

***THE WARRANT OFFICERS', SENIOR RATINGS'
AND SERGEANTS' MESS***

HMS HERON

ANNUAL REPORT AND FINANCIAL STATEMENTS

For Period

1 May 2023 to 30 April 2024

Registered Charity No. 1133196

Trustees' Annual Report and Comments

Warrant Officers', Senior Ratings', and Sergeants' Mess HMS HERON

Charity Registered No:	1133196
Covering the Accounting Year:	1 May 2023 to 30 April 2024
Address:	RNAS Yeovilton Yeovil Somerset BA22 8HT
Governing Document:	Constitution (and Mess Rules)
Object:	Promotion of the Military Efficiency and Operational Effectiveness of the Armed Forces by the provision of mess facilities to Warrant Officers, Senior Ratings and Senior Non-Commissioned Officers serving in the Royal Naval Air Station, Yeovilton.
Trustee:	Commodore N R Griffin MBE Royal Navy (until 30 August 2023). Captain D Thomas Royal Navy (from 31 August 2023).
Trustee selection method:	Appointed as such by the Naval Secretary.
Bankers:	Barclays Bank King George Street Yeovil
Independent Examiner:	P A Nicholls MBE MAAT 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 mess put on a full social programme for its members during the year, except the Christmas ball was cancelled due to adverse weather conditions and generous subsidies were provided to functions.
Financial Review:	The mess finances remained healthy at £235.5K, despite a fall of £23.3K. Of this total, property and stock totalled £147.3K or 63% of the worth of the mess. Bank and cash assets of £77.2K exceeded liabilities by £20.2K. The main reason for the fall was that trading profits (mainly bar net profit and associate member subscriptions) of £15.5K did not cover function subsidies of £36.4K by £20.9K.
Investment Policy:	The charity has no investments.

Financial Reserves Policy:	The Trustee has considered the level of reserves required, appropriate to the charity's needs. This is set at £50K. 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.
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 will provide sufficient resources in the event of adverse conditions. Independent examination of the accounts twice yearly will mitigate the risk of any mismanagement by the mess committee.
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 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.</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.

Signed On Original

Name	Captain D Thomas Royal Navy
Appointment	Commanding Officer and Sole Managing Trustee
Date	31 May 2024

HMS HERON WARRANT OFFICERS', SENIOR RATINGS' AND SERGEANTS' MESS

Registered Charity 1133196

BALANCE SHEET

30-Apr-24

ASSETS

	Note		30-Apr-23
<u>Fixed Assets</u>			
Mess Property	7	£ 129,902.00	£ 141,520.00
<u>Current Assets</u>			
Bar & Vending Stocks:	7A	£ 17,357.25	£ 16,827.28
Mess Bills		£ 11,207.25	£ 13,190.00
Prepayments & Misc Debts	8	£ 18,513.20	£ 8,655.23
Bank Accounts		£ 76,007.30	£ 91,481.31
Bank Account (Xmas Draw)		£ 1,554.33	£ 3,096.58
Cash & Floats		£ 1,182.88	£ 2,467.89
Total Current Assets		<u>£ 125,822.21</u>	<u>£ 135,718.29</u>

LIABILITIES

Creditors	9	£ 18,819.14	£ 18,019.45
VAT Due		£ 1,413.57	£ 375.13
Current Liabilities		<u>£ 20,232.71</u>	<u>£ 18,394.58</u>
Net Current Assets		£ 105,589.50	£ 117,323.71
Net Assets		<u>£ 235,491.50</u>	<u>£ 258,843.71</u>

Approved on 31 May 2024

Signed On Original

Captain D Thomas Royal Navy
Sole Managing Trustee

HMS HERON WARRANT OFFICERS', SENIOR RATINGS' AND SERGEANTS' MESS

STATEMENT OF FINANCIAL ACTIVITIES

For Twelve Months to 30 April 2024

	Note	<u>Previous Year</u>
Income		
Charitable Activities	£ 296,103.55	£ 305,395.93
Other Trading Activities	£ 37,774.35	£ 42,657.22
Interest Income	£ 613.99	£ 94.08
Total Income	3 <u>£ 334,491.89</u>	<u>£ 348,147.23</u>
Expenditure		
Raising Funds	£ 38,037.43	£ 41,898.53
Charitable Activities	£ 316,599.49	£ 356,488.60
Total Expenditure	4 <u>£ 354,636.92</u>	<u>£ 398,387.13</u>
Net Expenditure	£ (20,145.03)	£ (50,239.90)
Previous Year Corrections	£ (3,207.18)	£ 1,995.50
Total Funds Brought Forward	£ 258,843.71	£ 307,088.11
Total Funds Carried Forward	<u>£ 235,491.50</u>	<u>£ 258,843.71</u>

HMS HERON WARRANT OFFICERS' ,SENIOR RATINGS' AND SERGEANTS MESS

Notes to the Accounts dated 30 April 2024

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, UK Accounting Standards and the Charities Acts.

Income

- a. Donations are included in the Statement of Financial Activities (SOFA) when the fund 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 fund receives no unpaid volunteer help.
- e. Interest 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 fund to the expenditure.

Assets

- a. Depreciating 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. Depreciation is straight line over the estimated life of the item. Depreciation is not allocated to activity costs as the use is varied.
- b. Stocks are valued at the lower of cost or market value.

Note 2 - Investments

There are none

Note 3 - Income

	<u>Year to 30 Apr 24</u>	<u>Previous Year</u>
<i>Charitable Activities</i>		
Mess Subs	£ 126,055.32	£ 132,470.26
Subscription Refund to 1 AAC	£ -	£ (10,204.25)
Associate Subscriptions	£ 4,027.74	£ 4,695.99
Bar Income	£ 106,694.38	£ 111,667.56
Vending Sales	£ 41,222.94	£ 38,333.14
Polo Shirts	£ 163.06	£ -
Function Income	£ 5,750.60	£ 20,420.37
Twickenham Army v Navy 2023	£ 1,681.50	£ -
Christmas Draw	£ 8,111.33	£ 3,840.92
Christmas Bottle Draw	£ 437.50	£ 714.00
Meat Raffle	£ 1,607.46	£ 2,514.00
Bouncy Castle Hire	£ 50.00	£ -
Misc Income	£ 301.72	£ 943.94
	<u>£ 296,103.55</u>	<u>£ 305,395.93</u>
<i>Other Trading Activities</i>		
Private & Departmental Functions	£ 37,774.35	£ 42,657.22
	<u>£ 37,774.35</u>	<u>£ 42,657.22</u>
<i>Investment Income</i>		
Bank Interest	£ 613.99	£ 94.08
Total Income	<u><u>£ 334,491.89</u></u>	<u><u>£ 348,147.23</u></u>

Note 4 - ExpenditureYear to 30 Apr 24Previous Year*Fund Raising*

Private & Department Functions	£ 37,984.05		£ 41,717.63
Private Function Sundries	<u>£ 53.38</u>		<u>£ 180.90</u>
		£ 38,037.43	£ 41,898.53

*Charitable Activities**Operating Costs*

Bar Expenses	£ 95,704.59	£ 94,206.51
Bar Uniform	£ -	£ 196.00
Vending Purchases	£ 40,483.27	£ 35,329.87
Polo Shirts	£ 120.40	£ -
Function Expenses from Tickets	£ 5,750.60	£ 20,420.37
Functions Expenses from Subsidy	£ 36,414.66	£ 65,843.96
Additional VAT from Subsidy	£ 619.36	£ 1,347.78
Twickenham Army v Navy	£ 3,067.52	£ -
Christmas Draw	£ 7,248.34	£ 5,559.92
Christmas Bottle Draw	£ 349.59	£ 538.24
Monthly Meat Raffle	£ 1,960.00	£ 2,365.17

Refurbishment Costs

President's Room Refurb	£ -	£ 10,003.54
TV Room - Audio/Visual Refurb	£ -	£ 11,344.21
Chesterfield Furniture Refurbishment	£ 4,000.00	£ -

Running Costs

Mess AGM	£ -	£ 624.00
Insurances	£ 1,603.07	£ 1,534.61
Repairs & Renewals	£ 4,236.10	£ 5,353.86
Patio & Outside Improvements	£ 792.98	£ -
Reactive Cleaning	£ 236.80	£ 76.46
Xmas Decorations	£ 15,574.46	£ 15,090.00
Newspapers & Periodicals	£ 3,317.10	£ 2,933.90
TV and Video	£ 5,353.16	£ 1,597.47
Presentation Stock, Gifts & Flowers	£ 12,824.47	£ 14,374.54
Trophy Hire	£ 48.40	£ 48.68
Coffee/Water	£ 18,346.06	£ 12,753.10
Dining Hall Extra Messing	£ 13,932.02	£ 11,405.40
Performing Rights	£ 1,596.22	£ 1,449.66
Mess Guests	£ 2,686.86	£ 2,761.15
Grants	£ 1,766.88	£ 698.40
Miscellaneous Expenses	£ -	£ 391.39

Governance Costs

Examination of Accounts	£ 1,795.00	£ 1,760.00
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Support Costs

Office Costs	£ 4,085.63	£ 4,083.18
EPOS Tills	£ 1,788.00	£ -
Committee Wages	£ 11,741.81	£ 11,385.65
Bank & Card Charges	£ 1,291.30	£ -
Depreciation	<u>£ 17,864.84</u>	<u>£ 21,011.58</u>

£ 316,599.49

£ 356,488.60

Total Expenditure

£ 354,636.92£ 398,387.13**Note 5 - Paid Employees**

a. Wages totalling £28946 (previous year £24617) were paid to bar staff and a committee member. None earned enough to require Employer's National Insurance contributions to be paid.

Note 6 - Trustees and Other Related Parties

- a. No expenses or emoluments have been paid to the Sole Managing Trustee
b. There were no amounts due to or from the Sole Managing Trustee.

Note 7 - Tangible Fixed Assets - Property Account

	Depreciating Property	Non-Depreciating Property
As at 1 May 2023	£ 45,855.00	£ 95,665.00
Additions	£ 6,246.84	£ -
Depreciation & Disposals	£ (17,864.84)	£ -
As at 30 Apr 2024	<u>£ 34,237.00</u>	<u>£ 95,665.00</u>

Note 7A - Stocks

Bar	£ 12,401.09
Vending	£ 1,795.86
Polo Shirt	£ 3,160.30
	<u>£ 17,357.25</u>

Note 8 - Miscellaneous Debtors & Prepayments

Vending	£ 2,800.00
Private Function	£ 73.36
Christmas Ball Cancelled - Supplier costs held for other Events	£ 9,453.14
Bank Interest	£ 107.00
Twickenham 24	£ 3,028.50
Bar Sales	£ 1,212.20
Prepaid Performing Rights/PPL	£ 839.00
Prepaid Insurance	£ 1,000.00
	<u>£ 18,513.20</u>

Note 9 - Creditors

Crown Accommodation	£ 1,166.76
HMRC - Additional VAT on Functions	£ 619.36
Top Tables	£ 5,952.19
Twickenham 24	£ 1,720.00
Newspapers	£ 278.40
Coffee	£ 1,272.64
Coors - Bar	£ 518.38
Bar Gas	£ 141.87
Sage	£ 321.30
Christmas Ball Cancelled - Ticket Refunds Owing	£ 5,423.24
Christmas Draw 25 - Prepaid tickets	£ 490.00
PN Independent Examinations	£ 915.00
	<u>£ 18,819.14</u>

Note 10 - Endowment or Restricted Income Funds

There were none.

Note 11 - Other Information

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

Note 12 - Declarations

- The Trustee has not changed the year end date
- All the fund's operations are continuing operations and there were no discontinued operations.
- The fund has no marketable intangible assets
- None of the funds functional assets have been revalued during the year and the fund does not have a policy of revaluation of these assets although there are periodic professional valuations of non depreciating assets.
- The fund has no material fixed assets which have not been capitalised and included in the Balance Sheet.

Bar Trading for Twelve Months to 30 Apr 24

			<i>Previous Year</i>	
Sales	£ 106,694.38		£ 111,667.56	
Cost of Sales	<u>£ 73,436.70</u>		<u>£ 76,935.33</u>	
Gross Profit	£ 33,257.68		£ 34,732.23	
Gross Profit or Loss /Sales =		31%		31%
Gross Profit or Loss /Cost of Sales = (i.e. average mark up)		45%		45%
Less Expenses:				
Bar Wages	£ 17,204.37	16%	£ 13,232.30	12%
Pipe Cleaning & Spillage	<u>£ 5,063.52</u>	5%	<u>£ 4,038.88</u>	4%
	<u>£ 22,267.89</u>		<u>£ 17,271.18</u>	
Net Profit	<u><u>£ 10,989.79</u></u>	10.3%	<u><u>£ 17,461.05</u></u>	15.6%

Independent Examiner's Report to the Trustee of the Warrant Officers' and Senior Ratings' and Sergeants' Mess HMS Heron. Registered Charity No. 1133196

I report to the trustee on my examination of the accounts of the Warrant Officers' and Senior Ratings' and Sergeants' Mess HMS Heron for the year ended 30 April 24

Respective responsibilities of trustees and examiner

As the charity's trustee is 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 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a licenced member of the Association of Accounting Technicians.

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

P A Nicholls MBE MAAT
5 Nursery Road
Havant
Hants PO9 3BG

31 May 2024