

THE CENTRAL AMENITIES FUND

HMS DRAKE

ANNUAL REPORT AND FINANCIAL STATEMENTS

For Period

1 January 2023 to 31 December 2023

Registered Charity No. 1129024

Trustees' Annual Report and Comments

Central Amenities Fund HMS DRAKE

Charity Registered No:	1129024
Covering the Accounting Year:	1 January 2023 to 31 December 2023
Address:	HMS DRAKE Devonport Plymouth PL2 2BG
Governing Document:	Constitution
Object:	Promotion of the Military Efficiency and Operational Effectiveness of the Armed Forces by the provision of amenities to Service personnel serving in the Naval Base Devonport.
Trustee:	Brigadier M J Tanner OBE ADC RM
Trustee Selection Method:	Appointed as such by the Naval Secretary.
Bankers:	Lloyds Banking Group Royal Parade Plymouth
Independent Examiner:	M L Butcher FMAAT 5 Nursery Road Havant Hants PO9 3BG
Activities and Achievements:	To have resources available for expenditure on improvements to the quality of life and the engenderment of esprit de corps. The fund continued to support sporting and leisure activities and acted as a central bank for a variety of funds.
Financial Review:	<p>The fund had lost £15.3K on its operating activities. The main cause for this was the cost of maintaining the yacht exceeding the income by £14.1K. In addition, with the CAF subsidising the caravan and pool table/juke losses by £1.2K. As the investments had gained £69.3K in market value, this had led to an overall gain of £54.1K.</p> <p>The fund was worth £2.17M, of which £1.91M was held in investments. The deposit accounts held £396.1K and easily covered liabilities to creditors and other funds totalling £175K.</p>

Investment Selection Policy:	Investments are spread over 50 - 60 bonds and equities and are actively managed by Rathbones.
Financial Reserves Policy:	The Trustee has considered the level of reserves to retain, appropriate to the charity's needs. These are set at £1.5M to £2M and are held in investments. These provide the income stream to cover salary and other overhead costs. 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 Trustee will endeavour not to set aside funds unnecessarily.
Grant Policy:	Grants are paid for capital projects to enhance amenities and grants are paid to individuals and groups to support sporting activities.
Risk Assessment:	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.
Public Benefit Statement:	<p>This fund provides public benefit by assisting Service personnel to perform their roles more effectively within the Armed Forces of the Crown. It does this by providing and supporting leisure and sporting amenities. 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.</p> <p>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.</p>

Declaration:

I declare, in my capacity of Charity Trustee, that I have approved the above report.

Signature	<i>Signed on Original</i>
Name	Brigadier M J Tanner OBE ADC Royal Marines
Appointment	Naval Base Commander and Sole Managing Trustee
Date	14 February 2024

HMS DRAKE CENTRAL AMENITIES FUND

BALANCE SHEET

31-Dec-23

Fixed Assets	Note		31-Dec-22
Property	7	£ 22,000.00	£ 25,000.00
Investments	2	£ 1,909,187.15	£ 1,747,973.54
Total Fixed Assets		£ 1,931,187.15	£ 1,772,973.54
Current Assets			
Debtors & Prepayments	8	£ 14,490.76	£ 8,491.80
Deposit Accounts		£ 396,077.50	£ 493,875.57
Bank Accounts		£ 5,001.00	£ 5,001.00
Cash		£ 1,948.73	£ 3,566.39
		£ 417,517.99	£ 510,934.76
Current Liabilities			
Creditors	9	£ 5,110.00	£ 28,974.67
Approved Funds	10	£ 71,146.36	£ 67,407.54
Service Funds	11	£ 98,021.62	£ 67,178.47
Nuffield Trust	12	£ 700.00	£ 700.00
		£ 174,977.98	£ 164,260.68
Net Current Assets		£ 242,540.01	£ 346,674.08
Total Net Assets		£ 2,173,727.16	£ 2,119,647.62

Approved on 14 February 2024

Signed on Original

Brigadier M J Tanner OBE ADC Royal Marines
Sole Managing Trustee

HMS DRAKE CENTRAL AMENITIES FUND

STATEMENT OF FINANCIAL ACTIVITIES

		<u>2023</u>	<u>2022</u>
Income	Note		
Donations & Grants		£ 25,312.39	£ 13,708.15
Charitable Activities		£ 29,430.74	£ 15,994.32
Activities for Generating Funds		£ 13,421.78	£ 7,565.02
Investment Income		£ 65,261.84	£ 57,634.96
Total Incoming Resources	3	<u>£ 133,426.75</u>	<u>£ 94,902.45</u>
Expenditure			
Raising Funds		£ 8,133.25	£ 8,415.60
Charitable Activities		£ 140,560.82	£ 109,996.93
Total Resources Expended	4	<u>£ 148,694.07</u>	<u>£ 118,412.53</u>
Net Outgoing Resources		£ (15,267.32)	£ (23,510.08)
Plus (Less) Investments Revalued		£ 69,346.86	£ (174,732.79)
Net Movement in Funds		<u>£ 54,079.54</u>	<u>£ (198,242.87)</u>
Total Funds Brought Forward 1 Jan 23		£ 2,119,647.62	£ 2,313,513.58
Net Movement of Funds		£ 54,079.54	£ (198,242.87)
Total Funds Carried Forward 31 Dec 22		<u>£ 2,173,727.16</u>	<u>£ 2,115,270.71</u>

HMS DRAKE CENTRAL AMENITIES FUND

Notes to the Accounts dated 31 Dec 2023

Note 1 - Accounting policies

a. The financial statements are prepared under the historic cost convention (as modified by the revaluation of fixed asset investments) and in accordance with applicable accounting standards: Charities Statement of Recommended Practice effective 2019 and the provisions of the Charities Acts. Significant policies adopted are:

Incoming resources

- a. Donations are included in the Statement of Financial Activities (SOFA) when the CAF becomes entitled to the donation or grant and it is reasonably certain that it will be received.
- b. Incoming resources from fund raising are reported gross in the SOFA
- c. Intangible income is not included in the accounts.
- d. The CAF receives no unpaid volunteer help.
- e. Investment income is included in the accounts when receivable.

Expenditure and Liabilities

- a. Liabilities are recognised as soon as there is a legal or constructive obligation committing the CAF to the expenditure.
- b. Administration costs are incurred by the CAF Manager. These costs are not apportioned as the tasks are wide ranging in support of leisure and amenities and include the maintenance of the Central Bank facility for other funds.

Assets

- a. Tangible fixed assets are capitalised if they can be used for more than one year and cost at least £50. They are valued at cost or a reasonable value on receipt. The CAF does not have a policy of revaluation. Depreciation is annual, straight line and over the estimated life of the item.
- b. Investments on a recognised stock exchange are valued at market value at the date of the Balance Sheet or at best estimate of market value.
- c. Stocks are valued at the lower of cost or market value.

Note 2 - Investments

Market Value at Beginning of Year	£ 1,747,973.54
Gain on Revaluation at Year End	£ 69,346.86
Six Month Deposit - Apr 24	£ 100,000.00
Management Fees & Other Charges	£ (8,133.25)
Market Value at Year End	<u>£ 1,909,187.15</u>

Note 3 - Income

	<u>2023</u>	<u>2022</u>
<i>Voluntary Income</i>		
Bar Gainshare	£ 20,291.68	£ 8,682.15
Mess Contributions	<u>£ 5,020.71</u>	<u>£ 5,026.00</u>
	£ 25,312.39	£ 13,708.15
<i>Charitable Activities</i>		
Caravan Hire	£ 7,058.30	£ 4,438.89
Yacht	£ 19,761.40	£ 10,258.44
Misc	£ 1,891.12	£ -
Pool Table/Juke Box	<u>£ 719.92</u>	<u>£ 1,296.99</u>
	£ 29,430.74	£ 15,994.32
<i>Activities for Generating Funds</i>		
Health & Leisure Suite	£ 13,421.78	£ 7,565.02
<i>Investments</i>		
Dividends	£ 57,381.24	£ 54,713.06
Deposit Interest	<u>£ 7,880.60</u>	<u>£ 2,921.90</u>
	£ 65,261.84	£ 57,634.96
Total Income	<u><u>£ 133,426.75</u></u>	<u><u>£ 94,902.45</u></u>

Note 4 - Expenditure

	<u>2023</u>	<u>2022</u>
<i>Fund Raising</i>		
Rathbone Fees	£ 8,133.25	£ 8,415.60
<i>Charitable Activities</i>		
Operating Costs		
Sports Fund	£ 20,408.07	£ 17,313.95
Grants	£ 28,976.10 4A	£ 25,829.58
Insurance	£ 343.90	£ 343.90
Trophy Hire	£ 476.13	£ -
TV	£ 7,494.00	£ 7,494.00
Caravan	£ 7,611.50	£ 6,440.94
Caravan Depreciation	£ 3,000.00	£ 3,000.00
Yacht	£ 33,882.15	£ 12,536.93
Pool Table/Juke Box	£ 1,411.06	£ 1,280.86
Repairs & Renewals	£ 843.98	£ 376.95
Governance		
Examination and Accounts	£ 1,150.00	£ 1,120.00
Support		
Salaries	£ 30,998.82	£ 30,085.92
Pensions	£ 3,165.66	£ 3,072.17
Office Costs	£ 695.99	£ 804.74
Bank Charges	£ 98.00	£ 98.67
Misc Expenses	£ 5.46	£ -
Minor Depreciation	<u>£ -</u>	<u>£ 198.32</u>
	£ 140,560.82	£ 109,996.93
Total Expenditure	<u><u>£ 148,694.07</u></u>	<u><u>£ 118,412.53</u></u>

Note 4A - Major Grants (£1000 and above)

Kings Coronation	£ 2,260.00
Power Lifting	£ 1,000.00
Indigo Fitness	£ 4,216.19
China Fleet Club Corporate Membership	£ 2,488.80
Car Club	£ 4,000.00
It's a Knockout	£ 1,058.58
Wyvern Sound System	£ 2,085.96
WO&SR Mess - Christmas Lunch	£ 1,500.00
JR's Mess - Christmas Lunch	£ 1,832.53
Welfare - Coker	<u>£ 1,000.00</u>
	<u><u>£ 21,442.06</u></u>

Note 5 - Paid Employees 2023

		<i>Previous Year</i>
a.	Wages/Salaries: £ 30,998	£ 30,086
	Employers National Insurance: Nil	Nil
	Pension £ 3,538	£ 3,072
b.	There is one part-time employee who manages and administers the fund.	
c.	The fund is a member of a defined contribution pension scheme which had an estimated valuation on 30 Sep 22 that withdrawal costs would be £3671. This in the event that the fund withdraws from the scheme or there are no active members in the scheme then any remaining deficit will fall due and be payable by the fund.	

Note 6 - Trustees and Other Related Parties

- a. No expenses or emoluments have been paid to the Sole Managing Trustee
- b. There are no amounts due to or from the Sole Managing Trustee
- c. The Sole Managing Trustee is also the Sole Managing Trustee of the WO, SR & SNCO Mess and the Wardroom Mess HMS Drake. These funds pay contributions to the CAF. The Sole Managing Trustee is also the trustee of the charitable funds that use the CAF as their Central Bank (Note 9).

Note 7 - Fixed Assets - Fixtures, Fittings and Equipment

Caravan

Total Value at 1 Jan 23	£ 24,000.00
Less Depreciation	£ (3,000.00)
Value at 31 Dec 23	<u>£ 21,000.00</u>

Yacht - Ocean Dragon

Total Value at 1 Jan 23	£ 1,000.00
Value at 31 Dec 23	<u>£ 1,000.00</u> Residual Value

Note 8 - Debtors and Prepayments

Gainshare	£ 6,565.75
HMRC VAT	£ 227.48
Accrued Deposit Interest	£ 682.70
Caravan Ground Rent 23 Prepaid	£ 6,599.83
Yacht Insurance Prepaid	£ 415.00
	<u>£ 14,490.76</u>

Note 9 - Creditors (payable in less than one year)

PNIE - Accounts Examination	£ 1,150.00
Rathbones Management Fee	£ 2,050.00
Holding Fund - Pet Deposits	£ 300.00
Holding Fund - Other Donors	£ 1,610.00
	<u>£ 5,110.00</u>

Note 10 - Approved Funds

47 Cdo Boxing Fund	£ 261.89
47 Cdo HQ Fund	£ 5,549.54
47 Cdo Prize Fund	£ 1,930.71
47 Cdo Sports	£ 851.53
CC&S Derriford	£ 674.32
Chaplaincy	£ 2,245.39
COVID19 Hardship Fund	£ 2,835.79
Field Gun	£ 142.69
SURFLOT Sports Grassroots	£ 159.88
Drake Sports Grassroots	£ 287.53
FOST Social	£ 921.68
HMS Argyll/Iron Duke	£ 4,477.43
HMS Westminster	£ 583.66
Junior Ratings' Fund	£ 843.33
Joint Hospital Group (SW)	£ 674.35
PSGWIS	£ 39,484.07
QARNNS	£ 255.00
RNEC	£ 706.54
RN Aid Fund	£ 4,060.54
DCMH Plymouth	£ 7.25
Commonwealth Troops Fund	£ 1,636.31
RNR Engineering	£ 1,116.28
RN Logs Open Golf	£ 579.20
WR Golf Association	£ 227.87
SW ARO Grant	£ 633.58
	<u>£ 71,146.36</u>

Note 11 - Service Funds (using CAF as their bank)

47 Cdo General Purpose Fund	£ 2,594.26
47 Cdo Gig Club	£ 1,292.74
South West Armed Forces Sea Angling Club	£ 2,407.20
Drake Car Club	£ 7,786.43
Hasler Company	£ 24,084.36
Museum Manager's Fund	£ 14,337.81
RN Health Centre - Purple Fund	£ 1,390.67
NSFPS (W) Fund	£ 27,615.73
Volunteer Band	£ 6,860.65
Western Region Sports Fund	£ 9,651.77
	<u>£ 98,021.62</u>

Note 12 - Nuffield Trust

The Trust's Interest in Yacht.	<u>£ 700.00</u>
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Note 13 - Endowment or Restricted Income Funds - None held**Note 14 - Other Information**

- The CAF does not have any material commitments not provided for in the accounts
- The CAF has not given any guarantees to any third party that could be called on at the year end.
- The CAF has not granted any loans.
- The CAF did not make any ex gratia payments during the year.

Declarations

- The Trustee has not changed the year end date nor the length of the CAF's financial year.
- The CAF does not have any designated funds.
- All the CAF's operations are continuing operations and there were no operations discontinued or acquired during the year.
- The CAF has no intangible assets (other than office space provided by MOD).
- The CAF has no material fixed assets which have not been capitalised and included in the Balance Sheet.

**Independent Examiner's Report to the Trustee of the Central Amenities Fund
HMS Drake. Registered Charity Number: 1129024**

I report on the accounts of the Charity for the year ended 31 December 2023

Responsibilities and basis report

The charity's trustee is responsible for the preparation of the accounts. The charity's trustee considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (The Charities Act) and that an independent examination is needed.

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination, I have followed the 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 which gives me cause to believe that in any material respect:

- The accounting records were not kept in accordance with section 130 of the Charities Act; or
- The accounts did not accord with the accounting records; or
- The accounts did not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than in 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.

Signed on Original

M L Butcher FMAAT
5 Nursery Road
Havant
Hants PO9 3BG

14 February 2024