

REGISTERED CHARITY NUMBER: 1153323

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025
FOR
ROYAL MERCHANT NAVY EDUCATION FOUNDATION**

Lewis Brownlee (Chichester) Limited
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

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FOR THE YEAR ENDED 31 AUGUST 2025**

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ROYAL MERCHANT NAVY EDUCATION FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their report with the financial statements of the charity for the year ended 31 August 2025. 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

Aims and objectives

The object of the Foundation is to afford charitable benefit and relief to its beneficiaries by providing for or towards their maintenance and education in accordance with the principles of Christian religion and morality and by assisting them in training for and taking up employment.

Provided that:

"Foundationers" means the children and young people who are in need and are the natural or adopted children or other legal dependents of a person who has served or is serving at sea in the Merchant Navy or Fishing Fleet or the Royal National Lifeboat Institution (RNLI) provided that priority may be given to Foundationers who are British or have at least one British parent.

A person **"serving at sea in the Merchant Navy"** means any seafarer working in any capacity aboard a merchant vessel which includes but is not limited to passenger liners, ferries, container ships, tankers, bulk carriers, break bulk and refrigerated cargo ships, Royal Fleet Auxiliaries (or their equivalent), coasters, specialist ships (e.g. RNLI lifeboats, deep sea rigs, salvage vessels, oil support vessels, lighthouse tenders etc.), luxury private charter yachts.

A person **"serving at sea in the Fishing Fleet"** means any seafarer working in any capacity onboard inshore or deep-sea fishing vessels.

A person **"serving at sea in the Royal National Lifeboat Institution"** means any crew member of a lifeboat operated by this Institution.'

Objectives, strategies and activities

The Foundation's property assets comprise the unencumbered freehold of some 262 acres of the Grade II* Bearwood Estate of which:

- c. 202 acres is leased until 2121 to Bearwood Lakes Golf Club; and
- c. 60 acres of woodland called Link Wood is leased to Reddam House (Berkshire) until 27th March 2031.

In addition, the Foundation retains a portfolio of quoted investments.

Public benefit

The following activities are undertaken to further public benefit:

- Providing support and funding to existing Foundationers to enable them to maximise and achieve their potential.
- Identifying new Foundationers who qualify for support and would benefit from access to the Foundation's funding during their formative years.
- Developing marketing activities to identify new Foundationers.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

Equality, Diversity and Inclusivity

1. Governance Approach

Blind to Individualities: The Foundation takes a neutral and unbiased approach toward its beneficiaries, treating each as an individual with unique needs and circumstances. **Diverse Board Composition:** The Board demonstrates diversity in professional backgrounds and expertise, including legal, financial, educational, maritime, healthcare, and judicial fields. This variety ensures a well-rounded perspective in decision-making.

2. Support for Beneficiaries

Focus on Need: The Foundation prioritises beneficiaries identified as in need, emphasizing their unique challenges and aspirations. **Education and Career Training:** It underscores education and training as tools for empowerment, enabling disadvantaged young individuals to access opportunities that can lead to fulfilling and productive lives.

3. Commitment to Inclusivity

The Foundation's practices align with inclusive principles, ensuring that both governance and beneficiary support reflect broad perspectives and equitable treatment. This approach supports the Foundation's mission of fostering opportunity and addressing inequality effectively.

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

Having agreed the widening of the beneficiary-class criteria, on 5th July 2022 the Charity Commission gave its formal consent under s.226(2)(a) of the Charities Act 2011 to amend the Foundation's objects to read:

The objects of the Foundation are in order of priority:

1. to afford charitable benefit and relief to Foundationers by providing for or towards their maintenance and education in accordance with the principles of Christian religion and morality and by assisting them in training for and taking up employment; and
2. to support the charitable objects of organisations that operate predominantly in Great Britain and that have activities which could include contributing towards the maintenance training or education of Foundationers. Provided that: "Foundationers" means the children and young people who are in need and are the natural or adopted children or other legal dependents of a person who has served or is serving at sea in the Merchant Navy or Fishing Fleet, or the Royal National Lifeboat Institution provided in either case that priority may be given to Foundationers who are British or have at least one British parent. A person "serving at sea in the Merchant Navy" means any seafarer working in any capacity aboard a merchant vessel which includes but is not limited to passenger liners, ferries, container ships, tankers, bulk carriers, break bulk and refrigerated cargo ships, Royal Fleet Auxiliaries (or their equivalent), coasters, specialist ships (e.g. RNLI lifeboats, deep sea tugs, salvage vessels, oil support vessels, lighthouse tenders etc), luxury or charter yachts. A person serving at sea in the "Fishing Fleet" means any seafarer working in any capacity aboard inshore or deep-sea fishing vessels. A person "serving at sea in the Royal National Lifeboat Institution" means any crewmember of a lifeboat operated by this Institution.

The Foundation's Trustees as Members approved this change at their meeting on 10th October 2022.

The Trustees had three purposes for this application to the Charity Commission:

- to enable the Foundation to make re-payment grants to other charities; and
- to enable the Foundation to make grants to charities; and
- to be able to deploy the Foundation's significant resources more widely.

During the year, the Trustees supported 78 beneficiaries (2024: 107). Although overall beneficiary numbers decreased, the Foundation has provided greater support per capita, reflecting the rising costs associated with education, training, and family needs.

The Foundation continued to offer monthly grants to undergraduates at the updated rates of £620 per month for those living away from home and £415 per month for those living at home during their studies. These grants continue to be paid monthly in arrears and remain conditional on beneficiaries self-certifying their ongoing attendance and submitting quarterly attendance documentation signed and stamped by their educational institution.

Grants of up to £200 per annum were again provided to assist with school uniform costs, alongside one-off payments of £500 where appropriate to support beneficiaries' essential needs. While no new grant types were introduced this year, the Trustees noted a significant increase in requests for support with extracurricular activities, including swimming lessons, dance classes, and similar developmental opportunities that strengthen beneficiaries' wellbeing and confidence.

Collaboration with the Sailors' Children's Society has continued to grow from strength to strength, enhancing the support available to families facing hardship. In addition, the Foundation has established closer working relationships with the Merchant Navy Welfare Board (MNWB), Seafarers UK, and the Fishermen's Mission, enabling more coordinated assistance, improved referral pathways, and a more holistic approach to meeting the needs of seafaring families.

The Trustees also celebrate the achievements of beneficiaries who have graduated from university and further education this year. As in previous years, not all beneficiaries follow a traditional academic route, and the Foundation has continued to support a diverse range of pathways including vocational training, apprenticeships, maritime career development, and creative or entrepreneurial endeavours. These outcomes reflect the Foundation's commitment to ensuring each young person can pursue the education or training best suited to their aspirations and circumstances.

Fundraising activities

As in previous years, no fundraising has been undertaken.

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

FINANCIAL REVIEW

Policy on reserves

Funds shown on the Foundation's balance sheet totalled £21,583,006 (2024: £21,559,385) of which £3,101 (2024: £25,349) is restricted, because the capital or income is not available for the general purpose of the Foundation. The Foundation's tangible fixed assets are held for use by the Foundation. The stated value of the fixed assets, including investments, is £21,872,051 (2024: £22,156,597) Working capital is adequate in the short term to meet needs and the Foundation has neither overdraft facilities nor any charge on assets.

The Bearwood Estate

In 1919, the Foundation was given the freehold of the 493a Bearwood Estate by Sir Thomas Lane Devitt Bt and Sir Eric Yarow Bt. Between 2012 and 2015, the Trustees disposed of 231 acres of this Estate while retaining the freehold of the residual 262 acres.

With the disposal of the 231 acres of the Estate, the Foundation continues to have a high level of reserves as a safety net to cover the costs of educating beneficiaries.

Investment policy and objectives

The Trustees' investment policy takes account of the Trustees' desire to maintain and grow over time the real value of the capital and income and to reflect their ambitions to maximise the educational support available to beneficiaries.

FUTURE PLANS

The Trustees continue to develop long-term plans for the Foundation's future, ensuring that RMNEF remains responsive to the changing needs of seafaring families. No further portions of the Bearwood Estate were sold during the year, and the retained estate remains under lease. A rent review was accomplished, and the Trustees will continue to oversee this area with careful stewardship.

Looking ahead, the Trustees have identified several strategic priorities aimed at strengthening the Foundation's impact and sustainability. These include deepening partnerships with key maritime charities such as the Merchant Navy Welfare Board, Seafarers UK, the Fishermen's Mission, and the Sailors' Children's Society, with a view to improving coordination and widening access to support.

The Foundation will also continue to expand its outreach to seafaring families, improving visibility and ensuring that those who may benefit from assistance are better able to access it. Modernising internal systems remains a priority, with planned developments in digital application processes, data management, and grant administration to ensure faster, more efficient support for beneficiaries.

The Trustees intend to review the current grants structure, including evaluating the adequacy of existing rates in light of cost-of-living pressures. Alongside academic pathways, the Foundation will further strengthen its support for vocational and maritime routes such as UKSA, apprenticeships, and professional training.

During the coming year, the Trustees will undertake a series of governance, strategy, and investment reviews to ensure the Foundation is well-positioned for the future. This includes work on developing a refreshed long-term vision for RMNEF, exploring additional opportunities for collaboration, and strengthening the Charity's financial sustainability. The Trustees remain committed to evolving the Foundation's approach to supporting children and young people, ensuring that assistance remains relevant, effective, and aligned with the needs of modern seafaring families.

THE ROYAL MERCHANT NAVY SCHOOL FOUNDATION (309047)

The Royal Merchant Navy School Foundation, a registered charity (number 309047) is controlled solely by the Foundation's Trustees, continues to exist even though it received no income nor incurred any expenditure in the year under report.

The Charity Commission has authorised Trustees to use a total return approach to investments.

ACKNOWLEDGEMENTS

The Trustees acknowledge the generosity of all of the Foundation's many supporters and extend their thanks for the help towards the education and maintenance of children of seafarers. The Trustees also wish to record their appreciation of the hard work of all the Foundation's Staff.

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Royal Merchant Navy Education Foundation:

- was originally traced back to 1827 when it was referred to as an asylum and has since then gone through several name changes.
- was registered as a Charitable Incorporated Organisation in 2013.
- is governed by:
 - its Constitution dated 24th July 2013 which was approved by the Charity Commissioners on 9th August 2013.
 - the Board of Trustees as listed below.

Recruitment and appointment of new trustees

Trustees are appointed at a meeting of the Board of Trustees on nominations received from serving Trustees or employees.

Organisational structure

The Board is legally responsible for the overall management and control of the Foundation and meets at least four times each year. The whole Board is directly involved in all matters of the Foundation. The day-to-day management of the Foundation is delegated to the CEO.

Induction and training of new trustees

The induction process includes the opportunity, prior to election, to meet executive staff and to access past Accounts and Minutes, and Trustees are directed to the advice on their duties and responsibilities available both on the Charity Commission website and others. Trustees are also invited to participate in seminars relevant to their duties.

Key management remuneration

Trustees are responsible for Staff remuneration the review of which forms part of the budgetary approval process in October each year.

Risk management

The Trustees are responsible for the management of risks faced by the Foundation. Throughout the year, new risks are identified and assessed, and controls established. A formal review of all identified risks is undertaken each year: in particular, a review of the Investment Manager's performance is carried out annually. Controls in place to manage the risks include maintaining:

- Clear terms of reference and agenda for Trustee Board and ad hoc Sub-Committees.
- Strategic planning, budgeting, management accounting and financial controls.
- A current Investment Management Agreement.
- Leases or similar legal agreements with all tenants of the Foundation's property devolving, where possible, liabilities to the tenants.
- Insurance where appropriate.

Serious Incidents

No serious incidents occurred in the year under report.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1153323

Principal address

1a Charnham Lane
Berkshire
RG17 0EY

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025**

Trustees

Ms Lesley Robinson (Chair)
Cdre William Walworth CBE
Mrs Emma McKendrick
Judge Simon Cooper DL
Cdre Michael Cochrane OBE
Dr Rodney Owen-Jones
Ms Linda Cotton (appointed 23.1.25)

Chief Executive Officer (CEO)

Ms Linda Cotton (resigned 31.12.2024)
Mrs Diana Pearson (appointed 01.01.2025)

Other Officers

Miss Rose Osborn (Part-time)
Miss Louise Docherty (Part-time)

Honorary Vice-Presidents

Lieutenant-Commander Jeremy D Devitt RN (Ret'd)
Mr John Adey MA (Oxon)

Patron

H M King Charles III

Auditors

Lewis Brownlee (Chichester) Limited
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Bankers

Handelsbanken Newbury
St Anthony's House
Oxford Square
9-21 Oxford Street
Newbury
Berkshire

Solicitors

Bates Wells Braithwaite LLP
10 Queen Street Place
London
EC4R 1BE

Blake Morgan LLP
6 New Street Square
London
EC4A 3DJ

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Investment Advisors

The firm, previously known as Veritas Investment Partners (UK) Limited, changed its name to Meridiem Investment Management Limited on 26 March 2024, and then again to Navera Investment Management Limited on 10 June 2025.

Navera Investment Management LLP
Riverside House
2a Southwark Bridge Road
London
SE1 9HA

Insurers

NFU Mutual
Dunn House
Charnham Lane
Hungerford
RG17 0EY

TRUSTEES' RESPONSIBILITY STATEMENT

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

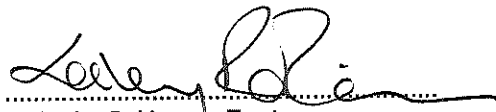
Charity law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and The Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the Board of Trustees on 22nd January 2026 and signed on its behalf by:


Ms Lesley Robinson - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ROYAL MERCHANT NAVY EDUCATION FOUNDATION

Opinion

We have audited the financial statements of Royal Merchant Navy Education Foundation (the 'charity') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2025 and of its incoming resources and application of resources, 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 requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ROYAL MERCHANT NAVY EDUCATION FOUNDATION

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- enquiry of entity's staff to identify any instances of non-compliance with laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- auditing the risk of management override of controls including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Lewis Brownlee (Chichester) Ltd

Lewis Brownlee (Chichester) Limited
Statutory Auditors
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

Date: *4 March 2026*

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025**

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	26,230	-	26,230	23,294
Investment income	3	525,145	-	525,145	540,101
Total		551,375	-	551,375	563,395
 EXPENDITURE ON					
Raising funds	4	171,496	183	171,679	181,682
Charitable activities	5				
Grants to Foundationers		228,476	7,888	236,364	571,770
Total		399,972	8,071	408,043	753,452
Net gains/(losses) on investments		(119,711)	-	(119,711)	1,581,188
 NET INCOME/(EXPENDITURE)					
Transfers between funds	17	31,692 14,177	(8,071) (14,177)	23,621 -	1,391,131 -
Net movement in funds		45,869	(22,248)	23,621	1,391,131
 RECONCILIATION OF FUNDS					
Total funds brought forward		21,534,036	25,349	21,559,385	20,168,254
 TOTAL FUNDS CARRIED FORWARD		21,579,905	3,101	21,583,006	21,559,385

The notes form part of these financial statements

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

BALANCE SHEET 31 AUGUST 2025

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	10	2,381	-	2,381	1,964
Investments					
Investments	11	17,669,670	-	17,669,670	17,954,633
Investment property	12	4,200,000	-	4,200,000	4,200,000
		21,872,051	-	21,872,051	22,156,597
CURRENT ASSETS					
Debtors	13	601	-	601	850
Cash at bank and in hand		93,271	3,101	96,372	95,400
		93,872	3,101	96,973	96,250
CREDITORS					
Amounts falling due within one year	14	(227,304)	-	(227,304)	(377,947)
NET CURRENT ASSETS		(133,432)	3,101	(130,331)	(281,697)
TOTAL ASSETS LESS CURRENT LIABILITIES		21,738,619	3,101	21,741,720	21,874,900
CREDITORS					
Amounts falling due after more than one year	15	(158,714)	-	(158,714)	(315,515)
NET ASSETS		21,579,905	3,101	21,583,006	21,559,385
FUNDS	17				
Unrestricted funds				21,579,905	21,534,036
Restricted funds				3,101	25,349
TOTAL FUNDS				21,583,006	21,559,385

The financial statements were approved by the Board of Trustees and authorised for issue on 22 January 2026 and were signed on its behalf by:


Ms Lesley Robinson - Trustee

The notes form part of these financial statements

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025**

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(687,862)</u>	<u>(767,795)</u>
Net cash used in operating activities		<u>(687,862)</u>	<u>(767,795)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,562)	(1,653)
Purchase of fixed asset investments		(9,586,235)	(8,376,953)
Sale of fixed asset investments		9,751,487	8,689,620
Dividends received		332,513	357,802
Rental income received		<u>192,631</u>	<u>182,299</u>
Net cash provided by investing activities		<u>688,834</u>	<u>851,115</u>
Change in cash and cash equivalents in the reporting period		<u>972</u>	<u>83,320</u>
Cash and cash equivalents at the beginning of the reporting period		<u>95,400</u>	<u>12,080</u>
Cash and cash equivalents at the end of the reporting period		<u><u>96,372</u></u>	<u><u>95,400</u></u>

The notes form part of these financial statements

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	23,621	1,391,131
Adjustments for:		
Depreciation charges	1,145	7,532
Losses/(gain) on investments	119,711	(1,581,188)
Loss on disposal of fixed assets	-	3,768
Dividends received	(332,513)	(357,802)
Rental income received	(192,631)	(182,299)
Decrease/(increase) in debtors	249	(134)
Decrease in creditors	(307,444)	(48,803)
Net cash used in operations	<u>(687,862)</u>	<u>(767,795)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.24	Cash flow	At 31.8.25
	£	£	£
Net cash			
Cash at bank and in hand	<u>95,400</u>	<u>972</u>	<u>96,372</u>
	<u>95,400</u>	<u>972</u>	<u>96,372</u>
Total	<u>95,400</u>	<u>972</u>	<u>96,372</u>

The notes form part of these financial statements

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

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.

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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Individual fixed assets costing more than £250 are capitalised and included at cost.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The Charity has no advanced financial instruments.

Taxation

The charity is exempt from tax on its charitable activities.

Operating leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2025

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.

Pension costs and other post-retirement benefits

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

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	4,101	23,294
Legacies	<u>22,129</u>	<u>-</u>
	<u>26,230</u>	<u>23,294</u>

3. INVESTMENT INCOME

	2025	2024
	£	£
Rents received	192,631	182,299
Interest and dividend income	<u>332,514</u>	<u>357,802</u>
	<u>525,145</u>	<u>540,101</u>

4. RAISING FUNDS

Investment management costs

	2025	2024
	£	£
Portfolio management	161,460	154,322
Maintenance charges	3,584	7,068
Rates	1,635	1,457
Legal & professional	862	14,491
Insurance	3,545	3,798
Custodian Trustee fees	<u>593</u>	<u>546</u>
	<u>171,679</u>	<u>181,682</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Grants to Foundationers	<u>54,731</u>	<u>181,633</u>	<u>236,364</u>

6. GRANTS PAYABLE

	2025	2024
	£	£
Grants to Foundationers	<u>54,731</u>	<u>321,867</u>

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Grants to Foundationers	<u>173,559</u>	<u>574</u>	<u>7,500</u>	<u>181,633</u>

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

	2025 Grants to Foundationers £	2024 Total activities £
Wages	123,974	173,119
Social security	7,916	14,228
Pensions	4,932	3,630
Light, heat and water	2,629	2,075
Telephone	1,274	2,531
Postage and stationery	848	656
Sundries	4,393	3,506
Head Office Rent	16,800	16,800
Travel & subsistence	4,207	3,960
Staff training	187	-
Subscriptions	624	547
Computer costs	3,784	4,599
Website design	846	3,300
Depreciation of tangible and heritage assets	1,145	7,532
Bank charges	574	628
Loss on sale of tangible fixed assets	-	3,768
Auditors' remuneration	<u>7,500</u>	<u>9,024</u>
	<u>181,633</u>	<u>249,903</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

Trustees' expenses

During the year, three (2024: two) Trustees were reimbursed for travel expenses totalling £593 (2024: £546).

9. STAFF COSTS

	2025 £	2024 £
Wages and salaries	123,974	173,119
Social security costs	7,916	14,228
Other pension costs	<u>4,932</u>	<u>3,630</u>
	<u>136,822</u>	<u>190,977</u>

The average monthly number of employees during the year was as follows:

	2025	2024
Management and administration	2	2
Fundraising and welfare	<u>1</u>	<u>1</u>
	<u>3</u>	<u>3</u>

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

9. STAFF COSTS - continued

No employees received emoluments in excess of £60,000.

The total employee benefits of the key management personnel of the charity were £84,222 (2024: £96,968).

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 September 2024	12,422
Additions	<u>1,562</u>
At 31 August 2025	<u>13,984</u>
DEPRECIATION	
At 1 September 2024	10,458
Charge for year	<u>1,145</u>
At 31 August 2025	<u>11,603</u>
NET BOOK VALUE	
At 31 August 2025	<u>2,381</u>
At 31 August 2024	<u>1,964</u>

11. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 September 2024	17,468,822	485,811	17,954,633
Additions	4,574,135	5,012,100	9,586,235
Disposals	(4,884,649)	(5,075,131)	(9,959,780)
Revaluations	<u>88,582</u>	<u>-</u>	<u>88,582</u>
At 31 August 2025	<u>17,246,890</u>	<u>422,780</u>	<u>17,669,670</u>
NET BOOK VALUE			
At 31 August 2025	<u>17,246,890</u>	<u>422,780</u>	<u>17,669,670</u>
At 31 August 2024	<u>17,468,822</u>	<u>485,811</u>	<u>17,954,633</u>

Investments totalling £10,429,665 are based outside the UK (2024: £11,662,747).

Cost or valuation at 31 August 2025 is represented by:

	Listed investments £	Cash and settlements pending £	Totals £
Valuation in 2025	<u>17,246,890</u>	<u>422,780</u>	<u>17,669,670</u>

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

12. INVESTMENT PROPERTY

FAIR VALUE

At 1 September 2024
and 31 August 2025

£

4,200,000

NET BOOK VALUE

At 31 August 2025

4,200,000

At 31 August 2024

4,200,000

Bearwood Estate was valued in the year ended 31 August 2021 by Strutt and Parker, the fair value was estimated at £4,200,000.

Fair value at 31 August 2025 is represented by:

Valuation in 2021

£

4,200,000

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Prepayments and accrued income	<u>601</u>	<u>850</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	38	17
Social security and other taxes	1,917	4,388
Grants payable	170,709	323,341
Deposits received	900	900
Accruals and deferred income	<u>53,740</u>	<u>49,301</u>
	<u>227,304</u>	<u>377,947</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Grants payable	<u>158,714</u>	<u>315,515</u>

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR - continued

	2025	2024
	£	£
Brought forward	638,856	687,164
Net new grant commitments in the year	44,749	305,709
Paid in the year	(354,182)	(354,017)
	<hr/>	<hr/>
Carried forward	329,423	638,856
	<hr/>	<hr/>
Due:		
Year ended 31 August 2025	-	323,341
Year ended 31 August 2026	170,709	167,876
Year ended 31 August 2027	94,515	75,856
Year ended 31 August 2028	51,899	59,056
Year ended 31 August 2029	12,300	12,727
Year ended 31 August 2030	-	-
	<hr/>	<hr/>
	329,423	638,856
	<hr/>	<hr/>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	17,325	16,800
Between one and five years	69,600	2,100
In more than five years	2,175	-
	<hr/>	<hr/>
	89,100	18,900
	<hr/>	<hr/>

17. MOVEMENT IN FUNDS

	At 1.9.24	Net movement in funds	Transfers between funds	At 31.8.25
	£	£	£	£
Unrestricted funds				
General fund	21,534,036	31,692	14,177	21,579,905
Restricted funds				
Underhill	311	-	(311)	-
Watson	904	-	(904)	-
Capital Flats	12,962	-	(12,962)	-
Tree Fund	3,284	(183)	-	3,101
The Mission to Seafarers	7,888	(7,888)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	25,349	(8,071)	(14,177)	3,101
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	21,559,385	23,621	-	21,583,006
	<hr/>	<hr/>	<hr/>	<hr/>

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

17. MOVEMENT IN FUNDS - continued

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	551,375	(399,972)	(119,711)	31,692
Restricted funds				
Tree Fund	-	(183)	-	(183)
The Mission to Seafarers	-	(7,888)	-	(7,888)
	-	(8,071)	-	(8,071)
TOTAL FUNDS	<u>551,375</u>	<u>(408,043)</u>	<u>(119,711)</u>	<u>23,621</u>

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	20,150,793	1,383,243	21,534,036
Restricted funds			
Underhill	311	-	311
Watson	904	-	904
Capital Flats	12,962	-	12,962
Tree Fund	3,284	-	3,284
The Mission to Seafarers	-	7,888	7,888
	17,461	7,888	25,349
TOTAL FUNDS	<u>20,168,254</u>	<u>1,391,131</u>	<u>21,559,385</u>

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	543,395	(741,340)	1,581,188	1,383,243
Restricted funds				
The Mission to Seafarers	20,000	(12,112)	-	7,888
TOTAL FUNDS	<u>563,395</u>	<u>(753,452)</u>	<u>1,581,188</u>	<u>1,391,131</u>

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.25 £
Unrestricted funds				
General fund	20,150,793	1,414,935	14,177	21,579,905
Restricted funds				
Underhill	311	-	(311)	-
Watson	904	-	(904)	-
Capital Flats	12,962	-	(12,962)	-
Tree Fund	<u>3,284</u>	<u>(183)</u>	<u>-</u>	<u>3,101</u>
	<u>17,461</u>	<u>(183)</u>	<u>(14,177)</u>	<u>3,101</u>
TOTAL FUNDS	<u>20,168,254</u>	<u>1,414,752</u>	<u>-</u>	<u>21,583,006</u>

A current year 12 months and prior year 12 months combined 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	1,094,770	(1,141,312)	1,461,477	1,414,935
Restricted funds				
Tree Fund	-	(183)	-	(183)
The Mission to Seafarers	<u>20,000</u>	<u>(20,000)</u>	<u>-</u>	<u>-</u>
	<u>20,000</u>	<u>(20,183)</u>	<u>-</u>	<u>(183)</u>
TOTAL FUNDS	<u>1,114,770</u>	<u>(1,161,495)</u>	<u>1,461,477</u>	<u>1,414,752</u>

The Underhill, Watson and Capital Flats funds represent funds which have been donated in memoriam for the maintenance of the Estate. The balances on these funds have been transferred to unrestricted funds as they have now all been spent.

The Tree Fund represents funds which have been specifically donated for trees to be planted in the Estate in memoriam.

The Mission to Seafarers fund represents a grant to be used for the education of two foundationers, the Vass boys.

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025**

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2025.

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025**

	2025 £	2024 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	4,101	23,294
Legacies	<u>22,129</u>	<u>-</u>
	26,230	23,294
Investment income		
Rents received	192,631	182,299
Interest and dividend income	<u>332,514</u>	<u>357,802</u>
	525,145	540,101
Total incoming resources	551,375	563,395
EXPENDITURE		
Investment management costs		
Portfolio management	161,460	154,322
Maintenance charges	3,584	7,068
Rates	1,635	1,457
Legal & professional	862	14,491
Insurance	3,545	3,798
Custodian Trustee fees	<u>593</u>	<u>546</u>
	171,679	181,682
Charitable activities		
Grants to individuals	54,731	321,867
Support costs		
Management		
Wages	123,974	173,119
Social security	7,916	14,228
Pensions	4,932	3,630
Light, heat and water	2,629	2,075
Telephone	1,274	2,531
Postage and stationery	848	656
Sundries	4,393	3,506
Head Office Rent	16,800	16,800
Travel & subsistence	4,207	3,960
Staff training	187	-
Subscriptions	624	547
Computer costs	3,784	4,599
Website design	846	3,300
Depreciation of computer equipment	<u>1,145</u>	<u>7,532</u>
	173,559	236,483
Finance		
Bank charges	574	628
Carried forward	574	628

This page does not form part of the statutory financial statements

ROYAL MERCHANT NAVY EDUCATION FOUNDATION

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025**

	2025 £	2024 £
Finance		
Brought forward	574	628
Loss on sale of tangible fixed assets	<u>-</u>	<u>3,768</u>
	574	4,396
Governance costs		
Auditors' remuneration	<u>7,500</u>	<u>9,024</u>
Total resources expended	<u>408,043</u>	<u>753,452</u>
Net income/(expenditure) before gains and losses	143,332	(190,057)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(208,293)</u>	<u>(79,036)</u>
Net expenditure	<u>(64,961)</u>	<u>(269,093)</u>

This page does not form part of the statutory financial statements