

REGISTERED CHARITY NUMBER: 1205660

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2025
FOR
PORTSMOUTH ROYAL MARITIME CLUB**

PORTSMOUTH ROYAL MARITIME CLUB
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

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PORTSMOUTH ROYAL MARITIME CLUB
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr M Dawe, Trustee and Chairman
Mr M Massey, Trustee and Vice Chairman
Mrs C Steelsmith
Capt. P Quinn OBE RN (Rtd)
Mr T Clark
Mr M Duck
Mrs K Cosco (appointed on 25th March 2025)
Mr N Batther (appointed on 25th March 2025)
Mr S James (appointed on 25th March 2025, resigned 8th December 2025)

Charity registered number
1205660

Principal office
75-80 Queen Street
Portsmouth
Hampshire
PO1 3HS

Auditors
MC Audit Limited
Chartered Accountants
Statutory Auditors
Lake House
2 Port Way
Port Solent
Hampshire
PO6 4TY

Bankers
Handelsbanken
Ground Floor
1000 Lakeside
North Harbour
Portsmouth
PO6 3EN

Solicitors	
Wannops	Knights
Froddington House	Midland House
Cumberland Business Centre	West Way
Northumberland Road	Botley
Portsmouth	Oxford
PO2 0LR	OX2 0PH

PORTSMOUTH ROYAL MARITIME CLUB
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report together with the audited financial statements for year ended 31st December 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and Significant Changes

The Club's origins were as the Home Club, opened in 1851. The Portsmouth Royal Sailors Home Club was created by a conveyance and assignment and declaration of trust of 13 February 1883.

Following obtaining consent from the Privy Council and the Charity Commission, a new charity was formed and in March 2024, approval was obtained from the transfer all the assets, liabilities and activities into a Charitable Incorporated Organisation (CIO). Charity Number 1205660. The transfer took place on 1st April 2024. The objectives of the new charity precisely mirror the old charity, and the Trustees remain the same.

Trustees

The present membership of the Board of Trustees is as listed on page 1. 7 members served throughout the period.

The number of Trustees is in accordance with the governing document. The appointment of a Trustee must be made at a special meeting.

Trustee meetings take place at least four times a year.

Organisation, management and structure

The Charity is managed by a Board of Trustees who themselves are responsible for the appointment of the Chief Executive Officer (CEO). The CEO has overall responsibility for the day-to-day management and running of the Charity. The CEO appoints all staff. The management structure is split into areas of responsibility, including Operations, Housekeeping, Food and Beverage, Marketing and Events and Finance

Regular meetings take place between the Heads of Department and the CEO. Each Head of Department is answerable to the CEO who is answerable and reports to the Board of Trustees.

Mr David Knight has been the CEO since his appointment in April 2023.

The Trustees were initially appointed under the Charitable Scheme, dated 21 October 1998. New Trustees are appointed by the Board of Trustees. The Trustees are responsible for overall policy decisions.

The non-charitable functions are undertaken to support the Charity and run by a parallel trading company, the directors of which are at present the Trustees, Mr Knight the CEO is the Company Secretary.

PORTSMOUTH ROYAL MARITIME CLUB
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

Risk management

The Trustees review and update, at their meetings and at least annually, the risk assessment for the building and its use, and consider regularly the risks associated with the operations of the charity. Amongst risks specifically considered in the past year are future development and refurbishment, increasing competition, risks of reputational damage and occupancy rates.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Objects and activities

The objects aims and principal activities of the Charity are as set out in Paragraph 4 (a) and (b) of the Charitable Scheme dated 21st October 1998. The activities of the Charity are "the provision of recreation, accommodation and leisure time occupation for it's beneficiaries and also to provide for the relief of seafarers and former seafarers who are in need, suffering hardship or distress".

Strategic aims and intended effect

The strategic aim of the Charity has always been to ensure it is able to fulfil its charitable objects. The Trustees highlighted the need to make changes in the manner in which they sought to achieve this having regard to the far reaching changes, which have occurred in the market place in which the Charity operates. Importantly, with 141,497 serving service personnel and 52,762 veteran service personnel living in the Solent area, it has become important to include all armed forces personnel and their families in its remit. Whilst the Club's membership is changing with a reduction in the size and use of the Club by serving personnel, there is an increase in the numbers of younger retired sailors and Marines especially those seeking the service provided by supporting Charities. The range and scope of the Club's charitable activities reflect those changes which have improved the Charity's performance and greatly assist fulfilling the objectives.

Objectives of the year

- 1 To continue the expansion of access to the Club to the Armed Services, uniformed services, and other seafarers to ensure the fullest use of the Charity's facilities can be made.
- 2 To continue to upgrade the Charity's premises, particularly disabled facilities, to maintain and improve the structure in accordance with a 5-10 year planned maintenance programme.
- 3 To actively improve, modernize and promote the facilities of the Club by undertaking a substantial programme of modernization of bedrooms, together with other improvements.

Principal activities

The Club's principal activity continues to be the provision of accommodation, recreation and other leisure time occupation to fulfil its charitable objects, and the provision of space for the delivery of services by other service charities.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The principal objects of the Charity are promoted by free or reduced room hire for Naval and military charitable Associations; use of rooms for Veterans Outreach Support for their expanding and important counselling work particularly for ex service personnel affected by post traumatic stress disorder and a wide range of personal issues, providing free or reduced cost respite holidays for needy beneficiary families; special reductions for naval personnel for all events; assisting local fund raising for numerous national and local charities; and discounts in respect of accommodation, bar and food.

PORTSMOUTH ROYAL MARITIME CLUB
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

The principal activities continue to be;

- 1 Room hire free of charge
- 2 Room hire at a substantially discounted rate from the normal tariff
- 3 Provision of facilities for Royal Navy, Royal Marine and other military veterans' groups that utilise the Club as a base for regular gatherings and pay for food and drink as taken

A summary of the public benefit activities for the year ended 31st December 2025 are as follows:

Charitable groups: 175 events for 4,624 individuals
Public benefit individuals: 6,187 Rooms for 9,700 Adults and 402 Children
Serving RN occupants: 591 Rooms for 174 Adults and 18 Children
Former RN occupants: 2,906 Rooms for 4,123 Adults and 46 Children
Serving & former other forces: 11 Rooms for 11 Adults
Respite holidays: 107 nights for 117 Adults and 2 Children

A summary of the public benefit activities for the 9 month period ended 31st December 2024 are as follows:

Charitable groups: 153 events for 3,673 individuals
Public benefit individuals: 6,554 Rooms for 10,224 Adults and 393 Children
Serving RN occupants: 565 Rooms for 164 Adults
Former RN occupants: 22 Rooms for 22 Adults
Serving & former other forces: 5 Rooms for 5 Adults
Respite holidays: 47 nights for 65 Adults and 4 Children

ACHIEVEMENTS AND PERFORMANCE

Operations performance

The Club's performance as set out within the accounts for the year ended 31st December 2025 reflect the effect on the Hospitality trade caused by the continuing personal expenditure crisis following events of 2022. The Russian invasion of Ukraine and ensuing effect on domestic economies also continues to be a problem for the Charity as it has had to cope with the doubling of utility costs and dramatic increases in interest rates on the long term financing of loans.

The Club and Trustees continue to regularly monitor and review the cost of goods and services and all expenditure.

The Club's programme of updating and improvements are being carried out as funds allow.

The Trustees are pleased to report the Club has again been awarded a 3 star rating under Visit England, Quality in Tourism Accreditation Scheme, plus grading recognition of Mobility One, Two and Three Assisted.

Veterans Outreach Support

The Club continues to actively support Veterans Outreach Support whose offices and activities are within the Club. The Club is developing its close ties and is cooperating in a number of events. A representative of VOS attends Trustee meetings as an observer at the respective Charities meetings and a PRMC Trustee is also Trustee of VOS.

PORTSMOUTH ROYAL MARITIME CLUB
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL REVIEW for the year to 31st December 2025

The Statement of Financial Activities reports net loss of (£131,542) from funds that are unrestricted for the period before transfers between funds.

The financial performance of the Charity is affected by many external factors, especially the economic climate. The need to maintain a 1950's building is increasing. The Trustees commissioned a specialist report for a planned maintenance programme which is being implemented. The Trustees continue to monitor the development of services and all expenditure is included in budgets and closely controlled.

At 31st December 2025, the total reserves of the Charity stood at £3,733,824, the largest asset is the premises. Cash balances stood at £387,323, which included a bank loan of £300,000 which is to be used for the refurbishment of the building.

Investment powers

The investment powers of the Charity are vested in the Trustees, who have full power of investment, subject to their fiduciary responsibilities.

Investment policy

The investment powers of the Charity are vested in the Trustees, who have full power of investment, subject to their fiduciary responsibilities.

Donations

The Club very gratefully acknowledges donations received during the period from individuals, and bequests, in appreciation of services provided. The Club was again honoured to receive a donation from The Privy Purse.

Fund Raising

In compliance with the requirements of the Charities Act 2011 and the Fundraising Regulator, it is confirmed that the Club does not undertake fundraising and no professional fundraiser has been involved.

The Club acknowledges and will comply with all requirements to be taken into account for any fundraising in the future.

Reserves Policy

The Charity will seek to create and add to its reserves in a prudent and responsible way and with the benefit of professional advice. The most significant part of the reserves, however, is the freehold site and existing building. The structure requires regular maintenance, with improvement and repairs to comply with numerous regulations. Those works, together with a continuation of upgrading bedrooms, required assistance from our bankers, which is gratefully acknowledged.

Due to the age of the building and for financial budgeting, the Trustees commissioned a planned maintenance report for the building in order to plan a regular programme of maintenance and refurbishment over a period of years.

It is the policy of the Trustees to maintain free cash reserves sufficient to cover the overheads of the charity for three months in the event all income ceased. At 31st December 2025, cash balances stood at £387,323.

PORTSMOUTH ROYAL MARITIME CLUB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2025

PLANS FOR FUTURE PERIODS

Despite the economic uncertainty, the Charity has emerged in as good a financial position as could be hoped. The Trustees look forward to being able to complete the remainder of the refurbishment plans.

The Trustees aim to provide the greatest use and access to the Club to support its charitable aims. The Trustees and CEO continue to monitor all activities of the Club to promote and market the Club's facilities to the widest audience.

STAFF

The Trustees particularly acknowledge the considerable work throughout the period by Heads of Department and all the staff and including involvement in a wide range and number of matters affecting the Club. The Club benefits from the experience of several longstanding members of staff. A Charity the size of the Portsmouth Royal Maritime Club requires dedicated and continuous performance and team work. All staff provide an exceptional service and support, and have adapted to changes affecting the Charity and the needs of its members, beneficiaries and guests. Pay is reviewed at least annually, taking into account a range of internal and external factors including local and national market changes. The lower rate of pay in the organization is that set in accordance with minimum wage legislation. A range of benefits designed to encourage good health, wellbeing and financial resilience is offered to staff in keeping with the principles of our charitable objects.

STATEMENT OF TRUSTEE RESPONSIBILITIES

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

The law applicable to charities in England & Wales, the Charities Act 2011, 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 the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustees are required to:

Select suitable accounting policies and then apply them consistently;

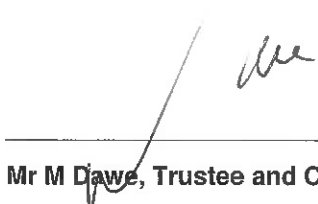
Observe the methods and principles in the Charities SORP;

Make judgements and accounting estimates that are reasonable and prudent;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 27 March 2026 and signed on their behalf by:



Mr M Dawe, Trustee and Chairman

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PORTSMOUTH ROYAL MARITIME CLUB

Opinion

We have audited the financial statements of Portsmouth Royal Maritime Club and its subsidiary for the period ended 31 December 2025 on pages 10 to 25, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Consolidated Cashflow Statements and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 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 group and the parent charity's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. assurance conclusion thereon.

Our opinion of the financial statements does not cover the other information and we do not express any form of opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PORTSMOUTH ROYAL MARITIME CLUB

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group'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 group or charity or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss managements assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning income recognition and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
PORTSMOUTH ROYAL MARITIME CLUB**

Substantive audit tests were designed after assessing and testing systems and controls. The systems and controls which have been designed to act as a preventative measure against fraud and error were operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



MC Audit Limited
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Lake House
2 Port Way
Portsmouth
PO6 4TY

Date: 31 March 2026.

PORTSMOUTH ROYAL MARITIME CLUB

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
INCOME FROM					
Donations and legacies	2	296	-	296	241
Charitable activities	3	1,585,540	-	1,585,540	1,415,975
Other trading activities	4	1,245,825	-	1,245,825	1,053,852
Other income	5	82,377	-	82,377	18,346
Investment income		-	-	-	-
Total		<u>2,914,038</u>	<u>-</u>	<u>2,914,038</u>	<u>2,488,414</u>
EXPENDITURE ON					
Raising funds		1,080,485	-	1,080,485	803,131
Charitable activities	7	1,965,095	-	1,965,095	1,594,485
Total		<u>3,045,580</u>	<u>-</u>	<u>3,045,580</u>	<u>2,397,616</u>
Net losses on investments		-	-	-	-
NET LOSSES		(131,542)	-	(131,542)	90,798
(Losses)/Gains on revaluation		942,537	-	942,537	-
NET MOVEMENTS IN FUNDS		810,995	-	810,995	90,798
RECONCILIATION OF FUNDS					
Total funds brought forward		2,922,829	-	2,922,829	2,832,031
TOTAL FUNDS CARRIED FORWARD		<u>3,733,824</u>	<u>-</u>	<u>3,733,824</u>	<u>2,922,829</u>

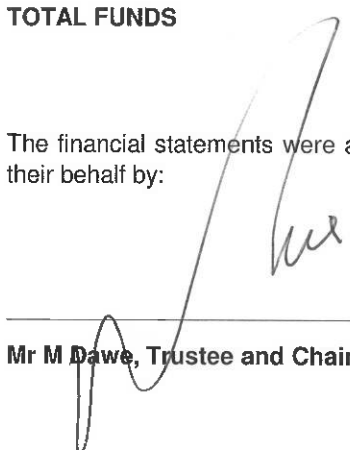
The comparative column for 2024 relates to the 9 month period ending 31 December 2024.

PORTSMOUTH ROYAL MARITIME CLUB

CONSOLIDATED AND CHARITY BALANCE SHEET
AT 31 DECEMBER 2025

	Note	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
FIXED ASSETS					
Tangible assets	12	5,014,729	4,192,343	5,014,729	4,192,343
Investments	13	-	-	2	2
		<u>5,014,729</u>	<u>4,192,343</u>	<u>5,014,731</u>	<u>4,192,345</u>
CURRENT ASSETS					
Stocks		29,816	29,031	-	-
Debtors	14	56,319	50,595	56,319	48,398
Cash at bank and in hand		387,323	187,917	384,489	180,288
		<u>473,458</u>	<u>267,543</u>	<u>440,808</u>	<u>228,686</u>
CREDITORS					
Amounts falling due within one year	15	(486,609)	(525,983)	(453,961)	(487,128)
NET CURRENT LIABILITIES		(13,151)	(258,440)	(13,153)	(258,442)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,001,578	3,933,903	5,001,578	3,933,903
CREDITORS					
Amounts falling due in more than one year	16	(1,267,754)	(1,011,074)	(1,267,754)	(1,011,074)
NET ASSETS		<u>3,733,824</u>	<u>2,922,829</u>	<u>3,733,824</u>	<u>2,922,829</u>
FUNDS					
Unrestricted funds	18	1,945,649	2,077,191	1,945,649	2,077,191
Revaluation reserve	18	1,788,175	845,638	1,788,175	845,638
Restricted funds	18	-	-	-	-
TOTAL FUNDS		<u>3,733,824</u>	<u>2,922,829</u>	<u>3,733,824</u>	<u>2,922,829</u>

The financial statements were approved by the Board of Trustees on 27 March 2026 and signed on their behalf by:


Mr M Dawe, Trustee and Chairman

PORTSMOUTH ROYAL MARITIME CLUB

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash flows from operating activities					
Cash generated from operations	20	46,955	266,520	51,751	258,991
		<u>46,955</u>	<u>266,520</u>	<u>51,751</u>	<u>258,991</u>
Cash flows from investing activities					
Interest received		-	-	-	-
Purchase of tangible fixed assets		-	(36,360)	-	(36,360)
Sale of investments		-	-	-	-
Cash provided by (used in) investing activities		<u>-</u>	<u>(36,360)</u>	<u>-</u>	<u>(36,360)</u>
Cash flows from financing activities					
Capital repayments		(82,950)	-	(82,950)	-
Cash inflows from new borrowings		300,000	100,255	300,000	100,286
Cash provided by (used in) financing activities		<u>217,050</u>	<u>100,255</u>	<u>217,050</u>	<u>100,286</u>
Change in cash and cash equivalents in the reporting period		264,006	330,415	268,801	322,917
Cash and cash equivalents at the beginning of the reporting period		187,917	(142,498)	180,288	(142,629)
Total cash at the end of the year		451,923	187,917	449,089	180,288
Amounts included in Cash at bank and in hand		387,323	187,917	384,489	180,288
Amounts included in Bank loans and overdrafts		-	-	-	-
		<u>387,323</u>	<u>187,917</u>	<u>384,489</u>	<u>180,288</u>

PORTSMOUTH ROYAL MARITIME CLUB

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The trustees consider that there are no material uncertainties regarding the charity's ability to continue as a going concern.

Income

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

Income for accommodation and events is recognised on customer arrival, or when date in which the event takes place.

Expenditure

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

Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary, Portsmouth Royal Maritime Club Limited, on a line by line basis.

Tangible fixed assets

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold property	- Straight line over 5 - 20 years
Fixtures and fittings	- Reducing balance 5% - 15%

Individual fixed assets costing £1,000 or more are capitalised at cost.

The charity has adopted the cost model whereby items of plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

For freehold property, the charity has adopted the revaluation model. A professional valuation is obtained at least once every five years and the trustees review for material movements annually.

Revalued freehold property is depreciated over its useful life to its residual value.

Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities include the net gains and losses arising on revaluation and disposal throughout the year.

PORTSMOUTH ROYAL MARITIME CLUB

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

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties and investments in non-puttable ordinary shares.

Trade and other debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, deposits with banks and other short-term highly liquid investments and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Pensions and other post retirement benefits

Pension contributions represent payments made by the charity on behalf of staff members to a retirement security plan administered by trustees in a fund independent from the charity.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

PORTSMOUTH ROYAL MARITIME CLUB

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

1. ACCOUNTING POLICIES (continued)

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

PORTSMOUTH ROYAL MARITIME CLUB

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Donations	296	-	296	241
	<u>296</u>	<u>-</u>	<u>296</u>	<u>241</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Relief for HM Armed Forces Service Personnel Veterans & Families	1,585,540	-	1,585,540	1,415,975
	<u>1,585,540</u>	<u>-</u>	<u>1,585,540</u>	<u>1,415,975</u>

4. INCOME FROM COMMERCIAL TRADING OPERATIONS

The charity's wholly owned trading subsidiary Portsmouth Royal Maritime Club Limited, which is incorporated in England and Wales (registered no. 03681448), pays all profits to the charity. Portsmouth Royal Maritime Club Limited provides catering and bar facilities. The following is an extract of the financial statements of Portsmouth Royal Maritime Club Limited for the year ended 31 December 2025.

	2025 £	2024 £
Turnover	1,245,825	1,053,852
Cost of sales	(970,862)	(745,576)
Administrative expenses	<u>(33,977)</u>	<u>(26,702)</u>
Operating profit/(loss)	240,985	281,574
Interest receivable and similar income	<u>-</u>	<u>-</u>
Profit before taxation	240,985	281,574
Profits distributed to the charity	<u>(240,985)</u>	<u>(281,574)</u>
Retained in the subsidiary	<u>-</u>	<u>-</u>

The assets and liabilities of the trading subsidiary were as follows:

Current assets	90,628	92,205
Current liabilities	(90,626)	(92,203)
Long term liabilities	<u>-</u>	<u>-</u>
Net assets	<u>2</u>	<u>2</u>
Aggregate share capital and reserves	<u>2</u>	<u>2</u>

PORTSMOUTH ROYAL MARITIME CLUB

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

5. OTHER INCOME

	2025 £	2024 £
Other income	82,377	18,346
	<u>82,377</u>	<u>18,349</u>

6. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the Consolidated Statement of Financial Activities includes those of the charity's wholly owned subsidiary, Portsmouth Royal Maritime Club Limited.

A summary of the financial activities undertaken by the charity is set out below:

	2025 £	2024 £
Total incoming resources	1,909,198	1,716,137
Total expenditure on charitable activities	(2,040,740)	(1,625,339)
Net incoming resources	(131,542)	90,798
Gains on revaluation of freehold property	942,537	-
Net movement in funds	810,995	90,798
Total funds brought forward	2,922,829	2,832,031
Total funds carried forward	<u>3,733,824</u>	<u>2,922,829</u>

7. DIRECT COSTS

	Relief to Seafarers £	Total 2025 £	Total 2024 £
Finance costs	91,309	91,309	74,317
Staff costs	935,909	935,909	751,005
Premises	378,804	378,804	305,010
Communications	61,511	61,511	48,427
Depreciation	184,750	184,750	135,862
Other costs	312,812	312,812	279,864
	<u>1,965,095</u>	<u>1,965,095</u>	<u>1,594,485</u>

8. AUDITORS' REMUNERATION

The Auditors' remuneration amounts to an audit fee of £10,800 (2024 - £10,500).

PORTSMOUTH ROYAL MARITIME CLUB

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

9. STAFF COSTS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Wages and salaries	1,392,574	1,100,842	925,127	740,509
Social security costs	137,009	80,348	-	-
Employers pension costs	35,319	23,685	10,782	10,496
	<u>1,564,902</u>	<u>1,204,875</u>	<u>935,909</u>	<u>751,005</u>

The average number of staff employed during the period was 88 (2024: 87).

The average number of full time equivalent staff employed during the period was 36 (2024: 33).

The number of employees whose annual emoluments were £80,000 or more were:

	2025 Total	2024 Total
£80,000 to £89,999	1	1

The key management personnel of the parent charity comprise the Trustees, CEO, Finance Manager, HR Manager, Hospitality Manager, Reception Manager, Operations Manager and Events and Banqueting Manager. The total employee salaries paid to the key management personnel of the Charity were £313,489 (2024: £315,209). The key management personnel of the subsidiary company comprise the Bar Manager, Head Chef, Housekeeping Manager, Hospitality Manager and Maintenance Manager. The total employee salaries paid to the key management personnel of the subsidiary company was £113,379 (2024: £77,931). The combined total of key management personnel for the charity and company was £426,868 (2024: £393,140) Trustee remuneration and other benefits is reported in note 10.

10. TRUSTEE REMUNERATION AND BENEFITS

No trustees' received remuneration or other benefits during the period ended 31 December 2025 nor for the period ended 31 December 2024.

Trustees' expenses

During the period, two trustees (2024: none) were reimbursed for out of pocket expenses of £75.

PORTSMOUTH ROYAL MARITIME CLUB

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
INCOME FROM			
Donations and legacies	241	-	241
Charitable activities	1,415,975	-	1,415,975
Other trading activities	1,053,852	-	1,053,852
Other income	18,346	-	18,346
Investment income	-	-	-
Total	<u>2,488,414</u>	<u>-</u>	<u>2,488,414</u>
EXPENDITURE ON			
Raising funds	803,130	-	803,131
Charitable activities	1,594,485	-	1,594,485
Total	<u>2,397,615</u>	<u>-</u>	<u>2,397,616</u>
Net gains on investments	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME	90,799	-	90,798
Transfers between funds	-	-	-
NET MOVEMENTS IN FUNDS	90,799	-	90,798
RECONCILIATION OF FUNDS			
Total funds brought forward	2,832,031	-	2,832,031
TOTAL FUNDS CARRIED FORWARD	<u>2,922,830</u>	<u>-</u>	<u>2,922,829</u>

PORTSMOUTH ROYAL MARITIME CLUB

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

12. TANGIBLE FIXED ASSETS

	Freehold Property £	Fixtures and Fittings £	Total £
COST			
At 1 January 2025	4,509,860	3,845,205	8,355,065
Additions	47,492	17,108	64,600
Disposals	-	-	-
Revaluation	(297,352)	-	(297,352)
At 31 December 2025	<u>4,260,000</u>	<u>3,862,313</u>	<u>8,122,313</u>
DEPRECIATION			
At 1 January 2025	1,135,676	3,027,046	4,162,722
Charge for the period	104,213	80,538	184,751
Eliminated on disposal	-	-	-
Revaluation	(1,239,889)	-	(1,239,889)
At 31 December 2025	<u>-</u>	<u>3,107,584</u>	<u>3,107,584</u>
NET BOOK VALUE			
At 31 December 2025	<u>4,260,000</u>	<u>754,729</u>	<u>5,014,729</u>
At 31 December 2024	<u>3,374,184</u>	<u>818,159</u>	<u>4,192,343</u>

Included within the net book value of £5,014,729 (2024: £4,192,343) is £13,799 (2024: £21,341) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the period in respect of such assets amounted to £7,542 (2024: £11,114).

Cost or valuation at 31 December 2025 is as follows:

	Land and Buildings £
Group	
At cost	3,317,463
At valuation:	
Open market basis at 31 December 2025	<u>942,537</u>
	<u>4,260,000</u>

If the land and buildings had not been included at valuation they would have been included under the historical convention as follows:

	2025 £	2024 £
Group		
Cost	2,088,012	2,040,520
Accumulated depreciation	<u>(839,807)</u>	<u>(735,594)</u>

The deemed cost of the freehold property was based upon a valuation carried out by Vail Williams, Commercial and Industrial Property Agents and Surveyors on 9 December 2010. This valuation was made on the basis of the freehold interest with vacant possession at open market value in accordance with the SORP and the RICS Appraisal and Valuation Manual. The second valuation related to the cost of fixtures and fittings and was based on a valuation of £452,845 as at 31 December 1996, and subsequent additions at cost.

The trustees made a further revaluation of the freehold property as at 31 December 2025 based on a valuation report completed by Christie & Co on 5 February 2026. This report focused on comparisons between other hotels on the south coast, taking sales price per room into consideration.

PORTSMOUTH ROYAL MARITIME CLUB

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

13. FIXED ASSET INVESTMENTS

Charity	2025	2024
	£	£
Investment in unlisted subsidiary	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

14. DEBTORS

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Trade debtors	-	1,704	-	-
Prepayments and accrued income	<u>56,319</u>	<u>48,891</u>	<u>56,319</u>	<u>48,398</u>
	<u>56,319</u>	<u>50,595</u>	<u>56,319</u>	<u>48,398</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Bank loans and overdrafts	110,600	150,230	110,600	150,230
Trade creditors	85,193	100,670	85,193	100,671
Other taxation and social security	153,737	161,277	60,992	71,405
Amounts owed to group undertakings	-	-	60,097	52,451
Other creditors	82,175	55,475	82,175	55,475
Accruals and deferred income	<u>54,904</u>	<u>58,331</u>	<u>54,904</u>	<u>56,896</u>
	<u>486,609</u>	<u>525,983</u>	<u>453,961</u>	<u>487,128</u>

PORTSMOUTH ROYAL MARITIME CLUB

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

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

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Bank loans	1,267,754	1,011,074	1,267,754	1,011,074
	<u>1,267,754</u>	<u>1,011,074</u>	<u>1,267,754</u>	<u>1,011,074</u>

DEFERRED INCOME

Deferred income relates to deposits received in advance that are for a future accounting period.

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Brought forward	-	29,175	-	29,175
Amount released to incoming resources	-	(29,175)	-	(29,175)
Amount deferred in period	28,158	-	28,158	-
	<u>28,158</u>	<u>-</u>	<u>28,158</u>	<u>-</u>
Carried forward	<u>28,158</u>	<u>-</u>	<u>28,158</u>	<u>-</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Bank loans	<u>1,378,354</u>	<u>1,161,304</u>	<u>1,378,354</u>	<u>1,161,304</u>

PORTSMOUTH ROYAL MARITIME CLUB

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

18. MOVEMENT IN FUNDS

	Balance at 1 January 2025 £	Income £	Expenditure £	Transfers between funds £	(Losses)/ Gains on Revaluation £	Balance at 31 December 2025 £
Unrestricted funds	2,077,191	2,914,038	(3,045,580)	-	-	1,945,649
Revaluation reserve	845,638	-	-	-	942,537	1,788,175
	<u>2,922,829</u>	<u>2,914,038</u>	<u>(3,045,580)</u>	<u>-</u>	<u>942,537</u>	<u>3,733,824</u>
Restricted funds	-	-	-	-	-	-
TOTAL FUNDS	<u>2,922,829</u>	<u>2,914,038</u>	<u>(3,045,580)</u>	<u>-</u>	<u>942,537</u>	<u>3,733,824</u>

Comparatives for movement in funds

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers between funds £	(Losses)/ Gains on Revaluation £	Balance at 31 December 2024 £
Unrestricted funds	1,986,393	2,488,414	(2,397,616)	-	-	2,077,191
Revaluation reserve	845,638	-	-	-	-	845,638
	<u>2,832,031</u>	<u>2,488,414</u>	<u>(2,397,616)</u>	<u>-</u>	<u>-</u>	<u>2,922,829</u>
Restricted funds	-	-	-	-	-	-
TOTAL FUNDS	<u>2,832,031</u>	<u>2,488,414</u>	<u>(2,397,616)</u>	<u>-</u>	<u>-</u>	<u>2,922,829</u>

PORTSMOUTH ROYAL MARITIME CLUB

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

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2025 Total funds
	£	£	£
Fixed assets	5,014,729	-	5,014,729
Current assets	473,458	-	473,458
Current liabilities	(486,609)	-	(486,609)
Long term liabilities	(1,267,754)	-	(1,267,754)
	<u>3,733,824</u>	<u>-</u>	<u>3,733,824</u>

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

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Net movement in funds	810,995	90,798	810,995	90,798
Gain on revaluation of freehold property	(942,537)	-	(942,537)	-
Depreciation charges	184,750	135,862	184,750	135,862
Decrease in stocks	(785)	(1,368)	-	-
Interest received	-	-	-	-
(Increase)/decrease in debtors	(5,724)	(12,566)	(7,920)	(12,566)
(Decrease)/increase in creditors	256	53,793	6,463	44,896
	<u>46,955</u>	<u>266,519</u>	<u>51,751</u>	<u>258,990</u>

21. OPERATING LEASE COMMITMENTS

At 31 December 2025 the total future minimum lease payments under non - cancellable operating leases was as follows:

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Amounts payable:				
Within 1 year	7,190	7,190	-	-
Between 1 and 5 years	8,988	16,178	-	-
Within > 5 years	-	-	-	-
	<u>16,178</u>	<u>23,368</u>	<u>-</u>	<u>-</u>

PORTSMOUTH ROYAL MARITIME CLUB
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

22. RELATED PARTY TRANSACTIONS

During the period, the charity entered into the following transactions with Portsmouth Royal Maritime Club Limited, a 100% owned subsidiary incorporated in England and Wales.

Sales and expenses were recharged to the company of £881,435 (2024: £311,596). Sales and expenses recharged from the trading company were £nil (2024: £nil). The charity also received a gift aid payment of £240,985 (2024: £281,574) from the trading company.

	2025	2024
	£	£
Amounts owed (by)/to the charity at the balance sheet date	(60,096)	(52,451)

The CIO also had received income for room hire, event hire and office rent from VOS totalling £20,791 (2024: £14,730). Michael Dawe is a Trustee of both Portsmouth Royal Maritime Club and VOS.

Finally, the CIO received income for event hire from the Naval Families Federation of £654 (2024: £nil). Paul Anthony Quinn is a Trustee of both Portsmouth Royal Maritime Club and Naval Families Federation.

23. PENSION COMMITMENT

The charity operated a defined contribution scheme. The costs to the charity for the period were £35,319 (2024: £23,685). There were £nil (2024: £nil) contributions to the scheme unpaid at the end of the period.