>	350,101
Governance	-	-	<b>6,907</b>	<b>6,907</b>	7,596
	<b>74,307</b>	<b>4,111</b>	<b>298,951</b>	<b>377,369</b>	364,117

**The aggregate payroll costs were:**

	<b>2007 £</b>	<b>2006 £</b>
Wages and salaries	<b>43,988</b>	42,569
Social security costs	<b>4,684</b>	4,626
Other pension costs	<b>5,988</b>	4,861
Pension to former employees	<b>19,647</b>	19,095
	<b>74,307</b>	71,151

Particulars of employees:

	<b>No.</b>	<b>No.</b>
The average number of staff employed by the charity during the year amounted to:-	<b>2</b>	<b>2</b>

No employee received more than £60,000 in either year.

Trustees received no remuneration and were not reimbursed for any expenses during the year (2006:nil).

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

**10 TANGIBLE FIXED ASSETS**

	Computers £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>				
At 1 January 2007	1,913	2,252	11,000	15,165
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At 31 December 2007</b>	<b>1,913</b>	<b>2,252</b>	<b>11,000</b>	<b>15,165</b>
<b>DEPRECIATION</b>				
At 1 January 2007	1,164	2,045	4,812	8,021
Additions	382	63	3,666	4,111
Disposals	-	-	-	-
<b>At 31 December 2007</b>	<b>1,546</b>	<b>2,108</b>	<b>8,478</b>	<b>12,132</b>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2007</b>	<b>367</b>	<b>144</b>	<b>2,522</b>	<b>3,033</b>
At 31 December 2006	749	207	6,188	7,144

**11 INVESTMENTS**

**Movements in market value**

	2007 £	2006 £
Market value at 1 January 2007	3,526,178	3,472,578
Acquisitions at cost	321,488	459,356
Disposals at opening book value	(380,150)	(555,585)
Net gains(losses) on revaluation in the year ended 31 December 2007	(53,973)	149,829
Market value at 31 December 2007	<u>3,413,543</u>	<u>3,526,178</u>
Historical cost at 31 December 2007	<u>3,118,713</u>	<u>3,113,230</u>

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

**11 INVESTMENTS (cont.)**

**Analysis of investments at 31 December 2007 between funds**

	<b>Unrestricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds £</b>	Total Funds £
Listed investments				
UK quoted government stocks	723,240	131,355	854,595	696,885
UK quoted shares	946,381	732,349	1,678,730	1,930,473
	<b>1,669,621</b>	<b>863,704</b>	<b>2,533,325</b>	2,627,358
UK investment and Unit Trusts	271,824	348,848	620,672	497,561
UK cash held as part of portfolio	199,568	59,978	259,546	401,259
	<b>2,141,013</b>	<b>1,272,530</b>	<b>3,413,543</b>	3,526,178

Investments held at 31 December 2007, which were over 5% of the portfolio by value were:

	Market Value	
	2007 £	2006 £
Treasury 5% stock 2008	304,739	304,014
Treasury 6_% stock 2010	217,439	286,053
Charities Property Fund	211,598	279,520

Market values have been provided by Citi Quilter, a trading name of Quilter & Co Limited, who are an authorised investment institution, and the investments are held by their nominee company.

**12 DEBTORS**

	2007 £	2006 £
Other debtors	85,452	7,109
Prepayments	3,895	1,698
	<b>89,347</b>	<b>8,807</b>

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

<b>13 CREDITORS : Amounts falling due within one year</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Taxation and social security	-	3,099
Other creditors	-	135
Grants due	<b>33,460</b>	29,088
Accruals	<b>7,350</b>	4,166
	<hr/> <b>40,810</b> <hr/>	<hr/> <b>36,488</b> <hr/>

<b>14 ENDOWMENT FUNDS</b>	<b>Movement in Resources</b>			
	<b>Balance at</b>			<b>Balance at</b>
	<b>31-Dec-06</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>31-Dec-07</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Permanent endowments</b>				
Endowment Funds	<b>1,343,689</b>	<b>4,063</b>	<b>(75,222)</b>	<b>1,272,530</b>
	<hr/> <hr/>			

The original endowment fund has been established since the start of the Charity. The fund is a permanent endowment and is represented mainly by fixed asset investments. The fund was established as a capital base for the Institution, but the income is available for general purposes.

<b>15 DESIGNATED FUNDS</b>	<b>Balance at</b>	<b>New</b>		<b>Balance at</b>
	<b>31-Dec-06</b>	<b>Designated</b>	<b>Utilised</b>	<b>31-Dec-07</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Grants payable within one year	<b>140,000</b>	<b>157,000</b>	<b>(140,000)</b>	<b>157,000</b>
	<hr/> <hr/>			

<b>16 ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>	<b>Tangible</b>		<b>Other</b>	
	<b>Fixed</b>		<b>Net</b>	
	<b>Assets</b>	<b>Investments</b>	<b>Assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Endowment Funds	-	<b>1,272,530</b>	-	<b>1,272,530</b>
Unrestricted Funds	<b>3,033</b>	<b>2,141,013</b>	<b>69,408</b>	<b>2,213,454</b>
	<hr/> <hr/>			
	<b>3,033</b>	<b>3,413,543</b>	<b>69,408</b>	<b>3,485,984</b>
	<hr/> <hr/>			

**THE ROYAL LIVERPOOL SEAMEN'S ORPHAN INSTITUTION  
INCORPORATED BY ROYAL CHARTER 1922**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2007**

**17 COMMITMENTS**

At 31 December 2007, the Institution had annual commitments under non-cancellable operating leases as set out below:

	<b>2007</b>	2006
	<b>£</b>	£
Operating leases which expire within 1 year	<b>447</b>	-
Operating leases which expire within 2 to 5 years	<b><u>2,130</u></b>	<u>2,726</u>