

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
FOR
WARDROOM MESS HMS NELSON**

Gibson Whitter
Chartered Accountants
and Chartered Tax Advisers
Larch House
Parklands Business Park
Denmead
Hampshire
PO7 6XP

WARDROOM MESS HMS NELSON

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FOR THE YEAR ENDED 31 MARCH 2024**

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WARDROOM MESS HMS NELSON

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Promotion of the Military Efficiency and Operational Effectiveness of the Armed Forces by the provision of mess facilities to Commissioned Officers serving in the His Majesty's Naval Base Portsmouth.

Public benefit

This fund provides public benefit by assisting Service personnel to more effectively perform their roles within the Armed Forces of the Crown. It does this by providing and supporting mess facilities and social activities. This assistance enables Service personnel to face the challenges and danger associated with military service by developing and maintaining teamwork, spirit and attitude, and morale. As a result, the fund promotes the efficiency of the Armed Forces of the Crown by enhancing the Royal Navy's and Royal Marines' capability to undertake the roles demanded of it including the defence of the United Kingdom and its interests.

I confirm that I have paid due regard to the Charity Commission of England and Wales's guidance on public benefit when deciding what activities the charity should undertake.

Grant Policy

Grants may be made to mess members to assist with the personal contributions to sporting, adventurous training or other activities where this is not available from the Leisure and Amenities Fund.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

To have resources available for expenditure on improvements to the quality of life, and the engenderment of esprit de corps. The mess puts on a full social programme for its members. Generous subsidies have been provided to selected functions from the profits made from the bar and other taxable activities.

FINANCIAL REVIEW

Financial position

The worth of the mess fell by £57,101 to £519,519. In summary the reasons were: running and support costs exceeded military subscription income - £65,537, subsidies exceeded trading profits - £18,710. However this was offset by gains of market value of investments - £20,085 and dividend income - £7,061. It was the intention to reduce reserves in the year.

The fund had £103,772 in readily accessible bank and deposit accounts with creditors of £75,364. It had £213,794 in investments which could be liquidated if the need arose. Despite a loss of £57,101 the fund has significant reserves and was worth £519,519. The collection of mess bills through the Sodexo system remained a concern, however this has improved after the balance sheet date.

Investment policy and objectives

The investment funds are managed by Quilter Cheviot. The objective is to grow the capital value of the portfolio as well as generating some degree of income from the portfolio. Medium risk, can accept moderate variation or disruption to capital value or current income in order to meet the longer term objectives.

Reserves policy

The Trustee has considered the level of reserves required appropriate to the charity's needs. The Trustee aims to ensure that the charity will be able to fulfil its charitable objectives even if there is a temporary shortfall in income and unexpected expenditure. The reserves are held in the investment portfolio, which had a market value of £213,794. The Trustee will endeavour not to set aside funds unnecessarily but significant funds may be required when the Wardroom moves to a new site.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

WARDROOM MESS HMS NELSON
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Appointed as such by the Naval Secretary.

Risk management

The Trustee reviews the major risks to which the charity is exposed, and systems have been established to manage those risks and believes that by maintaining the free reserves stated it would provide sufficient resources in the event of adverse conditions. Quarterly independent examination of the accounts will mitigate the risk of any mismanagement by the committee.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1128774

Principal address

HMS Nelson
Queen Street
Portsmouth
Hampshire
PO1 3HH

Trustees

Commodore M Rosenberg Royal Navy
Captain L McLocklan Royal Navy (appointed 18.03.24)
Mr A Robinson (resigned 18.03.24)

Independent Examiner

Gibson Whitter
Chartered Accountants
and Chartered Tax Advisers
Larch House
Parklands Business Park
Denmead
Hampshire
PO7 6XP

Bankers

RBS Holts
Lawrie House
Victoria Road
Farnborough
GU14 7NR

Approved by order of the board of trustees on 18 March 2025 and signed on its behalf by:

Captain L M McLocklan - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
WARDROOM MESS HMS NELSON**

Independent examiner's report to the trustees of Wardroom Mess HMS Nelson

I report to the charity trustees on my examination of the accounts of Wardroom Mess HMS Nelson (the Trust) for the year ended 31 March 2024.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Gavin Whitter

Gibson Whitter
Chartered Accountants
and Chartered Tax Advisers
Larch House
Parklands Business Park
Denmead
Hampshire
PO7 6XP

4 April 2025

WARDROOM MESS HMS NELSON

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	31.3.24 Unrestricted funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities	4		
Mess facilities and activities		199,902	197,455
Other trading activities	2	19,026	42,996
Investment income	3	7,061	6,681
Total		<u>225,989</u>	<u>247,132</u>
 EXPENDITURE ON			
Raising funds	5	1,403	33,793
Charitable activities	6		
Mess facilities and activities		301,772	253,918
Total		<u>303,175</u>	<u>287,711</u>
 Net gains/(losses) on investments		<u>20,085</u>	<u>(13,703)</u>
 NET INCOME/(EXPENDITURE)		<u>(57,101)</u>	<u>(54,282)</u>
 RECONCILIATION OF FUNDS			
Total funds brought forward		576,620	630,902
 TOTAL FUNDS CARRIED FORWARD		<u><u>519,519</u></u>	<u><u>576,620</u></u>

The notes form part of these financial statements

WARDROOM MESS HMS NELSON

**BALANCE SHEET
31 MARCH 2024**

	Notes	31.3.24 Unrestricted funds £	31.3.23 Total funds £
FIXED ASSETS			
Tangible assets	11	204,098	219,100
Investments	12	213,794	193,709
		417,892	412,809
CURRENT ASSETS			
Stocks	13	33,945	36,116
Debtors	14	39,274	53,094
Cash at bank and in hand		103,772	91,768
		176,991	180,978
CREDITORS			
Amounts falling due within one year	15	(75,364)	(17,167)
NET CURRENT ASSETS		101,627	163,811
TOTAL ASSETS LESS CURRENT LIABILITIES		519,519	576,620
NET ASSETS		519,519	576,620
FUNDS	16		
Unrestricted funds		519,519	576,620
TOTAL FUNDS		519,519	576,620

The financial statements were approved and authorised for issue by the Board of Trustees and authorised for issue on 18 March 2025 and were signed on its behalf by:

Captain L M McLocklan - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

Voluntary income including donations, gifts and legacies and grants that provide funding of a general nature are recognised where there is entitlement, the receipt is probable and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from activities for generating funds, such as vending income, are recognised on a receivable basis.

Investment income is recognised on a receivable basis.

Income from charitable activities relates to mess subscriptions and events. Such income is recognised on a receivable basis.

Volunteers and donated services

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

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

Expenditure

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with mess facilities and events and include both the direct costs and support costs relating to those activities.
- Support and governance costs include central functions and have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £100. They are valued at cost or a reasonable value on receipt. Non depreciating items such as artefacts, silver and pictures are revalued periodically. Depreciation is straight line over the estimated life of the item but is not allocated to any of the activity costs.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Taxation

The charity is exempt from tax on its charitable activities.

WARDROOM MESS HMS NELSON

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. OTHER TRADING ACTIVITIES

	31.3.24	31.3.23
	£	£
Functions (non mess)	1,403	33,793
Function levy and surplus	16,444	7,779
Crystal sales	-	121
Z bed / IT equipment	-	555
Memento sales	1,179	748
	<u>19,026</u>	<u>42,996</u>

3. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Interest income	683	295
Investment dividends	6,378	6,386
	<u>7,061</u>	<u>6,681</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.24	31.3.23
		£	£
Bar sales	Mess facilities and activities	54,655	41,538
Mess subscriptions	Mess facilities and activities	59,873	45,424
Associate member subscriptions	Mess facilities and activities	6,280	6,767
Coffee	Mess facilities and activities	-	65
Mess functions	Mess facilities and activities	79,094	103,612
History books and other income	Mess facilities and activities	-	49
		<u>199,902</u>	<u>197,455</u>

WARDROOM MESS HMS NELSON

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

5. RAISING FUNDS

Raising donations and legacies

	31.3.24	31.3.23
	£	£
Functions (non mess)	1,403	33,793
	<u>1,403</u>	<u>33,793</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Support costs (see note 8) £	Totals £
Mess facilities and activities	277,477	24,295	301,772
	<u>277,477</u>	<u>24,295</u>	<u>301,772</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.24	31.3.23
	£	£
Bar purchases	29,178	30,057
Ticket function costs	79,094	103,612
Subsidy function costs	98,671	51,015
Mementos	552	1,940
Shop costs	400	3
Repairs and renewals	1,388	3,194
Tea / coffee	13,664	9,265
Newspapers	13,390	8,257
TV and amenities	4,053	4,085
LAF sports	3,300	3,600
Christmas decorations	12,564	10,200
Insurance costs	937	1,023
Trophy hire	674	797
Laundry and cleaning	4,214	1,143
Printing, postage and stationery	43	578
Performance rights society	1,699	1,431
Fish tank	333	100
Additional VAT	-	949
Mess guests	111	109
Presentation costs	641	465
Bad debt written off	12,571	-
	<u>277,477</u>	<u>231,823</u>

WARDROOM MESS HMS NELSON

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

8. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Mess facilities and activities	20,055	4,240	24,295

Support costs, included in the above, are as follows:

Management

	31.3.24 Mess facilities and activities £	31.3.23 Total activities £
Bank and card charges	4,742	1,013
Committee meeting costs	115	228
Depreciation of tangible and heritage assets	15,198	18,394
	<u>20,055</u>	<u>19,635</u>

Governance costs

	31.3.24 Mess facilities and activities £	31.3.23 Total activities £
Accountancy and legal fees	4,240	2,460

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Charitable activities	
Mess facilities and activities	197,455
Other trading activities	42,996
Investment income	6,681
Total	<u>247,132</u>
 EXPENDITURE ON	
Raising funds	33,793

WARDROOM MESS HMS NELSON

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
Charitable activities	
Mess facilities and activities	253,918
Total	<u>287,711</u>
Net gains/(losses) on investments	<u>(13,703)</u>
NET INCOME/(EXPENDITURE)	(54,282)
RECONCILIATION OF FUNDS	
Total funds brought forward	
As previously reported	626,159
Prior year adjustment	4,743
As restated	<u>630,902</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>576,620</u></u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2023	298,648
Additions	196
At 31 March 2024	<u>298,844</u>
DEPRECIATION	
At 1 April 2023	79,548
Charge for year	15,198
At 31 March 2024	<u>94,746</u>
NET BOOK VALUE	
At 31 March 2024	<u><u>204,098</u></u>
At 31 March 2023	<u><u>219,100</u></u>

Included in tangible fixed assets are assets totalling £130,230 (2023: £130,230) which are not depreciated.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2023	193,709
Revaluations	20,085
	<u>213,794</u>
At 31 March 2024	<u>213,794</u>
NET BOOK VALUE	
At 31 March 2024	<u>213,794</u>
At 31 March 2023	<u>193,709</u>

There were no investment assets outside the UK.

Cost or valuation at 31 March 2024 is represented by:

	Listed investments £
Valuation in 2022	7,426
Valuation in 2023	(13,703)
Valuation in 2024	20,085
Cost	199,986
	<u>213,794</u>

The Mess's investments are all held in Quilter Investors Limited's QC Global Income & Growth Fund.

13. STOCKS

	31.3.24	31.3.23
	£	£
Stocks	33,945	36,116
	<u>33,945</u>	<u>36,116</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Trade debtors	21,130	42,209
Other debtors	-	50
VAT	2,905	4,824
Prepayments	15,239	6,011
	<u>39,274</u>	<u>53,094</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade creditors	51,914	4,381
Other creditors	23,450	12,786
	<u>75,364</u>	<u>17,167</u>

16. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
Insurance provision (designated fund)	24,000	-	24,000
General fund	552,620	(57,101)	495,519
	<u>576,620</u>	<u>(57,101)</u>	<u>519,519</u>
TOTAL FUNDS	<u>576,620</u>	<u>(57,101)</u>	<u>519,519</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	225,989	(303,175)	20,085	(57,101)
	<u>225,989</u>	<u>(303,175)</u>	<u>20,085</u>	<u>(57,101)</u>
TOTAL FUNDS	<u>225,989</u>	<u>(303,175)</u>	<u>20,085</u>	<u>(57,101)</u>

Comparatives for movement in funds

	At 1.4.22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds					
Insurance provision (designated fund)	20,000	-	-	4,000	24,000
General fund	606,159	4,743	(54,282)	(4,000)	552,620
	<u>626,159</u>	<u>4,743</u>	<u>(54,282)</u>	<u>-</u>	<u>576,620</u>
TOTAL FUNDS	<u>626,159</u>	<u>4,743</u>	<u>(54,282)</u>	<u>-</u>	<u>576,620</u>

WARDROOM MESS HMS NELSON

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	247,132	(287,711)	(13,703)	(54,282)
TOTAL FUNDS	<u>247,132</u>	<u>(287,711)</u>	<u>(13,703)</u>	<u>(54,282)</u>

17. RELATED PARTY DISCLOSURES

The Managing Trustee holds the same position in the Leisure and Amenities Fund (LAF).

The Wardroom pays monthly sports contributions to the LAF which in 2023/24 totalled £3,300 (2022/23: £3,600).