

REGISTERED COMPANY NUMBER: 09760575 (England and Wales)
REGISTERED CHARITY NUMBER: 1165153

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021
FOR**

ROYAL NAVY RUGBY UNION

Gibson Whitter
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ROYAL NAVY RUGBY UNION

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FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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ROYAL NAVY RUGBY UNION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2021. 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 2015).

CHAIRMAN'S OVERVIEW

This report covers the year to 30 September 2021.

In terms of impact felt because of COVID-19, this financial year has been as limited as the last by means of rugby output. Restrictions imposed by the Service, Government and National Governing Body continue to be adhered to and the Union is now following the RFUs 'Return to Rugby Road Map' for the Community Game. We did eventually see some rugby played over the summer months with the RNRU Sevens team, the Sharks, competing in the GB Super Seven Series, achieving some very credible victories. The Trustees remain committed to maximise the delivery of rugby, in its many formats, at all levels.

Regrettably for the second year running the annual Army v Navy fixture at Twickenham was cancelled. This cancellation severely limits the cash flow of the union and will further stretch our financial reserve. On a positive note our sponsors have stood by us and continue to support us financially, and we will be forever grateful. Their support has meant that the levels of support and governance imposed during the previous financial year has been maintained throughout this one. Income generation from merchandise sales remains a challenge. Historically the Army v Navy fixture generated visits to our website and led to increased merchandise sales, without the fixture these visits to the website and subsequently the web shop have been curtailed.

The Trustees have continued to curtail expenditure in order to meet our contractual commitments. No further loans or financial support has been required from outside agencies although the Royal Navy Sports Lottery stands by to provide support if and when required. The Trustees keep the situation under constant review and through good governance, diligence and planning continues to ensure the charity can appropriately respond to any challenges presented.

The landscape regarding COVID-19 is forever changing however the future looks positive. Return to Rugby is happening throughout the Community Game, not just in the Royal Navy but in clubs across the country. The challenge now is to ensure that those who have 'filled' the hole created by the cancellation of sport with other hobbies and pastimes come back to our game. Notwithstanding that, the trustees continue to exercise informed governance and believe that it remains appropriate to plan on a going concern basis.

ROYAL NAVY RUGBY UNION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The explicit objectives endorsed by the RNRU support the over-riding aim to 'promote and foster' the game within the Royal Navy, and its local communities, as follows:

- Promoting the physical efficiency of members of the Naval Service by providing facilities and other encouragement for all ranks thereof to participate in the game of rugby football;
- Making grants for charitable purposes that benefit either directly or indirectly members both past and present of the Naval Service;
- Promoting amateur sport for the benefit of the public in particular by encouraging the participation of young people in the game of rugby football.

Achievements and Performance Against Objectives

A summary of the RNRU's achievements against our strategic plan as outlined in last year's Report and Accounts can be found in the table below.

We said that we would do

Deliver assured governance and regulation, with the financial strength to maintain and increase investment in the game to drive performance and community participation.

By the end of the 5 years we will have introduced Services rugby, at grass roots level, to 7000 more men and 700 more women whilst creating a player pathway from club level to the highest representative level.

Additionally, we aim to be the Services' leading rugby team, across the Senior XV, U23 and Sevens sides by 2022, with the Women's side achieving parity with at least the RAF.

We will simultaneously deliver and host the best rugby events, including the Commonwealth Nations Rugby Cup, and other competitions throughout the structured season.

We achieved

All areas of governance and finance continue to be impacted by the after affects of COVID-19. The Army v Navy fixture did not take place for the second year in a row and the continued loss of income related to the fixture meant that we yet again had to severely reduce our expenditure to compensate for the loss of income from the fixture. Our financial reserve has done exactly what it was there for, although it has had to stretch for 2 years and not the one year it was intended for.

Both targets will need to be reviewed. This is another area that has been affected by the cancellation of sport in the community area. The RNRU continues to follow the RFU 'Return to Rugby' pathway with a target of the 21/22 season to be delivering back at full capacity.

COVID-19 continued to impact sport at all levels and for an unprecedented second year, the Inter-Service Rugby Competition for 2021 was cancelled. This does not detract from our stated aims, although, as for 19/20, we may amend the timeframe to reflect the impact that COVID has had.

This year's Navy Cup, Inverdale Challenge and the Marine Nationale fixture were once again all cancelled due to COVID-19 and we look forward to reinvigorating them during the 21/22 season.

ROYAL NAVY RUGBY UNION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

OBJECTIVES AND ACTIVITIES (continued)

Achievements and Performance Against Objectives (continued)

We said that we would do

Wherever possible, as part of that growth path we will look for further opportunities to share financial benefits within the broader church of Services' sport, with appropriate checks and balances in place to evidence how those benefits are used.

We achieved

The overall financial position of the RNRU precluded making any grants to other sports associations, however this is something that will be rectified once our major income stream is back on track. Smaller annual donations were made to both United Services Portsmouth and Devonport Services Rugby Clubs.

Purpose of the RNRU

The Royal Navy Rugby Union has a long and distinguished history dating back to 1906. On its formation rugby was fairly embryonic, with ratings and other ranks not eligible to play. However, the Officers saw the games' value to Naval Service ethos and after the RN were able to select from all their personnel in 1920 there was a burgeoning of service rugby clubs, including Devonport Services and United Services Portsmouth, formed to provide playing opportunities in RFU league structures. Whilst in the early years these latter clubs were restricted to the use of service personnel approximately 30 years ago membership was opened to the local civilian community, who now form a significant element of the club, providing a valuable opportunity for outreach to the local community through sport. The adult section of both clubs supports 3 senior sides and one Colts team plus a vibrant youth section from U7 to U16. In addition, Devonport Services maintain a Ladies Youth team. RN ships and units are also active and engage in matches around the globe whilst the Union supports five representative teams (Senior Men, Senior Women, U23, Veterans and Sevens) to provide the pinnacle of Navy sport. In the modern day the Union remains relevant, upholds the values of the Royal Navy in building partnerships with other navies around the world in support of RFU initiatives.

As both a registered charity and Constituent Body of the Rugby Football Union, we are committed to promoting participation and enjoyment of rugby at all levels within the Naval Service. We are consolidating our position, having professionalised much of what we do, with success in the long running Inter Services Championship (particularly in the U23 area), and specifically the annual fixture against the Army at Twickenham remaining a central pillar of our strategy. At the same time we are developing our structures and facilities and investing heavily in grass roots and community rugby, as this will provide the foundation upon which we can grow our representative teams. The provision of a Women's Development side is providing increased opportunities for emerging players who otherwise would not be sufficiently proficient to break into the hitherto single female representative side. Elsewhere, the provision of coaching and refereeing courses is resulting in greater exposure to sport for all age groups.

Public Benefit

The charity exists to support the military efficiency of the Naval Service as a key component of the nation's Armed Forces and thereby to the defence of the nation. The Trustees have complied with the duty in Section 17 of the Charities Act 2011 and given due regard to the Charity Commission guidance on public benefit. In addition, the RNRU provides public benefit by enhancing and promoting military efficiency, strengthening the moral component of the Royal Navy's and Royal Marines' esprit de corps, which in turn brings tangible benefit to the public:

- the maintenance of maritime security with regard to the UK home bases and their people;
- the Naval Service's global commitment to the furtherance of world peace and stability;
- the protection of lawful maritime trade and the prevention of unlawful acts upon the high seas;
- the contribution to enhanced morale and retention of Naval Service personnel.

ROYAL NAVY RUGBY UNION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

FINANCIAL REVIEW

Financial position

The structure of the Charity has now been in operation for five years; the charitable activities are managed by the RNRU and Navy Rugby Ltd (NRL), a totally owned subsidiary of the charity RNRU, operates the trading activities.

These accounts cover the 12-month period to the 30 September 2021. This is the third discrete 12-month period since the financial year (FY) end was moved to 30 September, in 2018.

Statement of Financial Activities (SOFA)

The Consolidated SOFA for the 12-month period ended 30 September 2021 reflects the impact of the Covid-19 pandemic and accounts for the difference to prior years. The income for 2021 was £198k, which was significantly lower than £353k generated in 2020, as a result of the cancellation of all rugby, including the Army Navy Match at Twickenham. Expenditure also reduced to £219k compared to £613k in 2020, as more activities were cancelled due to the pandemic. However, in spite of this reduction, expenditure was still £22k more than the annual income, although significantly less than the over-expenditure of £259k in 2020.

The financial activities of the charity, the RNRU, shows income of £118k for 2021 compared with £143k in 2020 and £614k for 2019 (Note 2 to the Consolidated Financial Statements). Income is normally and primarily derived from the distribution from NRL but this year only a small profit of £27k was generated for distribution from trading activities. Expenditure at £146k was lower than last year (£402k) with >90% of that expenditure attributable to charitable activities (Royal Navy Rugby and Community Rugby), as in previous years. The charity was also supported by utilisation of the Coronavirus Job Retention Scheme (furlough scheme).

Balance Sheet

The consolidated group's net assets decreased by £22k from £319k on 30 September 2020 to £298k at 30 September 2021. The movement is reflected in net current assets with cash balances increasing by £38k due principally to income received in advance which is included in current liabilities.

The movement on the charity's standalone balance sheet reflects that of the group noted above.

On 30 September 2021 net assets of £298k were made up entirely of general charitable funds (£319k at 30 September 2020) with no designated funds.

Review of the Year

The on-going COVID-19 pandemic during 2021 has continued to impact the RNRU and NRL, with all rugby cancelled until the summer when 7s rugby partly resumed. This again resulted in a loss of >90% of the pre-pandemic income. Several long running contracts were not renewed during 2021, which assisted the cashflow. A significant proportion of the personnel costs were covered by the Naval Service Sports Charity (NSSC), which also provided a substantial grant to assist with resuming playing rugby. Four sponsors continued to support the Charity throughout the pandemic to the tune of £60k. Patron income remained constant but is relatively small in comparison to the other income. The RFU Constituent Body grant and Regional Development Officer funding was also reduced compared to previous years as a result of the pandemic. Overall, the current year's cash inflow was 30% of that in 2018/19. However, there was sufficient funds to enable the Charity to survive the current crisis and have reserves to move forward into the next financial year when it is hoped rugby will resume.

Both Community Rugby and Representative rugby expenditure was significantly lower than in previous years, due to the crisis and this was accounted for in the budget process. All expenditure was in line with expectations. The cancellation of the Army Navy match at Twickenham, for a second year, resulted in the loss of the main source of income for the Charity, and although this was a known risk, it was not possible to insure against this loss. The main match sponsor, Babcock International, continued to support both Unions and also made a charity donation to Richmond Council. The RNRU is extremely grateful to them and all the sponsors who have continued to show financial support during this period.

Overall, whilst drawing on reserves, the cashflow has been resilient. There remain sufficient funds in reserve to support a full 2021/22 rugby season, however, this will be on a more modest budget than in pre-pandemic years.

ROYAL NAVY RUGBY UNION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

FINANCIAL REVIEW (continued)

Going concern

The impact of COVID-19 for a second year on both the charity and its trading subsidiary has been noted elsewhere in this report.

The Trustee Board and the Directors of NRL have implemented cost reductions over a second financial year across both entities to ensure that they are able to continue to operate through this difficult period to a time; no rugby has been played this year, but these financial measures have ensured that rugby can pick up again and be watched by large crowds.

Over the past two years, the focus has been on reducing ongoing financial commitments together with careful management of the grants and loans received. Based on cashflow forecasts over the next two years, both entities are expected to be able to fulfil their current ongoing financial commitments until at least September 2023.

The Trustee Board were optimistic that the Army Navy match would be able to be played again after a two-year absence, in front of a capacity crowd at Twickenham in April 2022. We are pleased to report that the Army Navy match went ahead as planned at Twickenham with a reduced crowd.

The 2022 Army Navy match went ahead with c.23,000 navy tickets sold rather than 35,000 tickets and this affected the overall profit considerably. However, a healthy profit was still realised from this singular fund-raising match and the future distribution from Navy Rugby Limited should be ample to both pay for the 2022/23 season and allow for the rebuilding of reserves to commence.

It is hoped that reserves will be able to be built back up quickly over the coming few years.

The Trustee Board, based on the above, have therefore concluded that it remains appropriate to prepare these financial statements on the going concern basis.

Governance and Administration

The Trustee Board guided by the Investment Finance and Audit Committee (IFAC) approve the annual budget set by the Executive Committee. The accounting services for the RNRU are now in-house at HMS TEMERAIRE using a newly appointed finance officer and Xero accountancy software.

Risk

The Executive Committee, the IFAC and the Trustee Board consider financial risks. The key risk remains the hosting of a successful Army v Navy match, as the primary bearer of all income streams. As clearly demonstrated in 2020 the loss of this match, and the associated revenues, has had a significant impact on the operation of the RNRU. The mitigating action taken during 2020 to reduce all activities to a minimal level has enabled the Charity to continue to operate whilst drawing on reserves. Given the cancellation of the 2021 Army v Navy match the Charity will again draw on reserves to run a reduced programme with the expectation that a successful Army v Navy match is held in 2022 (this expectation has now been met). The Trustee Board, Executive Committee and the IFAC will continue to monitor this risk closely and will adapt the operating plans depending on how the rules change as the Country emerges from the Covid -19 pandemic.

Investments

The RNRU has a single investment, £100k invested in the trading subsidiary NRL. A long-term investment policy is kept under review and could be re-established in the future if sufficient excess funds have been generated.

As a result of the financial and operating impact COVID-19 has continued to have on NRL, the Trustee Board have considered whether the charity's investment in NRL of £100k is still an ongoing concern and agree it should not be impaired. The trustees have reviewed the forecasts prepared by NRL and they remained optimistic that the Army Navy match would return to Twickenham in 2022 which has now happened. The return of this key event in 2022 should see the NRL return to donating profits to the charity of at least a similar amount as before COVID-19.

ROYAL NAVY RUGBY UNION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

FINANCIAL REVIEW (continued)

Investment Restrictions

The Trustee Board do not consider ethical investment restrictions to be appropriate or in conflict with the objectives of the RNRU.

Reserves Policy

Prior to COVID-19 the Trustee Board had a reserves policy to set aside sufficient free reserves to meet the needs of current beneficiaries, whilst remaining sustainable for future generations. The reserves should give sufficient comfort that the charity can pursue its objectives and smooth out any unexpected fluctuations in charitable expenditure or shortfalls in income. The Trustee Board agreed a new reserves policy in April 2018 based on free reserves that would cover the costs of a basic season's rugby. The policy was amended in 2019 to have a minimum free-reserves level of £300k and a maximum of £500k.

However, before 2020, Free Reserves were never true savings in the sense of being kept aside but were partially consumed over the financial year together with direct income and then replenished from the NRL distribution at the end of the year.

During the past two years, when the COVID-19 pandemic stopped all rugby, the reserves bolstered by other grants and loans have ensured that the RNRU can continue operating as a going-concern into the foreseeable future. The result is that the reserves have fulfilled the function they were intended for and will allow the RNRU to continue to operate through FY21/22; during this year ahead, we expect to start growing the reserves again.

The charity's free reserves are calculated by taking total unrestricted funds and deducting designated reserves, investments held for the long term and operational tangible fixed assets. The calculation of free reserves at 30 September 2021 is shown in the table below:

	30 Sep 19	30 Sep 20	30 Sep 21
	£'000	£'000	£'000
Total unrestricted Funds	579	319	298
Less: Designated Fund for CNRC	(32)	0	0
Less: Designated Fund for Overseas Tours	(18)	0	0
Less: Long term Investments	(100)	(100)	(100)
Less: Operational Tangible Fixed Assets	(10)	(7)	(5)
Free Reserves	419	212	193

The reserves policy has not been adjusted as it is expected that once sufficient income flows in, expected from 2022, then the Trustee Board will rebuild reserves whilst continuing to be mindful of ensuring that the charity fulfils its charitable objectives. The impact of COVID-19 on the charity's main income sources has highlighted that having one year of reserves may not be sufficient and therefore it may be determined to increase the level of reserves held over time to levels higher than before. In rebuilding this reserve, the trustees are also now looking to hold a minimum level of reserves equal to a year's expenditure on Rugby throughout the year, given that the Charity dependence on a single event for its annual income.

ROYAL NAVY RUGBY UNION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

FINANCIAL REVIEW (continued)

Principal Risks and Uncertainties

The Trustees of the RNRU monitor the principal risks faced by the Charity via a risk matrix that is scrutinised by the IFAC and discussed by the Board at least annually. In the opinion of the Trustees, the Charity has established systems that, under normal circumstances, should allow the risks identified by them to be mitigated to acceptable levels.

However, the COVID-19 pandemic which continued into 2021 was not normal circumstances and the RNRU found one of their principal risks became an issue – the Army v Navy match could not be held at Twickenham (and was in fact cancelled for the second year in a row). The lack of income generated from the Army v Navy match had significant consequences for the financial situation of the RNRU and for the trading company Navy Rugby Ltd. The risk register was updated to reflect the increase in this risk.

The risk matrix identifies major risks to which the RNRU is exposed under the following headings: Strategic; Financial; and Operational. Controls have been identified to limit each of these risks. The top three risks and the mitigation for them are detailed in the table below. All are high impact risks and because of the continuing uncertainty generated by the covid-19 pandemic, two remain high impact despite the mitigation measures in place and the third is considered reduced to medium level.

Risk	Mitigation
There is a risk that the Trading Company proves ineffective due to lack of income generation.	1. Review all expenditure to minimum essential spend including review of 3rd party contracts. 2. Approach NSSB for grant to cover the cost of delivery of RNRU activity. 3. Approach Sports Lottery for a long-term loan to aid cash flow and facilitate rugby activity. 4. Investigate NRL and Charity “insolvency” figures – i.e. minimum balance required to enable winding up before becoming insolvent. 5. Investigate Navy Sports Board appetite for further grants in next FY.
There is a risk that the Army/Navy game may no longer be at Twickenham (RFU/Met Police do not allow the match to be held at Twickenham or it is not cost effective to hold the match there).	1. Contractual arrangement between RFU, A/N Match Committee, Babcock (sponsor) reviewed in 2018, 4 year contract is in place from 2019 with options for either party to withdraw annually. Decision point for Babcock is Nov 22 if they want to continue beyond the 2023 fixture. 2. The RNRU should always retain at least one season running cost (circa £235k and Reserves Policy is to increase Reserves to £525k – to be reviewed annually. 3. Maintain a firm grip/continued development of the Marketing Strategy for the A v N such that we continue to draw the crowds and the general public are aware of the fixture, the costs and why it is such good VfM. 4. Maintain a healthy and proactive relationship with Twickenham HQ to keep the RNRU in their sights (for all the right reasons). 5. Maintain a proactive Single Service public perception. 6. Work with Met Police, RFU and Richmond Council to mitigate concerns of all parties. 7. Review Reserves Policy/Investment Strategy in order that RNRU activity could continue if our revenue was seriously impacted by changes to the A v N match day (and associated revenues).

ROYAL NAVY RUGBY UNION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

FINANCIAL REVIEW (continued)

Principal Risks and Uncertainties (continued)

Risk	Mitigation
There is a risk that sponsors will withdraw all/most sponsorship financial/non-cash support.	1. Maintain a strong communications link to demonstrate the value of the relationship. 2. Attractive and rewarding sponsorship opportunities. 3. Contract Letters (who gets what) have been reissued – DoM. 4. Clear parameters for return and maintain optimum number (12) and minimum amount (£5K). 5. Ability to encourage sponsors to commit to 3 yr contracts – ongoing. 6. Letter from RNRU President thanking Sponsors for their continued support of the RNRU in these challenging times.

PLANS FOR THE FUTURE

- After a 2-year pause, reinvigorate community level rugby wherever Royal Navy personnel are serving around the globe;
- Consolidate the small gains made in the Women's game and plan to hold an inaugural Women's rugby tour in 2022;
- Continue to provide enhanced duty of care for protection for players at all levels;
- Reintroduce contingency planning to help build greater strength in depth to ensure there are sufficient players of the required quality to enable us to be competitive at Inter-Service level competitions.

The governance element of the charity continues on a solid footing, and the Union is now in the fourth year of its 5 year strategy (which will be reviewed during the next financial year and reissued from year 1), aligned with the RFU's overarching strategy for game development, it is determined that the head marks set out in the charity remain fit for purpose:

Delivering assured governance and regulation, with the financial strength to maintain and increase investment in the game to drive performance and community participation, such that by the end of the 5 years we will have introduced Services rugby, at grass roots level, to 7000 more men and 700 more women whilst creating a player pathway from club level to the highest representative level. Additionally, we aim to be the Services' leading rugby team, across the Senior Men, U23 and Sevens sides by 2022, with the Senior Women's side achieving parity with at least the RAF. We will do this whilst, simultaneously, delivering and hosting the best rugby events, including the Commonwealth Nations Rugby Cup, and other competitions throughout the structured seasons. Wherever possible, as part of that growth path we will look for further opportunities to share the financial benefits with a broader church of Services' sport, with appropriate checks and balances in place to evidence how those benefits are used.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure

The RNRU is a regulatory body, which on behalf of the President, directs, controls, administers and promotes the sport of Rugby Football Union within the Royal Navy. The objects of the RNRU are reviewed by the Trustees and specific targets and objectives, which are compatible with those laid down by the Rugby Football Union (RFU) as the governing body for the sport, are set.

The aim of the RNRU is to promote and foster the game of Rugby Union in the Royal Navy and its local communities in accordance with the Laws of the Game promulgated by World Rugby and the rules, regulations and bye laws issued by the RFU.

ROYAL NAVY RUGBY UNION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Structure (continued)

The governing body of the RNRU is the Board of Trustees, which comprises up to 8 members and meets twice a year to review charitable objectives, strategy, risk register and performance. Trustees are elected or appointed for a three-year term, and may, subject to Board approval, serve for further three-year terms. New appointee's induction training is personalised to meet the requirements of the appointee. The President and Secretary attend all Board of Trustees meetings.

The Board is supported by an Investment, Finance and Audit Committee (IFAC) sub-committee, with specific terms of reference and functions delegated by the Board and with a Trustee as Chairman, appointed by the Board. An independent member (qualified accountant) attends all meetings together with the Executive Committee Vice Chair.

The Board decide on the strategy of the Union, with implementation of strategy and day-to-day operational management of activity in support of its objectives delegated by the Board to the Executive Committee. The Executive separately, and independently, act as the delivery arm of NRL.

The Executive Committee consist of the following appointments:

Chairman	Treasurer
Vice Chair	Director of Marketing
RFU Council Member	Director of Communications
Director of Rugby	Project Officers (non-voting)
Director of Community Rugby	Sports Development Officer (non-voting)
Company Secretary & Director of Operations	

The majority of RNRU officials are serving Royal Navy/Royal Marines personnel, who undertake the roles on a voluntary basis on top of their high-pressure military appointments. The exception is the RNRU Secretariat and Community Rugby team which is staffed by 3 permanent staff; the Secretary is a full-time MOD Civil Servant and the Company Secretary, Assistant Secretary and Rugby Development Officer are funded by the charity. Due to the ongoing financial impact of Covid-19, salary for the Company Secretary and Rugby Development Officer are being underwritten by the NSSC. All vacancies within the RNRU are advertised on the RNRU website inviting volunteers, both serving and civilians, to be considered for selection; all Executive Committee appointments are re-appointed at the AGM.

Management and Administration

The day to day control and administration of the RNRU is delegated to the Chair of the Executive Committee. The Executive Committee are tasked with achieving the objectives set by the trustees in their current five-year strategic plans.

Volunteers and Related Parties

The Trustees all gave their services voluntarily and received no remuneration for their activities, other than travel and incidental expenses. The serving members of the Board undertake their RNRU duties as volunteers in addition to their normal line duties.

ROYAL NAVY RUGBY UNION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

STRUCTURE, GOVERNANCE & MANAGEMENT

Navy Rugby Limited

Navy Rugby Limited (NRL) has now operated for six full accounting periods as a separate but wholly owned subsidiary of the Royal Navy Rugby Union (RNRU). It is a VAT registered company whose objective is to generate income for the RNRU through trading activities including, but not limited to, receipts from ticket sales to Navy Rugby games, the sale of merchandise associated with Navy Rugby and the support of RNRU sponsors. NRL has three directors: the shareholding director (a member of the Trustee Board of the RNRU), a managing director (the member of the RNRU Executive Committee responsible for Marketing) and an independent Chairman. The RNRU Company Secretary and Treasurer also perform the appropriate professional duties for NRL, which has a separate bank account and operates as a separate entity in legal and financial terms from the RNRU. Established with a £100,000 share issue from which all trading activity is resourced, all its operating profits are donated to the RNRU on completion of its annual audit. The NRL Board of Directors meet at least twice a year and oversight is maintained on the RNRU Board of Trustees by inviting the Chairman to report its activities at Trustee Board meetings. In addition, the managing director of NRL reports to the RNRU Trustee Board's Investment, Finance and Audit sub-committee.

Governing Document

The RNRU is controlled by its governing document, its Memorandum and Articles of Association dated 3 September 2015, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company Number

09760575 (England and Wales)

Registered Charity Number

1165153

Registered Office

HMS Temeraire
Burnaby Road
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Hampshire
PO1 2HB

Patron

HM The Queen

President

Vice Admiral Sir Ben Key KCB CBE ADC

Trustees

The Trustees in this period were:

Rear Admiral M J Parr CB (Chairman)

Mr A Bujalski

Mr M H Connolly

Mr J M R Saunders Watson

Mr J B Inverdale

Commander K Marlor Royal Navy

Captain R Readwin ADC Royal Navy

Captain S E Oakley Royal Navy

Captain A Kellett MBE Royal Navy

Appointed 10 May 2021

Resigned 10 May 2021

ROYAL NAVY RUGBY UNION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Independent examiner

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Bankers

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ACKNOWLEDGEMENTS

The Board wish to place on record their gratitude to all those who have contributed to the on-going success of the RNRU. These are too numerous to mention in full and the list that follows is just a representative sample of our growing band of supporters.

Peter Cooper VW	MBDA
Babcock International Group PLC	BMT
ESS (part of the Compass Group UK)	Rolls Royce
MLS	Qinetiq
SAAB	Thales
SA-Group	Canterbury of New Zealand Limited
i-Pro	

Approved by order of the board of trustees on and signed on its behalf by:

Rear Admiral M J Parr CB - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ROYAL NAVY RUGBY UNION

Independent examiner's report to the trustees of Royal Navy Rugby Union ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

Gavin Whitter
ICAEW
Gibson Whitter
Chartered Accountants
and Chartered Tax Advisers
Larch House
Parklands Business Park
Denmead
Hampshire
PO7 6XP

Date:

ROYAL NAVY RUGBY UNION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2021

		Year ended 30.9.21 Unrestricted funds £	Year ended 30.9.20 Total funds £
	Notes		
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3	22,101	26,172
Charitable activities	6		
Royal Navy Rugby		-	-
Community Rugby		43,235	14,300
Other trading activities	4	122,450	272,723
Investment income	5	-	10
Other income	7	9,886	40,400
Total		197,672	353,605
EXPENDITURE ON			
Raising funds	8	90,278	232,764
Charitable activities	9		
Royal Navy Rugby		67,197	199,537
Community Rugby		61,994	180,720
Total		219,469	613,021
NET INCOME/(EXPENDITURE)		(21,797)	(259,416)
RECONCILIATION OF FUNDS			
Total funds brought forward		319,468	578,884
TOTAL FUNDS CARRIED FORWARD		297,671	319,468

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

ROYAL NAVY RUGBY UNION

**CONSOLIDATED BALANCE SHEET
AT 30 SEPTEMBER 2021**

	Notes	Group 30.9.21 £	Group 30.9.20 £	Charity 30.9.21 £	Charity 30.9.20 £
FIXED ASSETS					
Intangible assets	16	10,444	13,926	-	-
Tangible assets	17	4,610	6,614	4,610	6,614
Investments	18	-	-	100,000	100,000
		15,054	20,540	104,610	106,614
CURRENT ASSETS					
Stocks	19	24,762	42,032	-	-
Debtors	20	80,250	68,308	50,954	76,799
Cash at bank		363,612	325,179	261,741	212,245
		468,624	435,519	312,695	289,044
CREDITORS					
Amounts falling due within one year	21	(95,405)	(36,591)	(69,635)	(26,191)
NET CURRENT ASSETS		373,219	398,928	243,060	262,853
TOTAL ASSETS LESS CURRENT LIABILITIES		388,273	419,468	347,670	369,467
CREDITORS					
Amounts falling due after more than one year	22	(90,602)	(100,000)	(50,000)	(50,000)
NET ASSETS		<u>297,671</u>	<u>319,468</u>	<u>297,670</u>	<u>319,467</u>
FUNDS	23				
Unrestricted funds		<u>297,671</u>	<u>319,468</u>	<u>297,670</u>	<u>319,467</u>
TOTAL FUNDS		<u>297,671</u>	<u>319,468</u>	<u>297,670</u>	<u>319,467</u>

ROYAL NAVY RUGBY UNION

**BALANCE SHEET - CONTINUED
AT 30 SEPTEMBER 2021**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

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

Rear Admiral M J Parr CB- Trustee

ROYAL NAVY RUGBY UNION

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	Year ended 30.9.21 £	Year ended 30.9.20 £
Cash flows from operating activities:			
Cash generated from operations	1	38,433	(288,979)
Net cash provided by (used in) operating activities		38,433	(288,979)
Cash flows from investing activities:			
Purchase of intangible fixed assets		-	(17,408)
Purchase of tangible fixed assets		-	-
Interest received		-	10
Net cash provided by (used in) investing activities		-	(17,398)
Cash flows from financing activities:			
New loans in the year		-	100,000
Net cash provided by (used in) financing activities		-	100,000
Change in cash and cash equivalents in the reporting period		38,433	(206,377)
Cash and cash equivalents at the beginning of the reporting period		325,179	531,556
Cash and cash equivalents at the end of the reporting period		363,612	325,179

The notes form part of the financial statements

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year ended 30.9.21 £	Year ended 30.9.20 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(21,797)	(259,416)
Adjustments for:		
Depreciation and amortisation charges	5,486	7,102
Interest received	-	(10)
Decrease/(increase) in stocks	17,270	8,180
(Increase)/decrease in debtors	(11,942)	23,345
(Decrease)/increase in creditors	49,416	(68,180)
Net cash (used in)/provided by operating activities	<u>38,433</u>	<u>(288,979)</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.10.20	Cash flow	Other non-cash changes	At 30.9.21
Net cash				
Cash at bank and in hand	<u>325,179</u>	<u>38,433</u>	<u>-</u>	<u>363,612</u>
Debt				
Debts falling due within one year	-	-	(9,398)	(9,398)
Debts falling due after one year	<u>(100,000)</u>	<u>-</u>	<u>9,398</u>	<u>(90,602)</u>
	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Total	<u>225,179</u>	<u>38,433</u>	<u>-</u>	<u>263,612</u>

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Going Concern

The charity has for a second year been impact by the global pandemic as noted in more detail in the Trustees Annual Report.

Since the balance sheet date the 2022 Army v Navy match has taken place at Twickenham albeit with a reduced crowd. This has generated sufficient profits for Navy Rugby Limited that a sizeable distribution will be received by the charity in respect of the year ended 30 September 2022. This will mean that the charity will be able to meet its planned expenditure for the year ended 30 September 2023 and begin rebuilding its reserves.

The Trustee Board, based on the above, have therefore concluded that it remains appropriate to prepare these financial statements on the going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the charitable company and its subsidiary.

The financial statements of the subsidiary undertaking included within the consolidated figures are adjusted where appropriate, to conform to Group accounting policies.

Significant judgements and estimates

In preparing these financial statements, the trustee directors have made the following judgements:

- Determine whether financial instruments such as intra-group loans are basic or complex. These decisions depend on an assessment of the terms of the financial instrument.

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES- continued

Income

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, the receipt is probable and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from activities to generate funds, such as sponsorship, merchandise sales, patrons scheme, Army v Navy match, Navy v RAF match and investment income are recognised on a receivable basis.

Income from charitable activities relates to Community Rugby grants and courses. Such income is only deferred when:

- the donor specifies that the grant must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Volunteers and donated services

The value of services provided by volunteers is not incorporated into these financial statements.

Where goods or services are provided to the charity as a donation that would normally be purchased from suppliers, this contributions is included in the financial statements at an estimate based on the value of the contribution to the charity.

Expenditure

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied.

- Raising fund costs are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with the Royal Navy's rugby union teams (first XV, under 23s, women's, veterans and sevens teams) and community rugby activities and include both the direct costs and support costs relating to those activities.
- Support costs and governance costs include central functions and have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

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.

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES - continued

Intangible fixed asset

Intangible fixed assets includes websites and databases. Websites have been capitalised where they are capable of directly generating income. Websites and databases are amortised, using the straight line basis, over their estimated useful lives of three and five years respectively.

Tangible fixed assets

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

Player training equipment	- 20% on cost
Motor vehicles	- 25% on reducing balance
Medical Equipment	- 20% on cost

Individual fixed assets costing £500 or more are capitalised at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is computed on the first in first out basis. Net realisable value is the estimated proceeds from the sale of stock less any future costs to be incurred.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the consolidated statement includes those of the Royal Navy Rugby Union and its wholly owed trading subsidiary Navy Rugby Limited.

A summary of the financial activities undertaken by the Royal Navy Rugby Union, is set out below:

	Year ended 30.9.21 £	Year ended 30.9.20 £
Total income	118,231	143,002
Expenditure		
Raising funds	(14,009)	(22,157)
Charitable - Royal Navy Rugby	(69,513)	(221,581)
Charitable - Community Rugby	(62,506)	(158,680)
Net income	(27,797)	(259,416)
Total funds brought forward	319,467	578,883
Total funds carried forward	<u>291,670</u>	<u>319,467</u>

3. DONATIONS AND LEGACIES

	Year ended 30.9.21 £	Year ended 30.9.20 £
RFU Constituent Body income	6,403	26,172
RN Sports Lottery - salary contributions	15,698	-
	<u>22,101</u>	<u>26,172</u>

4. OTHER TRADING ACTIVITIES

	Year ended 30.9.21 £	Year ended 30.9.20 £
Army v Navy match income	14,506	64,776
Navy V RAF match income	-	18,641
Merchandise sales	27,600	37,671
Sponsorship	60,000	109,750
International ticket sales	524	22,335
Patrons scheme income	18,570	19,550
Government grants	1,250	-
	<u>122,450</u>	<u>272,723</u>

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2021

5. INVESTMENT INCOME

	Year ended 30.9.21 £	Year ended 30.9.20 £
Bank interest	<u>-</u>	<u>10</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Year ended 30.9.21 Royal Navy Rugby £	Year ended 30.9.21 Community Rugby £	Year ended 30.9.20 Total activities £
Grants	-	39,735	3,800
RFU - RDO contribution	<u>-</u>	<u>3,500</u>	<u>10,500</u>
	<u>-</u>	<u>43,235</u>	<u>14,300</u>

Grants received, included in the above, are as follows:

	Year ended 30.9.21 £	Year ended 30.9.20 £
NSSC	22,000	2,000
RNRMC	-	1,800
RN RM Sports Lottery	<u>17,735</u>	<u>-</u>
	<u>39,735</u>	<u>3,800</u>

7. OTHER INCOME

	Year ended 30.9.21 £	Year ended 30.9.20 £
Coronavirus Job Retention Scheme grants	<u>9,886</u>	<u>40,400</u>

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2021

8. RAISING FUNDS

Other trading activities

	Year ended 30.9.21 £	Year ended 30.9.20 £
Merchandise purchases	19,875	27,242
Army v Navy match expenditure	-	27,319
Navy v RAF match expenditure	-	27,737
Marketing and hospitality	4,580	4,153
Patrons scheme costs	4,933	4,933
International ticket costs	-	30,161
Fulfilment and other trading costs	51,986	93,994
Support costs (see note 11)	8,904	9,204
	<u>90,278</u>	<u>224,743</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct costs (see note 10) £	Support costs (see note 11) £	Totals £
Royal Navy Rugby	13,778	53,419	67,197
Community Rugby	<u>35,283</u>	<u>26,711</u>	<u>61,994</u>
	<u>49,061</u>	<u>80,130</u>	<u>129,191</u>

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year ended 30.9.21 £	Year ended 30.9.20 £
Staff costs (see note 14)	34,965	94,385
First XV team costs	10,784	55,026
Mariners team costs	-	2,480
Women's team costs	38	7,838
Under 23 team costs	2,343	9,555
Sevens team costs	613	2,395
Refereeing costs	-	6,396
IDRC costs	-	10,000
Foreign tours	-	7,013
Community Rugby expenditure	318	31,657
Presidents XV costs	-	5,373
Stakeholder manager costs	-	225
	<u>49,061</u>	<u>232,343</u>

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2021

11. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Other trading activities	8,619	285	8,904
Royal Navy Rugby	51,706	1,713	53,419
Community Rugby	25,854	857	26,711
	<u>86,179</u>	<u>2,855</u>	<u>89,034</u>

Activity	Basis of allocation
Management	Staff hours
Governance costs	Staff hours

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

ROYAL NAVY RUGBY UNION

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS- CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

11. SUPPORT COSTS- CONTINUED

Management

	Other	Royal		Year	Year
	trading	Navy	Community	ended	ended
	activities	Rugby	Rugby	30.9.21	30.9.20
	£	£	£	Total	Total
				activities	activities
				£	£
Wages (see note 14)	4,392	26,351	13,176	43,919	71,600
Social security (see note 14)	253	1,521	761	2,535	5,203
Pensions (see note 14)	276	1,655	828	2,759	5,012
Motor and travel expenses	1,445	8,671	4,335	14,451	12,179
General insurance	93	559	280	932	934
Telephone	165	986	492	1,643	2,300
Postage, stationery and other costs	241	1,442	721	2,404	2,118
Executive expenses	-	-	-	-	1,270
Director of Rugby expenses	241	1,450	725	2,416	3,501
Management accounts	300	1,800	900	3,000	11,500
Bank charges	204	1,225	613	2,042	2,173
Communications	808	4,844	2,422	8,074	32,794
Donations	-	-	-	-	5,000
Depreciation	201	1,202	601	2,004	3,620
	<u>8,619</u>	<u>51,706</u>	<u>25,854</u>	<u>86,179</u>	<u>159,204</u>

Governance costs

	Other	Royal		Year	Year
	trading	Navy	Community	ended	ended
	activities	Rugby	Rugby	30.9.21	30.9.20
	£	£	£	Total	Total
				activities	activities
				£	£
Independent examiner' fees	222	1,332	666	2,220	2,050
Legal and professional fees	51	309	155	515	2,435
Other governance costs	12	72	36	120	661
	<u>285</u>	<u>1,713</u>	<u>857</u>	<u>2,855</u>	<u>5,146</u>

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS- CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2021

12. NET INCOME/(EXPENDITURE)

	Year ended 30.9.21	Year ended 30.9.20
Independent examination - RNRU	2,220	2,050
Depreciation - owned assets	2,004	3,620
Amortisation intangible assets	<u>3,482</u>	<u>3,482</u>

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2021 nor for the period ended 30 September 2020.

Trustees' expenses

During the year two trustee was reimbursed expenses by the charity for travel, subsistence and training totalling £182 (30.9.20: one trustee £316).

14. STAFF COSTS

	Year ended 30.9.21	Year ended 30.9.20
	£	£
Wages and salaries	74,708	154,526
Social security costs	4,556	10,857
Other pension costs	<u>4,914</u>	<u>10,817</u>
	<u>84,178</u>	<u>176,200</u>

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

	Year ended 30.9.21	Year ended 30.9.20
Charitable staff	2	4
Support staff	<u>1</u>	<u>2</u>
	<u>3</u>	<u>6</u>

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

ROYAL NAVY RUGBY UNION

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS- CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	26,172
Charitable activities	
Royal Navy Rugby	-
Community Rugby	14,300
Other trading activities	272,723
Investment income	10
Other income	40,400
Total	353,605
EXPENDITURE ON	
Raising funds	232,764
Charitable activities	
Royal Navy Rugby	199,537
Community Rugby	180,720
Total	613,021
NET INCOME/(EXPENDITURE)	(259,416)
Total funds brought forward	578,884
TOTAL FUNDS CARRIED FORWARD	319,468

16. INTANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Website and database £
COST	
At 1 October 2020	27,080
Additions	-
At 30 September 2021	27,080
AMORTISATION	
At 1 October 2020	13,154
Charge for year	3,482
At 30 September 2021	16,636
NET BOOK VALUE	
At 30 September 2021	10,444
At 30 September 2020	13,926

ROYAL NAVY RUGBY UNION

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS- CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

17. TANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Player training equipment £	Motor vehicles and cycles £	Medical equipment £	Totals £
COST				
At 1 October 2020	14,974	15,895	3,584	34,453
Additions	-	-	-	-
Disposals	-	(1,000)	-	-
At 30 September 2021	<u>14,974</u>	<u>14,895</u>	<u>3,584</u>	<u>34,453</u>
DEPRECIATION				
At 1 October 2020	14,505	11,514	1,820	27,839
Charge for year	469	1,095	440	2,004
Eliminated on disposal	-	(1,000)	-	-
At 30 September 2021	<u>14,974</u>	<u>11,609</u>	<u>2,260</u>	<u>29,843</u>
NET BOOK VALUE				
At 30 September 2021	<u>-</u>	<u>3,286</u>	<u>1,324</u>	<u>4,610</u>
At 30 September 2020	<u>469</u>	<u>4,381</u>	<u>1,764</u>	<u>6,614</u>

18. FIXED ASSET INVESTMENTS - CHARITY ONLY

	Share in Group undertakings £
MARKET VALUE	
At 1 October 2020 and 30 September 2021	<u>100,000</u>
NET BOOK VALUE	
At 30 September 2021	<u>100,000</u>
At 30 September 2020	<u>-</u>

This represents 100,000 £1 shares in the charity's wholly owned subsidiary, Navy Rugby Limited (Company number: 10259113).

ROYAL NAVY RUGBY UNION

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS- CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

19. STOCK

	Group 30.9.21 £	Group 30.9.20 £	Charity 30.9.21 £	Charity 30.9.20 £
Merchandise stock	<u>24,762</u>	<u>42,032</u>	<u>-</u>	<u>-</u>

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 30.9.21 £	Group 30.9.20 £	Charity 30.9.21 £	Charity 30.9.20 £
Trade debtors	17,575	27,962	4,114	10,500
Other debtors	<u>62,675</u>	<u>40,346</u>	<u>46,840</u>	<u>66,299</u>
	<u>80,250</u>	<u>68,308</u>	<u>50,954</u>	<u>76,799</u>

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 30.9.21 £	Group 30.9.20 £	Charity 30.9.21 £	Charity 30.9.20 £
Bank loans	9,398	-	-	-
Trade creditors	3,905	24,647	3,703	14,211
PAYE and national insurance	-	3,155	-	3,155
Other creditors	5,177	8,789	10,127	8,825
Deferred income (see below)	<u>76,925</u>	<u>-</u>	<u>55,805</u>	<u>-</u>
	<u>95,405</u>	<u>36,591</u>	<u>69,635</u>	<u>26,191</u>

Deferred income

Deferred income relates to sale of international tickets and grants relating to a future financial period.

	Group 30.9.21 £	Group 30.9.20 £	Charity 30.9.21 £	Charity 30.9.20 £
Balance brought forward	-	17,928	-	17,928
Amount released to incoming resources	-	(17,928)	-	(17,928)
Amount deferred in the period	<u>76,925</u>	<u>-</u>	<u>55,805</u>	<u>-</u>
Balance carried forward	<u>76,925</u>	<u>-</u>	<u>55,805</u>	<u>-</u>

ROYAL NAVY RUGBY UNION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS- CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

	Group 30.9.21 £	Group 30.9.20 £	Charity 30.9.21 £	Charity 30.9.20 £
Bank loans	40,602	50,000	-	-
Other loans	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
	<u>90,602</u>	<u>100,000</u>	<u>50,000</u>	<u>50,000</u>

Bank loans above is in respect of a Bounce Back loan.

Other loans above is in respect of a loan from NSSC which will only become repayable when the charity has sufficient cashflow to do so.

23. MOVEMENT IN FUNDS CHARITY ONLY

	At 1.10.20 £	Net movement in funds £	Transfer between funds £	At 30.9.21 £
Unrestricted funds				
General fund	319,467	(21,797)	-	297,670
	<u>319,467</u>	<u>(21,797)</u>	<u>-</u>	<u>297,670</u>
TOTAL FUNDS	<u>319,467</u>	<u>(21,797)</u>	<u>-</u>	<u>297,670</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	121,231	(143,028)	(21,797)
	<u>121,231</u>	<u>(143,028)</u>	<u>(21,797)</u>
TOTAL FUNDS	<u>121,231</u>	<u>(143,028)</u>	<u>(21,797)</u>

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 30 September 2021 (30.09.20: None).

ROYAL NAVY RUGBY UNION

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS- CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

25. ULTIMATE CONTROLLING PARTY

The charity is controlled by its board of trustees acting in concert.

26. SHARE CAPITAL AND LIABILITY OF MEMBERS

The charitable company is a company limited by guarantee and its members have undertaken to contribute to the assets of the company in the event of it being wound up such amounts as may be required not exceeding £1.