

THE WARDROOM

HMS HERON

ANNUAL REPORT AND FINANCIAL STATEMENTS

For Period

1 May 2022 to 30 April 2023

Registered Charity No. 1133200

Trustees' Annual Report and Comments

The Wardroom HMS HERON

Charity Registered No:	1133200
Covering the Accounting Year:	1 May 2022 to 30 April 2023
Address:	RNAS Yeovilton Ilchester Somerset BA22 8HT
Governing Document:	Constitution (and Mess Rules)
Objects:	Promotion of the Military Efficiency and Operational Effectiveness of the Armed Forces by the provision of mess facilities to Commissioned Officers serving in the Royal Naval Air Station, Yeovilton.
Trustee:	Commodore N R Griffin MBE Royal Navy
Trustee selection method:	Appointed as such by the Naval Secretary.
Bankers:	Lloyds TSB 9 High St Yeovil
Independent Examiner:	P A Nicholls MBE MAAT 5 Nursery Road Havant 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 past year has seen the mess put on a full social programme for its members and generous subsidies were provided to mess functions.
Financial Review:	<p>The total value of the fund increased by £26K to £408.8K. Bank assets of £156.8K easily covered liabilities of £18.3K. The main factors in the increase in assets were:</p> <ul style="list-style-type: none">• Mess subscriptions exceeding running costs by £16.6K.• £13.3K, of the trading profits including the entertainment levy was not used for function subsidy but offset by• Wake and Lynx Squadron Dinner contributions costing £2.3K.
Financial Reserves Policy:	The Trustee has considered the level of reserves appropriate to the charity's needs. This is set at £40K. 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.
Investment Selection Policy:	No investments are held.

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.

Public Benefit Statement: 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.

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.

Declaration:

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

Signed on Original

Name	Commodore N R Griffin MBE Royal Navy
Appointment	Commanding Officer and sole Managing Trustee
Date	31 May 2023

HMS HERON WARDROOM MESS FUND

REGISTERED CHARITY No 1133200

BALANCE SHEET

30-Apr-23

		Note			30-Apr-22
<u>ASSETS</u>					
<u>Fixed Assets</u>					
Mess Property	7		£ 235,512.00		£ 216,973.00
<u>Current Assets</u>					
Stocks at Cost:	7A	£ 10,205.40		£ 10,996.23	
Messbills & Function Payments Due		£ 14,565.27		£ 22,759.69	
Misc Debts & Prepayments	8	£ 4,762.75		£ 1,971.00	
Bank Accounts		£ 156,818.81		£ 145,406.58	
Cash & Floats		£ 5,305.67		£ 4,925.20	
Total Current Assets		<u>£ 191,657.90</u>		<u>£ 186,058.70</u>	
<u>LIABILITIES</u>					
Trade & Misc Creditors	9, 9A	£ 11,832.88		£ 10,338.21	
Squadron Funds	9B	£ 3,508.18		£ 7,880.10	
VAT		£ 2,994.09		£ 1,977.12	
Current Liabilities		<u>£ 18,335.15</u>		<u>£ 20,195.43</u>	
Net Current Assets			£ 173,322.75		£ 165,863.27
Net Assets			<u>£ 408,834.75</u>		<u>£ 382,836.27</u>

Approved on 31 May 2023

Signed on Original

Commodore N R Griffin MBE
Sole Managing Trustee

HMS HERON WARDROOM MESS FUND

STATEMENT OF FINANCIAL ACTIVITIES

For Year to 30 Apr 23

	Note		<u>Previous Year</u>
Income			
Charitable Activities		<u>£ 257,714.74</u>	<u>£ 166,943.61</u>
Total Income	3	£ 257,714.74	£ 166,943.61
Expenditure			
Charitable Activities		<u>£ 231,716.26</u>	<u>£ 159,797.21</u>
Total Expenditure	4	£ 231,716.26	£ 159,797.21
Income exceeds Expenditure		£ 25,998.48	£ 7,146.40
Previous Year Correction		£ -	£ 152.34
Net Income/Expenditure		<u>£ 25,998.48</u>	<u>£ 7,298.74</u>
Total Funds Brought Forward		£ 382,836.27	£ 375,537.53
Total Funds Carried Forward		<u>£ 408,834.75</u>	<u>£ 382,836.27</u>

HMS HERON WARDROOM MESS FUND

Notes to the Accounts dated 30 April 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, UK Accounting Standards and the Charities Acts.

Incoming resources

- 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. Paintings, furniture, works of art, silver and books were valued 2011.
- b. Depreciating 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. Depreciation is straight line over the estimated life of the item. Depreciation is not allocated to activity costs as the use is varied.
- c. Stocks are valued at the lower of cost or market value.

Note 2 - Investments

No Investments

Note 3 - Income

	<u>Year to 30 Apr 23</u>	<u>Previous Year</u>
<i>Charitable Activities</i>		
Mess Subs	£ 68,391.44	£ 49,981.42
Associate Subscriptions	£ 5,753.00	£ 4,673.26
Entertainment Levy	£ 26,151.04	£ 17,191.05
Official Function Income	£ 58,203.85	£ 43,076.11
Private Functions Income	£ 10,827.96	£ 2,112.54
Livers In Function	£ 1,869.23	£ 140.00
Bar income	£ 82,933.96	£ 46,650.94
Shop Income	£ 2,474.03	£ 2,144.10
Cabin Cleaning - Pets	£ 200.00	£ 450.00
Catering Sundries	£ 551.66	£ 285.39
Stamps	£ -	£ 0.85
Misc Income	£ 358.57	£ 237.95
	£ 257,714.74	£ 166,943.61
Total Income	£ 257,714.74	£ 166,943.61

Note 4 - Resources Expended

	<u>Year to 30 Apr 23</u>		<u>Previous Year</u>
<i>Charitable Activities</i>			
Trading Costs			
Function expenses from tickets	£	58,203.86	£ 43,076.11
Functions expenses from subsidy	£	33,307.13	£ 27,932.48
Christmas Draw Subsidy	£	1,885.92	£ -
Private Functions	£	10,792.38	£ 2,102.95
Wake - Mess Subsidised	£	2,164.48	£ -
Lynx Dinner - Labour Subsidised	£	90.00	£ -
Livers In Function	£	1,869.23	£ 397.98
Licences	£	843.27	£ 1,261.00
Bar Expenses	£	68,551.60	£ 35,990.64
Shop Expenses	£	2,182.36	£ 1,908.62
Mess Running Costs			
Insurances	£	3,481.83	£ 3,718.06
Trophy Hire	£	734.16	£ 368.00
Dining Hall Extras	£	7,036.72	£ 7,259.60
Repairs & Renewals	£	839.98	£ 2,429.95
Refurbishment	£	361.45	£ 29.08
Newspapers & Periodicals	£	6,283.40	£ 3,709.26
Internet/telephone	£	700.10	£ 821.58
TV and Video	£	5,876.72	£ 5,635.91
Leavers Gifts	£	2,505.51	£ 1,996.38
Tea & Coffee	£	7,614.60	£ 5,741.25
Garden Project	£	1,041.28	£ 35.92
Cleaning	£	164.38	£ 94.77
Misc Expenses	£	34.56	£ 9.59
Governance Costs			
Examination of Accounts	£	1,780.00	£ 1,750.00
Support Costs			
Write Off/Bad Debt	£	61.18	£ -
Office Costs	£	356.24	£ 173.56
Bank/Card Charges	£	2,859.39	£ 2,607.31
IT Support	£	2,486.76	£ 3,119.65
Depreciation	£	7,607.77	£ 7,627.56
		£ 231,716.26	£ 159,797.21
Total Expenditure		<u>£ 231,716.26</u>	<u>£ 159,797.21</u>

Note 5 - Paid Employees

a. There were no paid employees.

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

Note 7 - Tangible Fixed Assets - Property Account

	Non Depreciating	Depreciating
As at 1 May 22	£ 193,900.00	£ 23,073.00
Additions		£ 26,146.77
Less Depreciation		£ (7,607.77)
As at 30 Apr 23	<u>£ 193,900.00</u>	<u>£ 41,612.00</u>

Note 7A - Stocks

Wine	£ 8,385.86
Shop/Sundries	£ 141.82
Postage	£ 68.68
Coffee	£ 437.14
Tankards	£ 1,171.90
	<u>£ 10,205.40</u>

Note 8 - Prepayments, Misc Debtors

Insurance prepaid	£ 1,624.00
Performing Rights Licence Prepaid	£ 897.00
CETSAT Internet Support	£ 473.75
IT Support - Sage Prepaid	£ 1,725.00
TV Licence Prepaid	£ 43.00
	<u>£ 4,762.75</u>

Note 9 - Trade Creditors

BOC Ltd	£ 237.63
Performing Rights Licence	£ 1,173.83
CJ's News - Newspapers & Magazines	£ 574.71
Sky	£ 440.40
Cardnet	£ (34.43)
Lloyds Bank Charges	£ 11.00
Bottomline	£ 139.70
	<u>£ 2,542.84</u>

Note 9A - Other Creditors

Bed Linen Charges	£ 169.60
Key deposits	£ 575.00
Crown Food & Accom	£ 1,378.35
DIO Room Hire	£ 6,208.09
Bank Charges	£ 28.00
Trophy Hire - Estimate	£ 31.00
PNIE	£ 900.00
	<u>£ 9,290.04</u>

Note 9B - Held for Other Funds

ATCO Fund	£ 181.03
Plumbers Fund	£ 300.00
CHF Fund	£ 263.00
1AAC Officers' Fund	£ 1,065.00
815 Fund	£ 205.00
825 Fund	£ 520.50
845 Fund	£ 395.00
847 Fund	£ 285.00
846 Fund	£ 283.65
WOSR Subscription	£ 10.00
	<u>£ 3,508.18</u>

Note 10 - Endowment or Restricted Income Funds

There are 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.

Declarations

- The Trustee has not changed the year end date nor the length of the fund's financial year
- All the fund's operations are continuing operations and there were no discontinued operations.
- No funds are in deficit.
- The fund has no marketable intangible assets
- There were no interfund loans outstanding at the balance sheet date.
- 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.
- The fund has no material fixed assets which have not been capitalised and included in the Balance Sheet.

Bar Trading for year ended 30 Apr 23

			<i>Previous Year</i>
Sales	£ 82,850.87		£ 44,654.20
Sales at Cost	£ 83.09		£ 1,993.22
	<u>£ 82,933.96</u>		<u>£ 46,647.42</u>
Cost of sales	<u>£ 66,179.36</u>		<u>£ 33,554.78</u>
Gross Profit	£ 16,754.60		£ 13,092.64
Gross Profit/Sales =%	20.2%		29.3%
Gross Profit/Cost of Sales = % (i.e average mark up)	25.3%		39.0%
Less:			
Pipecleaning	£ 408.89	0.5%	£ 336.54 0.8%
Ullage/Spillage	£ 211.76		£ 562.67
Bar Sundries	<u>£ 1,751.59</u>		<u>£ 1,536.65</u>
	<u>£ 2,372.24</u>		<u>£ 2,435.86</u>
Net Profit	<u><u>£ 14,382.36</u></u>	17.3%	<u><u>£ 10,656.78</u></u> 23.9%

Shop Trading for year ended 30 Apr 23

			<i>Previous Year</i>
Sales	£ 2,474.03		£ 2,144.10
Cost of Sales	<u>£ 2,182.36</u>		<u>£ 1,908.62</u>
Gross Profit	<u><u>£ 291.67</u></u>		<u><u>£ 235.48</u></u>
Gross Profit/Sales =%	11.8%		11.0%
Gross Profit/Cost of Sales = % (i.e average mark up)	13.4%		12.3%

**Independent Examiner's Report to the Wardroom Mess HMS Heron.
Registered Charity No 1133200.**

I report to the trustee on my examination of the accounts of the Wardroom HMS Heron for the year ended 30 April 23

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 2023