



DAME AGNES WESTON'S
ROYAL CHARITY FOR THE NAVAL SERVICE

Trustees' Report
and Financial Statements
for the year ended 31 March 2021

Registered Charity Number (England & Wales): 1176596
Registered Charitable Company (Limited by Guarantee): 11114651

"For the Glory of God and the Good of the Service"

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

INDEX

	Page
Section 1: Reference and administrative information	1
Section 2: Structure, Governance and Management	3
Section 3: Objectives and Activities	5
Section 4: Achievements and Performance	9
Section 5: Financial review	12
Section 6: Plans for Future Periods	14
Section 7: Acknowledgements, Statement of Trustees and Appointment of Auditors	15
Independent Auditor's Report	17
Statement of Financial Activities	20
Balance Sheet	21
Statement of Cash Flows	22
Accounting Policies	23
Notes to the Financial Statements	26

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

The Trustees of Dame Agnes Weston's Royal Charity for the Naval Service have pleasure in presenting their annual report for the purposes of the Charities Act 2011 and the Companies Act 2006, together with the accounts for the year ended 31 March 2021. In preparing this annual report and financial statement the trustees have adopted the provisions of the 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 published October 2019.

1. REFERENCE AND ADMINISTRATIVE INFORMATION

Name of the charity (registered name) and any other name which it uses.

Dame Agnes Weston's Royal Charity for the Naval Service (generally known as Aggie Weston's or Aggie's) is an incorporated charity registered with the Charity Commission of England and Wales and is a Charitable Company (Limited by Guarantee) registered with Companies House.

Registration numbers with Charity Commission and Companies House

Charity Commission	1176596
Companies House	11114651

Patrons

The charity is honoured to have as its patrons:

Her Majesty the Queen
Ministry of Defence

Address of principal office (Head Office) and other contact details

Castaway House
311 Twyford Ave
Portsmouth, PO2 8RN

Telephone: 02392 650505
Email: office@aggies.org.uk
Website: www.aggies.org.uk

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The trustees serving during the year (for the full year unless a shorter period is indicated) and since the year end were as follows:

Commodore Robert Fancy OBE Royal Navy (Retired)	(Chairman)
Mr Stephen Martin	(Vice Chairman)
Captain Patrick Allen Royal Navy	(appointed 28 February 2021)
Commander Hugh Harris Royal Navy	(appointed 23 November 2020)
Commander Stuart Somerville Royal Navy (Retired)	
Lieutenant Commander Louise Wooller Royal Naval Reserve	
Major James Weir Royal Marines	(resigned 23 November; re-appointed 22 February 2020)
MAA Oonagh Maguire Royal Navy	(appointed 22 February 2021)
Mrs Carole Backhouse	
Mrs Adeola Oludemi	

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

Senior Executives and organisations providing services or professional advice

Mr Chris New OBE
Mrs Nicola Torrance FCCA
Mr John Bazley
Mr Andy Gordon

Chief Executive Officer
Director of Finance
Operations and HR Manager (until 28 April 2021)
Operations and HR Manager (from 29 April 2021)

Solicitors

Weller Law Group LLP
65 Leadenhall Street
London
EC3A 2AD

Auditors

Blue Spire Limited
Chartered Accountants and Statutory Auditors
Cawley Priory
South Pallant
Chichester
PO19 1SY

Bankers

NatWest Bank plc
130 Commercial Road
Portsmouth
PO1 1ES

Investment Managers

Newton Investment Management Ltd
160 Queen Victoria Street
London
EC4V 4LA

Global Custody Services

The Bank of New York Mellon
One Canada Square
London
E14 5AL

Tax Consultantants (investments)

PricewaterhouseCoopers LLP
1 Hardman Square
Manchester
M3 3EB

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

Aggie Weston's is an incorporated Charity and a Charitable Company (Limited by Guarantee) governed by Articles of Association as amended by resolution dated 24 February 2020. With effect from 1 April 2018 the Charity merged with Dame Agnes Weston's Royal Sailors' Rests, Charity Number 238748 and a deed of transfer of assets was completed on the same date. The organisation adheres to Christian Articles of Faith adopted 7 October 2005.

Charitable Object

The Charity's Object, which is for the Public Benefit, is the promotion of the efficiency of the Royal Navy and the Royal Marines and the advancement of the Christian faith.

Governance

Governance is undertaken by a Board of Trustees comprising 3 to 15 members as specified in Articles of Association. The current Board comprises 10 trustees as listed on page 1 of this report; they have the powers to act in accordance with the Articles of Association, which may be exercised only in promoting the Charity's Object.

Potential trustees are identified using a range of networks and contacts; both those known to current Trustees, as well as supporters, Chaplains and the other Military Christian Organisations. Potential trustees are invited to attend a Board meeting on an exploratory basis, and at a later date will discuss their suitability for the role with the Chairman. If the Chairman and the potential trustee agree to proceed then the Board will consider the appointment. In accordance with Articles of Association, trustees are appointed for a five-year period. Trustees will generally be invited to serve for a second term, but only in exceptional circumstances may a trustee stay on for a third term (i.e. 15 years). All trustees sign a declaration of eligibility to serve in this capacity. Trustees are required to accept the charity's Christian Articles of Faith.

Trustee induction comprises of the attendance at a Board meeting, an induction brief from the CEO and completion of a Trustee Induction Course. The CEO is responsible for facilitating the training of new trustees and will ensure attendance at a suitable induction course as well as facilitating any special training or induction which is deemed necessary. Additionally, continuation training is included as a standing agenda item at each trustees' meeting.

The Articles of Association require at least one Ordinary Meeting of the Trustees and one Annual General meeting to be held in every 12-month period. In practice the Board of Trustees meets three times per year. The Board will review the charity's long-term strategy at a meeting in autumn and provide direction so that a budget can be prepared for the following financial year. This draft budget is presented to the trustees for approval at a meeting in February. The previous year's work will then be reviewed at an AGM meeting in the summer, at which point the audited accounts and annual report will be ready for approval. 'The Scheme' defines the required quorum based on the size of the Board; while the Board consists of 10 members (as at present) a quorum of 6 is required before any business can be transacted. Special meetings may be called at any time.

Aggie Weston's trustees are committed to achieving the best governance practices for the benefit of the charity and seek to be compliant with the Charity Code of Governance (for smaller charities). They achieve this by rotating through the Code's seven principles of good governance at Trustee Board Meetings, and ensuring that recommended practice is being followed where possible.

Management and Oversight

Aggie Weston's Head Office is at Castaway House, Portsmouth. Several other naval charities are co-located at this site, including the Royal Naval Benevolent Trust which owns the building and is the landlord. This arrangement provides for economy of administration, with individual charities sharing rent and service costs on a pro-rata basis. The co-location of naval charities also facilitates easy communication and creates valuable opportunities for cooperation in service provision. Aggie Weston's is not formally connected to any other charity; however, it collaborates with appropriate charities through forums and bodies that are relevant to its work; notably the Confederation of British Service Charities (COBSEO), Council for Voluntary Welfare Work (CVWW), Military Christian Organisations (MCO) and Principal Royal Naval Charities (RNCEOs). It is also a member of the National Council for Voluntary Organisations (NCVO).

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

The CEO and the Executive staff, are responsible for implementing the annual plan agreed by the Board of Trustees, within the allocated budget, and for undertaking the day-to-day management of the charity. The Board is kept informed of progress by a 'Monthly Report to Trustees' which is prepared by the CEO. In addition, the CEO provides a detailed oral report to the trustees at each board meeting.

Most of Aggie Weston's operational staff are Pastoral Workers based within Naval Establishments under the local line management of the Naval Chaplaincy Service. This is a symbiotic relationship which minimizes the management overhead of the charity, whilst increasing the influence and capacity of the local Chaplaincies. This arrangement is formalised within a Memorandum of Understanding (MoU), which is co-signed by the CEO and the Chaplain of the Fleet. This MoU is reviewed and resigned whenever the Chaplain of the Fleet or CEO hand over their responsibilities. The current MoU was signed in February 2020. The charity provides standardised Terms of Reference for the Pastoral Workers, but the local Chaplaincy Team Leaders are delegated the responsibility for drafting operational paragraphs which provide detail on the individual's daily roles and responsibilities. The CEO personally authorises these TORs annually to ensure that the work of the Pastoral Workers is focused on meeting the charity's objects. Aggie's CEO or Operations and HR Manager maintain close links with the staff and their local line management. The Chaplaincy Team Leaders provide annual personnel appraisal reports on Aggie's staff to the CEO.

Those members of staff who are not formally under the line management of a naval chaplain are managed directly from the Head Office.

The dispersed nature of the workforce and the indirect leadership structure creates a risk of individuals operating in a manner which is not consistent with the charity's objects and the trustees' strategy. This risk is mitigated by regular visits from the Executive team, and an annual conference which brings all the staff together for three days to ensure that the corporate strategy of the charity is understood at all levels, policies are fully understood and good practices are shared. During the Covid-19 pandemic, where in-person visits have not been possible, regular contact has been maintained between the Executive team and the pastoral workers via telephone calls, regular online meetings and a virtual conference.

Rates of pay for all staff have been set using, as a guide, the annual survey of charities pay and benefits produced by Croner Rewards and further informed through peer comparisons with other charities and local government rates. The charity complies with Minimum Wages legislation and the National Living Wage rates.

Supporters, donors and other interested parties are encouraged to monitor the work of Aggie Weston's through a range of media including: The charity's website; social media (Facebook and Twitter); its regular magazine "Ashore and Afloat"; and the annual published impact statement "Making a Difference." Bespoke impact reporting is provided to grant giving organisations.

As a Christian charity Aggie Weston's recognises the importance of prayer. A monthly prayer diary is circulated to trustees, staff and close supporters.

Risk management

The Board of Trustees recognises its ultimate responsibility for risk management, but delegates responsibility for day to day management, administration and monitoring of risk to the CEO. Risk management is a standing agenda item at Board meetings, which ensures that all substantial risks are brought to trustees' attention and considered in priority order. To assist with this process, a risk management framework is reviewed and updated at each trustees' meeting.

The Board confirms that it has considered the major risks that can reasonably be identified, and taken pre-emptive action to mitigate those risks. Aggie Weston's operates a policy of continuous review and development of its management systems.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

3. OBJECTIVES AND ACTIVITIES

The Purpose of the Charity as set out in the Governing Document

Agnes Weston's has existed as an independent Christian charity in some form or another since it was originally founded in 1876. The founder, Agnes Weston, originally provided the ratings of the Royal Navy with 'homes from home' in naval ports which were known as Sailor's Rests, providing a safe refuge and genuine alternative to the other less wholesome accommodation facilities which were available outside a 19th Century Dockyard. Agnes Weston's legacy as a support to sailors and campaigner for the welfare of naval families, which brought her national recognition, lives on in "Dame Agnes Weston's Royal Charity for the Naval Service," previously known as "Dame Agnes Weston's Royal Sailors' Rests." The current charity was established as an incorporated Charitable Company (Limited by Guarantee) in January 2018; it assumed all the assets and roles of "Dame Agnes Weston's Royal Sailors' Rests" on 1 April 2018, and the merger of the two charities was formally registered on 12 February 2019.

The charity today seeks to carry forward the spirit of the founder's Christian philanthropy by offering pastoral support to the naval community. Historically this community was seen as serving members of the Royal Navy and Royal Marines and their families. In February 2020, however, the Royal Fleet Auxiliary were included into our Mission Statement as, under the Whole Force Concept of the Royal Navy Headquarters, the Royal Fleet Auxiliary is now seen as an integral component of the naval community.

The Charity's Object, which is for the Public Benefit, is the promotion of the efficiency of the Royal Navy and Royal Marines and the advancement of the Christian faith. The overarching vision of Aggie Weston's is that all serving members of the Royal Navy, Royal Marines, the Royal Fleet Auxiliary and their families should be able to 'live life to its fullest measure'¹ which means that they should have physical, emotional and spiritual health, and be living in strong relationships. The objective of all Aggie Weston's work is to move personnel towards achieving this vision by improving their quality of life within the beneficiary community, and to help individuals to deal with the unique stresses associated with service in the Royal Navy. The deployable nature of naval employment often leads to separation and loneliness, which are two of the key stressing factors which create the need for pastoral support which the charity provides.

The main activities undertaken in relation to these purposes

In meeting the Charity's Object, Aggie Weston's works in close cooperation with the Royal Navy and, in particular, with the Naval Chaplaincy Service and the Royal Navy Family and People Support organisation.

Motivated by the love of God, the charity's activities are firmly focused on the provision of pastoral support to the serving members of the Royal Navy, Royal Marines, Royal Fleet Auxiliary and their families.

Pastoral support is defined as *"listening, encouraging, comforting and supporting; offering practical help when possible and signposting to more specialist assistance when appropriate."* In delivering this service the charity recognises the unique demands which are placed upon the naval community. It believes that simple acts of practical support and kindness can help to mitigate for the stresses, loneliness and separation which are part and parcel of naval life. Whilst conducting simple practical tasks at the heart of the beneficiary community, Aggie Weston's Pastoral Workers are well placed to earn the trust and respect of those that may need their support. They seek to be available as confidantes when personnel have a need to talk, and to be ready to offer personal pastoral support to those that are beginning to struggle. All Aggie Weston's staff are Christians motivated by the love of God and, without judgement, they offer their service to those of any faith or of no faith. Thus the object of promoting the Christian faith is met by ensuring Christian staff are available where needed, demonstrably offering care to individuals and providing an example of selfless love.

The main activities which have been undertaken for the public benefit during this financial year are:

- Pastoral Workers. Provision of pastoral support to beneficiaries by allocating 33 Pastoral Workers to operate across 18 venues within naval communities, both on the bases and within the service family communities in the vicinity of the bases. Under non-COVID conditions this footprint of support puts an Aggie Weston's Pastoral Worker within easy reach of most personnel in the Royal Navy, as well as those families which live near to a naval

¹ The vision of "living life to its fullest measure" is drawn from scripture. John 10:10 states: "A thief comes only in order to steal, kill and destroy. I (Jesus) have come that they may have life, life in its fullest measure."

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

establishment. The Pastoral Worker role is carefully defined, and a high level of rigour is placed on the recruitment process, training, support and delivery. During the COVID-19 pandemic the Pastoral Workers have used social media, telephone, text, e-mail and limited 1:1 meetings in order to support beneficiaries. One working group was established to develop a programme of on-line activities for serving personnel "behind the wire", and another working group set up to develop a programme for supporting families. Other Pastoral Workers made daily phone calls to personnel in naval Quarantine and Isolation Facilities. Each Pastoral Worker now completes a training course, which is delivered through a variety of mechanisms, in partnership with Pastoral Care UK (PCUK), which is itself part of the Association of Christian Counsellors. Aggie Weston's is an affiliated member of PCUK. In support of the Pastoral Workers, a monthly 'Supervision' process provides 'care for the carer' to mitigate against the risk of the staff themselves becoming stressed due to the emotional burdens that they are being asked to share.

- Family Events. Under non-COVID conditions Aggie Weston's Pastoral Workers run events for spouses and service children in community centers at most locations that have a high concentration of naval families. Many are delivered in partnership with other organisations such as Royal Navy Family and People Support. Throughout the COVID-19 pandemic the community centers remain closed. Pastoral Workers therefore were limited to running outdoor activities when permitted, and on-line activities when physical meetings were not permitted.
- Aggie's Community Waves - Portsmouth. Through a combination of restructuring and recruitment funded by the Armed Forces Covenant Fund Aggie Weston's has been able to assemble a team of four Pastoral Workers who provide targeted support which aims to reduce loneliness amongst naval families in the Portsmouth area. Initiatives include: Increased activity for spouses in all Service Family Accommodation community centers; increased collaborative working within schools to support Service children; money management training for Serving Personnel and their families (see below); and increased outreach to the Commonwealth members of the Royal Navy and their families. In addition to organising group events (when permitted by COVID restrictions) the Pastoral Workers have visited Service accommodation areas, actively seeking out and engaging 1:1 those families struggling to cope with the combined impact of deployments and COVID.
- Money management course. Using in-house resources Aggie Weston's has designed, developed, trialed and delivered a money management course which helps Serving Personnel and their spouses to plan and manage their domestic resources more effectively. The course was designed to be delivered face-to-face in small groups but, as a result of COVID restrictions, an on-line version of the course was developed and delivered with excellent feedback.
- Storybook Waves. This project, in partnership with Reading Force (a service charity providing reading scrapbooks for service children) and with financial support from the RNRMC, allows personnel who are separated from their families through deployment, courses or long shift patterns to record a bedtime story for their children. This creates a virtual presence of the parent during periods of physical separation. Storybook Waves has 24 recording centers, including two on board HMS Queen Elizabeth and HMS Prince of Wales respectively. There are also 42 deployable recording kits across the remainder of the Fleet. Volunteers edit the vocal recording on to a soundtrack, with sound effects, to create a professional sounding CD or MP3 recording which is sent to the child with a hard copy of the book, a scrapbook to be filled in during the deployment, a bookmark and a 'bravery medal'. Experience has shown that young children struggle to understand the separation which comes from long deployments and these recordings are much better for maintaining parental relationships than telephone/Skype calls or similar. A plethora of feedback demonstrates that children will listen to these recordings time and again. This not only benefits the child and the absent parent, but also provides relief to the parent at home. Feedback consistently tells us that this facility promotes strong family relationships and thus the project aligns comfortably with the Christian ethos of the charity. Crucially, the actual recording process brings a Pastoral Worker close to the deploying individual for a period, and thus provides an opportunity to listen to concerns and to make the pastoral role of the charity known amongst the spouses of deployed personnel. As a consequence of COVID-19 the preferred recording method, being face to face with the serving person, was not possible for much of the year. An alternative process was therefore developed which enabled the deploying parent to record the story on their own device and download it to Aggie's for editing.
- Storybook Waves Book-Club. Following on from the success of the Storybook Waves project, an associated book-club has been established, with financial support from the Annington Trust, which seeks to use children's books

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

as the central theme for social gatherings. Designed with the families of deployed personnel in mind, this project provides all that is needed to run a social gathering where families can get to know each other and provide mutual support. The whole event is based on the story in a well-known children's book and the supporting package provides books, crafts, activities and instructions for the facilitator. As a consequence of COVID-19 physical book club meetings have not been possible for most of the year. Instead we have worked within government guidelines to provide: Online book clubs hosted over Zoom; one on one book clubs for families in dire need; small group book clubs and outside clubs in Portsmouth and Plymouth.

The trustees are briefed annually on the requirement to ensure that each of its purposes is for the public benefit. This briefing is based on the updated information contained within the Charity Commission guidance:

- ☐ PB1: The public benefit requirement.
- ☐ PB2: Public benefit; Running a charity.
- ☐ PB3: Public benefit; Reporting.

The trustees are content that all of the charity's objects and activities can be defined as 'for the public benefit.' The beneficiary group, or 'public class' for the charity is defined by 'occupation or profession' (i.e. serving members of the Royal Navy, Royal Marines or Royal Fleet Auxiliary) or by family association to a member of that group.

How achievement of aims will further legal purposes.

The charity believes that contented families, sailors and marines will lead to a more effective work force, and thus all of the charity's work will ultimately improve the operational capability and the efficiency of the Royal Navy.

The services of Aggie Weston's are provided freely to those of all faiths and none, but the advancement of the Christian faith is achieved largely through providing a positive example at the heart of the secular beneficiary community. The charity uses an entirely Christian staff who offer pastoral care because they share a commitment to follow the biblical direction to "love one another because we ourselves are first loved by God.² Whilst Pastoral Workers do not overtly evangelise, they may distribute Christian literature or encourage spiritual considerations as part of letting beneficiaries know that they do have a personal faith.

The Royal Navy does offer significant support to its personnel through the Naval Chaplaincy Service, the Royal Navy Family and People Support team and the service's Divisional System. Aggie Weston's complements these organisations both by providing a significant increase in capacity and by creating an environment in which pro-active support is both sought and provided, thus delivering an early intervention or prevention mechanism. Specifically, it provides a trustworthy and independent person with time to listen when someone needs to talk about the stresses and pressures that are impacting on their lives. By placing encouraging and non-judgmental Christian individuals in a place to meet this need, the trustees believe that they are advancing the religion in a positive and constructive manner.

Whilst pastoral conversations are confidential, unrecorded and independent of the command chain, a record is kept of the key issues which are at the root of the personal problems that have led to the conversation.

Strategy for achieving aims and objectives.

The 'Sailors' Rests' provided by the Charity's founder met a real and practical need; providing a positive Christian example neatly summed up in the organisation's original motto "For the glory of God and the good of the Service." Sailors, marines and their families still have needs today which can be met by Christian philanthropy. The strategy for meeting the objectives is therefore to seek opportunities to practically improve the quality of life of those within the beneficiary community in some way, (for example through the provision of a coffee lounge or family club). Such activity will help to move towards the vision, but it will also allow the individual Pastoral Workers to become familiar and trusted, and thus a source of comfort or advice, and a good confidante in times of stress or need. So, for example, the coffee bar on a base is a visible project which makes a beneficiary's life a little bit better. But equally importantly, it will put the Pastoral Worker in a place where he/she can become trusted, and be ready to listen, encourage, comfort and support when needed.

Criteria/measures to assess success.

² This belief is drawn from scripture. 1 John 4:19 states: "We love because he first loved us."

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

Aggie Weston's impact measurement methodology relies on a mix of qualitative and quantitative data to assess the difference which is being made.

- The number of beneficiaries that are helped in some way are counted daily. Since people will use the services provided on multiple occasions, these daily figures cannot be added together to create a total number of individuals that have been helped. They can however be used to create an average number of beneficiaries helped per day, or summed to create a total number of 'acts of kindness' delivered over a month or year.
- A second, and more significant, figure is the number of 'pastoral conversations' that have been conducted over a monthly period.
- Qualitative data is collected from users of the service by means of survey questionnaires.
- Anecdotal stories are captured to demonstrate the difference which an interaction may have made to someone's life.
- During the COVID pandemic additional metrics have been introduced, such as the number of pastoral phone calls made to personnel occupying one of the Royal Navy's Quarantine and Isolation Facilities.

Objectives.

The short-term objectives are to:

- Recover our presence within establishments and community centers following the COVID-19 pandemic.
- Increase the focus of Pastoral Workers onto those population groups with the greatest need, in accordance with our Five Year Plan.
- Raise the profile of Aggie's around establishments, with less emphasis on staffing Havens, particularly during periods when the footfall is low.
- To increase collaboration with other organisations, particularly Royal Navy charities.

The longer-term objectives are to:

- Increase the impact of the charity amongst families in non-naval base areas.
- Apply lessons learned from the Family Support organisation in Portsmouth (Aggie's Community Waves) to other locations, principally Plymouth.

Scale of resources used in activities

The costs of the activities and the level of staff resource can be seen at Notes 7 and 10 to the financial statements.

Use of Volunteers

The trustees have considered the growing number of requests for pastoral support against the income which is likely to be received on a sustainable basis. Their direction is that additional salaried posts should not be created unless additional resource is identified which matches the increase in costs. With this in mind, they have directed that an increased use of volunteers might help to increase capacity in an efficient, if not cost free, manner. Volunteers are currently being used, therefore, to supplement salaried Pastoral Workers, edit Storybook Waves, run events and assist with administration.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

4. ACHIEVEMENTS AND PERFORMANCE

Summary of main achievements and difference made to beneficiaries.

The work of Aggie Weston's through this reporting year is summarised as follows:

Pastoral Workers

At year end, Aggie Weston's was providing 31 Pastoral Workers (plus 6 committed volunteer Pastoral Workers). A further two salaried Pastoral Worker posts (one at Commando Training Centre Royal Marines, Lympstone and the other at Royal Naval Air Station Yeovilton) were vacant at the year end and are additional to the numbers shown below. Our Pastoral Workers were delivering pastoral support at 18 venues in and around Naval Bases, air stations, training schools and Royal Marine bases in England and Scotland. By working in collaboration with the Naval Chaplaincy Service, the charity maximises efficiency because the requirement for charity funded work space and line management is negated. The collaboration also ensures close links with the local military Chain of Command and thus allows the Pastoral Workers to be quickly aware of requirements as they emerge. The team is involved in a wide variety of support activities, as determined by local opportunity and need, including community work, pastoral care and management of on-base facilities for rest and recreation.

During the year salaried Aggie's Pastoral Workers were present at:

- ☐ HMS NELSON and HM Naval Base Portsmouth (4 posts)
- ☐ HMS DRAKE and HM Naval Base Plymouth (2 posts)
- ☐ HM Naval Base Clyde (community-based (2 posts)
- ☐ HMS SULTAN (Training Establishment) (2 posts)
- ☐ HMS COLLINGWOOD (Training Establishment) (2 posts)
- ☐ HMS RALEIGH (Training Establishment) (1 post)
- ☐ Commando Training Centre Royal Marines, Lympstone (2 posts)
- ☐ Royal Marines Poole (1 post)
- ☐ Royal Marines Barracks Stonehouse (Plymouth) (1 post)
- ☐ Royal Marines Barracks Bickleigh (1 post)
- ☐ Royal Marines Barracks Arbroath (2 posts)
- ☐ Royal Marines Barracks Taunton (1 post)
- ☐ Royal Naval Air Station Culdrose (1 post)
- ☐ Royal Naval Air Station Yeovilton (1 posts)
- ☐ MOD Caledonia (Rosyth) (1 post)
- ☐ Portsmouth community (4 posts)
- ☐ Plymouth community (2 posts)
- ☐ Royal Fleet Auxiliary (1 post)

The Pastoral Worker role is proactive and adapted to meet the local needs and opportunities. The common theme is that Pastoral Workers seek to come alongside and become known by service personnel and their families, and thus to be ready to help deal with personal issues before they grow into crises. This team has helped an average of 213 beneficiaries in some way on each working day through the delivery of 55,723 acts of kindness over the last calendar year, despite the restrictions of COVID-19. This has led to over 4,028 pastoral interventions (an average of 336 per month). Additionally, Pastoral Workers have made 18,000 pastoral telephone calls to Serving Personnel accommodated in Quarantine and Isolation Facilities in a number of locations. It should be noted that, due to the restrictions imposed by the pandemic, although footfall in our Havens has reduced and the number of Acts of Kindness has reduced from 160,782 in FY 19/20 to 55,723 in FY 20/21 (a 65% reduction), the number of pastoral conversations (not including the telephone calls to those in Quarantine) has increased from 2,944 in FY 19/20 to 4,028 in FY 20/21 (a 37% increase).

The success of the Pastoral Worker programme has again been evidenced this year through an increase in requests for additional pastoral support from the Naval Command, the Naval Chaplaincy Service and the Royal Navy Family and People Support organisation. Whilst not all requests can be met the requests in themselves are seen as an indicator that the value of the service being delivered is appreciated and valued.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

Storybook Waves

A total of 369 Storybook Wave recordings were made over the year, 2,280 children accessed on-line stories and book clubs, and 1,760 family activity packs were assembled and distributed to Service families.

Aggies Community Waves

Generous funding from the Armed Forces Covenant Fund has supported the funding of the project co-ordinator role and enabled the short-term recruitment of two additional Pastoral Workers to combat loneliness within Service families in the Portsmouth area. Although this funding was awarded at the start of FY 20/21, COVID restrictions meant that their tasking would have been limited during the lockdown periods. While the first pastoral worker post was filled mid-way through the financial year, the second post was not filled until after the end of the reporting period and does not, therefore, feature in the data within this report.

Other Projects

Aggie Weston's is an innovative organisation and considers any ideas for projects that may help the beneficiary community and meet the charitable objects. Proposed projects are researched, tried and assessed. Some stand the test of time and run for many years, others are successful and passed on to other agencies, and on occasion, some are not continued for one reason or another. The underlying aim of any project will be to improve the quality of life, (including spiritual health) of beneficiaries; any project should be encompassed within the charity's motto of "for the glory of God and the good of the Service." Portsmouth Military Kids is one such example - an Aggie Weston's Pastoral Worker co-ordinates and supports schools in the Portsmouth area to use their Service Pupil Premiums efficiently in support of Service children.

Impact of COVID-19 on performance

COVID-19 restrictions have been in force throughout the financial year. This has had a negative impact on the investment income for the year and although the capital value of the investment portfolio initially dipped it subsequently recovered by the end of the financial year; this is discussed in more detail in section 5 of this report.

COVID-19 has massively impacted performance throughout FY 20/21:

- All Havens have been closed, and Pastoral Workers barred from entering the establishment, for either most or all of this financial year, depending on the policy of individual commanding officers. All community centres have been closed throughout the year and COVID restrictions have prevented anything more than 1:1 outdoor interaction with beneficiaries for the majority of the period. As a result Pastoral Workers have used social media, on-line meetings, e-mails and telephone to maintain contact with beneficiaries.
- Alternative performance measurement metrics have been used over the course of this financial year to reflect changes in both the need and the operating environment. These include the number of people accessing on-line book clubs and activities, and the number of pastoral phone calls made to personnel in Quarantine and Isolation facilities.
- The charity's offices in Portsmouth were closed for the majority of the financial year with executive staff working remotely from home.
- Management communication between office staff, and between the executive and the Pastoral Workers, has been achieved through tools such as Teams, Zoom and WhatsApp. Pastoral Workers also use these tools to hold on-line craft sessions, coffee meetings, book clubs, gardening clubs, special interest groups (e.g. parents of children with Special Educational Needs).
- Volunteers have changed their working practices the same as salaried Pastoral Workers and continue to contribute to our beneficiaries.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

Investment Performance against Investment Objectives Set

Aggie Weston's investment portfolio is managed by Newton Investment Management. The objective of the portfolio is to achieve a balance between income and capital growth with a benchmark comprising:

- ☐ 20% FTSE Govt All Stocks
- ☐ 50% FTSE All Share Index
- ☐ 25% FTSE World ex UK (£) Index
- ☐ 5% Cash 7 day LIBID

As noted under the investment policy (see section 5), the Trustees have placed a number of ethical restrictions on investment options and they accept that these may impact the return on investment. The objective originally included in the budget for 2020/21 was an investment income of £325,000 which was revised to £275,000 at the start of the financial year (2019/20 - £324,000). The income achieved was £271,934 (2019/20 - £318,864).

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

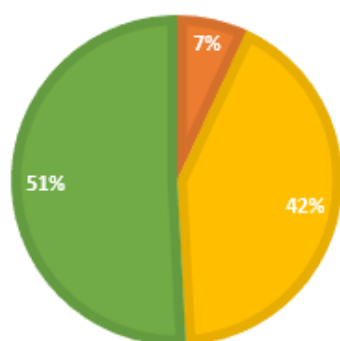
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

5. FINANCIAL REVIEW

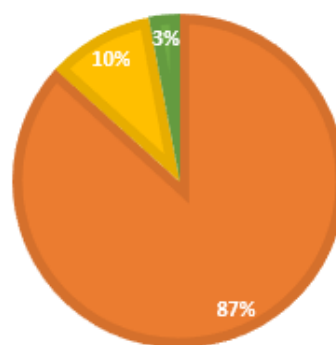
INCOME 2020/21

Donations & Legacies Grants Investment income



EXPENDITURE 2020/21

Charitable activities Investment management Fundraising



Principal funding sources are investment income, legacies, trusts, donations from supporters and grants. During the year grants were received from the Royal Navy and Royal Marines Charity, RMA - The Royal Marines Charity, Greenwich Hospital, the Naval Children's Charity (formerly the Royal Navy & Royal Marines Children's Fund) and the Armed Forces Covenant Trust Fund. This generous financial commitment has enabled Aggie Weston's work during the year.

Total incoming resources for the year on income funds amounted to £535,516 (2019/20: £523,098), comprising income from investments of £272,211 (2019/20: £319,979), charitable activities £436 (2019/20: £4,435), voluntary income £210,694 (2019/20: £198,684) and government grants (under the Coronavirus Job Retention scheme (CJRS)) £52,175 (2019/20: £nil)

Total expenditure, including investment management fees charged to the endowment fund was £708,329 (2019/20: £678,612). In addition there were gains on investments of £2,407,388 (2019/20: losses of £730,352).

During the year, the charity also received capital additions to its expendable endowment fund of £449,065 (2019/20: £176,136) from the Dashwood Trust. The Dashwood Trust holds a portfolio of properties which are generally disposed of on becoming vacant, whereupon proceeds are distributed to the Trust's beneficiaries. Amounts distributed can vary considerably from year to year. Aggie's anticipates further receipts for the next 10-12 years although timing and amounts cannot be predicted.

Combining the Dashwood receipt with the net expenditure the total funds to be carried forward at 31 March 2021 are £13,279,546 compared to £10,595,906 brought forward at 1 April 2020; a favourable movement in funds of £2,683,640 (2019/20: adverse movement of £709,730). The favourable outcome is a result of the upturn in the investment value following the significant downturn at the end of the previous year as a result of the outbreak of the Covid-19 pandemic plus the capital receipts from the Dashwood Trust.

As already noted, the most significant impact of the pandemic has been on the investment income for the year which was £271,934 against an original budgeted income of £325,000. This was compensated for by the government grants received under CJRS. Since the charity also benefitted from capital receipts during the year, the anticipated deficit did not materialise and the trustees assess that the financial outturn for the charity is acceptable for the year ended 31 March 2021.

Investment policy

Aggie Weston's investment manager, Newton Investment Management Ltd, is instructed to invest at moderate risk to provide a balance of growth and income.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

The trustees set the following additional ethical considerations:

- ☐ No direct investment in companies that produce alcohol, pornography, gambling services, tobacco or companies offering 'pay day' loans.
- ☐ No single investment shall exceed 7.5% of the portfolio without the trustees' agreement.
- ☐ No investment to be made in derivatives.

The return on investment is impacted by Aggie's investment restrictions. All investments are acquired and held by the investment manager as nominee. It is the intention of the trustees to review the investment approach and consider a total return investment strategy as a method of increasing the contribution that the investments make to the annual income.

Investment income is the main source of funds for Aggie's, contributing 51% to our annual income in 2020/21. The overall investment strategy is to achieve an income to assist the charitable activities and preserve the capital to sustain this income stream going forward. Should the investment funds be used to meet costs, it would reduce the amount of income we are able to generate and increase the amount of endowed funds required to be expended in the future. This cycle would escalate and make the current level of activities unsustainable.

Reserves policy

In establishing the charity's Reserves Policy, the trustees have referred to Charity Commission guidance (CC19) and accounting standards (SORP 2019). The trustees do not intend to build up reserves for unspecified purposes, but rather to apply all income to direct charitable purposes. This intention is reviewed annually when trustees agree the budget for the forthcoming year.

The financial model adopted by the charity is to meet overheads and management costs from the investment income derived from the unrestricted expendable endowment. The legacy of Aggie Weston's long history means that the charity benefits from funds invested to provide annual income for the long-term benefit of the charity. Therefore any donations and grants received can be focused on delivery of output for the beneficiary group.

With an output based on a network of about 33 Pastoral Workers and the Storybook Waves projects, trustees expect annual income to fall short of expected expenditure by approximately £250,000 per year.

The Trustees are looking to close the gap between income and expenditure over the next few years. In the meantime, trustees have decided to accept a draw-down of the free reserve, and to utilise the endowment funds (capital receipts from Dashwood Trust) received in the current year to allow time for the funding to be sought.

The Trustees are of the opinion that management overheads have been sufficiently streamlined and that further reduction in the annual net expenditure can only be achieved through either a decrease in activity or an increase in voluntary income. With the positive impact of the pastoral programme it is not deemed appropriate to reduce activity at this stage. They are, however, mindful that in the longer term they cannot maintain an annual net expenditure requiring a draw down on the expendable endowment without impacting on income from investment. There have been sufficient free reserves to cover the deficit for the year 20/21 and the Trustees are content to accept, but closely monitor, the expected net expenditure for another year.

The predictable nature of expenditure, the low risk of unexpected events that may have high cost implications, and the availability of investments which could be liquidated in extremis suggest that drawdown from expendable endowment will be manageable, and significant free reserves are not required. So, for the period to 31 March 2021, the Reserves Policy will not stipulate a minimum level of free reserve.

The Trustees have considered the impact of the COVID-19 virus and confirmed with funders that their ongoing commitments to the charity remain unaltered. They assess that the income from investments should recover slightly from the poor performance in FY20/21 and the assessment of the overall financial position remains unchanged in that the charity can draw upon the unrestricted endowment funds should the need arise in the short term.

The charity's free reserves, unrestricted funds not represented by fixed assets, at 31 March 2021 were £81,054 (31 March 2020: £164,533).

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

6. PLANS FOR FUTURE PERIODS

The Trustees remain content that the current model of delivery for pastoral support to the serving members of the Royal Navy, Royal Marines, Royal Fleet Auxiliary and their families is working efficiently and having a significant positive impact on the lives of many beneficiaries. This clearly promotes the efficiency of the Royal Navy, Royal Marines and Royal Fleet Auxiliary. Since this work is delivered by Pastoral Workers who are openly representative of a Christian organisation, and the value of the work is recognised by multiple stakeholders, it follows that the projects are advancing of the Christian faith.

The charity introduced a Five Year Plan in November 2020 which focuses resource on population groups with the greatest need and strengthens relationships with both the Naval Chaplaincy Service and the Royal Navy Family and People Support organisation. This, in turn, will encourage more beneficiaries to utilise the services offered, and increase the likelihood of donors and grant-givers being attracted to financially support the work.

Over the next 12 months the priorities will be to:

- ☐ Stabilise the financial outlook through broadening and increasing sources of revenue, continuing to drive efficiencies, and optimizing the investment portfolio management.
- ☐ Recover from the COVID-19 pandemic, re-opening Havens, re-occupying community centers, and re-building face-to-face relationships with the beneficiary community.
- ☐ Raise the profile and influence of the charity.

In the next 5 years the priorities will be to:

- ☐ Increase sustainable income to a point at which the annual income (including return on investments) meets annual expenditure thus ensuring the long term ability of the charity to deliver its objects.
- ☐ Widen the pastoral support on offer to the naval families who do not live in naval base port areas.

Trustees' Perspective on the Future of the Charity

Trustees believe that the charity continues to deliver a service which promotes the efficiency of the Royal Navy and the Christian faith. They have been encouraged by the warmth with which the Pastoral Workers are received and continue to see bids for additional pastoral support being received from various official naval authorities. They recognise that the current annual net expenditure is not sustainable in the long term, however they firmly believe that the service offered by the Charity meets a clearly defined and contemporary need which is sustainable in the short term through the utilisation of the Dashwood Trust capital receipts. In the longer term, they are confident that a total return approach to restructuring our investments, combined with increased recognition of the charity's output, will ultimately win enough funding support to achieve a balanced budget.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

7. ACKNOWLEDGEMENTS, STATEMENT OF TRUSTEES AND APPOINTMENT OF AUDITORS

Acknowledgements

The trustees express their sincere thanks to Her Majesty the Queen for her continued Patronage.

They are also most appreciative and grateful to all supporters, funding bodies and partners. In particular, they are enormously grateful for the ongoing grant support from:

- The Royal Navy and Royal Marines Charity
- Greenwich Hospital
- RMA - The Royal Marines Charity (RMA - TRMC)
- Annington Trust
- Naval Children's Charity (formerly the Royal Navy & Royal Marines Children's Fund)
- Armed Forces Covenant Fund Trust

Statement of Trustees' Responsibilities

The trustees (who are also directors of Dame Agnes Weston's Royal Charity for the Naval Service for the purposes of company law) accept responsibility for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these 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 2019 (FRS 102);
- ☐ 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 operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities (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.

In so far as the trustees are aware:

- ☐ there is no relevant audit information of which the charitable company's auditor is unaware; and
- ☐ the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Charities (Protection and Social Investment) Act 2016

Under the terms of this act:

- i) Aggie Weston's does not employ professional fund-raisers or commercial participators to carry out fund raising. The charity does not engage in street or door to door fundraising.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT DISCLOSURE

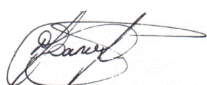
- ii) Neither the charity nor any person acting on behalf of the charity was subject to any undertaking to be bound by any voluntary scheme for regulating fund-raising. However, any fund-raising by trustees, staff or supporters of the charity is conducted in accordance with the Fundraising Regulator's Code of Fundraising Practice.
- iii) The trustees are not aware of any failure to comply with the Code of Fundraising Practice.
- iv) Aggie Weston's has not received any complaints about activities for the purpose of fund raising.
- v) The trustees are content that through adherence to the Code of Fundraising Practice they avoid any unreasonable intrusion into a person's privacy, or the placing of undue pressure on a person to give money or other property.

Appointment of Auditors

Blue Spire Limited have expressed their willingness to continue as auditors to the charity.

This report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

Approved by the trustees and signed on their behalf.



.....
Commodore Robert Fancy OBE Royal Navy (Retired)

Chairman

Date 13 July 2021



.....
Mr. Stephen Martin

Deputy Chairman

Date 13 July 2021

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Dame Agnes Weston's Royal Charity for the Naval Service

Opinion

We have audited the financial statements of Dame Agnes Weston's Royal Charity for the Naval Service (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. 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. 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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITOR'S REPORT

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 15], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity 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.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITOR'S REPORT

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Geoffrey Frost BSc(Hons) FCA (Senior Statutory Auditor)
For and on behalf of Blue Spire Limited, Statutory Auditor

Date 14 July 2021

Cawley Priory
South Pallant
Chichester
West Sussex
PO19 7UY

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £	2020 Total Funds £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies						
- Revenue receipts	1	36,774	173,920	-	210,694	198,684
- Dashwood capital receipts	1	-	-	449,065	449,065	176,136
Investments	2	272,211	-	-	272,211	319,979
Charitable activities	3	436	-	-	436	4,435
Other income - government grants	4	52,175	-	-	52,175	-
Total		361,596	173,920	449,065	984,581	699,234
EXPENDITURE ON:						
Raising funds						
Seeking donations, grants and legacies	5	16,244	5,040	-	21,284	13,612
Investment management costs	6	-	-	78,578	78,578	72,368
Charitable activities	7	428,831	179,636	-	608,467	592,632
Total		445,075	184,676	78,578	708,329	678,612
Net gains/(losses) on investments	13	-	-	2,407,388	2,407,388	(730,352)
Net income/(expenditure) and net movement in funds		(83,479)	(10,756)	2,777,875	2,683,640	(709,730)
RECONCILIATION OF FUNDS						
Total funds brought forward	17	164,533	44,396	10,386,977	10,595,906	11,305,636
Total funds carried forward	17	<u>81,054</u>	<u>33,640</u>	<u>13,164,852</u>	<u>13,279,546</u>	<u>10,595,906</u>

The charity has no recognised gains or losses other than those dealt with in the statement of financial activities.
All of the above results are derived from continuing activities.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Investments	13	12,499,389	10,092,034
CURRENT ASSETS			
Debtors	14	6,213	1,102
Cash at hand and in bank		820,699	558,387
Total current assets		<u>826,912</u>	<u>559,489</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	15	<u>46,755</u>	<u>55,617</u>
Net current assets		780,157	503,872
Net assets		<u><u>13,279,546</u></u>	<u><u>10,595,906</u></u>
THE FUNDS OF THE CHARITY			
Endowment funds			
Expendable endowment fund	17	11,193,481	10,386,977
Fair value reserve	17	<u>1,971,371</u>	<u>-</u>
		13,164,852	10,386,977
Restricted funds	17	33,640	44,396
Unrestricted funds	17	81,054	164,533
Total charity funds		<u><u>13,279,546</u></u>	<u><u>10,595,906</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 20 to 36 were approved and authorised for issue by the trustees on 13 July 2021 and signed on their behalf by

Commodore Robert Fancy OBE Royal Navy (Retired)
Chairman

Mr Stephen Martin
Deputy Chairman

Dame Agnes Weston's Royal Charity for the Naval Service
Charity No. 1176596
Company No. 11114651

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF CASH FLOWS

	2021		2020	
	£	£	£	£
Net cash flow from operating activities (see below)		(9,932)		(242,344)
Cash flow from investing activities				
Interest and dividends	272,211		319,979	
Proceeds from sale of investments	3,081,878		2,168,108	
Purchase of investments	(2,934,106)		(2,261,060)	
Net cash flow from investing activities		419,983		227,027
Net increase/(decrease) in cash and cash equivalents		410,051		(15,317)
Cash and cash equivalents brought forward		634,696		650,013
Cash and cash equivalents at 31 March		<u>1,044,747</u>		<u>634,696</u>
Cash and cash equivalents consist of:				
Cash at bank and in hand		820,699		558,387
Cash held within investments		224,048		76,309
Cash and cash equivalents at 31 March		<u>1,044,747</u>		<u>634,696</u>

Reconciliation of net income to net cash flow from operating activities

	2021		2020	
	£	£	£	£
Net income/(expenditure) for the year		2,683,640		(709,730)
Adjusted for:				
Interest and dividends	(272,211)		(319,979)	
(Gains)/Losses on investments	(2,407,388)		730,352	
(Increase)/Decrease in debtors	(5,111)		33,818	
(Decrease)/Increase in creditors	(8,862)		23,195	
		(2,693,572)		467,386
		<u>(9,932)</u>		<u>(242,344)</u>

Analysis of changes in net debt

	2021	2020
	£	£
Debt brought forward	-	-
Cash and cash equivalents brought forward	634,696	650,013
Total net debt brought forward	634,696	650,013
Cash flows	410,051	(15,317)
Total net debt carried forward	<u>1,044,747</u>	<u>634,696</u>
Analysed as:		
Debt carried forward	-	-
Cash and cash equivalents carried forward	<u>1,044,747</u>	<u>634,696</u>

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

Dame Agnes Weston's Royal Charity for the Naval Service is a private limited company, incorporated as a company limited by guarantee in England with the company number 11114651. The address of the registered and principal office is given in the reference and administrative details section and the nature of the charity's operations and principal activities are given in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

The charity receives government grants in respect of claims made under the Coronavirus Job Retention Scheme. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes staff and other costs of raising the charity's profile and investment management fees;
- Expenditure on charitable activities includes staff and other costs of delivery the charity's objects together with support and governance costs.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 8.

VAT

The charity is not registered for VAT and is unable to recover VAT incurred on its expenses. On this basis all costs are recorded inclusive of VAT within the financial statements throughout the current year.

Tax

The charity is considered to pass the tests set out in sections 466 to 493 Corporation Tax Act 2010 (CTA 2010), as such no corporation tax is payable on the charity's activities.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable and allocated to funds on a basis in line with the allocation of expenditure.

Redundancy and termination payments are recorded as an expense in the financial statements as they fall due with any amounts unpaid at the balance sheet date accrued.

Fixed asset investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Debtors receivable and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand and cash balances within the investment portfolio available for investment transaction purposes.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent funds arising from capital assets donated to the charity, principally held as fixed asset investments. The fund is expendable at the discretion of the trustees to support the charity's objects however the investments provide a substantial contribution to the charity's unrestricted income so it is the intention of the trustees to hold these assets permanently. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

The Trustees have considered the impact of the COVID-19 pandemic on their assessment of going concern and believe there are no additional material uncertainties arising as explained within the reserves policy on page 13.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Donations	25,170	-	-	25,170
Income from trusts	11,604	-	-	11,604
Grants	-	173,920	-	173,920
	<u>36,774</u>	<u>173,920</u>	<u>-</u>	<u>210,694</u>
Dashwood Trust capital receipt	-	-	449,065	449,065
	<u>36,774</u>	<u>173,920</u>	<u>449,065</u>	<u>659,759</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Donations	20,324	-	-	20,324
Income from trusts	11,293	-	-	11,293
Grants	-	150,270	-	150,270
Other legacies	16,797	-	-	16,797
	<u>48,414</u>	<u>150,270</u>	<u>-</u>	<u>198,684</u>
Dashwood Trust capital receipt	-	-	176,136	176,136
	<u>48,414</u>	<u>150,270</u>	<u>176,136</u>	<u>374,820</u>

2. Investments

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Dividends	271,934	-	-	271,934
Interest and tax credits	277	-	-	277
	<u>272,211</u>	<u>-</u>	<u>-</u>	<u>272,211</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Dividends	318,864	-	-	318,864
Interest and tax credits	1,115	-	-	1,115
	<u>319,979</u>	<u>-</u>	<u>-</u>	<u>319,979</u>

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

3. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Income from centres and other income	436	-	-	436

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Income from centres and other income	4,435	-	-	4,435

4. Other income - government grants

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Receipts of Coronavirus Job Retention Scheme grants	52,175	-	-	52,175

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Receipts of Coronavirus Job Retention Scheme grants	-	-	-	-

5. Seeking donations, grants and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Staff costs	2,897	-	-	2,897
Other costs	13,347	5,040	-	18,387
	16,244	5,040	-	21,284

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Staff costs	1,910	-	-	1,910
Other costs	11,702	-	-	11,702
	13,612	-	-	13,612

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

6. Investment management costs

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Investment manager fees	-	-	72,518	72,518
Other professional fees	-	-	6,060	6,060
	<u>-</u>	<u>-</u>	<u>78,578</u>	<u>78,578</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Investment manager fees	-	-	67,868	67,868
Other professional fees	-	-	4,500	4,500
	<u>-</u>	<u>-</u>	<u>72,368</u>	<u>72,368</u>

7. Charitable activities

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	2021 Total Funds £
Cost of operating centres	33,840	2,464	11,470	47,774
Pastoral workers	381,542	1,595	121,051	504,188
Storybook Waves (SBW)	16,229	9,957	-	26,186
Other projects	39	1,743	563	2,345
Governance costs	23,504	4,470	-	27,974
	<u>455,154</u>	<u>20,229</u>	<u>133,084</u>	<u>608,467</u>
Restricted funds	175,620	4,016	-	179,636
Unrestricted funds	279,534	16,213	133,084	428,831
	<u>455,154</u>	<u>20,229</u>	<u>133,084</u>	<u>608,467</u>
	Direct Staff Costs £	Other Direct Costs £	Support Costs £	2020 Total Funds £
Cost of operating centres	28,350	3,335	10,908	42,593
Pastoral workers	337,923	5,537	118,247	461,707
Storybook Waves (SBW)	23,780	11,603	-	35,383
Other projects	2,768	14,433	5,922	23,123
Governance costs	24,842	4,984	-	29,826
	<u>417,663</u>	<u>39,892</u>	<u>135,077</u>	<u>592,632</u>
Restricted funds	125,243	5,707	-	130,950
Unrestricted funds	292,420	34,185	135,077	461,682
	<u>417,663</u>	<u>39,892</u>	<u>135,077</u>	<u>592,632</u>

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

8. Support costs allocation

	Centres £	Pastoral Workers £	Other Projects £	Governance Costs £	2021 Total Funds £
Staff costs	9,639	101,724	473	23,504	135,340
Other costs	1,831	19,327	90	4,470	25,718
	<u>11,470</u>	<u>121,051</u>	<u>563</u>	<u>27,974</u>	<u>161,058</u>

	Centres £	Pastoral Workers £	Other Projects £	Governance Costs £	2020 Total Funds £
Staff costs	9,285	100,651	5,041	24,842	139,819
Other costs	1,623	17,596	881	4,984	25,084
	<u>10,908</u>	<u>118,247</u>	<u>5,922</u>	<u>29,826</u>	<u>164,903</u>

All costs have been allocated as percentage of total costs and directly as appropriate.

9. Governance costs

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Staff costs	23,504	-	-	23,504
Trustees expenses	-	-	-	-
Auditors remuneration - current period	4,470	-	-	4,470
	<u>27,974</u>	<u>-</u>	<u>-</u>	<u>27,974</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Staff costs	24,842	-	-	24,842
Trustees expenses	664	-	-	664
Auditors remuneration - current period	4,320	-	-	4,320
	<u>29,826</u>	<u>-</u>	<u>-</u>	<u>29,826</u>

10. Wages and salary costs

	2021 Total Funds £	2020 Total Funds £
Gross wages	519,127	482,055
Employer's national insurance costs	25,428	26,687
Employer's pension contributions	21,583	21,382
Other staff costs	4,064	4,428
Coronavirus Job Retention Scheme grants	(52,175)	-
	<u>518,027</u>	<u>534,552</u>

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

10. Wages and salary costs (continued)

The were no employees (2020: no employees) who received total employee benefits (excluding employer pension costs) of more than £60,000 in the year.

	2021	2020
Staff numbers:		
Average head count	<u>37</u>	<u>33</u>
Analysed as:		
Full-time	3	3
Part-time	<u>34</u>	<u>30</u>
	<u>37</u>	<u>33</u>
Calculated on a full-time equivalent basis, analysed by function:		
Charitable activities - Centres	1.5	1.5
Charitable activities - LIBOR projects	0.1	0.3
Charitable activities - Pastoral workers	17.8	15.6
Charitable activities - SBW	0.6	0.6
Administration, management, raising funds and research	<u>3.1</u>	<u>3.1</u>
	<u>23.1</u>	<u>21.1</u>

Defined contribution pension scheme

The charity operates defined contribution pension scheme for its employees. The total payable for the period under review was £21,583 (2020: £21,382). At the balance sheet date £3,181 (2020: £2,119) was payable in respect of pension contributions.

The number of employees to whom pension contributions accrued during the year were:	<u>26</u>	<u>21</u>
---	-----------	-----------

11. Related party transactions

None of the Trustees received any remuneration or any other benefits from employment with the charity or a related entity during the year 2020-21 (2020: £nil).

There were no trustee expenses during 2020-21 (2020: Refreshments (£60) were provided for the Trustees as part of the Trustee meetings and travel & accommodation costs (£603) were incurred in relation to attendance at Aggie's events / training).

There have been £240 (2020: £240) of donations received from Trustees without conditions.

During the year under review the charity had 3 (FTE 2.57) (2020: 3 (FTE 2.69)) members of key management personnel who received employee benefits totalling £130,324 (2020: £133,980) made up of salary £113,032 (2020: £116,332), employer's national insurance contributions of £11,875 (2020: £12,364) and employer's pension contributions of £5,417 (2020: £5,284).

During the year under review the charity's key management personnel had travel and subsistence expenses reimbursed or paid on their behalf totalling £23 (2020: £1,889).

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12. Auditors remuneration

13. Fixed assets investments

14. Debtors

	2021 Total Funds £	2020 Total Funds £
Income tax recoverable	102	553
Accrued income	6,111	-
Prepayments	-	549
	<u>6,213</u>	<u>1,102</u>

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

15. Creditors: amounts falling due within one year

	2021 Total Funds £	2020 Total Funds £
Accruals	26,277	24,211
Deferred income (see 15a)	10,000	20,668
Other taxes and social security	7,297	8,619
Pension liability	3,181	2,119
	<u>46,755</u>	<u>55,617</u>

15a. Deferred income

	Brought forward £	Released in year £	Deferred in year £	Carried forward £
RMA - TRMC - Pastoral workers	20,668	(20,668)	-	-
RNRMC - RFA Pastoral worker	-	-	10,000	10,000
	<u>20,668</u>	<u>(20,668)</u>	<u>10,000</u>	<u>10,000</u>

RMA - TRMC - Pastoral workers deferred income consists of receipts of grants which are to fund activities in 2020/21 financial year.

RNRMC - RFA Pastoral worker deferred income consists of receipts of grants which are to fund activities in 2021/22 financial year.

16. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Fixed asset investments	-	-	12,499,389	12,499,389
Current assets	99,781	43,640	683,491	826,912
Creditors: amounts falling due within one year	(18,727)	(10,000)	(18,028)	(46,755)
	<u>81,054</u>	<u>33,640</u>	<u>13,164,852</u>	<u>13,279,546</u>
				2020 Total Funds £
Fixed asset investments	-	-	10,092,034	10,092,034
Current assets	186,349	65,064	308,076	559,489
Creditors: amounts falling due within one year	(21,816)	(20,668)	(13,133)	(55,617)
	<u>164,533</u>	<u>44,396</u>	<u>10,386,977</u>	<u>10,595,906</u>

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

17. Analysis of net movement in funds

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Gains and (losses) on investments £	Total funds carried forward £
<i>Endowment funds</i>					
Expendable endowment fund	10,386,977	449,065	(78,578)	436,017	11,193,481
Fair value reserve	-	-	-	1,971,371	1,971,371
<i>Total endowment funds</i>	<u>10,386,977</u>	<u>449,065</u>	<u>(78,578)</u>	<u>2,407,388</u>	<u>13,164,852</u>
<i>Restricted funds</i>					
RNRMC - Helping Hands	147	-	(39)	-	108
Annington Trust - SBW book club	16,736	-	(3,978)	-	12,758
RMA - TRMC - Pastoral Workers	4,285	20,668	(6,889)	-	18,064
Greenwich Hospital - Raleigh/Bickleigh Pastoral Workers	-	21,200	(21,200)	-	-
Trinity House - RFA Pastoral Worker	10,000	-	(10,000)	-	-
RMA - TRMC - Norton Manor Pastoral Worker	612	-	(463)	-	149
RNRMC - Pastoral workers	-	70,180	(70,180)	-	-
RNRMC - SBW	3,071	13,372	(16,256)	-	187
BFBS - Pop-up chaplaincy	5,040	-	(5,040)	-	-
NCC - Pastoral workers	-	16,000	(16,000)	-	-
AFCFT - Aggie's Community Waves	-	32,500	(32,500)	-	-
LIBOR - Rosyth pastoral worker	4,505	-	(2,131)	-	2,374
<i>Total restricted funds</i>	<u>44,396</u>	<u>173,920</u>	<u>(184,676)</u>	<u>-</u>	<u>33,640</u>
<i>Unrestricted funds</i>					
General fund	164,533	361,596	(445,075)	-	81,054
<i>Total unrestricted funds</i>	<u>164,533</u>	<u>361,596</u>	<u>(445,075)</u>	<u>-</u>	<u>81,054</u>
Total funds	<u>10,595,906</u>	<u>984,581</u>	<u>(708,329)</u>	<u>2,407,388</u>	<u>13,279,546</u>

Description of funds

Expendable endowment fund	Funds arising from capital assets donated to the charity. The fund is expendable at the discretion of the trustees to support the charity's objects.
RNRMC - Helping Hands	Funds received from RNRMC to build a volunteer programme within Aggie's.
Annington Trust - SBW book club	Funds received from Annington Trust for the Storybook Waves Book Club project.
RMA - TRMC - Pastoral Workers	Funds received from the RMA - TRMC to support additional hours for pastoral workers at CTCRM.
Greenwich Hospital - Raleigh/Bickleigh Pastoral Workers	Funds received from Greenwich Hospital to support part-time pastoral workers at HMS Raleigh & RM Bickleigh.
Trinity House - RFA Pastoral Worker	Funds received from Trinity House to support a part-time pastoral worker for the RFA.
RMA - TRMC - Norton Manor Pastoral Worker	Funds received from RMA - TRMC to support a part-time pastoral worker at RM Norton Manor.
RNRMC - Pastoral Workers	Funds received from RNRMC to support the pastoral worker programme on RN bases and within the community.
RNRMC - SBW	Funds received from RNRMC to provide a part-time Storybook Waves Project Manager.
BFBS - pop-up chaplaincy	Funding received from BFBS to provide equipment for 'pop-up chaplaincy'.
NCC - Pastoral workers	Funds received from NCC to support the Pastoral Worker programme.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

17. Analysis of net movement in funds (continued)

Description of funds (continued)

AFCFT - Aggie's Community Waves	Funds received from AFCFT to support the Portsmouth region community project providing part-time pastoral workers in support of families.
LIBOR - Rosyth pastoral worker	Funds received out of LIBOR funds to support the provision of a part-time pastoral worker at HMS Scotia (Rosyth).

Comparative analysis of net movement in funds

	Total funds brought forward £	Total incoming resources £	Total resources expended £	Gains and (losses) on investments £	Total funds carried forward £
<i>Endowment funds</i>					
Expendable endowment fund	10,524,560	176,136	(72,368)	(241,351)	10,386,977
Fair value reserve	489,001	-	-	(489,001)	-
<i>Total endowment funds</i>	<u>11,013,561</u>	<u>176,136</u>	<u>(72,368)</u>	<u>(730,352)</u>	<u>10,386,977</u>
<i>Restricted funds</i>					
RNRMC - Helping Hands	2,959	-	(2,812)	-	147
Annington Trust - SBW book club	7,134	14,815	(5,213)	-	16,736
RMA - TRMC - Pastoral Workers	4,292	20,256	(20,263)	-	4,285
Greenwich Hospital - Raleigh/Bickleigh Pastoral Workers	-	21,700	(21,700)	-	-
Trinity House - RFA Pastoral Worker	-	10,000	-	-	10,000
RMA - TRMC - Norton Manor Pastoral Worker	-	5,059	(4,447)	-	612
RNRMC - Pastoral workers	-	48,303	(48,303)	-	-
RNRMC - SBW	-	19,097	(16,026)	-	3,071
RNRMCF - Communities & Families (now NCC)	-	6,000	(6,000)	-	-
BFBS - Pop-up chaplaincy	-	5,040	-	-	5,040
LIBOR - Rosyth pastoral worker	10,691	-	(6,186)	-	4,505
<i>Total restricted funds</i>	<u>25,076</u>	<u>150,270</u>	<u>(130,950)</u>	<u>-</u>	<u>44,396</u>
<i>Unrestricted funds</i>					
General fund	266,999	372,828	(475,294)	-	164,533
<i>Total unrestricted funds</i>	<u>266,999</u>	<u>372,828</u>	<u>(475,294)</u>	<u>-</u>	<u>164,533</u>
Total funds	<u><u>11,305,636</u></u>	<u><u>699,234</u></u>	<u><u>(678,612)</u></u>	<u><u>(730,352)</u></u>	<u><u>10,595,906</u></u>

18. Operating leases

At 31 March 2021 the charity had operating lease commitments in respect of rent of facilities of £720 per quarter at Castaway House, Portsmouth. The notice period under this operating lease is twelve months.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

19. Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2021 Total Funds £	2020 Total Funds £
<i>Financial assets</i>		
Measured at fair value through net income/(expenditure):		
Fixed asset investments	<u>12,499,389</u>	<u>10,092,034</u>

The carrying amounts of the charity's financial instruments are as follows:

<i>Financial liabilities</i>		
Measured at amortised cost:		
Trade creditors (note 15)	<u>7,297</u>	<u>8,619</u>

The income, expense, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	2021 Total Funds £	2020 Total Funds £
<i>Income and expense</i>		
Financial assets measured at fair value through net income/(expenditure)		
Investment income	271,934	318,864
Investment management fees	<u>(78,578)</u>	<u>(72,368)</u>
	<u>193,356</u>	<u>246,496</u>
<i>Net gains and losses (including changes in fair value)</i>		
Financial assets measured at fair value through net income/(expenditure)		
Unrealised gains/(losses) on investments	1,971,371	(994,355)
Realised gains on investments	<u>436,017</u>	<u>264,003</u>
	<u>2,407,388</u>	<u>(730,352)</u>

Fixed asset investments are held at fair value with valuations obtained using closing mid-market price with the exception of UK government securities which are valued using the Gilt-Edged Market Makers Association prices.

DAME AGNES WESTON'S ROYAL CHARITY FOR THE NAVAL SERVICE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

20. Comparative statement of financial activities

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies					
- Revenue receipts	1	48,414	150,270	-	198,684
- Dashwood capital receipts	1	-	-	176,136	176,136
Investments	2	319,979	-	-	319,979
Charitable activities	3	4,435	-	-	4,435
Other	4	-	-	-	-
Total		372,828	150,270	176,136	699,234
EXPENDITURE ON:					
Raising funds					
Seeking donations, grants and legacies	5	13,612	-	-	13,612
Investment management costs	6	-	-	72,368	72,368
Charitable activities	7	461,682	130,950	-	592,632
Total		475,294	130,950	72,368	678,612
Net gains on investments	13	-	-	(730,352)	(730,352)
Net (expenditure)/income		(102,466)	19,320	(626,584)	(709,730)
Net movement in funds		(102,466)	19,320	(626,584)	(709,730)
RECONCILIATION OF FUNDS					
Total funds brought forward	17	266,999	25,076	11,013,561	11,305,636
Total funds carried forward	17	164,533	44,396	10,386,977	10,595,906