

THE ROYAL NAVY & ROYAL MARINES CHARITY

CONSOLIDATED ANNUAL REPORT AND ACCOUNTS 2023

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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REPORT OF THE TRUSTEES

LEGAL AND ADMINISTRATIVE INFORMATION

Honorary Officers

Patron

Her Royal Highness The Princess Royal

Senior Vice Patron

Honorary Captain The Lord Hintze Kt. AM RNR

Vice Patrons

Mr James Pitt

Honorary Captain Lance Batchelor RNR

Honorary Captain Sir Bill Thomas RNR

Mr Simon Pillar

President

Admiral Sir Jonathon Band GCB DL

Vice Presidents

General Sir Gordon Messenger KCB DSO* OBE ADC

Vice Admiral Sir Tim Laurence KCVO CB ADC(P)

Honorary Commodore The Honourable Stephen Watson RNR

Honorary Colonel RM The Lord Sedwill GCMG FRGS

Trustees, Members and Directors

Dr Brian Gilvary

Chairman

Mr John Bartlett

Mr Rod Birkett

Resigned 17th July 2024

Mr Simon Black

Lieutenant Commander Harriet Delbridge Royal Navy

Mrs Kate Phipps-Wiltshire

Mr Mark Robinson

Brigadier Mike Tanner OBE Royal Marines

Dr Michelle Westwood

WO1 Jamie Wright Royal Marines

Surgeon Captain Jo Keogh OBE Royal Navy

WO1 Barry Firth MBE Royal Navy

Dr Jo Pabari

Rear Admiral Steve Brunton CBE (Ret'd)

Appointed 17th April 2023

Commodore Catherine Jordan LVO Royal Navy

Appointed 20th July 2023

Lieutenant Colonel Simon Long RM

Appointed 17th April 2024

Mr Brian Duffin OBE

Appointed 17th April 2024

Mr Andrew Jameson OBE

Resigned 18th April 2023

REPORT OF THE TRUSTEES

LEGAL AND ADMINISTRATIVE INFORMATION (continued)

Chief Executive Officer

Mr Adrian Bell (Resigned 17th April 2023)
Mr Andrew Jameson OBE (Appointed 2nd May 2023)

Company Secretary

Mrs Samantha Nicolson MBE

Company Registration Number

6047294 (England and Wales)

Registered Charity Numbers

1117794 (England and Wales)
SC041898 (Scotland)

Registered Office

Building 37, HMS Excellent, Whale Island, Portsmouth, PO2 8ER

Auditor

Moore Kingston Smith LLP, Chartered Accountants
6th Floor, 9 Appold Street, London EC2A 2AP

Legal Advisors

Charles Russell Speechlys LLP
5 Fleet Place, London, EC4M 7RD

BDP Pitmans LLP

50 Broadway, London SW1H 0BL

Bankers

Holt's Military Banking
Royal Bank of Scotland plc,
200 Fowler Avenue, Fowler Business Park, Farnborough, GU14 7JP

Investment Managers

Sarasin & Partners LLP
Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU

THE ROYAL NAVY & ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

CHAIRMAN and CEO's REPORT

The RNRMC Group of charities remains entirely focused on meeting its charitable purpose, acting collectively in the best interest of beneficiaries. Whilst the individual objects of each entity within the Group vary, there is a clear unifying purpose, namely to support those who serve – whether that is during their service or after. The trustees of the RNRMC are committed to achieving that purpose, and there is little doubt that at this time of increased global instability the need to do so is as important as ever.

In the period covered by this report, the RNRMC charity has particularly focussed on providing support to the serving community, and their families, as well as veterans. The challenges facing those who serve has been widely reported in the media, and our response has been broad, covering for example alleviation of financial hardship, support for physical and mental health & wellbeing, and strengthening families especially in relation to neuro-diversity. We continue to meet this need mainly through our commissioning approach working with expert partners to deliver specific outcomes. This approach is both flexible and cost effective.

The RNRMC also recognises the debt of gratitude owed to those who have served, especially those who may have struggled to make the transition to civilian life; or who are experiencing hardship later in life. Accordingly, we continue to provide substantial financial assistance to provide support through financial and employment guidance, comradeship, and care for the elderly as well as direct financial assistance.

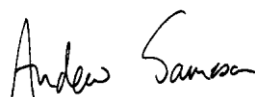
There is little doubt a joined-up approach between both funders and between delivery partners is the most efficient and effective way to support beneficiaries. Over the last 12 months, the RNRMC has championed many initiatives within the sector to encourage collaboration. And we have worked hard with other major funders – notably Greenwich Hospital and the Armed Forces Covenant Fund Trust – to develop joint plans to tackle the major issues facing our beneficiaries. The RNRMC trustees are resolute in their determination to pursue this agenda. Apart from anything else, our own supporters – the magnificently generous serving personnel who give monthly to their charity as well as the host of other individual and corporate donors – rightly expect that level of collaboration. In this regard, we were delighted His Majesty The King approved changes to the Royal Charter of the WRNS Benevolent Trust to allow the Trust to become part of the RNRMC Group in July 2023.

Over the next year, the trustees of the RNRMC will continue to make substantial funds available to meet the needs of our beneficiaries. In 2023, the RNRMC charity operated a planned deficit of £3.4m and the figure for 2024 is likely to be similar. During 2023, the charity's reserves fell from £42.5m to £39m. The trustees are comfortable with that level of reserves, and remain focused on ensuring funds are available and expended on meeting the charitable purpose for which the charity exists, now and for the future.

Since it was established in 2007, the charity has expended over £100m in charitable activity in support of its beneficiaries. That sum is a testament to the generosity of our supporters and friends, and the difference we have made is very evident and widely known. Maintaining this level of engagement is a key priority, and the Board of Trustees remain determined to continue to meet the current and future needs for many years to come. Our beneficiaries deserve nothing less.



.....
Dr Brian Gilvary
Chairman



.....
Mr Andrew Jameson OBE
CEO

Trustees' Report

Structure, Governance and Management

Context

The Royal Navy & Royal Marines Charity (RNRMC) is a charitable company, limited by guarantee, incorporated on 10 January 2007 and registered with the Charity Commission on 2 February 2007. The RNRMC was registered with the Office of the Scottish Charity Regulator on 17 November 2010.

Governance

The RNRMC is controlled solely by its Members, who are also its Trustees and make up the Board of Trustees. The Charity is governed by its Memorandum and Articles of Association, initially dated 6 December 2006 (the Articles of Association having been revised and adopted by Special Resolution on 30th January 2020) and is subject to the requirements and the protection of both charity and company law.

The Trustees, all of whom are volunteers, represent a blend of competence and experience and include those with experience of military service along with those with diverse civilian backgrounds. They are selected through a formal interview process and appointed for an initial term of three years. In accordance with good practice they would normally serve a maximum of three terms.

Group Entities

As at the 31st December 2023 there are nine unincorporated charities, three charitable companies, and two charities with a Royal Charter integrated within the Group structure. There are three trading subsidiaries.

- **The Royal Naval Benevolent Society for Officers, known as The Royal Navy Officers' Charity (RNOC)** (Charity No 207405) is a charity with a Royal Charter and retains its own trustees, who are responsible for the administration of the charity and the management of their own funds. The RNRMC is entitled to appoint a trustee and as the corporate member it also has a legal power of veto in general meetings. The RNRMC is represented by RAdm Steve Brunton CBE (Ret'd).
- **The Naval Service Sports Charity (NSSC)** is a charitable company, governed by a Board of Trustees. The RNRMC Board has overall control, as sole member, since they may resolve by ordinary resolution to amend the minimum and maximum numbers of trustees, to appoint or remove trustees and to change the Memorandum and Articles of Association. The RNRMC is represented on the NSSC board by Lt Col Simon Long.
- **Royal Marines Association-The Royal Marines Charity (RMA-TRMC)** (Charity No 1134205) is a charitable company, governed by a Board of Trustees. The RNRMC Board, under its authority as the sole member, may resolve by ordinary resolution to amend the minimum and maximum numbers of trustees and has the right to appoint or remove trustees and to change the Memorandum and Articles of Association after prior consultation with the RMA-TRMC Board. The RNRMC is represented by Mr Mark Robinson.
- **The Women's Royal Naval Service Benevolent Trust (WRNS BT)** (Charity No 206529) is a charity with a Royal Charter and retains its own Central Committee of Trustees, who are responsible for the management of the Trust. The RNRMC is the Sole Corporate Member and is entitled to appoint a trustee to represent them at the WRNS BT Central Committee meetings, Commodore Catherine Jordan LVO Royal Navy is the current representative. As the sole corporate member the RNRMC also has a legal power of veto in general meetings.
- **RNRMC Enterprises Limited** is the trading subsidiary for the Group, which is used to conduct appropriate parts of the Group's merchandising and Royal Marine Band Service trading activities. The Company was established by way of share capital from the RNRMC, which is the sole shareholder. The directors of the company are trustee, Mr Mark Lewthwaite (Chairman), the RNRMC Chief Executive, Mr Andrew Jameson OBE, and Mr Simon Wright, the Chief Operating Officer of the RMA-TRMC.

- **TRMC Enterprises Limited** is the trading subsidiary for RMA-TRMC which was initially established on 23 February 2016 to enable a single building project which was completed in 2017, it has since then completed several further projects supporting beneficiaries across the RM family.
- **Royal Marines Shop Limited** is the trading subsidiary of RMA-TRMC, brought in as part of the RMA-TRMC merger on 1 April 2019. Since September 2021 the RM Shop also fulfils online merchandise sales for the RNRMC.
- **Unincorporated charities** - the RNRMC Board has overall responsibility for their management and administration and delegates day-to-day operations to management committees through terms of reference. A number of these management committees are chaired by an RNRMC Trustee. The role of the management committee is to scrutinise and prioritise grant applications in line with their objects and provide oversight to the minor grants programme.

Committee Meetings

The Board meets at least three times a year. The RNRMC has encouraged closer communication with Group charities by taking up its option to nominate a trustee to the Boards of The Royal Navy Officers' Charity (RNOC), Royal Marines Association - The Royal Marines Charity (RMA-TRMC), the Naval Service Sports Charity (NSSC) and The Women's Royal Naval Benevolent Trust (WRNS BT).

The Board delegates certain powers in connection with the Charity's management and administration to formal committees. This delegation is controlled by requiring the committees to report back at the next Board meeting. All committees provide meeting minutes which are kept as part of the statutory records. The current members of the committees and those within the year are shown in the table below:-

Committee	Purpose	Members
Group Finance, Risk & Audit Committee *	To provide governance and risk assurance and financial oversight for the group ensuring that all the entities within the group benefit from common understanding and approach towards financial planning and risk management	John Bartlett (Chair) Rod Birkett Mark Robinson Richard Weaver (RMA-TRMC) Steve Brunton CBE Lt Cdr Harriet Delbridge RN Brian Duffin OBE
Finance Risk & Audit Committee (FRAC)	To monitor and scrutinise all financial, risk and audit issues. Meets three times per year.	John Bartlett (Chair) Rod Birkett Mark Robinson Richard Weaver (RMA-TRMC) Steve Brunton CBE Lt Cdr Harriet Delbridge RN Brian Duffin OBE
Committee Chairs Advisory Committee (CCAC)	To advise the executive on strategic planning	Kate Phipps-Wiltshire (Chair) Rod Birkett Simon Black John Bartlett Brian Duffin OBE
Investment Committee (IC)	To scrutinise the investment managers ongoing performance. Meets four times per year.	Rod Birkett (Chair) John Bartlett Mark Robinson Brian Duffin OBE (Chair Elect) Alice Wheatley (NSSC) Independent advisors:- Bryan Burrough, Alex Crooke & Mark Fitzgerald
Fundraising & Marketing Committee (FMC)	To oversee the expansion of activities in these areas and the execution of the agreed management plan. Meets three times per year.	Simon Black (Chair) WO1 Barry Firth MBE RN Dr Jo Pabari Independent Advisor:- John Turner

Committee	Purpose	Members
People Committee (PC)	To manage the Board and senior staff succession plan and oversee CEO remuneration. Meets three times per year	Kate Phipps-Wiltshire (Chair) Dr Brian Gilvary Brig Mike Tanner OBE RM Dr Michelle Westwood John Bartlett
Charity Committee (CC)	To oversee and set strategy and policy for all grant making. Meets three times per year.	Kate Phipps-Wiltshire (Chair) Lt Cdr Harriet Delbridge RN Dr Michelle Westwood Surg Capt Jo Keogh OBE RN
Through Life Committee (TLC) – <i>sub-committee of CC</i>	To provide oversight, scrutiny and approval of grants for Benevolence. Meets four times per year.	Surg Capt Jo Keogh OBE RN (Chair) Chris Banks Sarah Ayton Duncan Lamb Charles Stewart Sara Field Nicola Thompson Jonathan Ball OBE
Quality of Life Committee (QLC) – <i>sub-committee of CC</i>	To provide oversight, scrutiny and approval of grants for Amenities. Meets four times per year.	Lt Cdr Harriet Delbridge RN (Chair) Lt Cdr Nicolas Toms RN WO1 Jim Wright RM WO1 Ian Davies MBE RM (Vice Chair) WO1 Samantha Martin WO1 Mick Stanion RM WO1 (CRSM) Tim Jukes RM WO2 Andrew Vercoe WO1 Stephen Doyle LD Stuart Farden 3/O Hannah Riekemann LH Matt Clinch WO1 Nick Olive Musn Sarah Hill AB (Pol) Tegan Snell WO1 Paul Dungey WO1 Dave Smith LPT Amber Donaldson

* Following a review of its terms of reference, the Group FRAC will be replaced by a new body whose function will be to act as a forum to co-ordinate and share financial, governance and risk best practice within the Group. It will not be a sub-committee of the RNRMC Board, but rather a consultative body of all Group members.

Management and Administration

The policies and principles included within this Trustees Annual Report are those belonging to the Group, however individual charities can adopt / adapt these policies and principles to suit their own circumstances as disclosed within their individual statutory accounts.

Employees

The RNRMC Group employs around 118 staff with 65 employed by RNRMC. The day-to-day control and administration of the RNRMC is delegated to the Chief Executive Officer, whose senior staff manage functional departments.

The RNRMC is committed to the training, career and personal development of all employees. Each employee has an annual performance review where their performance is assessed against the Charity's objectives alongside personal achievements within their specific roles. A training programme is devised that meets both the Charity's needs and also enhances the individual's potential towards their professional development.

We are proud to hold the Silver Award for the Employee Recognition Scheme under the Armed Forces Covenant, which supports the transition of serving members of the Armed Forces into employment.

Remuneration

The Charity does not remunerate its Trustees. The Trustees are responsible for setting the remuneration of the Charity's Chief Executive and the remaining staff are paid via an agreed remuneration framework that sits within the overall reward policy that is agreed annually.

RNRMC's Reward Policy, introduced in 2018 has four principal pillars, comprising remuneration, benefits, recognition and learning and development. The framework is underpinned by a robust job evaluation process for each role within the charity which has been validated by our external Human Resource advisors. The CEO Salary is reviewed annually by the People Committee.

General Data Protection Regulation (GDPR)

In 2018 RNRMC implemented a suite of tools and staff training packages to monitor and ensure ongoing compliance with GDPR, it was reviewed in 2022 and further training provided to staff, we will also complete a second phase of our GDPR review in 2024. We continue to endeavour to ensure that all the personal information that we need in running the charity is properly protected, correctly used and safely stored and all staff receive training at point of induction and annually. Our privacy policy and other associated policy changes can all be accessed from our website to ensure transparency and assurance and these are reviewed regularly. We work closely with our IT managed service provider to monitor and ensure the security and compliance of our IT systems and have been awarded Cyber Essentials Accreditation.

Fundraising Principles

The RNRMC and RMA-TRMC both have established fundraising programmes across similar income streams.

The RNRMC and RMA-TRMC are registered with the Fundraising Regulator and adhere to the standards of the Fundraising Codes of Practice and to Charity Commission guidelines, particularly CC20 (Charity fundraising: a guide to trustee duties).

The RNOC's income is derived from investment income, active fundraising via the Association Royal Navy Officers' (ARNO) membership and other initiatives. NSSC's income is derived largely from investment income and grants received (including from the RNRMC) and there is therefore no requirement to fundraise.

No complaints about fundraising activity were received by the RNRMC or RMA-TRMC in 2023 and therefore there was no requirement for escalation to the Regulator. We have our own procedures in place for dealing with complaints. The complaints process is open and transparent and easy to access from our respective websites. Within the process, we publish a clear procedure for escalation and timescales when supporters can expect a response.

Anyone who is kind enough to consider support for the RNRMC can be assured that:-

- we never sell personal data to other organisations or charities. We do sometimes ask third party organisations to help process our data, but they will act under our instruction. We never allow these organisations to use RNRMC supporter data for their own purposes and the data remains our legal responsibility: we ensure that it is treated with the same level of care as if we were handling it directly.
- it is our policy never to undertake any telephone fundraising or 'cold calling'.
- all our electronic communications to supporters include information on how to opt out of future communications.
- we do not undertake door-to-door fundraising.

We display the Fundraising Regulator badge on our websites and fundraising collateral to demonstrate our commitment to best practice. We work with the Fundraising, Mail and Telephone Preference Services to ensure that those who choose not to receive specific types of communication do not have to.

Volunteer fundraising is fundamental to the efforts of both the RNRMC and RMA-TRMC and we would be unable to achieve the level of voluntary income we do without the support of Service and civilian volunteers. We rely on a pool of people who give their time freely to directly collect money, organise and assist at events, or make connections with local businesses. Those volunteers collecting money *'on behalf of'* the RNRMC and RMA-TRMC are doing so with the prior knowledge of the

charities and receive a volunteer induction, have a dedicated staff 'Line Manager' and have a signed Volunteer Agreement with the respective charity. Those volunteers who collect 'in aid of' the RNRMC and RMA-TRMC are often acting on their own initiative and we are consequently unaware until we receive the money that has been raised. Official collections are always made with sealed RNRMC and RMA-TRMC collecting bins. Collectors in public places require permission from local authorities or, if within its district, the Metropolitan Police. These licenses are applied for and recorded by the RNRMC and RMA-TRMC fundraising teams. We regularly review and update our volunteering policies.

Volunteers and Related Parties

All Trustees and members of the management committees of the subsidiaries give their services voluntarily and receive no remuneration for their activities, other than travel and incidental expenses where claimed. The serving members of the Board undertake their RNRMC duties as volunteers in addition to their normal line duties. The RNRMC continues to develop and expand its group of volunteers to assist in all areas of the Charity. These volunteers are supported by staff members as well as specific policies and procedures which includes a handbook for volunteers.

In addition to the volunteers above, we also have charity Ambassadors. The Ambassador programme was officially launched in early 2024 and there are now over 20 volunteer Ambassadors across the three Naval Base port areas. There are plans to continue to recruit several more to support the charity in areas where the Royal Navy is historically active but today has a very small footprint. The role of the Ambassador is to provide senior representation of the RNRMC promoting the work of the Charity.

Diversity, Equality and Inclusion

Our existing charity values reflect the need for equality, diversity and inclusion (ED&I). We also recognise that there will always be further improvements or enhancements that we can make to maximise ED&I within the Charity. We aim to achieve the following key outcomes by working towards delivering the recommended best practice within the Charity Governance Code which will help us to build a diverse, equal and inclusive culture within the charity:-

- The principles of equality, diversity and inclusion are embedded in the organisation and help to deliver the charity's public benefit.
- Obstacles to participation are reduced, with the organisation's work designed and open for everyone included within its charitable purposes. This supports the charity to challenge inequality and achieve improved equality of outcomes.
- The Board is more effective because it reflects different perspectives, experiences and skills, including, where applicable, from current and future beneficiaries.

The objectives of our Staff Reference Group include Culture which embraces equality, diversity and inclusion and for those new to the SRG we have set up specific ED&I training courses which help develop both their understanding as well as being beneficial for all of those who engage with them and the charity.

Objects, Vision and Strategy

The objects of the charity are:-

- the relief in need, hardship or distress of Beneficiaries and their Families and Dependants;
- the assistance with, provision of, or contribution to the education and training of children of Beneficiaries;
- the promotion of efficiency of the Naval Service and the Auxiliaries by way of the enhancement of morale, the improvement of recruitment and retention; and
- the further relief and encouragement, of men and women who are serving in the Naval Service or the Auxiliaries.

In 2020, the trustees developed a vision for the charity which is as follows:-

"A world in which our sailors, marines and their families are valued and supported, for life."

The charity seeks to deliver these objectives (and meet the vision) in two principal ways. Firstly, by providing grants to other charities and organisations to deliver specific outcomes which address an identified need of our beneficiaries. Typically, these arrangements with particular charities are over a 3-year period. These commissioning programmes span serving, families and veterans. Secondly, we provide grants directly to individuals, and to ships and units, which seek to improve the conditions of Service for those serving. We also support the next of kin of those who die whilst serving with an immediate financial grant.

In addition to these direct forms of support, we provide business services support at no cost to a number of charities with the same categories of beneficiaries as ours. This support (covering finance, HR and grant-making processes) allows those charities to direct their resources at meeting the needs of their beneficiaries.

Our Purpose: Our purpose is to honour our vision by ensuring we:-

- provide the leadership and alignment of common purpose for our beneficiaries' needs;
- find those who need help, especially the hidden and lost, and ensure they can find us;
- respond appropriately through direct support with key partners from the naval and other charities, the health and social care sector, and the benefits system;
- work to develop an effective and sustainable access and triage system with appropriate level of case and care supervision for the entire naval family.

Our Strategic Objectives:-

- We will work with other charities operating in our sector to establish a confederation in order to provide those in need within our beneficiary group with a single point of access to the totality of state and charitable support available.
- Acting with other naval charities and key stakeholders, we will ensure that our potential beneficiaries are made aware of the support that is available to those who need it.
- We will collaborate with Greenwich Hospital to agree funding priorities and secure a long-term financial commitment from Greenwich to deliver the RNRMC's charitable objects.
- We will commit to spending over 50% of our charitable expenditure on collaborative and long-term commissioning projects with other charities and organisations which seek to address underlying causes of need; and
- Recognising the need to act decisively, we will undertake bold and far-reaching plans and projects with our partners that will draw down substantially on our total net assets.

RNRMC Aims to:-

- Alleviate consequences of Service; and
- Honour Service to the Nation.

We will do this by our proactive/pre-emptive themes:-

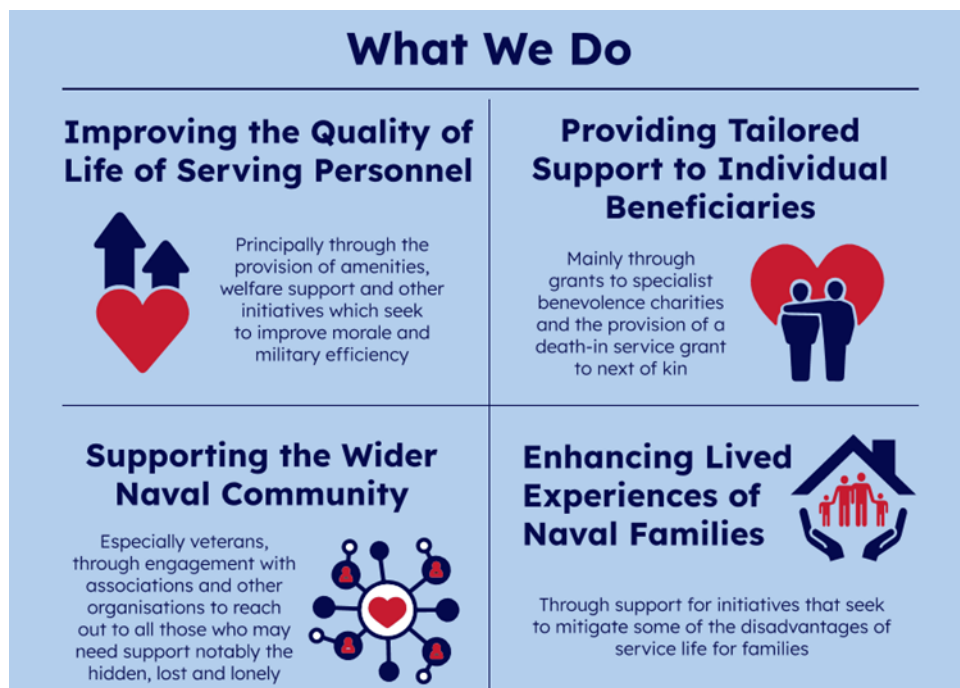
- Support to the Serving and their families
- Successful transition from service
- Combatting loneliness and isolation – building befriending and support networks

And reactive themes:-

- Caseworker network
- Independence and dignity for older/vulnerable veterans
- Benevolence support

We continually refresh our understanding of need through our partnership work and regular quantitative and qualitative monitoring information and data.

At the centre of our practice is our engagement with beneficiaries, using their needs and experience to inform how to design and deliver projects.



In order to deliver our objectives charitable activity was delivered in the following ways:-

- 7 commissioned grant programmes
- 2 grant pathways
- one-off special grants
- transition support pilot
- virtual grant making
- specialised restricted funds

Further information on our activities within these areas can be found in the grant making section.

Efficiency throughout the Charity and the wider Community

Maintaining a low overhead ratio is core to our belief of delivering more to a wider group of beneficiaries through an effective middle and back office.

We aim to play a full role in encouraging efficiencies and effectiveness across the sector including encouraging discussions about how the naval charity sector specifically, and the wider military charity sector more generally, might gain from the benefits of closer convergence.

One of the ways this objective is achieved is through virtual grant making, namely by providing external charitable support services. These services, provided at RNRMC cost, provides Naval Family charities both inside and outside of the RNRMC group, with administrative support across finance, HR and grant making, allowing our partners to focus on our common beneficiaries.

Public Benefit

In shaping our objectives and planning our activities, the trustees have considered the Charity Commissions guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The trustees have recognised the principles of public benefit and believe that the RNRMC meets them, namely:-

- that there must be an identifiable benefit or benefits and they must be clear, related to the aims of the RNRMC and be balanced against any detriment or harm;
- the objects of the RNRMC are to focus on the relief in need, hardship or distress of disadvantaged persons, provide education and to improve the efficiency of the Naval Service. The range of the benefits deriving from benevolence activities includes the relief of poverty and improving the efficiency of other charities through the grants made. The RNRMC also provides its beneficiaries with facilities for sport and recreation;
- that the benefit must be to the public or to a section of the public. That the beneficiaries must be appropriate to the aims and, if to a section of the public, must not be unreasonably restricted and that those in poverty must not be excluded from the opportunity to benefit; and
- the potential beneficiary group of the RNRMC is wide and includes not just current serving personnel, but also the vast majority of our beneficiaries who are former Naval Service personnel, families and dependants. Benevolence grants are all based on need demonstrated by the charities that apply for grants and do not duplicate state funding.

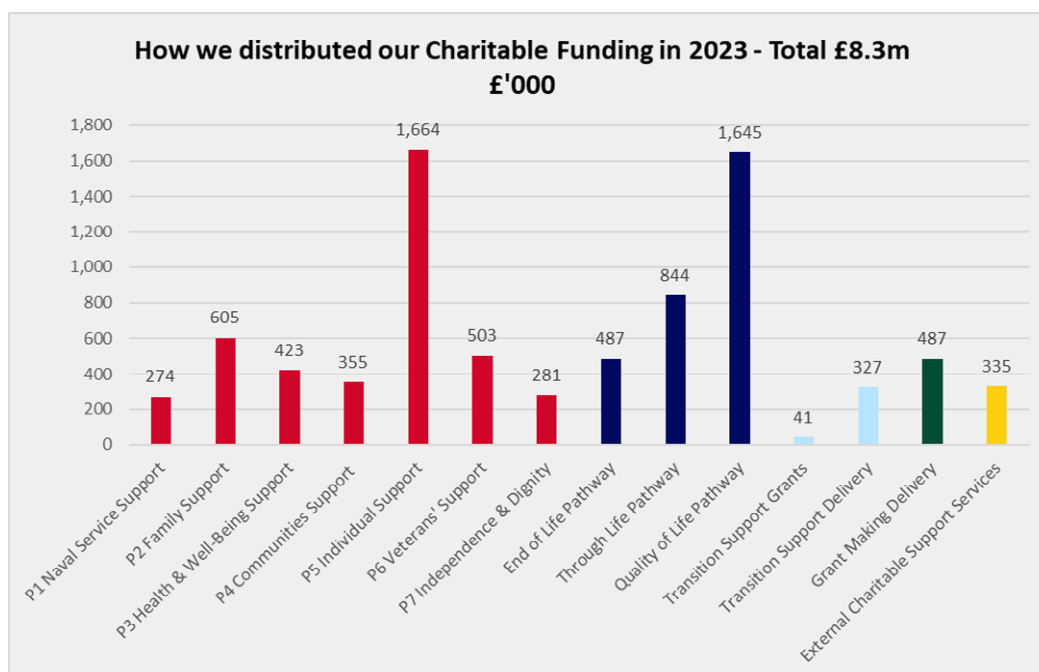
In addition, the RNRMC provides public benefit by enhancing and promoting military efficiency, strengthening the moral component of the Royal Navy's and the Royal Marines' esprit de corps.

Achievements & Performance - Royal Navy and Royal Marines Charity

The achievements and performance in this section relate to the RNRMC Charity only. Individual reports for the other group entities can be found further down in this report.

During 2023 the total charitable activity of the RNRMC was £8.3m. This includes not only the grants awarded (£7.1m) but also includes Grant making delivery, external charitable support services and the conclusion of our Transition Support project.

The graph below shows how the total charitable output of £8.3m was distributed by the charity in 2023.



Grant Making

During 2023, £7.1m of Grant making was awarded through a funding model focused on identifying need, early intervention, and prevention. This was achieved through a combination of:-

- **Programmes** – which focus on a particular beneficiary group or community in response to identified needs. Supported by commissioning intentions and costed plans for delivery.
- **Pathways** – which ensure we remain by the side of all beneficiaries from their first day in the Royal Navy and for decades after their Service ends; and
- **One off Grants** – special projects focusing on a specific need or timeframe.

Programmes

Funding and delivery for the commissioning programmes in 2023 was split between seven programmes:-

1. **Naval Service Support (£274k)** – To provide support to serving naval personnel. This included grant agreements for the Naval Service Sport Charity and The Submarine Family.
2. **Family Support (£605k)** – To provide support to naval families of serving personnel, including partnering with the Kings Foundation to provide activity camps for children during the school holidays and partnering with Relate to provide relationship and family counselling services and Home-Start, providing support for families with young children.
4. **Health & Wellbeing Support (£423k)** – To support mental health and wellbeing of service personnel and their families, which included partnering with Society of St James to provide gambling & addiction support (FLAGS) Anchoring Minds to support families; a project with the Gosport and Fareham Multi Academy Trust to create a Community Services Hub on site and additional support for RN mothers with pre- and post-natal depression.
5. **Communities Support Programme (£355k)** – To provide projects that support all beneficiaries and enhance existing provision, including in 2023 funding a post with Fighting with Pride to reach into the LGBT+ community; and providing a specialist worker to work from the White Ensign Association to support access to the Armed Forces Compensation scheme and further support delivered on bases and units for serving personnel.
5. **Individual Support (£1,664k)** – To ensure that those who fall on hard times have access to financial support, notably through grants to the Naval Children's Charity, the Royal Naval Benevolent Trust, the Sailors' Children's Society and Royal Marines Association The Royal Marines Charity.
6. **Veterans' Support (£503k)** – To support the specific needs of veterans, including partnering with SSAFA to provide casework for the naval family of charities and supported housing provision with Alabaré and Stoll.
7. **Promote Independence and Protect Dignity (£281k)** – To ensure that older and dependent beneficiaries have the care and support they deserve, including funding for military care homes and support for those living overseas.

Pathways

Throughout 2023, we operated three pathways which seek to deliver on our vision to support our sailors and marines, and their families, for life:-

- **Quality of Life Pathway (£1,645k)** – To provide grants which improve conditions of service and further the efficiency and morale of the Royal Navy, typically as a result from a funding bid from an individual ship, establishment or unit, and includes refurbishment of mess spaces, contributions to team building/social events, or prizes and awards. The charity continued to provide support swiftly to the frontline with quick turnaround to meet the needs of those operational deployed.
- **Through Life Pathway (£844k)** – To support the welfare of serving personnel, veterans and their families, typically by partnering with other charities to provide services, including Tom Harrison House in Liverpool providing addiction treatment and support, Scotty's Little Soldiers supporting RN and RM children following the death of a parent, and Turn to Starboard supporting veterans with PTSD through sailing.
- **End of Life Pathway (£487k)**– This pathway is now included under TLP and provides grants to support the dependants of those who pass away while in service. Sadly in 2023 there were 24 grants awarded to bereaved families.

Special Grants

- **Strengthening Families Neurodiversity** – Supported by funding made available from the Armed Forces Covenant Fund Trust and new for 2023, and included within the family support programme, the Neurodiversity project was launched to support serving personnel and their families.
- **Remembrance and Comradeship** – Building on the successful Falkland at 40 grants awarded in 2022, we were pleased to award a further 20 Remembrance and Comradeship grants. Supported by funds made available by Greenwich Hospital the grant reached 1174 beneficiaries.
- **Afghan Grants** – Funding for this programme was made available from the Armed Forces Covenant Fund Trust and the Office for Veterans Affairs. The aim being to reach out to engage veterans who served in more recent conflicts into the membership organisations who could provide or signpost to support where needed. Following on from £140k of grants in 2022, over £108k in grants were awarded in 2023 for Afghan grants, the total project expected to benefit around 1,300 serving personnel, veterans and their families.
- **Reward and Recognition** – There were 94 reward, recognition and respite breaks awarded to serving personnel and their families, which benefitted 180 adults and 145 children. £92k in annual awards were released to recognise serving personnel throughout 2023 with an additional 867 personnel being recognised with a Herbert Lott Award, totalling a further £95k.

Support to the naval charity sector

During 2023 the RNRMC provided free of charge support services totalling £335k, an increase against 2022 of 30%. The support consisted of various services including administration, grant-making support, HR and payroll processing, communications and accounting support ranging from transactional processing to management accounting and support with audit processes.

The benefit of the support means that charities were able to focus their resources away from overheads and into our common beneficiaries. Alignment of processes has allowed the charities to streamline and share best practice and enhance collaboration through the Naval charity sector. Alongside charities within the RNRMC group such as NSSC and RMA-TRMC, external charities have also received this support, and include the Naval Families Federation, White Ensign Association, the Royal Naval Association and the Armed Services Trauma Rehabilitation Outcome Study.

Safeguarding

RNRMC has a Safeguarding Policy as the group provides individual beneficiary support. The RNRMC believes that it is always unacceptable for a child or vulnerable adult to suffer abuse of any kind and recognises its responsibility to safeguard the welfare of all people it encounters, by a commitment to practice which protects them. We understand that the welfare and safety of the person at risk is paramount. The purpose of the policy and the associated and more comprehensive guidance document is to:-

- Provide protection for children and vulnerable adults who come into contact with our charity.
- Provide guidance to staff and volunteers to recognise, respond to and report abuse appropriately.
- Create a culture of openness within the organisation and ensure staff feel supported to talk candidly about suspected abuse.

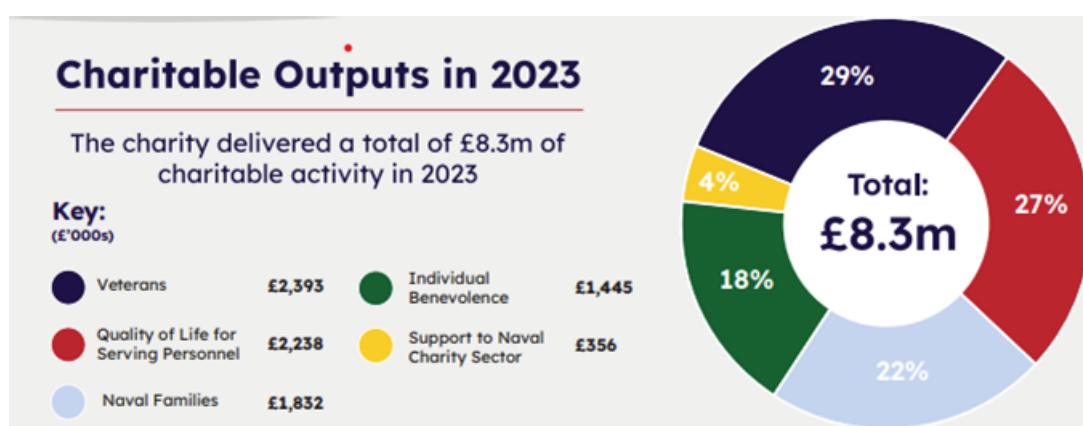
The organisation now has a Trustee responsible for safeguarding and a qualified member of staff as the designated safeguarding lead. In addition, each element of the policy has a lead within the relevant department or function, and this includes a lead within the Senior Leadership Team.

Forward look to 2024

From 2024 the RNRMC Trustees have approved a new funding model which focusses on beneficiaries and support to naval charity sector as presented in the following 5 strands.

1	Quality of Life for Serving Personnel	Improving the quality of life of serving personnel - principally through the provision of amenities, welfare support and other initiatives which seek to improve morale and military efficiency.
2	Individual Support	Providing tailored support to individual beneficiaries who have, or are likely to develop, specific needs – mainly through grants to specialist benevolence charities and the provision of a death-in service grant to next of kin.
3	Naval Families	Enhancing the lived experience of naval families through support for initiatives that seek to mitigate some of the disadvantages of service life for families.
4	Veterans	Supporting the wider naval community , especially veterans, through engagement with associations (and their network of branches) and other organisations to reach out to all those who may need support notably the hidden, lost and lonely.
5	Support to the naval charity sector	Acting as a convener for the naval community through funding, facilitation, research into need, and the provision of professional organisational support (accounting, grant-making, communications, HR) to charities within the sector.

In terms of the above strands, the charitable output of the RNRMC Charity was as follows:-



Transition Support Service

The Transition Support Service (TSS) was a 2-year pilot project that went live in November 2021. TSS sought to address the difficulty many serving personnel have expressed in finding the right service/organisation to support them, especially through transition from service to civilian life. Although many transfer successfully, a small percentage do not and often re-appear only when crisis hits - when the level of resources required is often higher than early intervention. The TSS therefore sought to demonstrate the benefit of proactive rather than reactive support to the provision of services and support.

During the period of the trial (24 months), the TSS dealt with 162 service leavers and assisted 147 service users who were not leavers (i.e., they were either service personnel not leaving, or were already veterans). The range of issues and support provided by the TSS covered the following:-

- Advocacy or referrals to assist with the Armed Forces Compensation Scheme, War Pensions or statutory benefits;
- support relating to alcohol and substance misuse;
- support to further employment prospects or educational qualifications;
- applications for benevolent or financial support;
- physical or mental health issues;
- social and family relationship issues; and
- assistance in accessing entitlement to the transition process provided by the MoD or other organisations.

The Board decided in July 2022 not to extend the pilot beyond the 2-year period. Paradoxically, this was not because the pilot had been unsuccessful: The pilot had demonstrated the benefits of early intervention and a people-centred approach.

But the trustees were mindful of increased funding to the Defence Transition Service which is the MoD body responsible for providing signposting and communicating with external support from other government departments and public bodies, as well as charities. In addition, there is a number of other naval and tri-service charities offering transition support, notably RNBT, RNOC as well as DMWS, RBL and SSAFA.

The Submarine Family

We continue to support Submariners, past and present and their families through grants provided by The Submarine Family, a fund whose objectives are to promote the:-

- Welfare and well-being (which includes mental health) of all Submariners (serving and retired) and their families.
- Submarine ethos, morale of all ranks of, or serving with, the Submarine Service including heritage, remembrance and the provision of recreational facilities, amenities and other goods and services not provided out of public funds.

In 2023 **41 grants** were approved from the fund and included as part of the Quality of Life Pathway.

Other Funds

During 2023 we continued to support for two further funds assisting the mental health of Naval personnel:-

- Help - Jim's Story to raise awareness of mental health alongside the mental health programme supported by the RN ; and
- HMS Oardacious Fund supporting the mental health of submariners.

The Royal Fleet Auxiliary

Our objects include members of the Royal Fleet Auxiliary as beneficiaries. During 2022 we were delighted to receive the funds of the Royal Fleet Auxiliary Benevolent Fund as a restricted fund of the RNRMC (supporting RFA personnel only). During 2023 the RNRMC continued to support the RFA through our usual grant making and commissioning programmes in addition to the restricted funds of their Benevolent Fund.

Raising Funds

At the beginning of 2023, our fundraising strategy was outlined with the following key focus areas for the next 3-5 years:-

- Funding Model Recalibration: we aimed to create a balanced team dedicated to both short-term and long-term income streams.
- Individual Giving and Legacies: emphasis was placed on securing future fundraising through proactive individual giving and legacy programmes.
- Regional Growth: expanding our presence through regional hubs, RN Champions, and volunteers.
- Scottish Connectivity: enhancing our engagement and presence in Scotland.

In partnership with the Royal Navy and youth charity Oarsome Chance, we launched a new line of sustainable upcycled products in the Spring. This initiative generated over £5,000 in sales within the first two weeks. Throughout the year, the project was nominated for several awards and was featured in the July issue of Fundraising Magazine, which included a spotlight on Dean Rogers for our award-winning Royal Navy Payroll Giving Legacy scheme.

We secured crucial funding from several prestigious trusts and foundations, including:-

- Armed Forces Covenant Trust
- Elba Foundation
- Greenwich Hospital
- Nuffield Trust
- Taigh Mor Foundation
- Thales Charitable Trust
- The Castanea Trust
- The Drapers Charitable Fund
- The Gosling Foundation
- The Hintze Family Charitable Foundation
- The Keeble Charitable Trust

- The MacRobert Trust
- The Princess Anne's Charities
- The Royal Edinburgh Military Tattoo (Charities)
- The Swire Charitable Trust
- The Worshipful Company of Turners
- Wimbledon Foundation

Our involvement in numerous significant events in 2023 included:-

- View from the Bridge: our regular online discussion series.
- Trafalgar Night Dinner: our bi-annual flagship event.
- Royal Marines Band Tour: the first-ever tour, which visited six venues across the UK and raised substantial funds for RNRMC.

We deeply value our long-term corporate partnerships with companies such as BAE Systems, Lockheed Martin, MBDA Missile Systems, and Thales.

Our community fundraising grew from strength to strength, including the remarkable efforts of HMS Oardacious who completed their epic rowing challenge across the Atlantic to raise thousands of pounds for RNRMC.

At the end of the year, we launched our first-ever Christmas Appeal. This initiative was an unprecedented endeavour for us, and the response from our supporters exceeded our expectations.

We extend our heartfelt thanks to all our donors, fundraisers, corporate partners, trusts, and other supporters. While we cannot individually thank each contributor here, we are profoundly grateful for your support throughout 2024. We also respect and acknowledge the significant contributions of those donors who prefer to remain anonymous.

Achievements and Performance - Royal Marines Association-The Royal Marines Charity

The full report for the RMA-TRMC can be found within their own statutory accounts, below is a summary of their key achievements and performance during 2023.

Each year the RMA-TRMC charity builds upon its delivery and effectiveness, and 2023 has required the Health and Wellbeing Team to support many complex cases across 7 pillars of delivery.

Transition support Services

With a position in Scotland and the South West, an increased footprint has led to better collaboration with local units and improved collaboration with local services. Primarily dealing with Serving Personnel who might be struggling as they leave the Royal Marines, RMA-TRMC alongside these local communities have supported 107 individual cases, 81 veterans and 26 serving personnel. Alongside this busy case load they also have selected and supported 30 veterans to attend the Chamonix Ski Trip and the Summer Climb to Recovery events.

A further responsibility of the Transition Support Officers is to plan and deliver the Commando Connect events. First delivered in 2019 this 'Veterans Breakfast' model initially started at 30 Commando has gone from strength to strength, bringing together serving and veteran Royal Marines. Events have taken place in Plymouth, Scotland and the Gordon Messenger Centre at Lympstone. This event saw over 200 attendees in 2023 engaging with local and internal support from the HWB team as well as guest organisations.

Veterans Mental Health Referral Pathway (VMHRP)

In 2023 the VMHRP continued to improve its delivery. The RMA-TRMC Contracted Psychotherapy Lead updated processes and business agreements with our therapists. There are now 120 therapists (80 in 2022) that offer clinically approved therapy interventions that are clinically measured at the beginning and end of therapy as well as every six sessions of funded therapy. Our therapists consist of Psychiatrists, Clinical Psychologist, Psychotherapists and Psychotherapeutic Counsellors. The RMA-TRMC continues to develop relationships with OP COURAGE staff in all areas of England as well as the equivalent programmes in Scotland and Wales. In 2023 25 more beneficiaries were supported from the previous year.

Armed Forces Compensation and War Pensions advice and advocacy

A total of 128 cases have been supported by the RMA-TRMC team, 70 of these have been from the veteran community and a further 58 have been serving. The nature of this work can, at times, continue for a number of years whilst the claims are being assessed and ratified by the MOD, often with other pillars of delivery supporting in a complimentary manner. In total the team have seen beneficiaries receive increased compensation of over £634,000 and alongside the individual casework, the team has delivered briefings to recovery troops, HASLER and attended the Commando Connect events providing immediate advice.

Working even more closely with the White Ensign Association, the team of two continues to deliver outstanding support to Naval Service veterans. Throughout 2023 the RMA-TRMC has continued to fund an advisory consultant whilst the internal team gain experience. This will be reviewed in August 2024.

Addiction support

The Addiction Nurse Specialist (ANS) has delivered 33 briefings to almost 1,000 serving Royal Marines, including command courses and pre deployment briefings. This type of early intervention helps to promote healthy lifestyles and prevent more problematic addictions occurring. In total the ANS has delivered therapeutic interventions to 44 beneficiaries, 23 of which have been veterans and 21 serving. Over £24,000 was allocated to detox and rehabilitation.

Grants and Benevolence

A total of 722 grants have been awarded this year compared to 661 in 2022. This increase has been across all subject areas of delivery, but the actual average grant amount of each grant is slightly lower. The largest increase being in psychological therapeutic support. Grants awarded by type are shown in the chart below.

Type of Grant	Number of Grants	Total Value
Veterans	616	£832,076
Serving	72	£83,895
Orgs	34	£223,620

The financial support granted to serving personnel depicted above was slightly less than in 2022. It should be noted that not all casework ends in an individual grant or payment for interventions, albeit many do need financial input. The wider team has supported referrals across a variety of complex cases, the casework and time for these cases is recorded separately, in 2023 772 cases were supported, advised, signposted, and handed over to the most appropriate organisation to deliver the requisite support.

Employment and Education

The E&E team supported 738 beneficiaries, 296 in transition, 146 veterans, 291 recruits and 5 spouses; including a total of 52 supported into longer term employment in 2023. This is equivalent to 1.7 million in recorded social and economic.

64 Grants were awarded in 2023 totalling £97k to the following groups:-

- Serving Transition – 25
- Veterans – 34
- Spouses – 2
- Charity Partners - 3

Additionally, the Health and Wellbeing Team introduced a new delivery strand for Royal Marines of any rank who have reached the end of full career service (22yrs+). It has been recognised that such leavers have uniquely different challenges from those opting to leave at an earlier point and for many, The Royal Marines may be all that they have known since school. The Completion of Service workshop is now a 2-day programme, with 16 service leavers attending in 2023. The project was launched following an award of £93K from AFCFT in November 2023. Guest speakers attend on day 2 of the workshop from top organisations to provide insights, while former service leavers return to support and share their experiences with those currently transitioning. We will also look to engage with corporates to expand our portfolio of employers/support.

Support to Recruits benefitted 291 individuals in 2023. 51% had spent time in Hunter recovery troop before leaving, with an average of 23 weeks spent in recovery; this was an increase of 11% on 2022 with only 4% officially medically discharged. The average age of our recruit leaver was 22.

More partnerships are being established with suitable employers, these partnerships are developing into comprehensive relationships and understanding how we can involve our partners in fundraising and commitment to RMA-TRMC which is already proving to be beneficial.

Continued collaboration with partners

We have worked increasingly closely with the NHS (OP COURAGE and the OP RESTORE), the MOD Department for Community Mental Health, and other Third Sector partners with whom we have agreed formal MOUs: the Royal Navy & Royal Marines Charity, Walking With The Wounded, the White Ensign Association, the Special Boat Service Association, High Ground, Rock to Recovery and Bootnecks In2 Business. We collaborated regularly with Combat Stress, Zero Suicide Alliance, Help for Heroes, the Defence Medical Welfare Service, Veterans' First Point, Horseback UK, the Naval Families Federation and the Forces Employment Charity.

In our grant making we work in close partnership with SSAFA-the Armed Forces charity, The Royal British Legion and Naval Service charities: the Royal Navy & Royal Marines Charity, Greenwich Hospital, the Royal Naval Benevolent Trust, the Naval Children's Charity and the Royal Navy Officers' Charity, with our USP being our holistic assessment of needs leading to complementary monetary and non-financial support where appropriate.

This year was the final year of the One Is Too Many AFCFT funding in support of our Lifting the Lid Project. The work delivered across the whole team was lauded by the final report from Chester University. The funding enabled us to communicate with the Corps Family to reduce stigma surrounding help seeking behaviours, better equip and train our staff and volunteers through various training models and deliver interventions such as psychotherapy, coaching and addictions support to enhance recovery and overall wellbeing. The findings of this project have helped us design a 'Transformation Project' to build consensus and agreement for a Common Assessment Framework/Toolkit, our year one report has recently been submitted and we have recruited a Project Officer to support this ongoing work.

New Charity HQ

In 2022, the then RMA-TRMC HQ building within CTCRM was condemned and as a result the trustees set aside sufficient funds to underwrite a capital project to build a purpose built space for the delivery of our charitable objectives. The RMA-TRMC then set about fundraising specifically for it and as a result the Development Team and Scottish contingent excelled to bring in 69% of the funds from generous benefactors. From the perimeter fence being erected for demolition to commence to RMA-TRMC receiving the keys to the modular build took 87 days; an impressive feat by all involved. The project cost £1.56m of which £1.07m was received in grants and donations. Utilising designated funds set aside after the RMA merger meant that no beneficiary funds were used within this project.

The result is that RMA-TRMC now has a state-of-the-art HQ within the beating heart of the Corps and must thank and acknowledge the immense support from the following:-

- The CHAMP Foundation;
- Greenwich Hospital;
- RNRMC;
- Dr Brian Gilvary;
- Peak Scientific;
- Bernard Sunley Foundation;
- Modulek Limited; and
- The Commandant and staff at CTCRM for their support and patience throughout the build.

The Gordon Messenger Centre – enabling resilience in the Corps Family

The Centre, which supports the Corps family, hosts welfare support, training, rehabilitation activities, briefings, employment workshops, community events for serving and veteran Royal Marines, family activities, a children's creche, charity meetings, cadet activities and support to sporting events on the adjacent sports fields. Grants of just over £25K were made in 2023 to

enhance the equipping of the Centre. With the help of a £90k grant from Greenwich Hospital over three years, RMA-TRMC now employs an assistant to the civil service manager to support with delivery of charitable activity.

Achievements & Performance – The Naval Service Sports Charity

The full report for the NSSC can be found within their own statutory accounts, below is a summary of their key achievements and performance during 2023

2023 has seen a return to normal levels of sporting activity following the Covid-19 pandemic and a push to increase the opportunities for grassroots development. As a result our funding has supported the following activities:-

Sports Associations

With a focus on sustaining a broad menu of opportunity, grass roots development and inclusivity, whilst also supporting the RN's ability to compete and win at representative level, a sum of £302,960 was distributed to support the operating costs of Sports Associations.

Talented Athletes

Individuals who are talented enough to compete at national and international level have been supported by a generous grant of £30,000 from BAE Systems. This has enabled the NSSC to continue to support the following three individuals in full time national sports training:-

- Marine George Crotty (Boxing)
- Marine Taylor Lawrence (GB Bobsleigh)
- Sergeant Adam Baird (GB Bobsleigh Development)

The NSSC also supported 32 other athletes competing at national and international level in Hockey (England), Badminton, Aquathlon, Duathlon, Triathlon, Ironman, Judo, Powerlifting, Weightlifting, Cycling, Shooting, Paragliding and Rugby Union (Philippines).

Coaching and Regional Sport

With the RN Sports Staff putting emphasis on grassroots development the demand for support from the Coaching and Regional Sport budget elements has been steady throughout the year and resulted in £154,180 of the budgeted £168k being spent, including £42,180 committed to 30 coaching grants for 17 sports. The balance between sports associations developing their own coaches from serving volunteers and buying in external expertise continues.

NAVYfit Campaign

In 2023 the NSSC reviewed the support needed for the NAVYfit Campaign and was able to fund the planned 23 sports festivals delivering 181 sports opportunities for 2,404 people at a cost of £19,080 against the original budget of £30k. Grassroots funding support by the Sports Lottery has helped reduce costs to the NAVYfit Campaign whilst maintaining a broad menu of sporting opportunity for all.

Team Forces Funding

At the beginning of 2023 the RN Sports Board (RNSB) entered into an agreement with Team Forces and invited the NSSC to be the vehicle through which a grant of £12k made by Team Forces would be distributed in support of RN Sport. Team Forces is the brand representing the military charity Team Army Sports Foundation (TASF) which is registered with the Charity Commission (No. 1144004) and aims to support the Armed Forces community by funding sport, challenge and adventure in order to improve health, wellbeing and recovery. The programme is supported by a number of Defence suppliers who are able to demonstrate social value by visibly giving back to the Armed Forces community. The Team Forces agreement enabled the RNSB, through the NSSC, to make discretionary grants to help fund Royal Navy sports which, in 2023, supported accommodation costs for Ice Hockey, Rugby League, Cricket, and Aquatics representative events in addition to development costs for the RN Netball and Aquatics Associations.

RN Sports Awards

Following a decision by the RN to introduce an additional sports recognition ceremony in September 2023 the NSSC £10k budget was able to directly fund prizes for those who have made an outstanding contribution to RN Sport and also to support the 2023 Sports Awards at Lords Cricket Ground that took place on 30 November 2023.

Impact of NSSC Grants on Participation in RN Sport

The NSSC is the main Block Grant-Making Charity in support of sport in the RN and is the vehicle through which the RNRMC achieves its Quality of Life Pathway focusing on the serving community and enabling fitness, teamwork, leadership, discipline, determination, courage, competitive spirit and resilience through participation and volunteering in sport and the NAVYfit programme.

In providing grants to support a workforce of approximately 29,000 RN personnel accessing sport from grassroots level to Service representative level and higher the NSSC has helped facilitate the following levels of participation and events during 2023:-

	Participation	Events
January	3054	66
February	1341	101
March	2351	126
April	1200	141
May	2398	168
June	1809	197
July	1659	176
August	270	85
September	1426	155
October	1286	106
November	806	79
December	350	42

Achievements & Performance - Royal Navy Officers' Charity

The full report for the RNOC can be found within their own statutory accounts.

The RNBSO continues to meet the need of all beneficiaries, in the main, from its own investment portfolio. As in previous years a number of donations and legacies have been received for which we are extremely grateful. In addition to financial benevolence the staff have been able to offer advice, and in some cases assist with the application, for a number of State benefits for current and potential clients. This intervention has resulted in clients receiving in excess of £100K of benefits in the past year.

A copy of the latest Impact Report can be accessed at the charity website: www.rnoc.org.uk. The ARNO/RNOC website www.arno.org.uk is accessed on a regular basis and all IT systems are regularly monitored and checked to ensure the latest compliance, with an update to the database to be undertaken in January 2024.

Achievements & Performance – Women's Royal Naval Service Benevolent Trust

The full report for the WRNS BT can be found within their own statutory accounts, below is a summary of their key achievements and performance during 2023.

During 2023, £107k (2022 - £110k) was spent on Regular Charitable Payments. Applications are reviewed on an annual basis, enabling the charity to re-assess need as required. Every case received is considered in isolation to determine the requirement need for assistance .

Regular Charitable Payments

There are three types of flexible regular weekly grants, usually paid quarterly and categorised as follows:-

- Care Enhancement Grant – To help towards the cost of permanent or temporary care in a care or nursing home, or in their own home.
- Weekly Maintenance Grant – For beneficiaries of state pension age on a low income; and

- Weekly Support Supplement – For beneficiaries below state pension age, who are too young to qualify for Pension Credit, and yet too old to find employment easily, or too infirm to do so.

General Amenity Grants

To assist with day-to-day living expenses, e.g. the payment of bills, clothing or household goods otherwise unaffordable and are paid periodically.

One-Off Grants The main areas of current expenditure are categorised as below, but as these applications can be varied there is no set parameter:-

- Debts (Priority) and Arrears: help may be given in this area in the hope that it will assist the applicant to recover their financial situation. It is always recommended that advice be sought from organisations such as the CAB Debt Counselling Service, Step Change Debt Charity and the Seafarers' Advice and Information Line (SAIL);
- Funeral Expenses: help with certain costs once eligibility for the DWP's Funeral Expenses Payment has been investigated. This support could be to help an eligible beneficiary towards the cost of a partner's funeral or a late beneficiary's funeral when the partner or family do not have the means to pay in full;
- Household Goods and Repairs: includes help with the purchase of white goods, furniture, floor coverings, redecoration etc. Repairs may include structural needs or boiler/heating replacement, but payments from the appropriate authorities are always investigated first; Medical Aids: with a high percentage of current beneficiaries being of pensionable age demand for medical aids such as stair lifts and electric powered vehicles continues. Swift assistance is provided to those with disabilities where special equipment is required. In some cases, funding is provided where there would otherwise be a long and unacceptable wait for statutory funding to which the individual is otherwise entitled; Removal and Travel Expenses: assistance for beneficiaries relocating to an area where family will support them. Travel costs may be given to help our beneficiaries visit their family when they are in hospital, or in other care. Occasionally, assistance is given for vehicle expenses when the use of a car is crucial to the applicant's day-to-day life; and
- Rent and Deposits: awards towards a deposit or advance rent.
- Education and training - Assistance with the cost of training courses, study costs, computers, books etc, for beneficiaries seeking to promote financial award withing current or future employment.

Case working

WRNS BT does not employ caseworkers but instead works with other organisations such as SSAFA, Royal British Legion (RBL) and others. Caseworkers call on applicants on behalf of WRNS BT and provide support and advice on a wide variety of matters. Reports for consideration are provided by these organisations to the WRNST BT Grants Committee. Members may apply to us for help direct, or a relation or friend can do so on their behalf. In some instances, the Trust may sponsor applications internally.

Future Plans - Royal Navy & Royal Marines Charity

The trustees are mindful the twin pressures of operational activity and the rising cost of living. They affect both the serving (and their families) and veterans. Accordingly, the level of need that our charitable objects seek to address is likely to remain high. To continue to meet that need, the RNRMC will seek to maintain current levels of funding – exploiting our well-developed model of commissioning partners to deliver specific outcomes.

Alongside Greenwich Hospital, we remain the principal funders within the naval charitable sector, with a combined annual grant-making spend of over £10m. Increasingly, both organisations are working more closely together to ensure a co-ordinated and coherent approach to funding – and we believe this joined-up approach is self-evidently in the best interest of our shared beneficiaries.

The RNRMC trustees also place considerable value on the charity's role as convenor – that is our ability to bring together key stakeholders to address shared challenges and identify a common approach to resolution. Notable examples in 2024 include a workshop in Portsmouth to consider the increasingly important topic of mental health and well-being, and a workshop in Scotland to address the needs of the community in and around the Clyde Submarine Base. We will continue to advocate and participate in this collaborative approach.

Delivering these programmes of activity requires resources, and so future plans will also see a focus on fundraising. The charity is brilliantly supported by a huge range of donors, including the majority of the serving population as well as major grant-making bodies. The wider economic climate is a difficult environment for all fundraisers and so we will continue to invest in this area to ensure we maintain this important stream of funding – and thereby deliver the outcomes which are the hallmark of the charity.

Trustees are satisfied that the Charity has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing its financial statements.

Future Plans - Royal Marines Association-The Royal Marines Charity

In 2021 the Trustees conducted a strategic review across every aspect of RMA-TRMC's delivery, resulting in timetabled new delivery and delivery improvements against measurable outcomes to be achieved by the end of 2024. In addition, it was decided at the first Board Meeting of 2024 that a further "Fit for the Future" review was to be carried out by the Board through Q2 & 3 to advise on strategies to be adopted post 2024 for the next phase of growth of the RMA-TRMC.

We are following a three-year budgeted delivery programme with associated risk register based on the revised strategies, delivered by the staff but with regular reporting oversight from the sub-committees allied to the RMA-TRMC's functional teams, which in turn report to the Board.

This programme will ensure that RMA-TRMC is proactive and bold, differentiated, sustainable, owned by the Corps Family, recognised by the wider community, and effective (efficient and achieving maximum impact). The programme ensures the following strategic objectives will be secured we will:-

1. enable those we serve to live by the Commando Mindset (restoring, maintaining and enhancing independence, dignity and effectiveness) through financial and non-monetary support
2. promote and sustain the Royal Marines brand and esprit de corps
3. increase and achieve a representative membership mix of the Corps Family and supporters, in order that the Charity and Association become the heart of the Corps Family

In particular, RMA-TRMC has the following desired operational outcomes by the end of 2024 with progress annotated:-

1. To be the natural and trusted first point of contact for the Corps Family when in need of assistance – *This is progressing well and is considered to be so now;*
2. To offer active and effective support to Commando Forces – *Through amenities spend as well as benevolence to the serving Corps, this continues to grow seeing 2024 as the most heavily invested year yet in this delivery line;*
3. To be the leading UK regimental charity championing members and enabling collaboration between major tri-service associations – *The RMA-TRMC continue to hold the Chair of the Single Capbadge Association Network, a collaboration of all single service associations established to share best practice and act as a single voice into MoD and OVA;*
4. To number 24,000 members with a younger demographic – *This should be reached by the end of summer 2024;*
5. To have an enhanced geographical footprint across the devolved nations and northern England – *The Devolved Nations Strategy has delivered but is yet to be resourced. The groundwork is done to enact when the time is required;*
6. To have better trained and enabled volunteers – *This is an ongoing project;*
7. To enable a fully developed PR function – *The post of PR Officer is well established now and proving its worth repeatedly; and*
8. To secure an annual net income £4M (currently £3.4M) including sustainable Major Donor and Corporate Income – *This is looking challenging in the current climate but remains a goal.*

2024 sees the third iteration of the 5 yearly RM versus United States Marine Corps sports tour, Virginia Gauntlet III. planning started in the summer of 2023. This will cause a draw on restricted amenities funds and has led to an increase in the agreed deficit for 2024.

Budgeted spend to deliver necessary support in 2024 has led to the trustees approving a deficit budget of (£1.1m). There are sufficient free reserves for 6-7 months of expenditure as at the time of signing, but if fundraising and other income-generating activities are not able to continue normally, the trustees have agreed to retain £1.2m in liquid reserve.

Cashflow is monitored monthly, looking forward 12 months. Based on the revised forecasts the Trustees are satisfied that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Future Plans - The Naval Service Sports Charity

The NSSC will endeavour to increase the level of grants to sport in the Royal Navy by a percentage equivalent to any increase in CPI or to satisfy all reasonable demands in later years. In setting the budget for 2024 and future years the NSSC has made assumptions that the size of the Royal Navy, the number of Sports Associations and the numbers accessing sport will not change significantly in the next five years.

As with many other charities, there are indications that maintaining income in future years will be challenging and the NSSC will need to continue to work closely with its parent charity, the RNRMC, to ensure that the outcomes of their Quality of Life grants pathway continue to justify the defined level of grants made to the NSSC.

The NSSC continues to support the Royal Navy Sports Board by assisting Sports Associations and, where public funding is unable to maintain staffing levels, by employing individuals in support of naval sporting outputs. In 2024 this will see the conclusion of an RN Sports Transformation programme that included the recruitment of nine full-time Civil Servants, enabling four NSSC sports development staff on 2 year fixed term contracts to transfer to full-time publicly funded posts.

Future Plans - Royal Navy Officers' Charity

RNOC has been working to maintain and increase the awareness of the charity and its work through social media. During 2024 their IT system used to administer grants will be updated to remain compliant while at the same time allow them capture more useful data to allow the Benevolence Sub-Committee to understand the emerging needs of the beneficiaries.

The standard annuity grant for 2023 was £3,500. The Benevolence Sub Committee regularly reviews the level of grants using data from the Rowntree Foundation along with evidence from casework and recommends any changes as necessary.

Following the expiration of his term, Rear Admiral Mike Kimmons will retire his post of Chairperson of RNOC in 2024. The new Chairman, elected at their AGM, is Vice Admiral Andy Kyte CB.

Future Plans – Women's Royal Naval Service Benevolent Trust

The future plans for the WRNS BT are determined by the requirement from the remaining WRNS as estimated in the actuarial prediction. We know that the number of WRNS that we could and probably will support over the next couple of decades will decrease as the number of remaining WRNS decreases. In preparation we have ensured that the organisation is as cost effective and efficient as possible, giving out a range of grants to meet the many different circumstances of need. We closely monitor our income and costs and have reduced our administrative costs substantially by merging with the RNRMC who now provide this support for free.

Our governance remains strong even as a wholly owned subsidiary of RNRMC as our Central Committee oversees our business and delegates specific tasks to our committees which includes finance, grants and Quality Assurance.

We remain focused on promoting the work of the Trust amongst both potential donors and legacy givers as well as potential future beneficiaries requiring our support, this support could be directly through the Trust or in partnership with other Royal Naval Charities, if we are unable to help them ourselves we sign-post to those that can help, this collaboration will ensure the best for all our beneficiaries in need.

Financial Report RNRMC Group

Overview

The RNRMC Group closed the year with total funds valued at £79.7m, an increase against the previous year of £3.4m from £76.3m. This increase funds was due to the addition of the WRNS BT to the RNRMC group, which had reserves of £4.2m, offset by a planned spend down of reserves of the RNRMC charity of £(3.2)m and an increase in reserves for the RMA-TRMC of £2.3m.

Operating Income

Total income performance when compared to 2022 was positive, with income increasing by £1.8m to £15m (+14%) for the total Group, with income excluding investment income increasing by £1.5m to £13m (+13%). The main variances being driven in the following areas:-

Donations and Legacies: an overall positive increase of 19% from £6.9m to £8.2m against the prior year was seen in 2023. The RNRMC flagship biennial 'Carrier Ball' event did not take place in 2023, having taken place in 2022 resulting in a decrease in event income against the prior year, however this was offset by the receipt of a £1.9m legacy at RMA-TRMC.

Income from Other Trading Activities: There was an increase of £0.3m (+22%) as a new programme of events supported by the RM Band took place through RNRMC.

Investment Income: there was a 20% increase in investment income against the previous year. This was due to an increase in interest rates together with the inclusion of the WRNS BT investment portfolio as part of the group from July 2023. The group operates a total returns policy, which together with further information on investment performance can be found below.

Income from charitable activities: we are grateful to our funding partners that support us with grants to enable us to support our beneficiaries. Income remained broadly same as 2022 with only a small decrease of £0.1m (-5%) as funded projects came to a close.

Demand again outmatched income and we will continue to develop our income streams such as legacies, major donors and corporate relationships whilst utilising our reserves within policy brought forward to meet this unmet need.

Expenditure

Total expenditure in 2023 was £19.2m (2022 £18.4m). This was split into the following areas:-

Raising Funds

Fundraising costs: in 2023 the Group's costs (excluding Investment fees) increased from £3.5m to £3.7m an increase of £0.2m. As a % of income excluding investments these costs were 28%, a reduction of 2% on 2022. The costs in this area continue to be tightly controlled whilst investing in engagement through developing our marketing and communications to engage future donors and supporters.

Investment Fees: 2023 saw a decrease of £90k (-17%). Investment fees are charged on a % of our portfolio value and performance, where lower portfolio values resulted in a reduction in the fees in charged in the year.

Charitable Expenditure

Charitable expenditure for the group increased from £14.4m in 2021 to £15m in 2022, an increase of £0.69m. Of this, the charitable spend of RNRMC Charity only (including support costs) was £9.3m, broadly the same 2022, and the charitable spend for RMA-TRMC (including support costs) increasing by £250k. reflective of an increase in charitable delivery.

For the Group, pure grant making spend remained the same as 2022 at £9.6m, £7.1m of which was from the RNRMC Charity.

Charitable support costs increased to £5.3m from £4.6m, which includes grant making delivery and the final year of the Transition Support Pilot. While this increase of £730k is partly driven by delivery of specific additional charitable activity and in part offset by additional funding for particular projects from AFCFT and Greenwich Hospital, it is also important to

recognise that the cost of living crisis has had an impact on the costs involved in charitable delivery. Additionally, support costs include the cost of headcount needed to provide the virtual grant making service to external charities. The Charity's strategy continued to focus on maintaining a tight cost base while continuing to support beneficiary need.

Unrestricted Funds

The value of unrestricted funds including designated funds but excluding subsidiary trading company reserves (which can be seen in more detail in note 26), reduced from £21.1m in 2022 to £18.2m in 2023 a reduction of £2.9m.

Net income of £5.7m was received into unrestricted funds, an increase against 2022 of £1.5m. Charitable expenditure increased by £3m to £7.5m as the Charity both actively reduces reserves in line with its reserves policy and spend previously held in restricted funds continues to be supported after some restricted funds were fully spent in 2021.

There were net gains on invested assets of £1.5m relating to unrestricted investments.

Balance Sheet

Total fixed assets withing the group were £79.5m at the end of 2023 which was an increase of £3.2m. The value of fixed assets excluding investments was just under £3m an increase of £1.24m against 2022, which is due to the new RMA-TRMC charity building at Lymestone.

Investments in the group have increased from £74.5m to £76.5m, an increase of just under £2m. Across the group there was £3.3m of net gains on investment assets (Charity £2.1m), with an offsetting reduction in investment fund values due to cash drawn down from investments in accordance with the RNRMC cash policy, which aims to hold a rolling 18 months activity in cash or near cash products. More information on investments can be found below.

Debtor balances increased from £2.2m to £4.1m, a change of £1.9m which is due to the accrued income for receipt of a legacy in RMA-TRMC in accordance with the accounting standards.

Creditor balances remained similar to the prior year with only a slight increase of £0.1m from £8.7m to £8.8m.

TRMCE repaid its Covid Bounce-back Loan (£24,900 owing at the end of 2022) during 2023.

During the year £4.8m was drawn as cash across the group (Charity: £3.8m) with cash of £4.8m held at year end (Charity £1.8m).

Investment Policy & Performance

Investment Oversight

Following a full investment manager review Sarasin Partners LLP became responsible for the investment management for the majority of the Group's funds in 2021. This arrangement gives strength to the Group and benefits from economies of scale.

A portion of the Group's funds remain held at Cazenove, which includes the RNRMC No 2 (private equity funds) and investments held by RNOC.

The oversight of the management of RNRMC and NSSC's investments lies with the Investment Committee (IC), IC used to include RMA-TRMC too but this has now changed since their Investment Manager review in 2023. The IC meets every three months and is responsible for monitoring the performance of investment strategies approved by the respective Boards

In 2023 the following portfolios were held within the Group:-

1 - RNRMC (main portfolio)	2 - RNRMC (No 2 Portfolio)	3 - RMA: The Royal Marines Charity	4 - RN Officers' Charity	5 - WRNS BT
<ul style="list-style-type: none"> - RNRMC unrestricted funds - RNRMC restricted funds (unincorporated charities) - Naval Service Sports Charity - Custodian funds 	<ul style="list-style-type: none"> - Private Equity Fund (in distribution mode) managed independently by Cazenove team 	<ul style="list-style-type: none"> - Separate Fund managed by Sarasin in 2023 - Portfolio transferred to UBS in 2024 	<ul style="list-style-type: none"> - Separate fund managed independently by a Cazenove team 	<ul style="list-style-type: none"> - Separate Fund managed independently by Brewin Dolphin

Investment Policy & Strategy

The Investment Strategy and Investment Policy for the Group IC are regularly reviewed and updated as necessary, in March 2020 with Cazenove and subsequently in April 2023 with Sarasin. The policy detail which now follows relates to the current policy. A key update to the policy this time is that RMA-TRMC have, post an investment manager review, removed their funds in 2023 from Sarasin to UBS under a new agreement.

The overall investment objective is “to preserve and enhance the real capital value of the portfolio whilst supporting a sustainable withdrawal to fund current commitments”.

The Charity seeks to achieve its objective within an acceptable level of risk for their assets, the parameters of which have been agreed with Sarasin & Partners; the objective is quantified as the need to generate over the long term a return of inflation (CPI) plus 3% per annum. This should allow the real value of the assets to be maintained whilst funding regular annual expenditure.

The return target and appropriate benchmark are defined in the discretionary agreement with Sarasin & Partners, who will ensure adherence to this policy.

The Trustees are keen not to jeopardise the objective of ‘maximising risk adjusted total return’ by targeting too high an income requirement and hence have adopted a yield target of around 1.75% of starting year capital values. Any further required withdrawals will be taken by the selling of capital assets.

The Investment Manager is appointed with discretionary powers of investment under the Trustee Act 2000 and is subject to the terms of their investment management agreement. The trustees require that the Investment Manager considers the suitability of each class of investment and the need for diversification as appropriate to the circumstances of the various portfolios. The trustees have also set specific investment limits and restrictions for each portfolio, as well as appropriate benchmarks for their performance comparison.

The Trustees have considered whether they should impose any ethical restriction on the investment of the RNRMC Group assets by their investment managers. In doing so, they have concluded that they would not wish to restrict the investment managers ability to achieve their primary objective of seeking the best returns within the limits of the Group’s overall investment policy. However, it is likely to be in the Group’s long-term interests that its investments favour those companies that pursue ethical and socially responsible policies rather than those which do not. To that end, they have instructed the managers that they should consider this position when choosing investments for the Group accordingly.

Portfolio composite benchmark and permitted ranges

The below table outlines the composite benchmark, which was agreed with Sarasin and forms an important part of performance monitoring. It also details the lower and upper bounds for each asset class.

Asset Class	Low	Neutral	High	Benchmark Index
Cash	-	-	10.0	-
Government Bonds	-	7.5	30.0	ICE BofAML Gilts All Stocks Index
Corporate Bonds	-	7.5		ICE BofAML Sterling Non-Gilt
Total Bonds & Cash	-	15.0	40.0	
International Equities (£ hedged)	-	20.0		MSCI All Countries World (LC) GBP
International Equities	-	50.0		MSCI All Countries World
Total Equities	60.0	70.0	80.0	
Total Property	-	5.0	10.0	MSCI All Balanced Property Fund Index – One Quarter Lagged
Total Alternatives	-	10.0	20.0	SONIA Interest Rate Benchmark +2%
Total	-	100.0	-	
Sterling Weighting	40.0	52.0	60.0	

The alternative investments are broadly diversified and include commodities, infrastructure, hedge funds, and private equity.

The RNRMC Group's base currency is sterling and currency hedging is permitted given the global nature of the investments.

2023 Main Investment Portfolio Values

The total Group portfolio value as at 31st December 2023 with Sarasin, including accrued income and interest was £53,100,269. The below table outlines the Group asset allocation relative to the benchmark (as at 31.12.23):-

Asset Allocation	£	Capital %	Benchmark %
Fixed Income	8,203,800	15.4	15.0
Equities	37,099,763	69.9	70.0
Property	1,901,184	3.6	5.0
Alternative Investments	4,886,759	9.2	10.0
Liquid Assets	1,008,764	1.9	-
Total	53,100,269	100.0	100.0

2023 Main Investment Portfolio Values for the Charity

The portfolio value as at 31st December 2023, including accrued income and interest was £43,330,455. The below table outlines the charity's asset allocation relative to the benchmark (as at 31.12.23):-

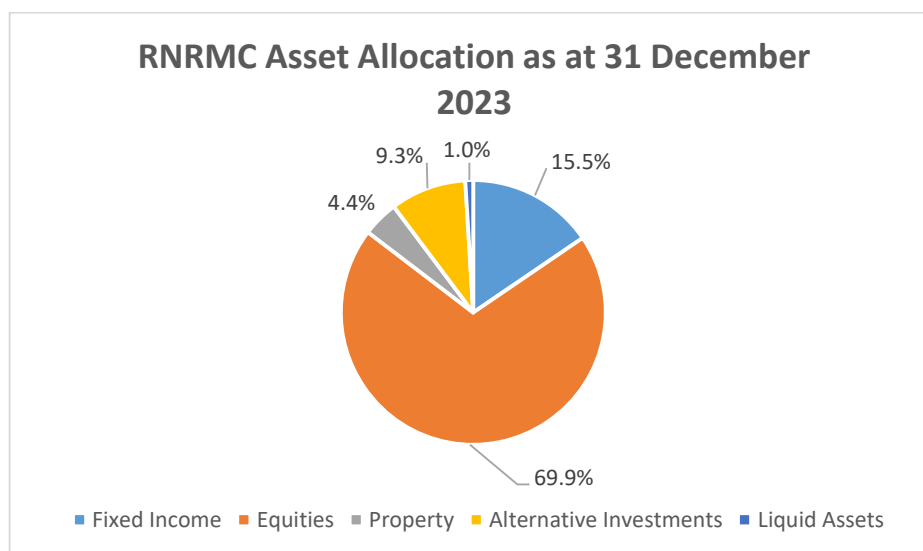
Asset Allocation	£	Capital %	Benchmark %
Fixed Income	6,701,229	15.5	15.0
Equities	30,279,192	69.9	70.0
Property	1,901,184	4.4	5.0
Alternative Investments	4,027,492	9.3	10.0
Liquid Assets	421,357	1.0	-
Total	43,330,455	100.0	100.0

We also detail below our rationale for each asset class:-

- **Bonds – neutral** – inflation had been falling and yields mostly adjusted, leading to an underweight stance on government bonds. Corporate issues looked more attractive with higher yields and healthy balance sheets: we were therefore more positive on credit.

- **Equities – neutral** – Corporate earnings recovering; supply chain pressures easing and valuations mixed. Subsequently moved to an overweight stance in early January 2024.
- **Alternatives – neutral** – higher interest rates had mostly been priced in and investment trust discounts looked attractive. Gold still seen as a hedge against systemic policy error, which is particularly helpful given current macroeconomic conditions.
- **Cash – neutral/overweight** – we held more in cash to reflect heightened uncertainty, but have since invested much of the excess into equities. With interest rates forecast to fall, very high cash rates are unlikely to persist.

More information on the Charity's Investments can be found in Note 20 of the statutory accounts.



Performance

Sarasin Held Portfolio

During 2023, the portfolio generated a net return of 6.5%, behind the benchmark return of 12.8%.

Key factors that have impacted the portfolio's performance:

- **Bonds** – fixed income investments recovered in value throughout the year as interest rates stabilised, rising by 6.1% over the period, in line with the comparative benchmark index.
- **Equities** – equity markets recovered strongly during the period, led by a narrow group of large technology businesses exposed to the revolution in artificial intelligence and large language models. The portfolio's equity allocation rose by 8.7%, behind the broader global equity index return.
- **Property** – returns continued to disappoint after a difficult 2022. The asset class looks to have stabilised following the interest-rate induced repricing that many property assets experienced in 2022. Fortunately, the portfolio returns were ahead of the comparable index.
- **Alternative investments** – having been one of the few asset classes to rise in 2022, alternative investments, and in particular infrastructure and renewable assets accessed via closed-ended investment trusts, were the weakest asset class in 2023. Rising interest rates, falling power prices, increased competition for capital from corporate bonds and an unhelpful legislative backdrop, all served to create a perfect storm. In aggregate, the alternative allocation fell by 3.2% over the year, against the cash (SONIA) + 2% benchmark, which rose by 6.8%.
- **Currency hedging** - the decision to hedge part of the portfolio back to sterling had a positive impact on absolute returns but continued to hamper relative performance.

2023 as a whole

Despite significant geopolitical and economic turbulence, equity markets emerged as the winning asset class over the 12 months. The extraordinary growth of the 'Magnificent 7' has meant that the upward trajectory of equity markets has been focused on a narrow range of large US technology-led companies, exposed to the AI and Large Language Model

phenomenon. This has been a challenge for active investment managers of well-diversified portfolios, and whilst the portfolio has benefitted from the trend, the continued fortunes of investors would be well served by returns broadening out amongst a greater share of constituent companies.

Overall, while the outlook for equity markets in 2024 remains positive, driven by expectations for lower interest rates and continued innovation in the technology sector, it is essential to remain cautious and selective, considering the varied performance and intrinsic values of individual companies. Embracing uncertainty, focusing on fundamentals and being mindful of company valuations will be key to navigating the evolving investment landscape effectively over the months and years ahead.

Cazenove Held Portfolios

RNRMC Investment Fund no.2 Portfolio

The no.2 portfolio, which only holds private equity, made a return for the period 1st January 2023 – 31st December 2023 of 1.7% as the fund continued to move through the distribution phase of its lifecycle.

Royal Navy Officers' Charity Portfolio

2023 was an incredibly eventful year in markets, with plenty of forces for investors to navigate. Economists weren't especially hopeful about 2023 with predictions of recessions littering the world's economies. After all, hampered supply chains were driving inflation higher, and central banks were fighting back with economy-bruising interest rate hikes. By most accounts, stocks should have had a challenging year, yet US and European indexes are closed out the year around all-time highs, while Japan's stocks are at their highest in over four decades. After significant losses in 2022, equities bounced back again in 2023 with Global equities returning +16.4% over the year (+9.3% excluding the magnificent seven) whilst UK Government Bonds returned +3.7% after a strong end to the year.

The world's leading tech firms propelled the Nasdaq 100 index to its best year in over a decade, as enthusiasm for AI outweighed concerns about the effects of higher interest rates in 2023. The seven biggest tech and internet-related stocks – Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta, and Tesla – saw their combined weighting in the S&P 500 rise to a record 29% in November. Investors gravitated toward these companies, betting on their superior ability to leverage AI given their huge scale and financial heft. The cohort contributed approximately two-thirds of the S&P 500's return over the year.

Against that backdrop, the RNOC portfolio achieved a return of 7.1% for the year. Strength from the core global equity allocation was the principal driver of returns, whilst smaller-cap and emerging market exposure struggled a little. Our preference for corporate bonds helped the fixed income allocation in relative terms, with a positive return over the year, whilst our alternative allocation was a detractor from returns.

Brewin Dolphin Held Portfolio

WRNS BT

2023 started poorly for risk assets (stocks and bonds), as interest rates and inflation moved up. By the latter half of the year inflation started to weaken and central banks started to talk about interest rate cuts for 2024. This led to a significant rise in equities in the last 2 months of 2023, which meant that what had been a benign year for the portfolio, turned out to be reasonably good one.

The WRNS BT portfolio was up 8.1% in the year, particularly aided by the portfolio's exposure to the US stock market and the technology sector.

Custodian Funds

The RNRMC also holds other external funds as a custodian. These are funds with similar objects to the charity who support the same beneficiary pool and who don't have access to their own segregated investment portfolio. The capital is held and invested within the main portfolio by Sarasin who were appointed in 2021, with dividends being paid quarterly to the respective funds. Funds are held with a long term view but can be drawn down upon at any time. More information on the Custodian funds can be found in Note 23 of the statutory accounts.

Cash Policy

During 2023 the cash policy was revised to protect the charity from volatile markets during times when cash drawdown was required. The policy is now to hold up to 18 months of rolling cash requirement in line with budgets. Cash forecasts are

presented to, and authorised by the FRAC after considering the drawdown requirement alongside the current market outlook.

Cash requirements are reviewed by both the Finance, Risk and Audit Committee and the Investment Committees, with ongoing consideration made to both internal and external factors that might affect cash requirements in the near and longer term.

Principal Risks and Uncertainties

The Trustees regularly consider the major risks to which the Charity is exposed to ensure the management of risk.

Trustee reviews are undertaken at each quarterly Board meeting when the mitigation plan for all major risks is assessed against the ability to deliver the Charity's outputs detailed in an annual delivery programme. In addition, each quarterly meeting considers detailed reports on the highest risks to ensure sufficient attention and resource is focused on treating or mitigating these risks. These mitigations are detailed on the risk register along with potential further actions that are being taken to further reduce risks where possible.

In addition, subsidiary charities within the Group make a report to each main Board meeting, including any risks that they wish to elevate to the Group Board.

The Trustees recognise there remains uncertainties that could affect our risk mitigation strategy through uncontrollable, external factors such as government policy, external focus on the charity sector fundraising profile and the wider economic conditions.

The areas below remain those of the highest potential risk if not mitigated:-

The Royal Navy and Royal Marines Charity

Risk	Mitigating Actions Taken
<p>Financial which includes:</p> <ul style="list-style-type: none"> • A significant downturn in UK prosperity • War, conflict or catastrophic event • Poor investment fund management • Not meeting our voluntary income targets • Stock market crash • Constraints on corporate and major donors giving • Loss or reduction of funding streams • Not meeting identified need through developing our commissioning approach • A paucity of infrastructure support services <p>These risks would reduce our capacity to deliver our strategy.</p>	<ul style="list-style-type: none"> • Review of fundraising and engagement capability post Covid-19 to diversify income opportunities. • Case studies of support provided by those we fund to improve success at securing major individual and corporate gifts • Systematic approach to budget setting and financial planning including cashflow with detailed monitoring. • Review of investment strategy and performance. • Regularly review reserves to combat macro-economic or strategic shocks that could impact on the Charity. • Risk Based Reserves (RBR) policy ensures we have a sufficient range of funds should a significant risk be realised. • Support additional identified need through our RBR policy funds above maximum and monitor spend closely
<p>Governance which includes:</p> <ul style="list-style-type: none"> • Complex Group governance structure and impact of inappropriate activities by subsidiaries • Lack of compliance with legal and regulatory requirements • Breach of data and/or IT breach by external agents • Lack of impact/outcome evidence may lead to sub-optimal block grant making • Increased likelihood in safeguarding issues as we deliver a direct support service 	<ul style="list-style-type: none"> • Continue to review legal structure and seek to simplify it further in the future with the Charity Commission. • Subsidiary activity overseen by the Group Board and Subsidiary Boards. • Review governance of group against CC8 governance code • Focus on data protection, GDPR regulations and cyber security. • Consent to contact campaign and registered with the Fundraising Regulator. Ensure compliance with the Charities Act 2016. • Whistle-blowing policy (freedom to speak up) known to employees. Robust process for any issues arising from a disclosure

Risk	Mitigating Actions Taken
<p>These risks will impact our operational delivery and increase regulatory scrutiny, both of which will impact our ability to deliver our objectives.</p>	<ul style="list-style-type: none"> Developed impact and monitoring for grant making and protocols for safeguarding.
<p>Reputational which includes:</p> <ul style="list-style-type: none"> Adverse publicity of RN may affect public's perception of the Charity's need for support and funds Lack of control of funded organisation's activities <p>These risks would impact our reputation which is essential to keep key stakeholders, funders and beneficiaries positively engaged in assisting us delivering our outcomes.</p>	<ul style="list-style-type: none"> Work very closely with RN Comms to mitigate impact of any adverse change to the perception of the RN. Strong terms and conditions for organisations we fund and dedicated Relationship Director maintaining contact with these charities and our key stakeholders. Commissioning programmes and commissioning manager strengthens relationships with funded organisations. We Regularly review policies enacted during Covid as part of the normal business of the FRAC/IC
<p>People and Asset Risk which includes:</p> <ul style="list-style-type: none"> Inability to recruit and retain people with the required skills and expertise Not achieving best value from expenditure Our infrastructure not being fit for purpose <p>These risks would reduce our effectiveness to deliver our objectives, reducing our impact.</p>	<ul style="list-style-type: none"> Recognise People are our most important asset. We review the reward policy in order to maintain and enhance retention. Formal Talent Management Programme. Annual staff survey and develop and implement an action plan to address key issues using a Staff Reference Group. Review our Performance and Development Report. Review the suitability of our financial control measures to reduce the possibility of deliberate or accidental loss. Infrastructure includes both cloud-based storage as well as Office 365 which has meant all staff are able to work from home.

Royal Marines Association – The Royal Marines Charity

The Charity Trustees have considered the major risks to which the Charity is exposed and review those risks and the established systems and procedures to manage those risks through oversight of a risk register at each trustee meeting. This register is directly linked to the delivery programme in order to ensure that risks which cannot be removed are mitigated against through the operations of the Charity's staff. A three-stage line of defence assurance system is in place, based on the regular checks of staff, the oversight of trustees, and the annual interrogation by the appointed auditor.

Principal risks identified as at 31 December 2023 were:-

Risk	Mitigating Actions Taken
<p>Financial which includes:-</p> <ul style="list-style-type: none"> Not meeting our voluntary income targets; Poor corporate and major donor support; Loss or reduction of funding streams. <p>These risks would reduce our capacity to deliver our strategy.</p>	<ul style="list-style-type: none"> Diversified our income generation opportunities strengthening the support of major individual and corporate donors, trusts and statutory grants. Developing measurement of social and local economic value to demonstrate impact. Systematic approach to budget setting and financial planning Regular review of investment strategy and its performance managed by appointed external fund managers. Policy of holding between 5 and 6 months of expenditure in cash reserves.
<p>Governance which includes:-</p> <ul style="list-style-type: none"> Lack of compliance with legal and regulatory requirements; 	<ul style="list-style-type: none"> Chair-led Governance review was completed in 2021, identifying areas of improvement for governance, skills gaps and trustee succession planning. Review and refresh of all charity policies and for 2024.

Risk	Mitigating Actions Taken
<ul style="list-style-type: none"> Breach of data and/or IT breach by external agents; Lack of impact/outcome evidence which may lead to sub-optimal block grant making. <p>These risks will impact our operational delivery and increase regulatory scrutiny, both of which will impact our ability to deliver our objectives.</p>	<ul style="list-style-type: none"> Registered with the Fundraising Regulator to evidence compliance with the Charities Act 2016 Extensive cyber protection provided by our internet provider. Developed improved methods of monitoring the impact of grants made to individuals and organisations, including ensuring safeguarding protocols are in place with those we fund.
<p>Reputational which includes:-</p> <ul style="list-style-type: none"> Poor or harmful charitable delivery. Lack of control of membership branches and individual members. Lack of control of funded organisations' activities. <p>These risks would impact our reputation which is absolutely essential to keep key stakeholders, funders and beneficiaries positively engaged in assisting us delivering our outcomes.</p>	<ul style="list-style-type: none"> Welfare staff and volunteers received revised training and are subject to a rigorous safeguarding policy. PR function which will give the capability to respond to reputational challenge, with direct links into Navy Comms. Branch and membership byelaws are subject to close committee oversight. Regular reports to the Board of Trustees from through year funded organisations and implement MOUs where appropriate.
<p>People which includes:-</p> <ul style="list-style-type: none"> Inability to recruit and retain people with the required skills and expertise. Appropriate training and safeguarding for all staff. Burnout due to increased demand for support. <p>These risks would reduce our effectiveness to deliver our objectives, reducing our impact.</p>	<ul style="list-style-type: none"> Revised Performance and Development Report to improve performance, learning and development. Annual Training Needs Analysis, leading to staff training as appropriate, and individual education and learning needs being addressed. Routine agenda item at each board meeting where staff issues are discussed to maintain board oversight. Additional staffing to meet increased demand. Employee Assistance Programme, consideration of workloads, promoting positive mental health and work-life balance. Pay banding system and annual appraisals completed satisfactorily Each employee receives an allocation for PD training facilitation annually.

The Trustees consider by reviewing accounts and cashflow at each Board meeting that they are able to manage income over expenditure effectively, whilst they are also able to seek advice from the RNRMC Group Investment Committee and Finance Risk and Audit Committee and other specialist advisors, all of whom have a depth of relevant experience.

Expanded information for the RMA-TRMC Risk mitigation can be found in the RMA-TRMC Statutory Accounts for 2023.

The Naval Service Sports Charity

Risk	Mitigating Actions Taken
<p><u>5 Year Financial Outlook.</u></p> <p>The risk is defined as exposure to poor investment performance, poor RNRMC fundraising planning, re-prioritising of RNRMC grant making and loss of operating costs funded by the RN Sports Lottery.</p>	<ul style="list-style-type: none"> Risk based reserves policy adopted in November 2020 which identified maximum/minimum reserve levels. With plans to draw down on excess reserves, if required to meet and shortfall in funding. RN Sports Lottery maintains a £1.5M reserve that guarantees the NSSC salary and insurance costs and Sports Accommodation

	running costs to mitigate any short-term suspension of the Lottery.
The risk is defined as a result of a stock market crash or poor Investment Fund management, funds under active management do not deliver planned capital value and income.	<ul style="list-style-type: none"> Investment Management delegated to the RNRMC Investment Committee (IC), who carefully select investment managers; set realistic targets; and monitor results quarterly.

Expanded information for the NSSC Risk mitigation can be found in the NSSC Statutory Accounts for 2023.

Royal Navy Officers' Charity

Risk	Mitigating Actions Taken
Loss of key Staff	<ul style="list-style-type: none"> Robust supersession planning Ongoing review of records, systems, plans and projects Internal cross desk training
Financial Viability	<ul style="list-style-type: none"> Close scrutiny by FASC, Audit, Regular reviews
Compliance	<ul style="list-style-type: none"> Operating in an honest and ethical manner Monitoring changes in regulation/legislation Ensuring high quality and timely legal advice

Expanded information for the RNOC Risk mitigation can be found in the RNOC Statutory Accounts for 2023.

Women's Royal Naval Service Benevolent Trust

Risk	Mitigating Actions Taken
Stakeholder Risk (Case working Organisations) Risk of shortfall in caseworker's areas not covered or where high concentration of beneficiaries are situated	<ul style="list-style-type: none"> Liaison with RNRMC and Case working organisations to optimise resources SSAFA implementation of regional hubs Organisations use mixture of paid staff and volunteers
Loss of Key Staff	<ul style="list-style-type: none"> Staff employed by RNRMC and are therefore mitigated through the RNRMC measures (above)

Expanded information for the WRNS BT Risk mitigation can be found in the WRNS BT Statutory Accounts for 2023.

Reserves Policy

The Trustees have a reserves policy, which is to set aside sufficient free reserves so as to be able to meet or smooth out the unexpected fluctuations in charitable expenditure or shortfall in income so as to be able to meet the increasing needs of current beneficiaries and remain sustainable for both current and future generations, as well as meeting the needs of the wider Group entities.

As the national charity of the Royal Navy we provide the "Strategic Reserve" against future needs and we are committed to protecting the reserves for decades to come. Each legal entity within the Group has their own Reserves policy in line with their more specific strategic objectives and their reserves are excluded from our calculations below. More information about subsidiary Reserves Policies can be found within their Statutory Accounts.

The RNRMC Board have established a charity risk based reserve (RBR) policy with a minimum and maximum required reserves range, within which they aim to operate. This policy reflects the Trustees' desire to make sure it holds the reserves required to cover its agreed risks, but also allows the Board the ability to apply funding to identified need for its beneficiaries whilst operating safely within the minimum and maximum range which allows for the regular movements in the investment markets.

Our RBR policy is underpinned by the RNRMC risk register and is linked with the Charity's strategic objectives and delivery programme. This policy sets out five key areas of risk which our free reserves are there to support. These key areas are:-

- Governance
- Finance
- Reputation
- Stakeholders & Relationships
- People & Assets

Our structure is complex and is made up of a high percentage of restricted funds. We have managed to mitigate risk through these restricted funds thereby allowing us to show a lower unrestricted reserve range. This policy only covers our reserve requirement within our unrestricted funds.

A full review of our RBR policy has been undertaken in early 2024. This involved a full review of all current risks and their associated risk values. It has determined that the target range of general reserves (excluding those reserves represented by restricted funds and designated reserves) required by the charity as being between £9.6m and £19.1m.

Our current unrestricted reserves for the Charity, excluding designated and trading company funds, is £17.5m, with free reserves for the Charity of £17.3m.

The RNRMC Trustee Board has, over the past four years, actively spent down on excess reserves in order to support the needs of beneficiaries and are now content the Charity is now operating within the reserves range in accordance with the RNRMC reserves policy.

The Trustees conduct an annual review of the appropriate level of general reserves, and changes to the charity's risk profile, strategy and plan will be considered as part of that review. The output of the annual review informs subsequent planning and budgeting cycles.

Policy Calculations

The total reserves for the Group as at 31 December 2023 were £79.7m (2022: £76.3m). For the Charity, unrestricted reserves formed £17.5m (2022: £20.4m) and designated funds £0.7m (2022: £0.7m). Restricted reserves were £61.4m (2022: £55m), with trading company reserves of £0.2m.

Restricted and designated reserves constitute £62.2m (2021: £55.9m) of the total RNRMC Group funds, this is made up of subsidiary charities managed by a separate trustee body, or restricted funds managed by relevant sub-committees. More information on the makeup of these elements can be found in the notes to the statutory accounts in note 26.

Area	Notes	Minimum Reserves Level	Maximum Reserves Level
Governance	<i>Potential cost for poor charity governance</i>	£0.5m	£1.4m
Finance	<i>Significant change in external environment amounting to income drop, or beneficiary need increase</i>	£7.6m	£13.2m
Reputation	<i>Effect on Voluntary Income</i>	£0.5m	£1.2m
Stakeholders and Relationships	<i>Relationship with Corporates / Key funders deteriorates</i>	£0.8m	£2.8m
People and Assets	<i>Significant increase in Staff Turnover and potential costs of restructure</i>	£0.2m	£0.5m
Range of Reserves Required		£9.6m	£19.1m

THE ROYAL NAVY & ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

Company law requires the trustees to prepare financial statements for each financial period that 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 those financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

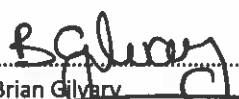
They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:-

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Annual Report is approved by the trustees of the Charity. The Strategic Report, which forms part of the Annual Report, is approved by the trustees in their capacity as directors in company law of the Charity.

Signed on behalf of the Trustees on 13/08/2024


.....
Dr Brian Gilvary
Chairman

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE ROYAL NAVY AND ROYAL MARINES CHARITY

Opinion

We have audited the financial statements of The Royal Navy and Royal Marines Charity for the year ended 31 December 2023 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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 Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2023 and of the group's 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; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE ROYAL NAVY AND ROYAL MARINES CHARITY

Opinions 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 36, the trustees (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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 to you in accordance with regulations made under those Acts.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE ROYAL NAVY AND ROYAL MARINES CHARITY

is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

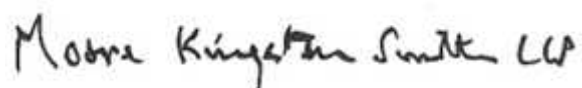
REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE ROYAL NAVY AND ROYAL MARINES CHARITY

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of this report

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. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date: 19/08/2024

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

ROYAL NAVY AND ROYAL MARINES CHARITY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME & ENDOWMENTS						
Donations and legacies	4	1,962,369	6,220,880	-	8,183,249	6,884,808
Other trading activities		1,672,819	103,454	-	1,776,273	1,450,321
Investment income	5	416,323	1,563,577	-	1,979,900	1,648,038
		4,051,511	7,887,911	-	11,939,422	9,983,167
Charitable activities	6	1,696,599	1,380,230	-	3,076,829	3,231,001
Total operating income		5,748,110	9,268,141	-	15,016,251	13,214,168
EXPENDITURE						
Raising funds	7					
Investment management fees		135,466	294,195	-	429,661	519,792
Fundraising costs		3,387,788	301,658	-	3,689,446	3,491,239
Total cost of raising funds		3,523,254	595,853	-	4,119,107	4,011,031
Charitable activities	8					
Commissioned Programmes		4,208,532	1,654,238	-	5,862,770	5,651,175
Through Life Pathway		864,868	2,583,845	-	3,448,713	3,477,872
Quality of Life Pathway		2,041,004	1,547,219	-	3,588,223	3,737,140
Fit for Life Pathway		243,725	1,153,980	-	1,397,705	988,123
End of Life Pathway		131,711	623,618	-	755,329	507,417
Total charitable expenditure		7,489,840	7,562,900	-	15,052,740	14,361,727
Total operating expenditure		11,013,094	8,158,753	-	19,171,847	18,372,758
Net operating income/ (expenditure)		(5,264,984)	1,109,388	-	(4,155,596)	(5,158,590)
Net gains/(losses) on investment assets	20	1,520,783	1,816,564	-	3,337,347	(8,878,064)
		(3,744,201)	2,925,952	-	(818,249)	(14,036,654)
WRNSBT transfer of funds	30	4,254,862	-	-	4,254,862	-
Gross transfers between funds	16	(3,438,976)	3,438,976	-	-	-
Net movement in funds		(2,928,315)	6,364,928	-	3,436,613	(14,036,654)
Total funds brought forward	26	21,286,195	54,366,844	655,649	76,308,688	90,345,342
Total funds carried forward	26	18,357,880	60,731,773	655,649	79,745,302	76,308,688

The Charity has no recognised gains or losses for the year other than as detailed above.

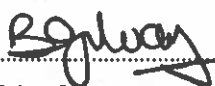
The net movements in the Charity's funds for the year arise from the Charity's continuing activities.

The Notes on pages 45 to 76 form part of these accounts.

**ROYAL NAVY AND ROYAL MARINES CHARITY
BALANCE SHEET- GROUP AND CHARITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Tangible assets	19	2,734,948	1,412,413	756,644	792,840
Intangibles	18	248,643	328,982	15,265	64,981
Investments	20	76,466,762	74,502,514	42,489,732	44,224,778
		<u>79,450,353</u>	<u>76,243,909</u>	<u>43,261,641</u>	<u>45,082,599</u>
Current assets					
Stock	21	254,353	273,825	-	-
Debtors	22	4,100,557	2,168,480	1,526,990	1,785,655
Cash at bank and in hand		4,777,742	6,357,669	1,810,027	3,530,260
		<u>9,132,652</u>	<u>8,799,974</u>	<u>3,337,017</u>	<u>5,315,915</u>
Liabilities					
Creditors falling due within one year	23	(8,837,702)	(8,710,295)	(7,588,417)	(7,945,739)
Net Current assets/ liabilities		<u>294,950</u>	<u>89,679</u>	<u>(4,251,400)</u>	<u>(2,629,824)</u>
Total assets less current liabilities		<u>79,745,302</u>	<u>76,333,588</u>	<u>39,010,241</u>	<u>42,452,775</u>
Creditors due in more than one year	25	-	(24,900)	-	-
Net Assets		<u>79,745,302</u>	<u>76,308,688</u>	<u>39,010,241</u>	<u>42,452,775</u>
Accumulated funds					
Permanent endowment	26	655,649	655,649	655,649	655,649
Restricted funds	26	60,731,773	54,366,844	20,168,897	20,708,430
Unrestricted funds	26	17,672,752	20,570,991	17,500,567	20,373,492
Designated funds	26	685,128	715,204	685,128	715,204
Total accumulated funds		<u>79,745,302</u>	<u>76,308,688</u>	<u>39,010,241</u>	<u>42,452,775</u>

The financial statements on pages 42 to 76 were approved by the trustees on 13/08/2024 and signed on their


.....
Dr Brian Gilvary
Chair


.....
Mr John Bartlett
Chair of the Finance, Risk
and Audit Committee

Company registration number 6047294

**ROYAL NAVY AND ROYAL MARINES CHARITY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
Cash flow/(outflow) from operating activities		
Net cash outflow from operating activities	<u><u>(3,345,996)</u></u>	<u><u>(7,950,247)</u></u>
Cash flows from investing activities		
Investment income and interest received	1,979,900	1,648,038
Proceeds from disposal of fixed asset investments excluding endowment funds	35,676,922	55,733,923
Acquisition of fixed asset investments excluding endowment funds	(34,303,823)	(51,568,064)
Proceeds from disposal of tangible fixed assets	-	-
Payments to acquire tangible fixed assets	(1,447,393)	(137,019)
Payments to acquire intangible fixed assets	(114,637)	(150,531)
Net cash inflow from investing activities	<u><u>1,790,969</u></u>	<u><u>5,526,347</u></u>
Cash flows from financing activities		
Bank loan repayments	(24,900)	(9,167)
Net increase in cash and cash equivalents	(1,579,926)	(2,433,067)
Cash and cash equivalents at beginning of year	6,357,669	8,790,736
Cash and cash equivalents at end of year	<u><u>4,777,742</u></u>	<u><u>6,357,669</u></u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income including endowments	3,436,613	(14,036,654)
Adjustments for:		
Depreciation charges	124,701	97,603
Amortisation	75,043	64,435
Net (gains)/ losses on investments	(3,337,347)	8,878,064
Investment income	(1,979,900)	(1,648,038)
Decrease/ (increase) in stock	19,472	36,547
Decrease/ (increase) in debtors	(1,932,076)	(440,055)
Increase/ (decrease) in creditors	127,409	(902,149)
Loss on disposal of fixed assets	157	-
Loss on disposal of intangible assets	119,933	-
Net cash (used in)/ provided by operating activities	<u><u>(3,345,996)</u></u>	<u><u>(7,950,247)</u></u>

**THE ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINACIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements comprise the charity and its subsidiaries under Charity Commission Schemes or Uniting Directions.

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and its subsidiaries are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410), the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

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 pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and investment income and impact on investment values and income, as well as expenditure. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

c) Group financial statements

These financial statements consolidate the results of the Charity and RNRMC Enterprises Limited, its wholly owned trading subsidiary, the Royal Naval Benevolent Society for Officers, as the Charity is a corporate trustee with a right of veto, the Naval Service Sports Charity, as the Charity is the sole member, and RMA - the Royal Marines Charity (including its own subsidiaries, The Royal Marines Shop Limited and TRMC Enterprises Limited), as the sole member from 1 April 2011, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account are not presented for the Charity itself as the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The corporate charity's financial statements aggregate its own results with those subsidiaries where the Charity Commission has issued a Uniting Direction for the purposes of accounting. The subsidiaries whose results are aggregated with those of the charitable company are:

- Subsidiary 1 - The Naval Service Dependents' Fund (NSDF)
- Subsidiary 2 - The Naval Service Benevolence Fund (NSBF)
- Subsidiary 3 - The Fleet Air Arm Benevolent Trust (FAABT)

**THE ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 ACCOUNTING POLICIES (continued)

Subsidiary 4 - The Naval Service Amenity Fund (NSAF)
Subsidiary 6 - The Naval Service Prizes and Awards Fund (NSPAF)
Subsidiary 7 - Queen Alexandra's Royal Naval Nursing Service Trust Fund (QARNNS)
Subsidiary 8 - Plymouth Royal Naval Aid Fund (PRNAF)
Subsidiary 9 - The Sir Donald Gosling Maritime Reserve Amenity Fund (DGMRF)
Subsidiary 10 - Naval Medical Compassionate Fund (NMCF)

Although subject to a Charity Commission Uniting Direction, the results of Subsidiary 5 - The Naval Service Sports Charity (NSSC) are not aggregated with those of the charitable company because the NSSC is a limited company and is therefore required to be treated on a consolidated basis.

On 19 July 2023 Womens Royal Naval Service Benvolent Trust became a wholly owned subsidiary of RNRMC. Its results for the period are consolidated in the group accounts.

d) Income

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

Income is deferred when the donor attaches conditions outside the Charity's own control or specifies that the resources are to be used in a future accounting period.

Investment income is received net of investment management fees but is grossed up in the accounts for investment management fees.

e) Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements.

Where services are provided to the Charity as a donation that would normally be purchased, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity.

f) Expenditure

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. Unconditional grant offers are accrued once the recipient has been notified of the grant award and its payment is probable. Grant awards that are subject to the recipient fulfilling performance or other conditions are accrued when the recipient has been notified of the grant and either the performance condition is met or any remaining unfulfilled condition attaching to the grant is outside of the control of the Charity.

**THE ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 ACCOUNTING POLICIES (continued)

g) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred

h) Allocation of overhead and support costs

Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

i) Costs of raising funds

The costs of raising funds consist of investment management fees and other direct costs of raising funds and an apportionment of governance, overhead and support costs.

j) Charitable activities

Costs of charitable activities include grants payable and other costs directly associated with providing sports, amenities, prizes and awards, dependants' grants or benevolence to beneficiaries and an apportionment of overhead, support and governance costs.

k) Governance costs

Governance costs comprise all costs involving the public accountability and running of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, legal fees and trustee meeting expenses together with an apportionment of overhead and support costs.

l) Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

m) Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost.

Freehold property	- over 50 years straight line
Computer and office equipment	- over 3 years straight line
Leasehold improvements	- over the life of the lease
Motor Vehicles	- over 3 years straight line

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

n) Intangible fixed assets

Intangible fixed assets are amortised on a straight line basis over their estimated useful economic lives as follows:

Website and software	- over 3 years straight line
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At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

**THE ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 ACCOUNTING POLICIES (continued)

o) Fixed asset investments

Investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their bid value at the balance sheet date without deduction of the estimated future selling costs.

p) Realised gains and losses

All gains and losses are taken to the income and expenditure section of the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and original cost. Unrealised gains and losses are calculated as the difference between the market value at the end of the year and opening market value, or purchase date if later. Realised and unrealised gains are not separated in the Statement of Financial Activities.

q) Stock

Stock of goods for resale is stated at the lower of cost and net realisable value.

r) Heritage assets

The Charitable Group is the owner of a collection of Paintings, Silverware and other items. Many precious works are contained within messes across the Corps, which is housed and managed on behalf of the Charity by Serving Royal Marines within the Corps Secretariat. The collection is considered irreplaceable and as such it is not possible to attribute a reliable cost or value to it. It is additionally considered that the process of obtaining valuations of the collection would be disproportionate to any public benefit that might be derived and that it is impractical to apply conventional valuation techniques to the collection, due to the uniqueness of its nature.

s) Funds structure

The Charity has one permanent endowment, which requires the trustees to invest the capital in perpetuity; the income from this fund is wholly unrestricted.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. The funds of the subsidiaries noted under 1c) above are treated as restricted funds.

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

Designated funds comprise those unrestricted funds where the trustees, at their discretion, have created a fund for a specific purpose.

t) 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.

**THE ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 ACCOUNTING POLICIES (continued)

u) Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 22 and 23 for the debtor and creditor notes.

v) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

w) Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2 LEGAL STATUS OF THE CHARITY

The Charity is a company limited by guarantee and has no share capital. The members of the charity are the trustees listed on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the consolidated statement includes those of the RNRMC and its wholly owned trading subsidiary RNRMC Enterprises limited, and the RNOC, a charity in which the RNRMC is a trustee with the right of veto, the NSSC, a charitable company of which the RNRMC is the sole member, and RMA-TRMC (including its subsidiaries the RMSA, RMA Limited, RM Shop Limited and TRMC Enterprises Limited) a charitable company of which the RNRMC is the sole member and WRNSBT a new subsidiary as at 19 July 2023. A summary of the financial activities undertaken by the RNRMC and its subsidiaries, that are the subject of Charity Commission Schemes or Uniting Directions, is set out below:

	Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME & ENDOWMENTS					
Donations and legacies	2,449,322	175,248	-	2,624,570	3,019,725
Investment income	416,323	491,823	-	908,146	741,354
	2,865,645	667,071	-	3,532,716	3,761,079
Charitable activities	1,729,209	404,245	-	2,133,454	2,461,779
Total operating income	4,594,854	1,071,316	-	5,666,170	6,222,858
EXPENDITURE					
Raising funds					
Investment management fees	135,466	168,194	-	303,660	367,538
Fundraising costs	1,596,036	57,015	-	1,653,051	1,631,472
Total cost of raising funds	1,731,502	225,209	-	1,956,711	1,999,010
Charitable activities					
Commissioned Programmes	3,186,210	618,256	-	3,804,466	3,846,253
Through Life Pathway	1,238,172	221,458	-	1,459,630	1,737,744
Quality of Life Pathway	2,722,110	451,456	-	3,173,566	2,986,050
Fit for Life Pathway	331,712	12,973	-	344,685	304,734
End of Life Pathway	-	490,148	-	490,148	345,354
Total charitable expenditure	7,478,204	1,794,291	-	9,272,495	9,220,135
Total operating expenditure	9,209,705	2,019,500	-	11,229,206	11,219,145
Net operating income/ (expenditure)	(4,614,851)	(948,184)	-	(5,563,035)	(4,996,287)
Net gains/(losses) on investment assets	1,520,782	599,718	-	2,120,500	(5,667,343)
	(3,094,069)	(348,466)	-	(3,442,535)	(10,663,630)
Gross transfers between funds	(83,138)	83,138	-	-	-
Net movement in funds	(3,177,207)	(265,328)	-	(3,442,535)	(10,663,630)
Total funds brought forward	21,088,696	20,708,430	655,649	42,452,775	53,116,405
Total funds carried forward	17,911,489	20,443,102	655,649	39,010,240	42,452,775

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4.VOLUNTARY INCOME

Year to 31 December 2023

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Donations	790,319	3,401,553	-	4,191,872
Royal Navy Payroll Giving Scheme	1,097,254	-	-	1,097,254
RM Day's Pay Giving Funds	-	545,525	-	545,525
Legacies	74,796	2,273,802	-	2,348,598
Donated services	-	-	-	-
Other voluntary income	-	-	-	-
	<u>1,962,369</u>	<u>6,220,880</u>	<u>-</u>	<u>8,183,249</u>

Year to 31 December 2022

	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Donations	1,310,850	3,065,212	-	4,376,062
Royal Navy Payroll Giving Scheme	1,111,600	-	-	1,111,600
RM Day's Pay Giving Funds	-	535,222	-	535,222
Legacies	65,662	671,496	-	737,158
Donated services	-	-	-	-
Other voluntary income	-	124,766	-	124,766
	<u>2,488,112</u>	<u>4,396,696</u>	<u>-</u>	<u>6,884,808</u>

ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5. INVESTMENT INCOME

Year to 31 December 2023	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Dividends - UK equities	133,599	369,749	-	503,348
Dividends - non UK equities	172,969	220,099	-	393,068
Fixed interest - UK	46,844	122,370	-	169,214
Fixed interest - non UK	-	2,758	-	2,758
Income on property funds	30,897	61,059	-	91,956
Unit Trust	21,139	724,502	-	745,641
Other	4,907	16,556	-	21,463
Interest on cash deposits	5,968	39,366	-	45,334
Bank interest	-	7118	-	7,118
	416,323	1,563,577	-	1,979,900

Year to 31 December 2022	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Dividends - UK equities	78,660	685,737	-	764,397
Dividends - non UK equities	172,969	281,211	-	454,180
Fixed interest - UK	46,844	108,109	-	154,953
Income on property funds	30,897	115,144	-	146,041
Unit Trust	21,139	37,898	-	59,037
Other	4,907	44,860	-	49,767
Interest on cash deposits	5,968	11,631	-	17,599
Bank interest	-	2,064	-	2,064
	361,384	1,286,654	-	1,648,038

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £	Total 2022 £
Greenwich Hospital	1,650,000	-	-	1,650,000	1,375,000
Nuffield Trust		177,756	-	177,756	415,920
Armed forces covenant fund trust funding		235,998	-	235,998	744,186
Other grants received	46,599	966,476	-	1,013,075	695,895
	1,696,599	1,380,230	-	3,076,829	3,231,001

£3,181,001 of income from charitable activities in the year to December 2022 was subject to specific restrictions imposed by the donor.

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. COST OF RAISING FUNDS

Year to 31 December 2023

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Investment management fees	135,466	294,195	-	429,661
Fund raising costs	3,387,788	301,658	-	3,689,446
	<u>3,523,254</u>	<u>595,853</u>	<u>-</u>	<u>4,119,107</u>

Year to 31 December 2022

	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Investment management fees	176,686	343,106	-	519,792
Fund raising costs	2,306,517	1,184,722	-	3,491,239
	<u>2,483,203</u>	<u>1,527,828</u>	<u>-</u>	<u>4,011,031</u>

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. ANALYSIS OF CHARITABLE EXPENDITURE

Analysis of charitable expenditure including support costs

Year to 31 December 2023

	Grants Payable 2023 £	Other Direct Costs 2023 £	Support Costs (See Note 11) 2023 £	Total 2023 £
Commissioned Programmes	3,776,618	-	2,086,152	5,862,770
Through Life Pathway	2,221,556	-	1,227,157	3,448,713
Quality of Life Pathway	2,204,476	166,024	1,217,723	3,588,223
Fit for Life Pathway	900,359	-	497,346	1,397,705
End of Life Pathway	486,560	-	268,769	755,329
Other charitable activities				
	<u>9,589,569</u>	<u>166,024</u>	<u>5,297,147</u>	<u>15,052,740</u>

Year to 31 December 2022

	Grants Payable 2022 £	Other Direct Costs 2022 £	Support Costs (See Note 11) 2022 £	Total 2022 £
Commissioned Programmes	3,827,913	-	1,823,262	5,651,175
Through Life Pathway	2,355,792	-	1,122,080	3,477,872
Quality of Life Pathway	2,388,503	210,976	1,137,661	3,737,140
Fit for Life Pathway	669,321	-	318,802	988,123
End of Life Pathway	343,707	-	163,710	507,417
	<u>9,585,236</u>	<u>210,976</u>	<u>4,565,515</u>	<u>14,361,727</u>

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. ANALYSIS OF CHARITABLE EXPENDITURE (continued)

Analysis of charitable expenditure by fund category

Year to 31 December 2023

	From Unrestricted Funds 2023 £	From Restricted Funds 2023 £	Total 2023 £
Commissioned Programmes	4,208,532	1,654,238	5,862,770
Through Life Pathway	864,868	2,583,845	3,448,713
Quality of Life Pathway	2,041,004	1,547,219	3,588,223
Fit for Life Pathway	243,725	1,153,980	1,397,705
End of Life Pathway	131,711	623,618	755,329
	<u>7,489,840</u>	<u>7,562,900</u>	<u>15,052,740</u>

Year to 31 December 2022

	From Unrestricted Funds 2022 £	From Restricted Funds 2022 £	Total 2022 £
Commissioned Programmes	2,717,426	2,933,749	5,651,175
Through Life Pathway	865,905	2,611,967	3,477,872
Quality of Life Pathway	705,014	3,032,126	3,737,140
Fit for Life Pathway	163,176	824,947	988,123
End of Life Pathway	83,794	423,623	507,417
	<u>4,535,315</u>	<u>9,826,412</u>	<u>14,361,727</u>

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. ANALYSIS OF GRANTS PAYABLE

Analysis of grants payable to individuals and institutions

Year to 31 December 2023	Grants to Institutions £	Grants to Individuals £	Total 2023 £
Commissioned Programmes	3,776,618	-	3,776,618
Through Life Pathway	840,380	1,381,176	2,221,556
Quality of Life Pathway	1,871,990	332,486	2,204,476
Fit for Life Pathway	525,516	374,843	900,359
End of Life Pathway	-	486,560	486,560
Total	7,014,504	2,575,065	9,589,569

Year to 31 December 2022	Grants to Institutions £	Grants to Individuals £	Total 2022 £
Commissioned Programmes	3,827,913	-	3,827,913
Through Life Pathway	1,056,415	1,299,376	2,355,792
Quality of Life Pathway	2,061,565	326,938	2,388,503
Fit for Life Pathway	442,785	226,536	669,321
End of Life Pathway	-	343,707	343,707
Total	7,388,678	2,196,558	9,585,236

Analysis of institutions receiving grants more than £25,000:

	2023 £
Naval Childrens Charity	720,000
Royal Naval Benevolence Trust	578,596
Relate	315,000
Royal Naval Association	261,585
SSAFA	253,234
Home-Start	199,928
Sailors Children Society	165,000
Dame Agnes Weston	141,122
The Submarine Fund	130,631
Defence Medical Welfare Service	130,238
Company Of Makers	116,570
The White Ensign Association	105,000
Alabare	100,886
HMS Raleigh refurb Jutland Block	99,762
Veterans Outreach Support	81,000
KIDS	80,000
Commando Logistic Regiment	76,850
Care for Veterans	66,500
The Royal Alfred Seafarers	65,000
Gosport & Fareham Multi Academy Trust	60,000
HMS Heron	58,700

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. ANALYSIS OF GRANTS PAYABLE (continued)

HMS Nelson	50,958
HMS Collingwood	50,046
Erskine	50,000
Pennver Cottage	50,000
The Poppy Factory	50,000
Age UK	48,210
Society of St James Flags	46,800
Kings Foundation	45,878
HMS Diamond	42,917
Tom Harrison House	42,705
Solent Mind	42,500
Albatross Arts Cic	42,468
Fighting With Pride	41,200
HMS Sultan	40,857
Broughton House	40,000
Woody's Lodge	39,600
RNAS Culdrose	36,975
Commando Training Centre Royal Marines	36,430
RNAS Yeovilton	33,224
Naval Families Federation	33,000
Royal Commonwealth Ex Service League	30,000
Royal Navy Winter Sport Association	30,000
Turn to Starboard	30,000
Field Gun Competition	30,000
HMS Caledonia	29,246
Fares4free	27,000
HMS DRAKE	25,888
RFEA	25,000

Analysis of institutions receiving grants of more than £25,000:

RMA TRMC grants:

Rock 2 Recovery CIC	90,000
Globe and Laurel	89,879
Commando Training Centre Royal Marines	52,106
Dame Agnes Westons	50,124
Climb to Recovery	42,178
Hasler Recovery Centre	30,498

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. ANALYSIS OF GOVERNANCE COSTS

	Total 2023 £	Total 2022 £
Trustee meetings	32,018	20,924
Auditor's remuneration	76,694	83,055
Legal and professional fees	185,141	47,179
Other governance costs	-	61
Support costs - see Note 11	1,268,390	1,113,293
	<u>1,562,243</u>	<u>1,264,512</u>

The Support costs above that are included within Governance costs for the Group primarily include the costs relating to the CEO and CFO plus some other staff and represent the support necessary to deliver the management and reporting requirements for the Boards within the wider Group.

11. ALLOCATION OF SUPPORT COSTS AND OVERHEADS

Year to 31 December 2023

The breakdown of support costs and how these were allocated between cost of generating funds, charitable activities and governance costs is shown below.

Cost Type	Raising income 2023 £	Charitable Activities 2023 £	Governance 2023 £	Total Allocated 2023 Basis £	
Staff costs	810,319	3,314,941	1,031,314	5,156,574	Staff time
Administration	227,362	682,082	227,360	1,136,804	Usage
Insurance	9,716	29,150	9,716	48,583	Usage
Depreciation and amortisation	99,292	99,293	-	198,585	Usage
	<u>1,146,689</u>	<u>4,125,466</u>	<u>1,268,390</u>	<u>6,540,546</u>	
Direct governance costs			293,852	293,852	Actual
	<u>1,146,689</u>	<u>4,125,466</u>	<u>1,562,242</u>	<u>6,834,398</u>	
Allocation of governance support costs	390,560	1,171,682	(1,562,242)	-	Usage
	<u>1,537,249</u>	<u>5,297,148</u>	<u>-</u>	<u>6,834,398</u>	

Year to 31 December 2022

The breakdown of support costs and how these were allocated between cost of generating funds, charitable activities and governance costs is shown below.

Cost Type	Raising income 2022 £	Charitable Activities 2022 £	Governance 2022 £	Total Allocated 2022 Basis £	
Staff costs	721,476	2,951,494	918,242	4,591,212	Staff time
Administration	178,656	535,968	178,656	893,280	Usage
Insurance	16,395	49,185	16,395	81,975	Usage
Depreciation and amortisation	80,486	80,485	-	160,971	Usage
	<u>997,013</u>	<u>3,617,132</u>	<u>1,113,293</u>	<u>5,727,438</u>	
Direct governance costs			151,219	151,219	Actual
	<u>997,013</u>	<u>3,617,132</u>	<u>1,264,512</u>	<u>5,878,657</u>	
Allocation of governance support costs	316,129	948,383	(1,264,512)	-	Usage
	<u>1,313,142</u>	<u>4,565,515</u>	<u>-</u>	<u>5,878,657</u>	

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The total support costs attributable to charitable activities is then apportioned based on the number of grants awarded during the year for each activity as shown below.

Charitable Activity Cost Type	Percentage of grants awarded		Percentage of grants awarded	
	2023 %	2023 £	2022 %	2022 £
Programme spend	39	2,086,152	40	1,823,262
Through Life Pathway	23	1,227,157	25	1,122,080
Quality of Life Pathway	23	1,217,723	25	1,137,661
Fit for Life Pathway	9	497,346	7	318,802
End of Life Pathway	5	268,769	3	163,710
	100	5,297,148	100	4,565,515

12. ANALYSIS OF STAFF COSTS

	2023 £	2022 £
Salaries and wages	4,420,347	3,897,034
Social security costs	443,905	422,648
Pension costs	292,321	271,530
	5,156,573	4,591,212

The number of employees whose emoluments (salaries and benefits in kind) fell within the following bands:

	2023	2022
£100,000-£110,000	1	1
£90,000-£99,000	1	1
£80,000-£89,999	3	1
£70,000-£79,999	4	5
£60,000-£69,999	4	4

The number of employees earning £60,000 or above for whom pension contributions have been paid in the year is 13 (2022: 12).
The total pension contributions paid by the Charity during the year for an employees earning more than £60,000 was £101,293 (2022: £76,939)

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. STAFF NUMBERS

The average number of full time equivalent employees (including casual and part time staff) during the period was as follows:

	2023	2022
	No	No
Direct charitable - Sports	9	11
Direct charitable - Benevolence	34	31
Support	54	61
	<hr/>	<hr/>
	97	103
	<hr/>	<hr/>

14. TRUSTEES AND KEY MANAGEMENT PERSONNEL

No trustee received emoluments in the period (2022: none). Total travel expenses of £1,254 (2022: £881) were paid to six (2022: six) trustees during the period.

Within the RNRMC there are nine unincorporated charities, six charitable companies, and two charities with a Royal Charter now integrated within the Group structure, representing the overwhelming majority of the naval charity sector. Each of these entities has a CEO or equivalent that form part of the team that we class as our key management personnel. These personnel are supported by the RNRMC Senior Leadership Team (SLT)

Therefore the Key management personnel include the Trustees, Chief Executive and the Group CEOs. The total employee benefits of the charity's key management personnel were £448,487 (2022: £392,593). No trustee received any remuneration as part of this figure.

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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15. MOVEMENT IN NET FUNDS FOR THE YEAR

	2023	2022
	£	£
Movement in net funds is stated after charging/(crediting):		
Auditors remuneration (including irrecoverable VAT):		
- Statutory audit (current year)	51,775	50,538
- Tax compliance	2,070	660
- Advisory	22,849	31,857
Depreciation - owned assets	124,701	97,603
Amortisation	75,043	64,435

16. TRANSFER BETWEEN FUNDS

Transfers between funds relate to amounts allocated by the RNRMC general funds to its subsidiaries.

17. TAXATION

The company is a registered charity and no provision is considered necessary for taxation.

18. INTANGIBLE FIXED ASSETS- GROUP

	Website & software
	£
Cost or Valuation	
As at 1 January 2023	608,550
Additions	114,637
Disposals	(218,244)
As at 31 December 2023	<u>504,943</u>
Amortisation	
As at 1 January	279,568
Charge for the year	75,043
Eliminated on disposals	(98,311)
As at 31 December 2023	<u>256,300</u>
Net book value	
As at 31 December 2023	<u>248,643</u>
As at 31 December 2022	<u>328,982</u>

18. INTANGIBLE FIXED ASSETS - CHARITY

	Website
	£
Cost or valuation	
As at 1 January 2023	105,659
Disposals	(38,940)
As at 31 December 2023	<u>66,719</u>
Depreciation:	
As at 1 January 2023	40,678
Charge for the year	10,776
As at 31 December 2023	<u>51,454</u>
Net book value	
As at 31 December 2023	<u>15,265</u>
As at 31 December 2022	<u>64,981</u>

ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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19. TANGIBLE FIXED ASSETS-GROUP

	Leasehold Improvements £	Freehold Property £	Office Equipment £	Motor Vehicles £	Total £
Cost or Valuation					
As at 1 January 2023	898,464	631,976	363,829	23,096	1,917,365
Additions	-	1,342,721	102,647	-	1,445,368
Disposals	-	-	(36,486)	-	(36,486)
Transfer in from WRNSBT	-	-	8,436	-	8,436
					-
As at 31 December 2023	898,464	1,974,697	438,426	23,096	3,334,683
Depreciation					
As at 1 January	138,887	46,186	313,430	6,449	504,952
Charge for the year	37,098	39,599	40,107	7,897	124,701
Eliminated on disposal	-	-	(36,329)	-	(36,329)
Transfer in from WRNSBT	-	-	6,411	-	6,411
As at 31 December 2023	175,985	85,785	323,619	14,346	599,735
Net book value					
As at 31 December 2023	722,479	1,888,912	114,807	8,750	2,734,948
As at 31 December 2022	759,577	585,790	50,399	16,647	1,412,413

19.TANGIBLE FIXED ASSETS - CHARITY

	Leasehold Improvements £	Freehold Property £	Office Equipment £	Motor Vehicles £	Total £
Cost or Valuation					
As at 1 January 2023	889,194	-	272,360	-	1,161,554
Additions	-	-	26,860	-	26,860
Disposals	-	-	(6,546)	-	(6,546)
As at 31 December 2023	889,194	-	292,674	-	1,181,868
Depreciation					
As at 1 January	138,887	-	229,827	-	368,714
Charge for the year	36,111	-	26,788	-	62,899
Eliminated on disposal	-	-	(6,389)	-	(6,389)
As at 31 December 2023	174,998	-	250,226	-	425,224
Net book value					
As at 31 December 2023	714,196	-	42,448	-	756,644
As at 31 December 2022	750,307	-	42,533	-	792,840

ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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20. FIXED ASSET INVESTMENTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Movements in fixed asset investments				
Market value brought forward	74,502,514	87,546,437	44,224,778	53,417,700
Transfers in (WRNSBT)	3,731,809	-	-	-
Additions at cost	30,572,014	51,568,064	23,531,272	26,455,608
Disposals at carrying value	(35,676,922)	(55,733,923)	(27,386,819)	(29,981,189)
Net gain/(loss) on revaluation	3,337,347	(8,878,064)	2,120,501	(5,667,341)
Market value carried forward	<u>76,466,762</u>	<u>74,502,514</u>	<u>42,489,732</u>	<u>44,224,778</u>

Analysis of market value of investments by type:

Unlisted - RNRMC Enterprises Limited	-	-	100,000	100,000
Equities	51,145,788	50,067,923	27,648,331	30,269,270
Bonds	10,811,866	8,567,734	6,118,981	4,872,094
Alternative investments	10,295,303	11,434,777	5,948,917	7,420,618
Cash	4,213,805	4,432,080	2,673,503	1,562,796
	<u>76,466,762</u>	<u>74,502,514</u>	<u>42,489,732</u>	<u>44,224,778</u>

Analysis of market value of investments between those held within and outside the United Kingdom:

Within the United Kingdom	24,071,470	21,737,416	13,383,295	12,266,515
Outside the United Kingdom	52,395,292	52,765,098	29,106,437	31,958,263
	<u>76,466,762</u>	<u>74,502,514</u>	<u>42,489,732</u>	<u>44,224,778</u>

ROYAL NAVY AND ROYAL MARINES CHARITY
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21. STOCK

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Goods for resale	254,353	273,825	-	-

22. DEBTORS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Naval Service assisted travel loans	9,022	16,177	9,022	16,177
Accrued income	2,474,640	761,178	341,874	390,024
Owed from subsidiary undertakings	-	-	270,771	234,005
Other debtors and prepayments	1,616,895	1,391,125	905,323	1,145,449
	4,100,557	2,168,480	1,526,990	1,785,655

23. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loan	-	10,000	-	-
Grants payable	2,503,577	3,094,408	2,481,488	3,020,836
Taxation and social security	126,637	158,953	60,541	75,587
Accruals and other creditors	5,215,281	4,498,101	4,097,860	3,868,515
Deferred income (see Note 24)	992,207	948,833	948,528	908,663
Owed to subsidiary undertakings	-	-	-	72,138
	8,837,702	8,710,295	7,588,417	7,945,739

**ROYAL NAVY AND ROYAL MARINES CHARITY
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Custodian funds

The RNRMC holds custodian funds on behalf of RNRM Welfare, UIF CTCRM (Unit Institute Fund Commando Training Centre Royal Marines), Royal Navy Association, Royal Navy Football Association, RNRM Sports Lottery, Porth Kerris LIBOR Fund and the Globe and Laurel Magazine Fund. These amounts are included within creditors above.

Entity	Principal Object	Held	2023 £	2022 £
RNRM Welfare	The Royal Navy's secondary (specialist) welfare service for naval service personnel and their families.	Cash	£430	£430
UIF CTCRM	A registered charity whose principal object is the promotion of efficiency of the armed forces of the Crown by the provision and support of facilities and activities for the efficiency and well-being of Service personnel.	Investment Portfolio with Sarasin and cash	£314,608	£307,347
Globe and Laurel Magazine Fund	A registered charity whose principal object is management, publication and sale of the Corps Journal of the Royal Marines.	Investment Portfolio with Sarasin and cash	£243,507	£237,885
Royal Naval Association	A registered charity whose principal object is to foster comradeship and "esprit de corps" among those who have served or are serving in Her Majesty's Naval Forces.	Investment Portfolio with Sarasin	£1,403,935	£1,421,210
The Royal Navy Football Association	A registered charity whose principal object is to promote the physical efficiency of members of the Royal Navy and Royal Marines.	Investment Portfolio with Sarasin and cash	£98,131	£95,864
RNRM Sports Lottery	A non-public fund which was set up to generate funds to support all levels of sport, adventure training and recreation in the Naval Service.	Investment Portfolio with Sarasin and cash	£987,813	£965,020
Porth Kerris LIBOR fund	A grant received from the LIBOR fines fund to support a specific RN Project at Porth Kerris.	Investment Portfolio with Sarasin	£300,000	£300,000
HMS QUEEN ELIZABETH Gosling Fund	The QNLZ Gosling Fund is an organisation whose principal object is 'the promotion of efficiency of the armed forces of the Crown by the provision and support of facilities and activities for the efficiency and well-being of Service personnel.	Investment Portfolio with Sarasin	£222,488	£0

This activity falls within the RNRMC's principal object which is the promotion of the efficiency of the Naval Service and the Auxiliaries. By assisting these entities RNRMC's objects are being furthered allowing grants to be paid through proper financial and governance channels for RNRM Welfare and increasing the investment income potential by benefitting from beneficial rates offered to larger portfolios. Memorandums of Understanding are in place with all these entities and all custodian funds are accounted for separately.

ROYAL NAVY AND ROYAL MARINES CHARITY
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24. DEFERRED INCOME

Deferred income comprises grants received for future financial periods.

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Balance at 1 January	948,833	1,020,879	908,663	908,663
Amount released to incoming resources	(948,833)	(1,020,879)	(908,663)	(908,663)
Amount deferred in year	992,207	948,833	948,528	908,663
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December	992,207	948,833	948,528	908,663
	<hr/>	<hr/>	<hr/>	<hr/>
Analysis:				
Release within one year	992,207	948,833	948,528	908,663
Release after more than one year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	992,207	948,833	948,528	908,663
	<hr/>	<hr/>	<hr/>	<hr/>

25. CREDITORS:
AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loan	-	24,900	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	24,900	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

During 2021 the subsidiary company, TRMC Enterprises Limited, obtained a bank loan from Lloyds Bank plc under the Governments Coronavirus Bounce Back Loan scheme. Interest is payable at 2.5 from July 2021. The loan was fully repaid during the 2023 financial year.

ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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26. ANALYSIS OF CHARITABLE FUNDS

Analysis of unrestricted fund movements-current year

	Balance at 01.01.2023 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2023 £
RNRM general funds	20,373,492	4,152,743	(8,569,629)	23,178	1,520,783	17,500,567
Designated:						
DRUMFORK	69,393	-	-	-	-	69,393
Building 37	645,811	-	(30,076)	-	-	615,735
Group and Charity designated total	715,204	-	(30,076)	-	-	685,128
RNRM Enterprises Limited	-	944,889	(535,388)	(409,501)	-	-
Royal Marines Shop Limited	167,072	524,597	(502,233)	(17,251)	-	172,185
TRMCE	30,427	125,881	(1,375,768)	1,219,460	-	-
Group unrestricted total	21,286,195	5,748,110	(11,013,094)	815,886	1,520,783	18,357,880

Analysis of restricted fund movements-current year

	Balance at 01.01.2023 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2023 £
Charity						
Naval Service Benevolence Fund	8,697	13,625	234,345	(274,205)	17,538	0
Naval Service Dependents' fund	8,578,019	319,120	(1,277,240)	-	258,065	7,877,964
Naval Service Amenity fund	-	-	13,862	(13,862)	-	-
Prizes and awards fund	4,536,615	103,489	(206,108)	-	133,192	4,567,188
FAA Benevolent Trust	4,841,439	103,140	(143,647)	-	132,032	4,932,964
QARNNS Trust Fund	903,650	24,934	(22,461)	-	24,323	930,446
Plymouth Royal Naval Aid Fund	252,195	5,343	(2,770)	-	6,878	261,646
Sir Donald Gosling Maritime Fund	261,331	5,837	(9,509)	-	7,509	265,168
Naval Medical Compassionate Fund	743,002	15,682	(11,429)	-	20,181	767,436
Nuffield Trust	23,528	177,756	(99,527)	-	-	101,757
The Submarine Fund	142,329	68,403	(161,640)	107,000	-	156,092
Armed forces covenant fund trust funding-TL	1,863	875	(2,738)	-	-	-
OARD	36,908	48,918	31,779	(10,000)	-	107,605
Helping Jim	33,660	26,104	(6,663)	-	-	53,101
Paul Morris	10,778	-	(3,243)	-	-	7,535
Armed Forces Covenant Fund-RO	274,458	-	(249,601)	-	-	24,857
RFA	59,960	5,190	(2,508)	-	-	62,642
Armed forces covenant fund trust funding-RSAFC	-	32,900	(32,900)	-	-	-
TSF- COSM	-	20,000	-	-	-	20,000
AFCTF-NDT	-	100,000	(67,502)	-	-	32,498
Charity restricted total	20,708,430	1,071,316	(2,019,500)	(191,067)	599,718	20,168,897

	Balance at 01.01.2023 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2023 £
Group						
Naval Service Sports Charity	4,476,301	532,975	(951,016)	208,790	116,775	4,383,825
RNOC (RNBSO) - general funds	16,037,214	804,992	(724,436)	-	429,869	16,547,639
RNOC - RN Scholarship Fund	236,913	9,338	(67,000)	-	5,262	184,513
RMA-TRMC general funds	7,430,208	4,092,099	(824,858)	(1,077,942)	299,440	9,918,947
Marines Museum Fund	1,000,000	-	-	(1,000,000)	-	-
RMA	731,496	236,419	(647,342)	(104,602)	-	215,971
RM Benevolence Fund	57,317	548,837	(1,505,360)	837,873	61,502	170
RM Cadet Fund	128,076	2,254	(779)	-	5,248	134,799
RM Central Sergeants' Mess Fund	773,901	154,724	(201,710)	(62,910)	41,410	705,415
RM Central Unit Institute Fund	1,282,746	316,021	(183,300)	(116,498)	50,786	1,349,756
RM Officers' Trust Fund	1,089,249	163,613	(140,370)	(53,588)	44,687	1,103,590
Armed forces covenant fund trust funding- PP	(309)	1,000	(930)	239	-	-
Armed forces covenant fund trust funding- FFC	3,948	335	(4,283)	-	-	0
Armed forces Covenant trust fund-SS	38,118	-	(38,287)	169	-	0
Armed Forces Covenant Trust fund-OTM	22,381	5,000	(27,978)	595	-	0
RMSA	143,720	40,060	(374,843)	224,184	-	33,121
TRMC-NL-LTL	26,666	80,000	(86,667)	-	-	19,999
TRMC-AFGHAN	128,145	15,000	(132,818)	(1,128)	-	9,199
TRMC-B72	50,000	1,020,000	(38,845)	500,001	-	1,531,156
CTCFC	2,323	-	(2,979)	19,999	-	19,343
TRMC-AFCTF-BCC	-	80,000	-	-	-	80,000
TRMC-AFCTF-RSAF	-	15,888	(5,296)	-	-	10,592
WRNSBT	-	78,271	(180,156)	4,254,862	161,867	4,314,844
Group restricted total	54,366,844	9,268,142	(8,158,753)	3,438,977	1,816,564	60,731,773

Analysis of permanent endowment fund movements-current year

	Balance at 01.01.2023 £	Income £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2023 £
Naval Service Benevolence Fund	655,649	-	-	-	-	655,649
Permanent Endowment Total	655,649	-	-	-	-	655,649

ROYAL NAVY AND ROYAL MARINES CHARITY
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Analysis of unrestricted fund movements-prior year

	Balance at 01.01.2022 £	Income £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2022 £
Unrestricted funds						
RNRMC general funds	27,436,482	2,942,496	(5,732,954)	(1,517,191)	(2,755,341)	20,373,492
Designated:						
DRUMFORK	69,393	-	-	-	-	69,393
Building 37	675,887	-	(30,076)	-	-	645,811
Group and Charity designated total	745,280	(0)	(30,076)	-	-	715,204
RNRMC Enterprises Limited	-	713,805	(522,437)	(191,368)	-	-
Royal Marines Shop Limited	166,332	496,484	(495,944)	200	-	167,072
TRMCE	5,448	117,001	(237,107)	145,085	-	30,427
Group unrestricted total	28,353,542	4,269,786	(7,018,518)	(1,563,274)	(2,755,341)	21,286,195

Analysis of restricted fund movements- prior year

	Balance at 01.01.2022 £	Income £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2022 £
Naval Service Benevolence Fund	-	1,297,559	(1,292,304)	84,366	(80,924)	8,697
Naval Service Dependents' fund	10,814,327	262,293	(1,163,194)	-	(1,335,407)	8,578,019
Naval Service Amenity fund	-	-	(1,072,967)	1,072,967	-	0
Prizes and awards fund	5,270,799	80,198	(199,747)	-	(614,635)	4,536,615
FAA Benevolent Trust	5,491,143	95,228	(135,664)	-	(609,268)	4,841,439
QARNNS Trust Fund	1,025,286	14,897	(24,296)	-	(112,238)	903,650
Plymouth Royal Naval Aid Fund	285,543	4,143	(5,745)	-	(31,746)	252,195
Sir Donald Gosling Maritime Fund	301,227	4,523	(9,765)	-	(34,654)	261,331
Naval Medical Compassionate Fund	833,100	12,151	(9,121)	-	(93,128)	743,002
Nuffield Trust	1,146	415,921	(393,539)	-	-	23,528
The Submarine Fund	134,187	111,343	(103,201)	-	-	142,329
Armed forces covenant fund trust funding-SF	41,150	79,500	(120,650)	-	-	-
Armed forces covenant fund trust funding-TL	-	34,125	(32,262)	-	-	1,863
OARD	42,734	37,416	(43,243)	-	-	36,908
Helping Jim	13,310	22,701	(2,351)	-	-	33,660
Paul Morris	25,042	3,500	(17,764)	-	-	10,778
Armed Forces Covenant Fund-RO	-	420,833	(146,375)	-	-	274,458
RFA	-	59,960	-	-	-	59,960
Armed forces covenant fund trust funding-RSAFC	-	32,900	(32,900)	-	-	-
Charity restricted total	24,278,994	2,989,191	(4,805,088)	1,157,333	(2,912,000)	20,708,430
Group						
Naval Service Sports Charity	5,285,282	532,433	(952,578)	199,160	(587,996)	4,476,301
NSSC- RNRU fund	-	-	-	-	-	-
RNOC (RNBSO) - general funds	16,817,874	1,049,632	(695,333)	-	(1,134,959)	16,037,214
RNOC - RN Scholarship Fund	303,563	10,801	(58,116)	-	(19,335)	236,913
RMA-TRMC general funds	7,749,017	2,462,873	(1,757,118)	(157,730)	(866,834)	7,430,209
Marines Museum Fund	1,000,000	-	-	-	-	1,000,000
RMA	700,953	207,481	(541,448)	364,511	-	731,496
RM Benevolence Fund	1,153,650	573,826	(1,440,321)	-	(229,838)	57,317
RM Cadet Fund	140,943	1,744	(887)	-	(13,724)	128,076
RM Central Sergeants' Mess Fund	979,968	134,148	(203,160)	(28,742)	(108,313)	773,901
RM Central Unit Institute Fund	1,462,769	290,725	(186,535)	(151,374)	(132,839)	1,282,746
RM Officers' Trust Fund	1,245,919	148,026	(176,314)	(11,497)	(116,885)	1,089,249
Armed forces covenant fund trust funding- PP	(2,059)	1,750	-	-	-	(309)
Armed forces covenant fund trust funding- FFC	10,587	-	(6,639)	-	-	3,948
Armed foreces Covenant trust fund-SS	30,604	52,452	(44,938)	-	-	38,118
Armed Forces Covenant Trust fund-OTM	33,932	122,626	(134,177)	-	-	22,381
RMSA	144,155	34,488	(226,536)	191,613	-	143,720
TRMC-NL-LTL	-	80,000	(53,334)	-	-	26,666
TRMC-CLODE	-	10,000	(10,000)	-	-	-
TRMC-AFGHAN	-	141,888	(13,743)	-	-	128,145
TRMC-B72	-	50,000	-	-	-	50,000
CTCFC	-	50,298	(47,975)	-	-	2,323
Group & Charity restricted total	61,336,151	8,944,382	(11,354,240)	1,563,274	(6,122,723)	54,366,844

Analysis of permanent endowment fund movements-prior year

	Balance at 01.01.2022 £	Income £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2022 £
Naval Service Benevolence Fund	655,649	-	-	-	-	655,649
Permanent Endowment Total	655,649	-	-	-	-	655,649

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26. ANALYSIS OF CHARITABLE FUNDS (continued)

Classification of Group Funds

The RNRMC has a fund structure consisting of unrestricted, designated, restricted and one permanent endowment fund.

Unrestricted Fund – this fund represents those funds which have not been designated, and are available to support any of the objects of the parent charity.

Designated Funds – are held against known commitments as explained below and are a category of unrestricted funds:

LIBOR – Afghanistan – the designated funds to be used to primarily support the families of the fallen and wounded, injured and sick veterans of the Afghanistan Campaign. These funds were spent in 2020.

Drumfork – In 2015, the RNRMC received a £2m donation from HM Treasury for the refurbishment of the Drumfork club in Helensburgh, Scotland. The RNRMC designated £1m from its own funds in October 2017 to ensure the completion of the project, of which £931k has been spent. £69k remains in the designated fund for fixtures and fittings across 2022.

Building 37 – In 2017, the Trustees designated £770k for the renovation of Buildings 37 and 35 within HMS Excellent, Portsmouth in order to give the charity a fit for purpose working environment for the next 25 years. The designated fund will be retained to depreciate the cost over the term of the lease with the MOD (25 years) and is considerably less than the commercial rental rates of £40k per annum (£1m over the lease period at today's rates).

Permanent Endowment – held separately as part of the Naval Service Benevolence Fund.

Restricted Funds - the subsidiary charities are all restricted funds and are grouped under two main headings in order to achieve the RNRMC's charitable objectives. Each subsidiary's funds are restricted by the provisions of that charity's governing instrument, whether Royal Charter*, Memorandum of Association** or Charity Commission Scheme***.

Benevolence	Promotion of Efficiency
Royal Navy Officers' Charity*	Naval Service Amenity Fund***
Naval Service Benevolence Fund***	Naval Service Prizes and Awards
Plymouth Royal Naval Aid Fund ***	Naval Service Sports Charity**
Naval Medical Compassionate Fund***	Naval Service Dependants' Fund***
	Fleet Air Arm Benevolent Trust ***
	Sir Donald Gosling Maritime Reserve
	Royal Marines Sports Association**
Charities with dual objects	
Queen Alexandra's Royal Naval Nursing Service Trust Fund***	
The Royal Marines Association - The Royal Marines Charity **	

The remaining restricted funds that are not mentioned in the table above have been received as restricted income rather than existing as separate charities merged within the RNRMC umbrella.

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27. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

As at 31 December 2023

	Unrestricted* Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £
Tangible fixed assets	758,412	1,976,536		2,734,948
Intangibles	441	248,202		248,643
Fixed asset investments	18,252,709	57,558,403	655,649	76,466,761
Cash at bank and in hand	990,477	3,787,265		4,777,742
Other net current assets/(liabilities)	(1,644,158)	(2,838,634)		(4,482,792)
Long term liabilities	-	-		-
	<u>18,357,881</u>	<u>60,731,773</u>	<u>655,649</u>	<u>79,745,302</u>

As at 31 December 2022

	Unrestricted* Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £
Tangible fixed assets	794,256	618,157		1,412,413
Intangibles	39,381	289,601		328,982
Fixed asset investments	19,142,835	54,704,030	655,649	74,502,514
Cash at bank and in hand	2,990,222	3,367,447		6,357,669
Other net current assets/(liabilities)	(1,655,599)	(4,612,391)		(6,267,990)
Long term liabilities	(24,900)	-		(24,900)
	<u>21,286,195</u>	<u>54,366,844</u>	<u>655,649</u>	<u>76,308,688</u>

28. DISCLOSURE OF SUBSIDIARIES – ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS

The charitable company is the trustee with right of veto of the Royal Naval Benevolent Society for Officers, known as The Royal Navy Officers' Charity (RNOC), a charity formed by Royal Charter. RNOC have objects similar to those of the RNRMC. These financial statements consolidate the accounts for the RNOC. The following is an extract of the financial statements of RNOC for the year ended 31 December 2023:

	2023 £	2022 £
Income	724,173	1,018,328
Expenditure	(701,279)	(711,344)
Gains/(losses) on investments	435,131	(1,154,294)
Income/ (expenditure)	<u>458,025</u>	<u>(847,310)</u>
Total assets	16,737,688	16,289,124
Liabilities	(5,539)	(15,000)
Net assets	<u>16,732,149</u>	<u>16,274,124</u>
Restricted funds	184,514	236,914
Unrestricted funds	<u>16,547,635</u>	<u>16,037,210</u>
	<u>16,732,149</u>	<u>16,274,124</u>

**ROYAL NAVY AND ROYAL MARINES CHARITY
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29. DISCLOSURE OF SUBSIDIARIES – NAVAL SERVICE SPORTS CHARITY

The charitable company is the sole corporate member of

	2023	2022
	£	£
Income	777,975	759,433
Expenditure	(987,226)	(980,418)
Gains/(losses) on investments	116,775	(587,996)
	<u>(92,476)</u>	<u>(808,981)</u>
Income/ (expenditure)		
Total assets	4,569,387	4,704,504
Liabilities	(185,718)	(228,359)
Net assets	<u>4,383,669</u>	<u>4,476,145</u>
Restricted funds	-	-
Unrestricted funds	4,383,669	4,476,145
	<u>4,383,669</u>	<u>4,476,145</u>

30. DISCLOSURE OF SUBSIDIARIES – RMA-TRMC – THE ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY

The charitable company became the sole corporate member of The Royal Marines Charity (TRMC), a charitable company limited by guarantee, on 1 April 2011. These financial statements consolidate the accounts for the RMC. The following is an extract of the financial statements of TRMC for year ended 31 December 2023:

	2023	2022
	£	£
Income	7,179,823	4,774,495
Expenditure	(5,464,642)	(5,048,416)
Gains/(losses) on investments	503,073	(1,468,433)
	<u>2,218,254</u>	<u>(1,742,354)</u>
Income/ (expenditure)		
Total assets	15,780,507	13,424,951
Liabilities	(654,186)	(516,884)
Net assets	<u>15,126,321</u>	<u>12,908,067</u>
Restricted funds	4,998,039	3,746,139
Unrestricted funds	10,128,282	9,161,928
	<u>15,126,321</u>	<u>12,908,067</u>

ROYAL NAVY AND ROYAL MARINES CHARITY
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31 DISCLOSURE OF SUBSIDIARIES – WOMEN'S ROYAL NAVAL SERVICE BENEVOLENT TRUST

WRNS became a wholly owned subsidiary of RNRMC on 19 July 2023 and accordingly on that date the company became a subsidiary of the group. Its results for the period to the 31 December are consolidated in the Group accounts. The following is an extract of the financial statements of Women's Royal Naval Service Benevolent Trust for the period from 19 July to 31 December 2023.

	Period ended 2023 £
Income	78,271
Expenditure	(180,156)
Gains/(losses) on investments	161,867
Net income	<u>59,982</u>
Transfer of net assets as at 18 July 2023	<u>4,254,862</u>
Total funds	<u><u>4,314,844</u></u>
Total assets	4,362,889
Liabilities	<u>(48,045)</u>
Net assets	<u><u>4,314,844</u></u>
Total funds	<u><u>4,314,844</u></u>

32 DISCLOSURE OF SUBSIDIARIES – RNRMC ENTERPRISES LIMITED

The RNRMC Enterprises Limited was incorporated on 5 March 2012, as the wholly owned trading subsidiary of RNRMC with a share capital of £100,000. Its results to the 31 December are consolidated in the Group accounts. The following is an extract of the financial statements of RNRMC Enterprises Limited for the year to 31 December 2023:

	2023 £	2022 £
Income	977,499	741,645
Expenditure	<u>(535,388)</u>	<u>(522,437)</u>
Net income - gift aided to RNRMC	<u><u>442,111</u></u>	<u><u>219,208</u></u>
Total assets	611,203	385,930
Liabilities	<u>(511,203)</u>	<u>(285,930)</u>
Net assets	<u><u>100,000</u></u>	<u><u>100,000</u></u>
Share Capital and retained earnings	<u><u>100,000</u></u>	<u><u>100,000</u></u>

**ROYAL NAVY AND ROYAL MARINES CHARITY
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33 DISCLOSURE OF SUBSIDIARIES – TRMC ENTERPRISES LIMITED

TRMC Enterprises Limited was incorporated on 23 February 2016, as the wholly owned trading subsidiary of RMA-TRMC with a share capital of £1. Its results to the 31 December are consolidated in the Group accounts. The following is an extract of the financial statements of TRMC Enterprises Limited for the period to 31 December 2023:

	2023	2022
	£	£
Income	1,373,914	262,086
Expenditure	(1,345,341)	(231,659)
Net movement in funds	28,573	30,427
	2023	2022
	£	£
Current assets	249,923	104,184
Liabilities	(221,349)	(73,756)
Net assets	28,574	30,428
Share Capital and retained earnings	28,574	30,428

34 DISCLOSURE OF SUBSIDIARIES – ROYAL MARINES SHOP LIMITED

RMA-TRMC became the sole shareholder of Royal Marines Shop Limited on 1 April 2019 and accordingly on that date the company became a subsidiary of the group. Its results for the year to the 31 December are consolidated in the Group accounts. The following is an extract of the financial statements of Royal Marines Shop Limited for the year ended 31 December 2023:

	2023	2022
	£	£
Income	524,597	496,484
Expenditure	(504,484)	(487,637)
Net movement in funds	20,113	8,847
	2023	2022
	£	£
Fixed assets	2,747	2,688
Current assets	247,401	222,837
Liabilities	(75,745)	(58,453)
Net assets	174,403	167,072

**ROYAL NAVY AND ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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35 PENSIONS AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

The Charity operates a defined contribution scheme, which is administered independently of the Charity. The cost to the Charity for the year was £292,231 (2022: £271,531). At the Balance Sheet date the amount due to the pension scheme administrators was £nil (2022: £Nil).

36 RELATED PARTY TRANSACTIONS

In August 2009 the Royal Navy agreed to lease office space at HMS Excellent to the Charitable Company at a peppercorn rent. These support costs are difficult to quantify as they are not discrete activities because personnel and office facilities are used for other Navy Command duties. As such the value of support provided by the Ministry of Defence has not been included in the Charitable Company's Statement of Financial Activities.

During the year trustees donated £2,042 (2022: £25,637) to the charity.

During the year The Royal Navy and Royal Marines Charity made a grant to its subsidiary, The Naval Service Sports Charity, of £245,000 (2022: £227,000).

During the year The Royal Navy and Royal Marines Charity made a grant to its subsidiary, RMA - The Royal Marines Charity, of £365,000 (2022: £203,600).

During the year The Royal Navy and Royal Marines Charity charged its subsidiaries the following amounts in respect of management and administration services: RNRMC Enterprises Limited £17,715 (2022: £18,408).

During the year RNRMC Enterprises Limited donated £442,111 (2022: £137,418) to the parent charity, The Royal Navy and Royal Marines Charity.

ROYAL NAVY AND ROYAL MARINES CHARITY
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37 OPERATING LEASE COMMITMENTS

At the year end the charity had the following total commitments under non-cancellable operating leases:

	2023	2022
	£	£
Due within:		
1 year	40,288	43,857
2-5 years	160,029	160,317
More than 5 years	595,945	635,945
	<u>796,262</u>	<u>840,119</u>

38 NET DEBT

	1 January	Cash flows	31 December
	2023	2023	2023
	£	£	£
Cash at bank	6,357,669	(1,579,927)	4,777,742
Bank loan	(34,900)	34,900	-
	<u>6,322,769</u>	<u>(1,545,027)</u>	<u>4,777,742</u>

39 ULTIMATE CONTROLLING PARTY

The charitable company is under the control of its members. No one member has sufficient voting rights to control the charitable company.