



CHARITY COMMISSION
FOR ENGLAND AND WALES

Trustees' Annual Report for the period

From 1 July 2022 Period start date To 30 June 2023 Period end date

Charity name: Royal Air Force Shawbury Sergeants' Mess

Charity registration number: 1157057

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>The objectives of the Royal Air Force Shawbury Sergeants' Mess are "The Promotion of Military Efficiency of the Armed Forces of the Crown".</p> <p>This object presents the Trustee with wide powers, enabling him to provide charitable assistance to all elements of the Royal Air Force Community; internal subsidy of Sergeants' Mess activities and grant making are the Royal Air Force Sergeants' Mess principle means of delivering this charitable assistance.</p> <p>The RAF Shawbury Sergeants' Mess has 3 main aims set by the Trustee:</p> <ul style="list-style-type: none">i. Encourage esprit de corps by enabling serving members to mix together for both formal dining situations and informal social activities so as to help keep service traditions alive and encourage the well-being of the Mess community.ii. Encourage, support and facilitate the development of sport to raise standards and to promote the link to fitness, teamwork and personal development through sporting activity and opportunities.iii. Supporting facilities and capital projects to enable the best possible provision for the Royal Air Force community. <p>Details of the Fund's objectives and activities are grouped together within the appropriate aims and details of the scope of each activity are given in the "Achievements and Performance" section.</p>
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or	Para 1.17 and 1.19	<p>The Sergeants' Mess derives benefit to the general public in helping to provide personnel who are motivated, have high morale and are willing to serve the needs of their country and that of its public at all times.</p>

services identified in the accounts.		<p>The main activities of the Sergeants' Mess in relation to those purposes for the public benefit are:</p> <ul style="list-style-type: none"> a. The provision of funding to enhance living accommodation. b. The provision of funding towards informal and formal functions throughout the year. c. The provision of grants benefiting the wider Service Community.
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	<p>The Royal Air Force Shawbury Sergeants' Mess derives public benefit as it assists in providing Royal Air Force personnel with the necessary skills to carry out the Royal Air Force contribution to the defence of the United Kingdom and its interests. Service Funds are established for the benefit of Service personnel to promote military efficiency which underpins esprit de corps and team working, and they help to encourage personnel to develop character, spirit and attitude to face challenges and danger associated with military service. As a result, the Fund derives a benefit to the general public in helping to provide personnel who are motivated, have high morale and are willing to serve the needs of their country and that of its public at all times.</p> <p>The above statement has been agreed by RAF Air Command HQ Service Funds staff and the Charities Commission. With assistance issued from Air Command staff, the Trustee has paid due regard to the guidance issued by the Charities Commission on public benefit.</p>

Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	<p>Prior to the end of the Financial Year the Financial Plan/Budget is proposed to the Membership at an Extraordinary General Meeting (EGM). The Plan details the proposed budget for the new Financial Year including grants, subsidies and any capital expenditure for ratification by the Membership. If agreed at the EGM, Minutes are then distributed to the Trustee for ratification and approval. The Mess Committee meetings take place each month to discuss finances and any other business of the Mess.</p>
Policy on social investment including program related investment	Para 1.38	N/A
Contribution made by volunteers	Para 1.38	N/A
Other		N/A

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p>The Mess allocated funding towards a variety of formal and informal functions over the Financial Year. This included; Service 'Dining-In' or Dinner Nights such as a Battle of Britain evening, Dinner Nights for Mess Members and spouses/partners, and Christmas Draw for the benefit of Mess Members, in order to meet the aim of promoting esprit de corps and for the collective benefit of the Membership. Some of the functions received subsidies to the overall cost with attending Members paying the remaining cost of the function or event. A number of guests were invited to the Mess and the cost of their attendance was subsidised by Mess members attending that function.</p> <p>In particular, the Sergeants' Mess has hosted 6 functions for the benefit of its members with a total of £15,142.48 in subsidies towards the costs.</p> <p>Support to Other Activities:</p> <p>Each year the Mess agrees to grant sums of money to events held on the Unit, which benefit the wider Service community. This year the Sergeants' Mess:</p> <ul style="list-style-type: none"> i. Supported the Children's Christmas Event, Junior Ranks Christmas Event, Senior Citizens' Christmas Event, Families Day and ATC 5-Aside Event. ii. Contributed to the Royal Air Force Shawbury Sports Fund to assist in its programme to enhance sporting facilities on the Unit. <p>Mess Subscriptions:</p> <p>As part of the financial planning process the Mess Committee seeks the agreement of the Membership in setting the level of subscriptions in the relevant membership categories. These subscriptions help to subsidise the formal functions, meet operating and maintenance costs as well as enabling the Mess to fund its grant allocating activities.</p> <p>Subscription income was lower than anticipated over the start of the Financial Year due to decreasing numbers in the Mess. As this trend continued, action was taken at the AGM to increase subscription levels and adjust other elements of the Financial Plan. An amended Financial Plan was presented to the Membership and was subsequently approved.</p> <p>Trading Activities:</p> <p>The Sergeants' Mess operates a bar as a primary purpose trading activity. The bar is</p>

		<p>managed by the Contractor ESS, and ownership of the stock was handed over to ESS in Nov 20, reducing the risk to the Trustee and the Mess Committee. The levels of Gross Profit Percentages/ Mark-ups continue to be set by the Mess Committee and agreed at the EGM prior to the start of the Financial Year.</p> <p>Investments:</p> <p>Investment income performed much better than expected, with income above target by £413.67.</p> <p>Future Plans:</p> <p>Future Plans for the Sergeants' Mess are to arrange a similar spread of formal and informal functions for Financial Year 23/24.</p>
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Additional information (optional)

You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	<p>The objectives are set in the Financial Plan, which is approved by the Trustee and voted in at an EGM prior to the start of the Financial Year.</p> <p>Committee Meetings are held on a monthly basis to review the performance of the Sergeants' Mess against the Financial Plan.</p> <p>Planned income over the Financial Year was above target, which was mainly due to higher than anticipated subscription income, investment income and bank interest.</p> <p>Planned expenditure was very slightly below target, with an overspend on maintenance expenditure and underspend on mess improvements.</p>
Performance of fundraising activities against objectives set	Para 1.41	<p>The main income streams for the Sergeants' Mess are subscriptions and bar profits.</p> <p>Subscriptions:</p> <p>Subscriptions were set and agreed at £13.30 per month for each Mess Member. However as a result of decreasing numbers in the Mess, approval was given at the AGM to increase subscription levels to £14.00 per month. Subscription income continued to fluctuate and was above target at the end of the Financial Year by £1,383.48.</p> <p>Bar Income:</p> <p>The Bar performed well during the Financial Year with an overall income of £11,498.85 compared to the target in the Financial Plan of £11,500.00.</p>
		As noted above, Investment Income performed much better than expected, with an income over

Investment performance against objectives	Para 1.41	<p>the year of £863.67, compared to a target income of £450.00.</p> <p>Unfortunately 2023 has so far been a volatile year for the markets due to the war in the Ukraine and rising inflation. This has had an impact on the Sergeants' Mess Investments, resulting in a decrease in value over the Financial Year of £487.62, but an overall growth of £4,127.92 since purchase.</p> <p>The Investments will be reviewed in the new Financial Year.</p>
Other		N/A

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	<p>The Sergeants' Mess ends the year with income of £62,404.48 compared to expenditure of £71,956.59. This has resulted in a loss of £9,552.11, compared to a target loss of £14,447.00 in the Financial Plan. The planned loss was as a result of the £15K voted and agreed towards the bar refurbishment at a previous EGM, and the removal of the anticipated Armed Forces Covenant Grant due to the unsuccessful application for support for the bar refurbishment. The loss is lower than expected due to higher than anticipated subscription income and income from investments and interest.</p> <p>The Mess also purchased a Marquee from the mess improvements allocation for the benefit of the Membership for future events.</p> <p>Liquidity is excellent with net funds readily realisable of circa £66,000.00, some of which is deposited in a Charities Official Investment Fund (COIF) Deposit Fund to gain maximum interest.</p> <p>The Sergeants' Mess was founded with assistance from an initial grant from the RAF Central Fund. The Contingent liability/Permanent Endowment is the initial funding of the Sergeants' Mess. If the Mess was to close, the RAF Central Fund would normally expect the grant to be returned. The Mess must maintain investments at a value no less than the endowed grant monies, subject to market value losses and deflation. Income generated from the invested funds is restricted to support the appropriate charitable activities of the Mess. A comparison of the RAF Shawbury Sergeants' Mess investment holdings to its Contingent Liability /Endowed Grant shows that they have sufficient investments to cover the value of £13,490.00.</p>
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Statement explaining the policy for holding reserves stating why they are held	Para 1.22	<p>At the end of the Financial Year the Sergeants' Mess had free reserves of circa £74,000.</p> <p>The Trustee also agreed an Operating Reserves Policy for the Financial Year to ensure financial viability of the Fund and its ability to meet on-going commitments. Reserves of £4,000.00 have been set aside, which is the value of approximately 2 months' worth of recurrently committed expenditure.</p> <p>Free Reserves have been calculated as those parts of income which are freely available and do not include the Permanent Endowment, Restricted Funds, any part of Unrestricted Funds not available for spending and Assets which could only be realised through disposing. I have included the investments, as they can be realised at short notice if required, however they may not sell at their current value on the balance sheet.</p> <p>The Reserves have been used to gain the maximum income for the Fund, with circa £20,927.00 being held in Equity and Fixed Investments and monies held in a COIF Deposit Fund and a High Interest Account.</p> <p>The Reserves of the Charity are continually monitored and reviewed within the context of the funds required to fulfil the charitable objectives.</p>
Amount of reserves held	Para 1.22	Circa £74,000.00
Reasons for holding zero reserves	Para 1.22	N/A
Details of fund materially in deficit	Para 1.24	There were no funds materially in deficit during the Financial Year.
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	There are no uncertainties about the Charity continuing as a going concern.

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	Principle funding is from subscriptions and investment income, while further income is received from bar profits.
Investment policy and objectives including any social investment policy adopted	Para 1.46	<p>To meet the over-riding need of regular on-going specified annual income – increasing with inflation, the Royal Air Force Sergeants' Mess Investment Strategy/Policy is to have a diversified portfolio across established UK Equity and Fixed interest markets with a bias towards Equities that offer growth and yield. Furthermore, money is held in a COIF Deposit Fund, gaining maximum interest, but ensuring monies are readily available.</p> <p>The 2 main aims of holding investments are to cover the Contingent Liability/Permanent Endowment and also to generate income to</p>

		help cover the expenses of the Sergeants' Mess.
A description of the principal risks facing the charity	Para 1.46	<p>To continue to meet the strategic and operational objectives of the Sergeants' Mess, the Trustee has given consideration to the major risks to which the Charity is exposed. He is satisfied that systems and procedures have been established in order to manage these risks. This is done through the means of a Service Funds Internal Audit Board, convened at the start of each Financial Year, to carry out internal arithmetical and management audit of the Charity. In addition, the Trustee maintains a Risk Register detailing those areas which may give rise to concern presently and into the future. Risks have been identified, analysed and assessed accordingly to their impact and the likelihood of occurrence. Systems implemented to mitigate these risks are continually reviewed and the Risk Register is reviewed on a regular basis. The main risks over the year were:</p> <p>Potential Risk</p> <p>Assets including both stock and property are misappropriated</p> <p>Mitigation</p> <p>PMC to ensure Property Checks and carried out by the House Members as mandated. SFIAB to check during quarterly Audits.</p> <p>Potential Risk</p> <p>Ownership of stock by the Contractor with the risk of manipulation of the Bar Trading Accounts and GPP.</p> <p>Mitigation</p> <p>Bar Trading account to be scrutinized by OC Accts Filt and Audited by the Audit Clerk.</p> <p>Potential Risk</p> <p>The War in the Ukraine and rising Inflation may have an impact on the Officers' Mess with a fall in capital value of investments and the impact on the finances.</p> <p>Mitigation</p> <p>The impact of any fall in capital value of investments would only become an issue if the Officers' Mess were required to sell them, which is currently not required.</p> <p>At the end of the Financial Year the main risk was/is:</p> <p>Potential Risk</p>

		<p>Training Deficiency: Untrained President/ Chairman of the Mess Committees (PMC/CMC) or Officers in Charge of Funds (OIC).</p> <p>Mitigation</p> <p>OC Accts Flt briefs all new PMCs, CMCs and OICs. Regular briefings are held. OC Accts Flt produced a "Guide for OICs."</p> <p>Potential Risk</p> <p>New Accounting packing SAP, which is going to be introduced by ESS. The risk of the number of transactions SAP will produce, which poses a problem for internal and external audit and the delay of producing the monthly accounts and increased workload.</p> <p>Mitigation</p> <p>Service Funds Air Cmd have been informed of our concerns and the risk has been placed on the Service Funds Risk Register.</p>
Other		N/A

Structure, Governance and Management

Description of charity's trusts:		
Type of governing document (trust deed, royal charter)	Para 1.25	Constitution.
How is the charity constituted? (e.g unincorporated association, CIO)	Para 1.25	Unincorporated Association.
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	The Station Commander at Royal Air Force Shawbury is appointed as ex-officio of all Service Funds at Royal Air Force Shawbury. Appointment of Station Commanders is controlled by the Royal Air Force Personnel Manning organisation, currently based at Headquarters Royal Air Force High Wycombe.

Additional information (optional).

You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	Trustees are offered informal training as part of their induction at Headquarters Air Command by Service Funds Policy. They are given a brief explaining their roles and responsibilities and are issued Charities Commission Booklet 3 – The Essential Trustee. Trustees are also advised to attend a Trustee Training Day.
The charity's organisational structure and any wider	Para 1.51	The Trustee delegates the day-to-day management and control of the Sergeants' Mess together with the authority of the disbursement of loans to a management

network with which the charity works		<p>committee chaired by the Chairman of the Mess Committee, who is appointed by the Trustee. Members of the committee are appointed from each of the functional areas of the Station. However, all management decisions, acquisitions and expenditure are subject to the Trustees' approval by signature in the electronic minutes.</p> <p>The budget for the next Financial Year is set in June by the Committee for approval by the Fund Members at a General Meeting. The Annual General Meeting ratifies the annual audited accounts of the Fund. Minutes are taken at each Committee and General Meeting and are circulated to reach the Trustee within 10 working days of the Meeting for his approval.</p> <p>Committee meetings take place each month to discuss the financial performance against budget and other mess related issues.</p>
Relationship with any related parties	Para 1.51	<p>As Trustee of Service Funds at Royal Air Force Shawbury, the Station Commander also has responsibility for one other separately run Service Funds registered charity: namely the Royal Air Force Shawbury Officers' Mess. He is also Trustee for the Royal Air Force Junior Ranks' Welfare Fund and a number of other sport/society/welfare funds termed "Banked Funds", which are Excepted Charities under Statutory Instrument 1056/65.</p>
Other		<p>Compliance with the Charity Governance Code (Organisational Purpose, Leadership, Integrity, Decision Making, Risk and Control, Board Effectiveness, Diversity, Openness and Accountability):</p> <p>As detailed above, the Sergeants' Mess is managed by a Chairman appointed by the Trustee. The Committee is clear about the Charity's aims and purpose and that they are delivered effectively. Regular meetings are held to review their financial position and the impact funding has on achieving their charitable purpose. Minutes are taken at each Committee and General Meeting and circulated to the Trustee for approval of any decisions discussed and agreed by the Committee. Risks are actively managed through a Risk Register and are regularly reviewed and updated accordingly. The Trustee is also satisfied that systems and procedures have been established to manage these risks through the Service Funds Internal Audit Board. The Trustee and Sergeants' Mess Committee act with integrity and are aware that they have ultimate responsibility for the Charity's funds and assets, including its reputation. They act in the best interest of the Charity and have implemented a Conflict-of-Interest Policy, which every Committee Member must adhere to and sign upon taking up their role on the Committee.</p>

Reference and Administrative details

Charity name	Royal Air Force Shawbury Sergeants' Mess
Other name the charity uses	
Registered charity number	1157057
Charity's principal address	Royal Air Force Shawbury Shrewsbury Shropshire SY4 4DZ

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	P Wadlow	Station Commander	1 Jul 22 – 1 Dec 22	Appointment of Station
2	A Baron	Station Commander	2 Dec 22 – 30 Jun 23	Commanders is controlled by
3				the Royal Air Force Manning
4				Organisation at HQ Air
5				Command (See Trustee
6				Selection Methods below)
7				
8				
9				
10				

Corporate trustees – names of the directors at the date the report was approved

Director name		

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year	

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	N/A
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	N/A
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	N/A

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address
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Name of chief executive or names of senior staff members (Optional information)

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Exemptions from disclosure

Reason for non-disclosure of key personnel details

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Other optional information

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Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	A BARON	
Position (eg Secretary, Chair, etc.)	Station Commander & Trustee	

Date

10 Oct 23



CHARITY COMMISSION
FOR ENGLAND AND WALES

RAF Shawbury Warrant Officers' and Sergeants' Mess			Charity No	1157057
Annual accounts for the period				
Period start date	01 Jul 2022	To	Period end date	30 Jun 2023



Section A

Statement of Financial Activities

Recommended categories by activity	Guidance Notes	Unrestricted funds	Restricted income funds	Endowment funds	Total funds	Prior year funds
		£ F01	£ F02	£ F03	£ F04	£ F05
Incoming resources (Note 3)						
Income and endowments from:						
Donations and legacies	S01	30,758	1,020	-	31,778	30,776
Charitable activities	S02	29,829	-	-	29,829	24,034
Other trading activities	S03	-	-	-	-	-
Investments	S04	1,818	-	-	1,818	671
Separate material item of income	S05	-	-	-	-	-
Other	S06	-	-	-	-	-
Total	S07	62,405	1,020	-	63,425	55,481
Resources expended (Note 6)						
Expenditure on:						
Raising funds	S08	-	-	-	-	-
Charitable activities	S09	71,957	1,020	-	72,977	42,802
Separate material item of expense	S10	-	-	-	-	-
Other	S11	-	-	-	-	-
Total	S12	71,957	1,020	-	72,977	42,802
Net income/(expenditure) before investment gains/(losses)	S13	(9,552)	-	-	(9,552)	12,679
Net gains/(losses) on investments	S14	(488)	-	-	(488)	(940)
Net income/(expenditure)	S15	(10,040)	-	-	(10,040)	11,739
Extraordinary items (Note 7)	S16	-	-	-	-	-
Transfers between funds	S17	-	-	-	-	-
Other recognised gains/(losses):						
Gains and (losses) on revaluation of fixed assets for the charity's own use	S18	-	-	-	-	-
Other gains/(losses)	S19	-	-	-	-	-
Net movement in funds	S20	(10,040)	-	-	(10,040)	11,739
Reconciliation of funds:						
Total funds brought forward	S21	110,358	-	13,490	123,848	112,109
Total funds carried forward	S22	100,317	-	13,490	113,807	123,848

Section B

Balance Sheet

RAF Shawbury
Warrant Officers' and Sergeants' Mess
at 30 Jun 2023

Guidance
Notes

Fixed assets

			Unrestricted funds £ F01	Restricted income funds £ F02	Endowment funds £ F03	Total this year £ F04	Total last year £ F05
Intangible assets (Note 15)	B01		-	-	-	-	-
Tangible assets (Note 14)	B02		21,874	-	-	21,874	21,004
Heritage assets (Note 16)	B03		-	-	-	-	-
Investments (Note 17)	B04		7,438	-	13,490	20,928	21,416
Total fixed assets	B05		29,312	-	13,490	42,802	42,420

Current assets

Stock (Note 18)	B06		49	-	-	49	73
Debtors (Note 19)	B07		15,238	-	-	15,238	12,211
Investments (Note 17.4)	B08		-	-	-	-	-
Cash at bank and in hand (Note 24)	B09		68,093	-	-	68,093	76,819
Total current assets	B10		83,380	-	-	83,380	89,103

Creditors: amounts falling due within one year (Note 20)

Cash at bank and in hand (Note 20)	B09x		-	-	-	-	-
Total current liabilities	B12		12,375	-	-	12,375	7,675

Net current assets/(liabilities)

Total assets less current liabilities

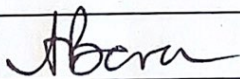
Creditors: amounts falling due after one year (Note 20)
Provisions for liabilities

Total net assets or liabilities

Funds of the Charity

Endowment funds (Note 27)	B17				13,490	13,490	13,490
Restricted income funds (Note 27)	B18			-		-	-
Designated funds	B19d		-			-	-
Unrestricted funds	B19		100,317			100,317	110,358
Revaluation reserve	B20		-			-	-
Total funds	B21		100,317	-	13,490	113,807	123,848

Signed by one or two trustees on behalf of all the trustees

Signature	Date of approval dd/mm/yyyy
	10 Oct 23
Group Captain A Baron	



Section A

Independent Examiner's Report

Report to the Managing
Trustee of

RAF SHAWBURY WARRANT OFFICERS' & SERGEANTS' MESS

On accounts for the year
ended

30th June 2023

Charity no
(if any)

1157057

Set out on pages

CC17A & TAR

I report to the Managing Trustee on my examination of the accounts of the above charity ("the Charity").

Responsibilities and
basis of report

As the charity's Managing Trustee, 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 Charity'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.

Independent
examiner's statement

~~The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow member of the Association of Charity Independent Examiners.~~

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (~~other than that disclosed below~~*) 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 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.

Signed: *Original signed*

Date: 10.10.2023

Name: HOWARD NEIL SANDERSON

Relevant professional
qualification(s) or body

FCIE

(if any):

Address:

ACCOUNTANCY COMPLIANCE SOLUTIONS (UK) LIMITED
1 ENDCLIFFE AVENUE, SCUNTHORPE, NORTH LINCOLNSHIRE,
DN17 2RB

Section B	Disclosure
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Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

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