

# THE WHITE ENSIGN ASSOCIATION LIMITED

England & Wales · Charity number 206787

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [00606887](#)

**Registered** 1962-09-22

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** H M S Belfast  
Tooley Street  
London  
SE1 2JH

**Phone** 07384 575598

**Email** [office@whiteensign.co.uk](mailto:office@whiteensign.co.uk)

**Website** [www.whiteensign.co.uk](http://www.whiteensign.co.uk)

## Activities

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**Objects:** FOR THE GENERAL BENEFIT OF PERSONS WHO ARE SERVING OR WHO HAVE SERVED IN THE NAVAL SERVICES OF THE CROWN. (FOR DETAILS SEE SPECIAL RESOLUTIONS PASSED 11TH MARCH 1959 AND MEMORANDUM OF ASSOCIATION).

**Activities:** Naval charity which supports all serving and former members of the Royal Navy, Royal Marines and RFA, including dependants. A non-grant giving organisation, the Association helps personnel in matters including Armed Forces pensions and compensation, civilian employment and personal welfare and administration, giving guidance at an individual level. Delivers an extensive lecture programme.

## Classification

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- **How:** Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Other Defined Groups

## Geography

- Scotland
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£659,822	£737,260	£6,225,447	10
2023-12-31	£565,165	£542,633	£5,751,944	9
2022-12-31	£293,927	£478,568	-	-
2021-12-31	£434,096	£496,421	-	-
2020-12-31	£5,424,879	£717,412	£6,220,796	6

## Trustees

Name	Role	Appointed
Admiral Sir Philip Andrew Jones GCB DL		2019-11-14
Admiral Sir Timothy Fraser		2025-03-20
Caroline Philippa Haughey OBE QC		2021-07-15
Commodore Inga Jane Kennedy CBE QHNS		2018-11-15
Commodore Robert William Dorey RFA		2019-11-14
Dame Ruth Cairnie		2021-07-20
James Michael Ross Saunders Watson DL		2017-11-15
Lieutenant General Edward Grant Martin Davis CB CBE		2019-11-14
Lindsey Gilchrist		2025-03-20
Robert Constant		2025-03-20
Theocharis Panayiotou Theochari		2021-07-15
Toby Ellison		2024-03-20

**THE WHITE ENSIGN ASSOCIATION LIMITED**

England & Wales - Charity number 206787

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# Accounts

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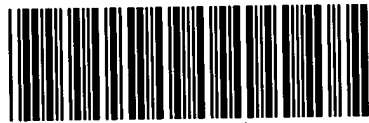
REGISTERED COMPANY NUMBER: 00606887 (England and Wales)

REGISTERED CHARITY NUMBER: 206787

REGISTERED CHARITY NUMBER: SCO 53305

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024  
FOR  
THE WHITE ENSIGN ASSOCIATION LIMITED**

MONDAY



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A12

07/04/2025

#97

COMPANIES HOUSE

Gibson Whitter Limited  
Statutory Auditors  
Larch House  
Parklands Business Park  
Denmead  
Hampshire  
PO7 6XP

**THE WHITE ENSIGN ASSOCIATION LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2024**

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## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

The principal objects of the Association are to assist and promote the interests of those who are serving or have at any time served in the Royal Navy, the Royal Marines, the Royal Naval or Royal Marines Reserves, the former Women's Royal Naval Service, the Queen Alexandra's Royal Naval Nursing Service or the Royal Fleet Auxiliary, in such ways as shall from time to time be thought fit, and in particular and without prejudice to the generality of the foregoing by providing:

- General guidance in connection with investments, house purchase, insurance (including educational costs and school fees), pensions and commutation.
- Appropriate advice and guidance, through employment services, to deliver enduring support to individuals preparing for and those seeking civilian employment, including the establishment of small businesses.
- General information and advice to those leaving the Service and seeking to settle in civilian life.
- Information and advice on general personal administrative matters in suitable cases appropriate to the position and facilities of the Association.

It should be noted that the Association does not make grants but facilitates and supports applications to other appropriate charities or organisations when, in the course of its welfare work, it comes across such cases of need.

##### Summary of Policies

The Association's policies have been designed to achieve these objects by providing the basic infrastructure to enable all those who are serving in or have served in the Naval Service and who seek assistance with civilian employment, resettlement, investment, financial planning and general personal administration matters to obtain appropriate information, guidance, contacts and opportunities through:

- A comprehensive counselling service, with a programme of regular visits to all major Royal Navy bases, shore establishments and Royal Marines units. Visits are also made to air squadrons and ships and submarines of the Fleet as requested.
- Personal interviews which are conducted either face-to-face in units or online. Home visits are made in appropriate cases, for example to widows, wounded or injured personnel and to the disabled.
- The provision of face-to-face presentations and webinars on transition, resettlement, civilian employment and financial (including armed force pension) awareness.
- Individual casework support in response to registrations on our website requesting assistance.
- The referral of beneficiaries, in appropriate cases, to the Associations' Panel of Professional Advisers.

##### Public benefit

The Trustees have referred to the advice contained in the Charity Commissioner's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future activities. The Association's charitable services, which are provided free, are available to all who serve or have served in the Royal Navy, the Royal Marines, the Royal Fleet Auxiliary, the Women's Royal Naval Service, the Queen Alexandra's Royal Naval Nursing Service or the Royal Naval or Royal Marine Reserve Forces from the time they join the Service until they die. The Association's services may also be accessed by close dependents and the WEA will always endeavour to guide and assist people who approach the charity for help, but who may not have a Royal Navy or Royal Marines background.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities

Following a strategic review by the new CEO in the autumn of 2022 and the resultant decision of the Council of Management to re-set the strategic direction of the charity in January 2023, the last 12 months have witnessed the continuing implementation of a bold new 5-year strategy. This strategy has three key strands: maintaining the delivery of our pre-existing core offer (these outputs were validated by the strategic review); responding to six areas of need identified during the strategic review; and delivering future financial sustainability.

The first phase of this strategy, to be implemented in 2023 and 2024, was delivered in full and on time by the close of 2024. Among other things it has led to a doubling in the size of the executive staff, from 5 in April 2022 to 10 in June 2024, thereby enabling the Association to deliver its core outputs with greater resilience whilst also enabling the Association to do more towards meeting the areas of need identified in the CEO's strategic review.

Among the more notable achievements in 2024 are:

- Improved coverage of Scotland and Overseas (the first area of need) by the new full-time regional manager post for those regions which went live in July 2023. Notable firsts were inaugural visits to the Naval Support Facility in UKMCC Bahrain and JFHQ Naples.
- This additional post, alongside the two existing full-time regional managers, has provided capacity for the Association to deliver support to our beneficiaries in respect of the 2015 Pension Remedy (the second area of identified need) which was implemented by the Government on 1 October 2023.
- Improved support to those being medically discharged and early Service leavers more generally (the third and fourth areas of identified need) following the recruitment of a new Employment Consultant.
- Recruitment into a newly established Financial Wellbeing Manager post which went live in June 2024, offering dedicated support to those experiencing financial difficulties and to the Royal Navy divisional system and Royal Marines regimental system too (the fifth area of identified need).
- Increased engagement with the Naval Families Federation, through regular contributions to its Homeport magazine, to improve our support to naval families (the sixth area of identified need).

Collaboration with partners in the naval charity sector continues to be an essential part of the WEA's business and is integral to the delivery of the new strategy, including the delivery of future financial sustainability through increased and diversified grant income. The Royal Navy and Royal Marines Charity (RNRMC) has both generously provided a grant to support the work of our Compensation Advocacy and Support Officer (CASO) and helped to fund the work of two of our regional managers in England and Wales in their delivery of financial awareness support to our beneficiaries. Greenwich Hospital has also generously funded the work of our full-time regional manager for Scotland, Northern Ireland and Overseas and the new Financial Wellbeing Manager post. In addition, the WEA works in a collegiate manner with colleagues from other naval charities and in particular the Royal Marines Association-The Royal Marines Charity in areas of mutual interest. The Association is grateful to other charities who provide grants which enable us to deliver outputs on behalf of our beneficiaries; a particular acknowledgement is owed in this respect to our longstanding supporter, the Gosling Foundation. In 2024 Trinity House generously provided a grant to the Association for the first time and the Association is also thankful to the Bernard Sunley Foundation and the C A Redfern Charitable Foundation for their continuing funding of our activities. The Association is also proud to work in close partnership with the Royal Navy, both at Headquarters and local level, in support of serving personnel.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

#### ACHIEVEMENT AND PERFORMANCE

##### Work summary

Work over the year comprised (in this section the corresponding figures for 2023 are in parenthesis):

- **Information and Guidance.** Casework support was provided to 1070 (1060) individuals who registered for some form of assistance during the year.
- **Personal Interviews.** 974 (504) 1-2-1 interviews were conducted either face-to-face or online.
- **Presentations.** Briefings were delivered to audiences totalling 5112 (3220) beneficiaries - financial awareness 2107 (1082), transition preparation 873 (539) and pension awareness 2132 (1599).

Therefore, in overall terms, the number of beneficiaries with whom the charity has interacted over the past 12 months has increased to 7156 (4784). This headline figure represents an overall growth of approximately 53% compared to the number of individuals who were supported by the Association in 2023.

The establishment of multiple new posts following the implementation of the aforementioned new strategy has enabled the Association to deliver this welcome step change in the support that it is able to offer to the naval community. The doubling in size of the executive staff has driven a 40% increase in engagement with beneficiaries through our outreach activities (i.e. collective briefings) and a similarly significant rise in the amount of 1-2-1 support which has been provided to individuals. In the case of the latter, this is evidenced by the near doubling in the number of personal interviews which were conducted in 2024.

In terms of performance, there have been other welcome achievements in 2024. Of particular note:

- Across the full spectrum of its services, the Association assisted circa two-thirds of the 3,000 Service leavers from the Royal Navy and Royal Marines in 2024, compared to circa half of that cohort in 2023;
- The CASO dealt with 166 new cases, representing a 78% increase in volume compared to 2023 (93). She helped beneficiaries to claim £643,606 under the Armed Forces Compensation Scheme and its predecessor, the War Pension Scheme;
- The provision of a dedicated, full-time service in Scotland resulted in a doubling of casework support provided to beneficiaries compared to the Association's previous part-time coverage of this important naval region which includes His Majesty's Naval Base Clyde, HMS CALEDONIA in Rosyth and 45 Commando RM in Arbroath; and
- Under a new initiative started in Jan 24, our new Employment Consultant's proactive engagement with personnel subject to the medical discharge process resulted in support being offered to 350 individuals, representing circa 70% of this vulnerable cohort. The support provided to individuals who took up this offer included: guidance in understanding ill-health benefits under the Armed Forces Pensions Scheme; advice on preparing for civilian employment; assistance in making claims under the Armed Forces Compensation Scheme; and help in dealing with money worries and debt.
- Following the establishment of a new Corporate Partnership Manager post, a new corporate partnership scheme was established on 1 Jan 24 to replace the Association's previous company membership scheme. This provides an improved offer to both our corporate partners and our beneficiaries and has been well received. Among the exciting developments under this new scheme have been the first webinars conducted by our corporate partners to inform Service leavers and veterans who are searching for new employment opportunities.

##### Events

The Annual General Meeting was held in at Trinity House on 20 March 2024.

As part of the new strategy to enable future financial sustainability, there has been a focus on delivering high quality fundraising activities. Accordingly, the Association's major event of the year was a dinner held on 6 June 2024 onboard HMS BELFAST (a flagship at the D-Day landings) to mark the 80th anniversary of D-Day. This raised a substantial sum of money for the charity. In addition, the inaugural White Ensign Association Maritime Seminar was held at the offices of Norton Rose Fulbright in London, on 30 January 2024. It, too, proved to be both a successful event and fundraising initiative.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

#### FINANCIAL REVIEW

##### Financial position

The overall performance, including a much improved unrealised gain from investments, enables the charity to report an overall surplus of £473,503 for the year. At 31 December 2024 the Association held net assets of £6,225,447.

The RNRMC continue to conduct all transactional banking and accounting responsibilities for the WEA. All payments made on the Association's behalf are authorised by the WEA's Director of Employment, Communications and Finance (DECF). The RNRMC also have a two-person authorisation process, providing assurance against the potential for fraudulent activity. The DECF also works closely with the RNRMC in-house management accountant and finance officers. The RNRMC support in this respect is excellent.

##### Balance between direct charitable costs and overheads

The allocation of costs between the main functional areas laid down by the Charity Commission is based on analysis of overall activity levels and cost and time by value spent on individual and collective tasks. The major item of expenditure is the cost of the staff. The majority of staff time, by value, is spent on the primary output of the charity (briefings, personal interviews and individual items of casework) and is therefore categorised as 'activities in furtherance of the charity's objects.' The overall balance between direct charitable output and overheads and running costs is considered reasonable.

##### Investment policy and objectives

The Association's investment policy aims to contribute to and build a reserve to guarantee its long-term future. The investment managers report quarterly on the performance of the Association's investments and they have provided briefings to the Finance and General Purpose Committee (F&GPC) in committee in 2024. Members of the F&GPC with a good working knowledge of fund and investment management also keep a watching brief over the performance of the Association's investments. There will be a full review of the purpose of the investments, conducted by the F&GPC, at its June 2025 meeting for approval at the September 2025 Council of Management meeting.

##### Reserves policy

The Association depends for its financial viability on donations and grants. Donation income, which by its nature is uncertain, supplements the returns from the Association's investments. Grant income received can be both unrestricted and restricted and is allocated to the Association's activities accordingly. The Association's policy on reserves is to maintain a value matching assessed operating costs for an extended period (recommended six months) to allow for continued support to existing clients in the event of a significant reduction in current anticipated income levels. The free reserves held at 31 December 2024 were £44,140. This is calculated as total unrestricted reserves (£6,205,447) less unrestricted intangible fixed assets (£28,300), tangible fixed assets (£7,804) and investments (£6,125,203). The WEA's Reserves, combined with investments held at the year-end are considered to be adequate to fulfil their obligations and the future plans are to grow revenue streams. The WEA's policy on reserves is regularly reviewed, taking into account investment advice and market volatility. There will be a full review of the Reserves Policy, conducted by the F&GPC at its June 2025 meeting for approval at the September 2025 Council of Management meeting.

##### Designated Fund

The White Ensign Association Designated Fund was set up following receipt of two major donations in September 1995. The purpose of the Fund is to help secure the long-term future of the Association and is invested appropriately.

##### Going concern

The trustees have reviewed and approved the budget for 2025. They are not aware of any material uncertainties which would affect the WEA's ability to continue as a going concern, for the foreseeable future. The trustees review this issue on a regular basis and more formally annually.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

#### **FUTURE PLANS**

Having implemented the first phase of the new 5-year strategy by September 2024, the Council of Management directed that the next phase of the charity's strategic reset should be delivered on an opportunity basis, set against the strategic objectives of doing more in meeting the Association's core validated outputs and the six areas of need identified in the strategic review, and doing so in a financially sustainable manner.

Accordingly, given the increase in demand for the CASO's services (reported in the Work Summary section above) and following the decision of Greenwich Hospital to generously fund a second CASO post, recruitment action has been taken. The successful candidate is due to join the Association in Q1 2025.

Enhancement of our digital and communications capability has been identified as a critical enabler to the delivery of the Association's strategy. Accordingly, following the signing of a contract with dt-Squad in December 2024 to work alongside the Association in delivering a digital transformation, development activity is underway for a new website, job board and innovative new careers platform called the Career Compass. It is planned to go live with this new digital capability by the end of Q1 2025. Recruitment action is also in hand to establish a new full-time Communications and Outreach Manager post.

The Association will continue to diversify its income streams to help ensure its future financial sustainability. This will include working with new and existing grant-making partners to fund relevant projects and expanding our base of corporate partners, with a particular focus on those who work within the maritime sector.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The White Ensign Association Limited (also referred to as 'WEA' or 'the Association') is a registered charity and a company limited by guarantee. It was incorporated on 24 June 1958 and is governed by its Memorandum and Articles of Association.

The Council of Management (also referred to as 'the Council') is the Governing Body of the Association and consists of the elected trustees, who are also the directors of the charitable company. It meets formally twice a year and additionally as required.

The Council has two sub-committees to which it delegates aspects of the charity's activity:

##### **The Finance & General Purposes Committee (F&GPC)**

The Council delegates day to day oversight of the Association's financial operations and risk register to the F&GPC. The F&GPC meets twice yearly and additionally as necessary.

##### **The Nominations and Remuneration Committee (NRC)**

The Council delegates the sourcing and nomination of new Council, F&GPC and NRC members to the NRC and to make annual recommendations to the Council on staff salary. The NRC meets twice yearly and additionally as necessary.

##### **Recruitment and appointment of new trustees**

The selection, induction, review and monitoring of trustees is overseen by the NRC as part of its remit from the Council and it is charged with the nomination of suitable candidates to maintain the necessary breadth of expertise on the Council. A training programme, including a comprehensive presentation and staff briefing, has been prepared for trustee induction.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Principal risks and uncertainties

During the year, the Council (through the F&GPC) has reviewed the full range of operational risks to which the Association could be exposed and the necessary management action to mitigate them. The Association has an Operational Risk Register, which integrates the ongoing assessment of risks into the day-to-day management processes of the WEA. A summary of the main risks associated with the WEA's activities are contained in the table below:

##### Risk Description

>10% shortfall in forecast of Corporate Partnership Scheme income

Failure to meet the needs of our customers

Insufficient staff capacity, capability or under performance

Loss of grant income

Business continuity: staff absence and turnover

##### Risk Mitigation Activities

Deliver digital transformation to improve offer to corporate partners. Engage with maritime sector to deliver new relevant partners. Maximise partner renewals. CEO to monitor the scheme monthly. Establish Comms and Outreach Manager post.

Seek regular customer feedback through case management and testimonials. Continually improve, update and augment guidance and advice available. Maintain currency with all presentation and interview material. Deliver new comms and digital strategy to provide quality products for customers. There is a need to establish second AFCS Manager and full-time Comms Manager.

Meticulous staff selection, tailored induction programme, rolling staff training and appraisal. Grant provided by Gosling Foundation for financing of relevant staff development training. Regular interaction with RN, MOD and other stakeholders to ensure that staff remain up to date with legislative and policy developments. Engage with MOD to ensure 2015 Pension Remedy guidance from WEA is accurate and relevant.

Maintain high quality of impact reporting to grant-making charities to justify continuation of funding. Secure multi-year grant arrangements where possible. Diversify sources of grant income and work to increase amounts from existing funders. WEA reserves to provide alternate source of income to fund activity over time.

Business Continuity Plan to be reviewed regularly. Regular review of staff availability to ensure maintenance of national coverage at reasonable levels. Establishment of, and recruitment into, new posts alongside the need for staff retention to build resilience into our service provision.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

00606887 (England and Wales)

##### Registered Charity number in England and Wales

206787

##### Registered Charity number in Scotland

SCO 53305

##### Registered office

HMS Belfast  
Tooley Street  
London  
SE1 2JH

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**Trustees**

Admiral Sir Mark Stanhope GCB OBE DL*	Chairman (resigned 21 March 2024)
Captain L Batchelor RNR*	Chairman (from 21 March 2024)
Admiral Sir Philip Jones GCB DL*	Vice Chairman (from 21 March 2024)
Mr S Black*	(resigned 20 March 2024)
Mr E Byers*	
Ms R Cairnie	
Lieutenant General E Davis CB CBE *	
Mrs H Deeble CBE	
Commodore R Dorey RFA	
Captain A Gosling RNR	
Ms C Haughey OBE KC	
Commodore I Kennedy CBE QHNS*	
Ms S Murray OBE	(resigned 20 March 2024)
Mr J Saunders-Watson DL*	
Mr H Theochari OBE*	
Admiral Sir George Zambellas GCB DSC DL*	
Mr T Ellison	(appointed 20 March 2024)
WO1 David Smith MBE	(appointed 20 March 2024 and resigned 1 December 2024)

\* Members of the Finance & General Purposes Committee

**President**

Admiral Sir Jock Slater GCB LVO DL

**Vice Presidents**

Mr J D Andrewes MA FCA  
Admiral Sir Jonathan Band GCB DL  
Lord Carlile of Berriew CBE KC  
Sir Michael Bett CBE MA  
Mr C Cazalet MA FCA  
Vice Admiral Sir Adrian Johns KCB CBE DL  
Admiral Sir Michael Layard KCB CBE  
Sir John Parker GBE  
Admiral Sir Mark Stanhope GCB OBE DL  
Mr R J Taylor

**Royal Patron**

His Majesty The King

**Company Secretary**

Mr A Marchant-Wincott

**The Chief Executive and Staff**

Commodore S H Wright Royal Navy was appointed as the Chief Executive by the Council with effect from 22 April 2022 and remains in post. He is supported by nine other members of staff: a Director of Employment, Communications and Finance, who also serves as the Company Secretary; the Regional Manager East; the Regional Manager West and London; the Regional Manager Scotland, Northern Ireland and Overseas; the Compensation Advocacy and Support Officer; the Employment Consultant; the Corporate Partnerships Manager; the Financial Wellbeing Manager and the Administration and Support Manager (relinquished post 15 October 2024).

The staff conduct a programme of visits to ships, submarines, naval shore establishments, naval air squadrons, Royal Marines units and relevant joint units to fulfil various briefing programmes and undertake personal interviews and casework.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

#### Remuneration Policy Setting

Staff remuneration is considered on an annual basis by the Nominations and Remuneration Committee (NRC). It considers the CEO's remuneration of its own motion and also the recommendations made by the Chief Executive in respect of the remainder of the executive staff. The NRC's recommendations are then considered by the Council of Management which makes a final determination on the awards to be made.

#### The Advisers

A Panel of Professional Advisers (PPA) has been formed to provide professional services advice to the WEA's beneficiaries in appropriate cases. The names and details of the PPA partners are published in the charity's Annual Review and are listed on the WEA's website.

#### Auditors

Gibson Whitter Limited  
Statutory Auditors  
Larch House  
Parklands Business Park  
Denmead  
Hampshire  
PO7 6XP

#### Solicitors

Ashurst LLP  
Broadwalk House  
5 Appold Street  
London  
EC2A 2HA

#### Bankers

Royal Bank of Scotland plc  
Holt's Military Banking  
200 Fowler Avenue  
Fowler Business Park  
Farnborough  
Hampshire  
GU14 7JP

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The White Ensign Association Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

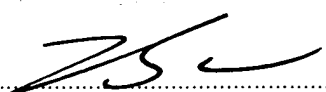
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

**AUDITORS**

The auditors, Gibson Whitter Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on ..... *19th March 2025* ..... and signed on its behalf by:

  
.....  
Captain L H L Batchelor - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE WHITE ENSIGN ASSOCIATION LIMITED**

### **Opinion**

We have audited the financial statements of The White Ensign Association Limited (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE WHITE ENSIGN ASSOCIATION LIMITED**

**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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE WHITE ENSIGN ASSOCIATION LIMITED

### **Our 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.

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

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.

Based on our understanding of the charitable company and sector, we identified that the principal risks of non-compliance with laws and regulations related to breaches of employment law, data protection and anti-bribery and corruption legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities acts, Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to overstate profit and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and Trustee Directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- As required by ISA 240, incorporating an element of unpredictability into our audit testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE WHITE ENSIGN ASSOCIATION LIMITED**

**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 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 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.



Gavin Whitter (Senior Statutory Auditor)  
for and on behalf of Gibson Whitter Limited  
Statutory Auditors  
Larch House  
Parklands Business Park  
Denmead  
Hampshire  
PO7 6XP

31/3/25

Date: .....

THE WHITE ENSIGN ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds £	Restricted fund £	31.12.24 Total funds £	31.12.23 Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	20,657	-	20,657	39,962
<b>Charitable activities</b>					
Naval service personnel advice and assistance	5	345,248	20,000	365,248	208,574
Other trading activities	3	83,046	-	83,046	111,724
Investment income	4	210,308	-	210,308	204,626
Other income		563	-	563	279
<b>Total</b>		<u>659,822</u>	<u>20,000</u>	<u>679,822</u>	<u>565,165</u>
<b>EXPENDITURE ON</b>					
Raising funds	6	95,110	-	95,110	101,834
<b>Charitable activities</b>					
Naval service personnel advice and assistance	7	642,150	-	642,150	494,102
<b>Total</b>		<u>737,260</u>	<u>-</u>	<u>737,260</u>	<u>595,936</u>
Net gains on investments		530,941	-	530,941	234,341
<b>NET INCOME</b>		453,503	20,000	473,503	203,570
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		5,751,944	-	5,751,944	5,548,374
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>6,205,447</u></u>	<u><u>20,000</u></u>	<u><u>6,225,447</u></u>	<u><u>5,751,944</u></u>

The notes form part of these financial statements

THE WHITE ENSIGN ASSOCIATION LIMITED

BALANCE SHEET  
31 DECEMBER 2024

	Notes	31.12.24 £	31.12.23 as restated £
<b>FIXED ASSETS</b>			
Intangible assets	15	48,300	-
Tangible assets	16	7,804	8,399
Investments	17	6,125,203	5,646,269
		<u>6,181,307</u>	<u>5,654,668</u>
<b>CURRENT ASSETS</b>			
Debtors	18	57,605	117,181
Cash at bank		159,486	116,293
		<u>217,091</u>	<u>233,474</u>
<b>CREDITORS</b>			
Amounts falling due within one year	19	(172,951)	(136,198)
		<u>44,140</u>	<u>97,276</u>
<b>NET CURRENT ASSETS</b>			
		<u>6,225,447</u>	<u>5,751,944</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>6,225,447</u>	<u>5,751,944</u>
<b>NET ASSETS</b>			
		<u>6,225,447</u>	<u>5,751,944</u>
<b>FUNDS</b>	22		
Unrestricted funds		6,205,447	5,751,944
Restricted funds		20,000	-
<b>TOTAL FUNDS</b>		<u>6,225,447</u>	<u>5,751,944</u>

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

The financial statements were approved and authorised for issue by the Board of Trustees and authorised for issue on 19 March 2025 and were signed on its behalf by:



.....  
Captain L H L Batchelor - Trustee



.....  
Adm Sir P A Jones - Trustee

THE WHITE ENSIGN ASSOCIATION LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024

		31.12.24	31.12.23 as restated £
	Notes	£	
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(101,415)	(118,396)
Net cash used in operating activities		<u>(101,415)</u>	<u>(118,396)</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(48,300)	-
Purchase of tangible fixed assets		(2,838)	(5,954)
Interest received		-	24
Dividends received		195,746	190,142
Net cash provided by investing activities		<u>144,608</u>	<u>184,212</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		43,193	65,816
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>116,293</u>	<u>50,477</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>159,486</u></u>	<u><u>116,293</u></u>

The notes form part of these financial statements

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.12.24	31.12.23 as restated
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	473,503	203,570
<b>Adjustments for:</b>		
Depreciation charges	3,434	4,215
Gain on investments	(530,941)	(234,341)
Interest received	-	(24)
Investment management fees	66,365	59,883
Dividends received	(210,308)	(204,602)
Decrease/(increase) in debtors	59,779	(44,192)
Increase in creditors	36,753	97,095
<b>Net cash used in operations</b>	<u>(101,415)</u>	<u>(118,396)</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.24 £	Cash flow £	At 31.12.24 £
<b>Net cash</b>			
Cash at bank	116,293	43,193	159,486
	<u>116,293</u>	<u>43,193</u>	<u>159,486</u>
<b>Total</b>	<u>116,293</u>	<u>43,193</u>	<u>159,486</u>

The notes form part of these financial statements

## THE WHITE ENSIGN ASSOCIATION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

##### **Income**

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

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

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific conditions is recognised as earned (as the related goods and services are provided). Grant income included in this category provides funding to support activities and is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

##### **Volunteers and donated services**

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

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

##### **Expenditure**

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

- Fundraising costs are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with providing services to the charity's beneficiaries and include both the direct costs and support costs relating to those activities.
- Support costs include central functions and governance costs. These have been allocated to activities on a basis consistent with the use of resources.

##### **Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of four years.

##### **Investments**

The investment portfolio has been valued at market value at the balance sheet date. The SOFA includes the net gains and losses on investments arising on revaluation at the year end and on disposals throughout the year. Realised gains and losses on sales of investments are calculated as the difference between the sale proceeds and opening market value. Unrealised gains and losses represent the movement between market value.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

Fixtures and fittings                    - 25% on cost

**Taxation**

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

**Fund accounting**

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

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

**2. DONATIONS AND LEGACIES**

	31.12.24	31.12.23 as restated
	£	£
Donations	15,657	39,962
Donated services and facilities	5,000	-
	20,657	39,962
	20,657	39,962

The charity has been provided with bookkeeping and accounting services with no charge by The Royal Navy & Royal Marines Charity (RNRMC). No value has been included in the financial statements for these bookkeeping and accounting services due to the services provided forming part of the core charitable objectives of the RNRMC.

**3. OTHER TRADING ACTIVITIES**

	31.12.24	31.12.23 as restated
	£	£
Fundraising events	50,650	94,073
Subscription income	15,066	13,699
Event income	15,500	2,800
Advertising income	1,830	1,152
	83,046	111,724
	83,046	111,724

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

<b>4. INVESTMENT INCOME</b>		31.12.24	31.12.23 as restated
		£	£
Investment income		210,308	204,602
Deposit account interest		-	24
		<u>210,308</u>	<u>204,626</u>
<b>5. INCOME FROM CHARITABLE ACTIVITIES</b>		31.12.24	31.12.23 as restated
		£	£
Financial awareness learning	Activity Naval service personnel advice and assistance	24,752	24,024
Grants	Naval service personnel advice and assistance	340,496	184,550
		<u>365,248</u>	<u>208,574</u>
Grants received, included in the above, are as follows:		31.12.24	31.12.23 as restated
		£	£
The Gosling Foundation		100,000	50,000
RNRMC		105,005	87,092
Greenwich Hospital		103,434	32,458
Bernard Sunley Foundation		17,917	15,000
Trinity House		14,140	-
		<u>340,496</u>	<u>184,550</u>
<b>6. RAISING FUNDS</b>			
<b>Other trading activities</b>		31.12.24	31.12.23 as restated
		£	£
Fundraising event costs		28,484	41,982
		<u>28,484</u>	<u>41,982</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**6. RAISING FUNDS - continued**

<b>Investment management costs</b>	31.12.24	31.12.23 as restated
	£	£
Portfolio management fees	<u>66,626</u>	<u>59,852</u>
Aggregate amounts	<u>95,110</u>	<u>101,834</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Naval service personnel advice and assistance	<u>563,361</u>	<u>78,789</u>	<u>642,150</u>

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	31.12.24	31.12.23 as restated
	£	£
Staff costs	482,168	377,216
Event costs	40,340	17,966
Travel and subsistence	35,653	33,659
Other staff costs	4,953	1,829
Contract management charges	247	240
	<u>563,361</u>	<u>430,910</u>

**9. SUPPORT COSTS**

	Management £	Governance costs £	Totals £
Naval service personnel advice and assistance	<u>72,519</u>	<u>6,270</u>	<u>78,789</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**9. SUPPORT COSTS - continued**

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

	31.12.24	31.12.23 as restated
	Naval service personnel advice and assistance	Total activities
	£	£
Rent and rates	16,016	15,696
Insurance	2,966	1,750
Telephone	2,997	2,814
Postage and stationery	921	1,141
Advertising	9,831	6,000
Sundries	4,790	1,315
Computer costs	26,187	22,131
Accountancy fees	1,097	1,765
Subscriptions	1,580	395
Legal and professional fees	2,700	-
Depreciation of tangible assets	3,434	4,215
Auditors' remuneration	6,270	5,970
	<u>78,789</u>	<u>63,192</u>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.12.24	31.12.23 as restated
	£	£
Depreciation - owned assets	<u>3,433</u>	<u>4,215</u>

**11. AUDITORS' REMUNERATION**

	31.12.24	31.12.23 as restated
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>6,270</u>	<u>5,970</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**Trustees' expenses**

During the year one (31.12.23: no) trustee director was reimbursed expenses by the charitable company totalling £53 (31.12.23: £Nil) for travel costs.

**13. STAFF COSTS**

	31.12.24	31.12.23 as restated
	£	£
Wages and salaries	413,962	339,633
Social security costs	38,432	24,706
Other pension costs	29,774	12,877
	<u>482,168</u>	<u>377,216</u>

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

	31.12.24	31.12.23 as restated
Direct charitable activities	<u>10</u>	<u>7</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.12.24	31.12.23 as restated
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1
	<u>2</u>	<u>2</u>

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

	31.12.24	31.12.23
Direct charitable activities	<u>9</u>	<u>7</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**14. PRIOR YEAR ADJUSTMENT**

Investment portfolio management fees have been restated in the previous year due to a change in reporting of third party charges by investment portfolio managers. These fees have now been grossed up from revaluation gains/losses.

The prior year adjustment has had no impact on the fund position at 1 January 2024 or 1 January 2023.

**15. INTANGIBLE FIXED ASSETS**

	Computer software £
<b>COST</b>	
Additions	48,300
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2024	48,300
	<hr/> <hr/>
At 31 December 2023	-
	<hr/> <hr/>

No amortisation in the year ended 31 December 2024 as asset not operational until after 31 December 2024.

**16. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST</b>	
At 1 January 2024	51,607
Additions	2,838
	<hr/>
At 31 December 2024	54,445
	<hr/>
<b>DEPRECIATION</b>	
At 1 January 2024	43,208
Charge for year	3,433
	<hr/>
At 31 December 2024	46,641
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2024	7,804
	<hr/> <hr/>
At 31 December 2023	8,399
	<hr/> <hr/>

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**17. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2024	5,646,269
Additions	14,358
Disposals	(6,577)
Revaluations	530,941
Management fees	(59,788)
	6,125,203
<b>NET BOOK VALUE</b>	
At 31 December 2024	6,125,203
At 31 December 2023	5,646,269

Investments are held in a portfolios managed by Cazenove Capital and Sarasin & Partners. The market value of investments by geographical area is as follows:

	31.12.24 £	31.12.23 £
Held within UK	1,567,999	1,753,651
Held outside UK	4,557,204	3,892,618
	6,125,203	5,646,269

All investments are listed on recognised stock exchanges.

**Material Investments**

	Holding	Market Value
Charity Multi-Asset Fund Units-S- GBP Distribution	4,808,849	£2,917,529
Sarasin Endowments Funds Class A Income	2,265,239	£2,910,832

The historical cost of the above investments is £5,783,571 (31.12.23: £5,775,797).

**18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.24 £	31.12.23 as restated £
Trade debtors	32,062	93,221
Accrued income	18,380	20,134
Prepayments	7,163	3,826
	57,605	117,181

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.24	31.12.23 as restated
	£	£
Trade creditors	7,898	41,861
Social security and other taxes	15,232	13,061
Deferred income	137,352	70,525
Accrued expenses	12,469	10,751
	<u>172,951</u>	<u>136,198</u>

Deferred income

Deferred income comprises £12,650 (31.12.23: £10,668) for subscription income, £3,500 (31.12.23: £Nil) for event income and £121,202 (31.12.23: £60,817) for grant income received in the year which will be released to income in future financial periods.

	31.12.24	31.12.23 as restated
	£	£
Balance brought forward	70,525	22,942
Amount release to incoming resources	(70,525)	(22,942)
Amount deferred in the year	137,352	70,525
Balance carried forward	<u>137,352</u>	<u>70,525</u>

20. LEASING AGREEMENTS

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

	31.12.24	31.12.23 as restated
	£	£
Within one year	<u>3,924</u>	<u>3,924</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	31.12.24			31.12.23 as restated
	Unrestricted funds £	Restricted fund £	Total funds £	Total funds £
Fixed assets	36,104	20,000	56,104	8,399
Investments	6,125,203	-	6,125,203	5,646,269
Current assets	217,091	-	217,091	233,474
Current liabilities	(172,951)	-	(172,951)	(136,198)
	<u>6,205,447</u>	<u>20,000</u>	<u>6,225,447</u>	<u>5,751,944</u>

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

22. MOVEMENT IN FUNDS

	At 1.1.24 £	Net movement in funds £	At 31.12.24 £
<b>Unrestricted funds</b>			
General fund	4,971,944	453,503	5,425,447
Designated fund	780,000	-	780,000
	<u>5,751,944</u>	<u>453,503</u>	<u>6,205,447</u>
<b>Restricted funds</b>			
Digital Transformation	-	20,000	20,000
	<u>5,751,944</u>	<u>473,503</u>	<u>6,225,447</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	659,822	(737,260)	530,941	453,503
<b>Restricted funds</b>				
Digital Transformation	20,000	-	-	20,000
	<u>679,822</u>	<u>(737,260)</u>	<u>530,941</u>	<u>473,503</u>

Comparatives for movement in funds

	At 1.1.23 £	Prior year adjustment £	Net movement in funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	4,793,591	(25,217)	203,570	4,971,944
Designated fund	780,000	-	-	780,000
	<u>5,573,591</u>	<u>(25,217)</u>	<u>203,570</u>	<u>5,751,944</u>
<b>TOTAL FUNDS</b>	<u>5,573,591</u>	<u>(25,217)</u>	<u>203,570</u>	<u>5,751,944</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	565,165	(595,936)	234,341	203,570
	<u>565,165</u>	<u>(595,936)</u>	<u>234,341</u>	<u>203,570</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**22. MOVEMENT IN FUNDS - continued**

**Designated Fund** - The White Ensign Association Fund was set up following receipt of two major donations in September 1995. The purpose of the Fund is to help secure the long-term future of the Association and is invested appropriately.

**Digital Transformation** - Enhancement of our digital and communications capability has been identified as a critical enabler to the delivery of the Association's strategy. Accordingly, following the signing of a contract with dt-Squad in December 2024 to work alongside the Association in delivering a digital transformation, development activity is underway for a new website, intelligent job board and innovative new careers platform called the Career Compass. This has been funded by a £20,000 grant from The Gosling Foundation in 2024 of which £20,000 has been spent on intangible fixed assets which will be amortised over the next 4 years and expended against this fund.

**23. EMPLOYEE BENEFIT OBLIGATIONS**

The charitable company operates a defined contribution pension scheme for all salaried employees. The pension charge for the period was £29,774 (31.12.23: £12,877). At the balance sheet date the contributions outstanding were £Nil (31.12.23: £Nil).

**24. CAPITAL COMMITMENTS**

The charitable company has a capital commitment which are contracted for but not provided in these financial statements totalling £49,380 (31.12.23: £Nil) for the digital transformation project. Grant income has been received by the charitable company for this project.

**25. RELATED PARTY DISCLOSURES**

Certain trustee directors were associated with organisations which undertook transactions with the charitable company. All such transactions were undertaken in accordance with the charitable company's normal agreements with suppliers. None of the relevant trustee directors were in a position of material influence within the organisations concerned such that transactions between the charitable company and the organisations require disclosure in the financial statements other than noted below.

During the year The Gosling Foundation, a charitable foundation of which Captain A Gosling RNR is a trustee director provided grant income totalling £100,000 (31.12.23: £50,000), donation income totalling £Nil (31.12.23: £20,000) and fundraising event income totalling £Nil (31.12.23: £10,000).

During the year Norton Rose Fulbright, a limited liability partnership of which Mr Theocharis Theochari OBE is a senior consultant solicitor provided donated services totalling £5,000 (31.12.23: £Nil).

During the year no (31.12.23: eight) trustee directors were invoiced by the charitable company totalling £Nil (31.12.23: £1,737) for attendance fees for events that they attended.

**Key management**

The total remuneration paid to those considered key management during the year was £156,431 (31.12.23: £154,553).

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**26. ULTIMATE CONTROLLING PARTY**

The charitable company is not under the control of another entity or any one individual.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

England & Wales - Charity number 206787

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# Accounts

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**REGISTERED COMPANY NUMBER: 00606887 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 206787**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023  
FOR  
THE WHITE ENSIGN ASSOCIATION LIMITED**

Gibson Whitter Limited  
Statutory Auditors  
Larch House  
Parklands Business Park  
Denmead  
Hampshire  
PO7 6XP

**THE WHITE ENSIGN ASSOCIATION LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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# THE WHITE ENSIGN ASSOCIATION LIMITED

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

The principal objects of the Association are to assist and promote the interests of those who are serving or have at any time served in the Royal Navy, the Royal Marines, the Royal Naval or Royal Marines Reserves, the former Women's Royal Naval Service, the Queen Alexandra's Royal Naval Nursing Service or the Royal Fleet Auxiliary, in such ways as shall from time to time be thought fit, and in particular and without prejudice to the generality of the foregoing by providing:

- General guidance in connection with investments, house purchase, insurance (including educational costs and school fees), pensions and commutation.
- Appropriate advice and guidance, through employment services, to deliver enduring support to individuals preparing for and those seeking civilian employment, including the establishment of small businesses.
- General information and advice to those leaving the Service and seeking to settle in civilian life.
- Information and advice on general personal administrative matters in suitable cases appropriate to the position and facilities of the Association.

It should be noted that the Association does not make grants but facilitates and supports applications to other appropriate charities or organisations when, in the course of its welfare work, it comes across such cases of need.

#### Summary of Policies

The Association's policies have been designed to achieve these objects by providing the basic infrastructure to enable all those who are serving in or have served in the Naval Service and who seek assistance with civilian employment, resettlement, investment, financial planning and general personal administration matters to obtain appropriate information, guidance, contacts and opportunities through:

- A comprehensive counselling service, with a programme of regular visits to all major Royal Navy bases, shore establishments and Royal Marines units. Visits are also made to air squadrons and ships and submarines of the Fleet as requested.
- Personal interviews in HMS BELFAST or online. Home visits are made in appropriate cases, for example to widows, wounded or injured personnel and to the disabled.
- Services for the provision of lectures on transition, resettlement and financial awareness for members of the Royal Navy.
- The creation of opportunities for senior directors and managers from commerce and industry to visit RN and RM ships and establishments to acquaint them at first hand with the skills and qualities of Naval Service personnel.
- Other activities, including arranging meetings for beneficiaries with the Association's Panel of Professional Advisers, facilitating networking connections, presenting briefings and organising events.

#### Membership Schemes

The Association operated two categories of membership in 2023:

- **Company Member** - Annual fee: £500.
- **Individual (Life) Membership** - offered to those who make either a significant financial or personal contribution.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

#### OBJECTIVES AND ACTIVITIES

##### Public benefit

The Trustees have referred to the advice contained in the Charity Commissioner's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future activities. The Association's charitable services, which are provided free, are available to all who serve or have served in the Royal Navy, the Royal Marines, the Royal Fleet Auxiliary, the Women's Royal Naval Service, the Queen Alexandra's Royal Naval Nursing Service or the Royal Naval or Royal Marine Reserve Forces from the time they join the Service until they die. The Association's services may also be accessed by close dependants and the WEA will always endeavour to advise and assist people who approach the charity for help, but who may not have a Royal Navy or Royal Marines background.

#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities

The last 12 months have been framed by a strategic reset of the Association. In January 2023, following a strategic review conducted by the new CEO in Autumn 2022, the Council agreed to implement a bold new 5-year strategy. This strategy has three key strands: maintaining the delivery of our current core offer (these outputs were validated by the strategic review); responding to six areas of need identified during the strategic review; and delivering future financial sustainability.

The first phase of implementing this strategy commenced in 2023 and will continue into 2024. In particular, this phase of the strategy involves doubling the size of the Association's staff to start delivering against the six areas of need identified during the strategic review. From a baseline of 5 staff in April 2022, the staff had increased to 9 by 31 December 2023, with the final post due to be recruited in 2024.

A Strategic Action Plan has been put in place which enables the Council to maintain oversight of progress in implementing the new strategy. Among the more notable achievements in 2023 are:

- Recruitment of an additional full time regional manager for Scotland, Northern Ireland and Overseas to deliver improved coverage of Scotland and Overseas (the first area of identified need).
- This additional post, alongside the two existing full-time regional managers, has provided capacity for the Association to deliver support to our beneficiaries in respect of the 2015 Pension Remedy (the second area of identified need) which was implemented by the Government on 1 October 2023.
- Recruitment of an Employment Consultant and an Employer Relationship Manager to improve our support to those being medically discharged and early Service leavers more generally (the third and fourth areas of identified need).
- Greenwich Hospital generously agreed to provide funding for a new Financial Wellbeing Manager post to provide improved support to through-career financial capability and resilience (the fifth area of identified need).
- Increased engagement with the Naval Families Federation to improve our support to naval families (the sixth area of identified need).

Collaboration with partners in the naval charity sector continues to be an essential part of the WEA's business and is integral to the delivery of the new strategy. The Royal Navy and Royal Marines Charity (RNRMC) has both generously provided a grant to support the work of our Compensation Advocacy and Support Officer (CASO) and helped to fund the work of two of our regional managers in England and Wales in their delivery of financial awareness support to our beneficiaries. Greenwich Hospital has also generously funded the work of our new full-time regional manager for Scotland, Northern Ireland and Overseas. In addition, the WEA works in a collegiate manner with colleagues from the Royal Marines Association-The Royal Marines Charity in areas of mutual interest. The Association is also grateful to other charities which provide grants which enable it to deliver outputs on behalf of its beneficiaries; a particular acknowledgement is owed in this respect to the Gosling Foundation. The Association also continues to work in close partnership with the Royal Navy, both at Headquarters and local level, in support of serving personnel.

# THE WHITE ENSIGN ASSOCIATION LIMITED

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

### ACHIEVEMENT AND PERFORMANCE

#### Work summary

Work over the year comprised (in this paragraph the corresponding figures for 2022 are in parenthesis for comparison):

- **Information and Guidance.** Support was offered to 1060 (983) individuals who registered for some form of assistance during the year.
- **Personal Interviews.** 504 (466) face to face interviews were conducted.
- **Lectures.** Lectures were provided to audiences totalling 3220 (3143) people - financial awareness 1082 (1152), transition preparation 539 (564) and pension awareness 1599 (1427).

Therefore, in overall terms, the number of individuals with whom the charity has interacted over the past 12 months has increased since 2022. Following induction and training, the newly recruited posts were all operational for only the final quarter of the year. This helps to explain why there was only a small increase in the number of beneficiaries supported in 2023. The number of Phase 2 trainees who receive financial awareness lectures from the Association, which is now under contract to the Royal Navy (RN) for the delivery of these briefings, is driven by the number of individuals recruited into the RN and Royal Marines (RM). This element of the figures is therefore beyond the WEA's control.

In terms of beneficiaries registering for the Association's services, the split between officers and ratings (serving and veteran) has seen a slight increase (2%) in the proportion of enquiries from naval ratings and RM other ranks (72%) with a corresponding decrease in those from the officer corps (28%). As in 2022 the ratio of RN to RM beneficiaries registering for WEA services is just over 5:1 which does not reflect the actual ratio of RN to RM in service. The amount of casework undertaken on behalf of families and dependants was 4% of the overall total, a marginal 1% increase on the figures for 2022. Of particular note, the Association assisted 1,500 Service leavers in 2023, which is around half of the annual total of those departing the RN and RM each year.

There have been some discernible trends in the subject matter of the 769 individual pieces of casework dealt with by the WEA in 2023. Consistent with last year's figures, personal finance and pensions requests remain the largest single category at just under 60%. However, 84% of that total was pension-related which is significantly higher (a 10% increase) than the figure for 2022 and may reflect both interest among beneficiaries in the 2015 pension remedy (formerly known as the McCloud remedy) and the service now being offered by the new full-time regional manager for Scotland and Overseas. Also of particular note, 13% of all casework now concerns the Armed Forces Compensation Scheme (AFCS) and War Pensions Scheme (WPS). This is nearly double the figure of 2022 which reflects the fact that the Association's support service in respect of claims under the AFCS and WPS was, unlike the previous year, fully operational throughout the entirety of 2023. Casework relating to employment, medical discharges and divorce and other legal issues accounts for 11%, 6% and 6% of the Association's total casework respectively.

#### Events

The Annual General Meeting was held in The Naval and Military (In and Out) Club on 20 March 2023. The biennial Trafalgar Night Dinner at the Old Royal Naval College in Greenwich was held on 19 October 2023. This joint fundraising dinner for the RNRMC and WEA was held in the presence of HRH The Princess Royal and, when compared to previous editions of the event, raised a record sum of money for both charities.

# THE WHITE ENSIGN ASSOCIATION LIMITED

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

### FINANCIAL REVIEW

#### Financial position

On 31 December 2023 the Association had a modest operating surplus of £22,532. This is a significant achievement as it marks a movement away from previous forecasts of successive operating deficits over a 5-year period. It is a consequence of a new financial strategy which has focused on diversification of income streams, in addition to careful financial management throughout the period. The overall performance, including a much improved unrealised gain from investments, enables the charity to report an overall surplus of £203,570 for the year.

The RNRMC continue to conduct all transactional banking and accounting responsibilities for the WEA. All payments made on the Association's behalf are authorised by the WEA's Director of Employment and Finance (DEF). The RNRMC also have a two-person authorisation process, providing assurance against the potential for fraudulent activity. The DEF also works closely with the RNRMC in-house management accountant and finance officers. The RNRMC support in this respect is excellent.

#### Balance between direct charitable costs and overheads

The allocation of costs between the main functional areas laid down by the Charity Commission is based on analysis of overall activity levels and cost and time by value spent on individual and collective tasks. The major item of expenditure is the cost of the staff. The majority of staff time, by value, is spent on the primary output of the charity (briefings, personal interviews and individual items of casework) and is therefore categorised as 'activities in furtherance of the charity's objects.' The overall balance between direct charitable output and overheads and running costs is considered reasonable.

#### Investment policy and objectives

The Association's investment policy aims to contribute to and build a reserve to guarantee its long-term future. The investment managers report quarterly on the performance of the Association's investments and they have provided briefings to the F&GPC in committee in 2023. Members of the F&GPC with a good working knowledge of fund and investment management also keep a watching brief over the performance of the Association's investments.

#### Reserves policy

The Association depends for its financial viability on donations and grants. Donation income, which by its nature is uncertain, supplements the returns from the Association's investments. Grant income received can be both unrestricted and restricted and is allocated to the Association's activities accordingly. The Association's policy on reserves is to maintain a value matching assessed operating costs for an extended period (recommended six months) to allow for continued support to existing clients in the event of a significant reduction in current anticipated income levels. The free reserves held at 31 December 2023 were £97,276. This is calculated as total unrestricted reserves (£5,751,944) less tangible fixed assets (£8,399) and investments (£5,646,269). The WEA's Reserves held at the year-end are considered to be adequate to fulfil their obligations and the future plans are to grow revenue streams. The WEA's policy on reserves is regularly reviewed, taking into account investment advice and market volatility.

#### Designated Fund

The White Ensign Association Designated Fund was set up following receipt of two major donations in September 1995. The purpose of the Fund is to help secure the long-term future of the Association and is invested appropriately.

#### Going concern

The trustees have reviewed and approved the budget for 2024 and five year forecast. They are not aware of any material uncertainties which would affect the WEA's ability to continue as a going concern, for the foreseeable future. The trustees review this issue on a regular basis and more formally annually.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

#### **FUTURE PLANS**

The new 5-year strategy agreed by the Council in January 2023 provides a direction of travel for the Association over the next four years. 2024 will be spent implementing the remaining elements of Phase 1. A key element of activity will be recruitment action for a new Financial Wellbeing Manager post, following the notification by Greenwich Hospital in November 2023 that the Association had been successful in its application for a major grant to fund this particular project. Before embarking on Phase 2 of the new strategy the Council will consider any changes to the strategic context in which the Association is operating and any lessons identified from implementing Phase 1.

As part of the new 5-year strategy, the Association will continue work to diversify its income streams to help ensure its future financial sustainability. This will include new fundraising events planned for 2024, namely the inaugural WEA Maritime Seminar and a dinner to mark the 80th anniversary of D-Day. The latter will be held onboard HMS BELFAST, one of the flagships at the D-Day landings.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The White Ensign Association Limited (also referred to as 'WEA' or 'the Association') is a registered charity and a company limited by guarantee. It was incorporated on 24 June 1958 and is governed by its Memorandum and Articles of Association.

The Council is the Governing Body of the Association and consists of the elected trustees, who are also the directors of the charitable company. It meets formally twice a year and additionally as required.

The Council has two sub-committees to which it delegates aspects of the charity's activity:

##### **The Finance & General Purposes Committee (F&GPC)**

The Council delegates day to day oversight of the Association's financial operations and risk register to the F&GPC. The F&GPC meets twice yearly and additionally as necessary.

##### **The Nominations and Remuneration Committee (NRC)**

The Council delegates the sourcing and nomination of new Council, F&GPC and NRC members to the NRC and to make annual recommendations to the Council on staff salary. The NRC meets twice yearly and additionally as necessary.

##### **Recruitment and appointment of new trustees**

The selection, induction, review and monitoring of trustees is overseen by the NRC as part of its remit from the Council and it is charged with the nomination of suitable candidates to maintain the necessary breadth of expertise on the Council. A training programme, including a comprehensive presentation and staff briefing, has been prepared for trustee induction. During the period of this report one new trustee was endorsed by the Council for appointment at the AGM in March 2024.

# THE WHITE ENSIGN ASSOCIATION LIMITED

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Principal risks and uncertainties

During the year, the Council (through the F&GPC) has reviewed the full range of risks to which the Association could be exposed and the necessary management action to mitigate them. The Association has a Risk Management Plan, which integrates the ongoing assessment of risks into the day-to-day management processes of the WEA. A summary of the main risks associated with the WEA's activities are contained in the table below:

#### Risk Description

**Product** - Not meeting the needs of beneficiaries because WEA services are not tailored to their requirements.

**Finance** - Insufficient income to support WEA outputs to beneficiaries.

**Staff performance and calibre** - Failure to support beneficiaries properly because of staff under-performance.

**Business Continuity** - Inability to deliver outputs to beneficiaries owing to staffing and/or other issues.

**Relevance** - Reduction in demand from beneficiaries for WEA services owing to a lack of relevance.

#### Risk Mitigation Activities

Implement the recommendations of the full strategic review to ensure WEA is meeting the areas of unmet need among its beneficiaries. Seek regular customer feedback. Continually improve, update and augment guidance available. Deliver new comms and digital strategy to provide quality product for customers.

Implement recommendations in financial options paper, as agreed by Council following CEO's review. Regular monitoring by F&GPC. Maintain 5-yearly financial forecast with monthly cash flow projections. Maintain long-term investment funding strategy and tangible reserve of 6 months' operating costs. Preserve grant income through high quality impact reporting to funders.

Meticulous selection of staff to maintain staff quality. Tailored staff induction and rolling staff training programme, underpinned by supporting finance, to maintain currency. Regular interaction with RN, MoD and other stakeholders to ensure staff remain current with relevant legislative and policy developments.

Business Continuity Plan to be reviewed regularly. Regular review of staff availability to ensure maintenance of reasonable coverage. Establishment of new posts under new strategy, alongside need for staff retention, to build resilience into WEA service provision.

Monitor MoD activity and charity sector networks for any indications of strategic market changes. Implement recommendations of full strategic review to increase demand. Engage with RN and charity sector stakeholders to ensure WEA remains relevant and correctly positioned.

### REFERENCE AND ADMINISTRATIVE DETAILS

#### Registered Company number

00606887 (England and Wales)

#### Registered Charity number

206787

#### Registered office

HMS Belfast  
Tooley Street  
London  
SE1 2JH

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

#### Trustees

Admiral Sir Mark Stanhope GCB OBE DL*	Chairman
Captain L Batchelor RNR*	Vice Chairman
Mr S Black*	
Mr E Byers*	
Ms R Cairnie	
Lieutenant General E Davis CB CBE	
Mrs H Deeble CBE	
Commodore R Dorey RFA	
Captain A Gosling RNR	
Ms C Haughey OBE KC	
Admiral Sir Philip Jones GCB DL	
Commodore I Kennedy CBE QHNS*	
Ms S Murray OBE	
Mr J Saunders-Watson DL*	
Mr H Theochari OBE	
Admiral Sir George Zambellas GCB DSC DL*	

\* Members of the Finance & General Purposes Committee

At its September 2023 meeting the Council of Management endorsed Mr Toby Ellison as a proposed trustee, subject to his appointment at the AGM in March 2024.

#### President

Admiral Sir Jock Slater GCB LVO DL

#### Vice Presidents

Lord Carlile of Berriew CBE KC  
Mr J D Andrewes MA FCA  
Sir Michael Bett CBE MA  
Admiral Sir Jonathan Band GCB DL  
Mr C Cazalet MA FCA  
Vice Admiral Sir Adrian Johns KCB CBE DL  
Admiral Sir Michael Layard KCB CBE  
Sir John Parker GBE  
Sir Patrick Sergeant  
Mr R J Taylor

#### Royal Patron

The former Prince of Wales has been our long-standing and much valued Patron. However, following his succession as His Majesty King Charles III following the sad passing of the late Queen Elizabeth II, the Association has been notified that his former patronages are now subject to review and a decision will be communicated in due course regarding his patronage of the WEA.

#### Company Secretary

Mr A Marchant-Wincott

#### The Chief Executive and Staff

Commodore S H Wright Royal Navy was appointed as the Chief Executive by the Council with effect from 22 April 2022 and remains in post. He is supported by eight other members of staff: a Director of Employment and Finance, who also serves as the Company Secretary; the Regional Manager East; the Regional Manager West and London; the Regional Manager Scotland, Northern Ireland and Overseas; the Compensation Advocacy and Support Officer; an Employment Consultant; the Employer Relationships Manager; and the Administration and Support Manager.

The staff conduct a programme of visits to ships, submarines, naval shore establishments, naval air squadrons and Royal Marines units to fulfil various briefing programmes and undertake personal interviews and casework.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

#### **Remuneration Policy Setting**

Staff remuneration is considered on an annual basis by the Nominations and Remuneration Committee (NRC) which considers recommendations from the Chief Executive covering salary, travel allowances and any special bonus. The final award is then ratified by the Council of Management.

#### **The Advisers**

A panel of professional advisers has been formed to provide advice and guidance to the WEA's beneficiaries. The names and details of the advisers are published in the charity's Annual Review and are listed on the WEA's website.

#### **Auditors**

Gibson Whitter Limited  
Statutory Auditors  
Larch House  
Parklands Business Park  
Denmead  
Hampshire  
PO7 6XP

#### **Solicitors**

Ashurst LLP  
Broadwalk House  
5 Appold Street  
London  
EC2A 2HA

#### **Bankers**

Royal Bank of Scotland plc  
Holt's Military Banking  
200 Fowler Avenue  
Fowler Business Park  
Farnborough  
Hampshire  
GU14 7JP

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of The White Ensign Association Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

**AUDITORS**

The auditors, Gibson Whitter Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20 March 2024 and signed on its behalf by:

Adm Sir M Stanhope - Trustee

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE WHITE ENSIGN ASSOCIATION LIMITED

### Opinion

We have audited the financial statements of The White Ensign Association Limited (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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 Auditors' 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE WHITE ENSIGN ASSOCIATION LIMITED**

### **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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 trustees' 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE WHITE ENSIGN ASSOCIATION LIMITED

### **Our 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.

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

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.

Based on our understanding of the charitable company and sector, we identified that the principal risks of non-compliance with laws and regulations related to breaches of employment law, data protection and anti-bribery and corruption legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities acts, Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to overstate profit and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and Trustee Directors, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- As required by ISA 240, incorporating an element of unpredictability into our audit testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE WHITE ENSIGN ASSOCIATION LIMITED**

**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 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 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.

Gavin Whitter (Senior Statutory Auditor)  
for and on behalf of Gibson Whitter Limited  
Statutory Auditors  
Larch House  
Parklands Business Park  
Denmead  
Hampshire  
PO7 6XP

9 July 2024

THE WHITE ENSIGN ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31.12.23 Unrestricted funds £	31.12.22 Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	39,962	36,949
<b>Charitable activities</b>			
Naval service personnel advice and assistance	5	208,574	96,250
Other trading activities	3	111,724	21,350
Investment income	4	204,626	122,193
Other income		279	1,002
<b>Total</b>		<u>565,165</u>	<u>277,744</u>
<b>EXPENDITURE ON</b>			
Raising funds	6	48,531	7,508
<b>Charitable activities</b>			
Naval service personnel advice and assistance	7	494,102	447,325
<b>Total</b>		<u>542,633</u>	<u>454,833</u>
Net gains/(losses) on investments		<u>181,038</u>	<u>(433,008)</u>
<b>NET INCOME/(EXPENDITURE)</b>		203,570	(610,097)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>			
As previously reported		5,573,591	6,158,471
Prior year adjustment	15	(25,217)	-
<b>As restated</b>		<u>5,548,374</u>	<u>6,158,471</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>5,751,944</u></u>	<u><u>5,548,374</u></u>

The notes form part of these financial statements

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**BALANCE SHEET  
31 DECEMBER 2023**

	Notes	31.12.23 Unrestricted funds £	31.12.22 Total funds as restated £
<b>FIXED ASSETS</b>			
Tangible assets	16	8,399	6,660
Investments	17	5,646,269	5,466,472
		5,654,668	5,473,132
 <b>CURRENT ASSETS</b>			
Debtors	18	117,181	63,868
Cash at bank		116,293	50,477
		233,474	114,345
 <b>CREDITORS</b>			
Amounts falling due within one year	19	(136,198)	(39,103)
 <b>NET CURRENT ASSETS</b>		97,276	75,242
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,751,944	5,548,374
 <b>NET ASSETS</b>		5,751,944	5,548,374
 <b>FUNDS</b>	21		
Unrestricted funds		5,751,944	5,548,374
 <b>TOTAL FUNDS</b>		5,751,944	5,548,374

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

The financial statements were approved and authorised for issue by the Board of Trustees and authorised for issue on 20 March 2024 and were signed on its behalf by:

Adm Sir M Stanhope - Trustee

Captain L H L Batchelor - Trustee

The notes form part of these financial statements

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

		31.12.23	31.12.22
	Notes	£	as restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(124,976)	(294,911)
Net cash used in operating activities		<u>(124,976)</u>	<u>(294,911)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(5,954)	(4,473)
Purchase of fixed asset investments		(5,339)	(87)
Sale of fixed asset investments		6,580	95,000
Interest received		24	168
Dividends received		195,481	118,960
Net cash provided by investing activities		<u>190,792</u>	<u>209,568</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		65,816	(85,343)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>50,477</u>	<u>135,820</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>116,293</u></u>	<u><u>50,477</u></u>

The notes form part of these financial statements

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023

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

	31.12.23	31.12.22 as restated
	£	£
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	203,570	(610,097)
<b>Adjustments for:</b>		
Depreciation charges	4,215	4,137
(Gain)/losses on investments	(181,038)	433,008
Interest received	(24)	(168)
Dividends received	(195,481)	(118,960)
Increase in debtors	(53,313)	(32,893)
Increase in creditors	97,095	30,062
<b>Net cash used in operations</b>	<u>(124,976)</u>	<u>(294,911)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
<b>Net cash</b>			
Cash at bank	50,477	65,816	116,293
	<u>50,477</u>	<u>65,816</u>	<u>116,293</u>
<b>Total</b>	<u>50,477</u>	<u>65,816</u>	<u>116,293</u>

The notes form part of these financial statements

## THE WHITE ENSIGN ASSOCIATION LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

##### **Income**

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

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

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific conditions is recognised as earned (as the related goods and services are provided). Grant income included in this category provides funding to support activities and is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

##### **Volunteers and donated services**

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

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

##### **Expenditure**

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

- Fundraising costs are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with providing services to the charity's beneficiaries and include both the direct costs and support costs relating to those activities.
- Support costs include central functions and governance costs. These have been allocated to activities on a basis consistent with the use of resources.

##### **Tangible fixed assets**

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

Fixtures and fittings - 25% on cost

##### **Investments**

The investment portfolio has been valued at market value at the balance sheet date. The SOFA includes the net gains and losses on investments arising on revaluation at the year end and on disposals throughout the year. Realised gains and losses on sales of investments are calculated as the difference between the sale proceeds and opening market value. Unrealised gains and losses represent the movement between market value.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES - continued**

**Taxation**

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

**Fund accounting**

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

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

**2. DONATIONS AND LEGACIES**

	31.12.23	31.12.22 as restated
	£	£
Donations	39,962	36,949
	<u>39,962</u>	<u>36,949</u>

The charity has been provided with bookkeeping and accounting services with no charge by The Royal Navy & Royal Marines Charity (RNRMC). No value has been included in the financial statements for these bookkeeping and accounting services due to the services provided forming part of the core charitable objectives of the RNRMC.

**3. OTHER TRADING ACTIVITIES**

	31.12.23	31.12.22 as restated
	£	£
Fundraising events	94,073	-
Subscription income	13,699	14,908
Event income	2,800	5,115
Advertising income	1,152	1,327
	<u>111,724</u>	<u>21,350</u>

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

4. INVESTMENT INCOME

	31.12.23	31.12.22 as restated
	£	£
Investment income	204,602	122,025
Deposit account interest	24	168
	<u>204,626</u>	<u>122,193</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.23	31.12.22 as restated
		£	£
Financial awareness learning	Naval service personnel advice and assistance	24,024	-
Grants	Naval service personnel advice and assistance	184,550	96,250
		<u>208,574</u>	<u>96,250</u>

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

	31.12.23	31.12.22 as restated
	£	£
The Gosling Foundation	50,000	50,000
RNRMC	87,092	37,500
Greenwich Hospital	32,458	-
Bernard Sunley Foundation	15,000	8,750
	<u>184,550</u>	<u>96,250</u>

6. RAISING FUNDS

Other trading activities

	31.12.23	31.12.22 as restated
	£	£
Fundraising event costs	41,982	-
	<u>41,982</u>	<u>-</u>

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

6. RAISING FUNDS - continued

Investment management costs

	31.12.23	31.12.22 as restated
	£	£
Portfolio management fees	<u>6,549</u>	<u>7,508</u>
Aggregate amounts	<u>48,531</u>	<u>7,508</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Naval service personnel advice and assistance	<u>430,910</u>	<u>63,192</u>	<u>494,102</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.12.23	31.12.22 as restated
	£	£
Staff costs	377,216	342,129
Event costs	17,966	31,125
Travel and subsistence	33,659	18,256
Other staff costs	1,829	516
Contract management charges	240	-
	<u>430,910</u>	<u>392,026</u>

9. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Naval service personnel advice and assistance	<u>57,222</u>	<u>5,970</u>	<u>63,192</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**9. SUPPORT COSTS - continued**

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

	31.12.23	31.12.22 as restated
	Naval service personnel advice and assistance £	Total activities £
Rent and rates	15,696	15,372
Insurance	1,750	1,594
Telephone	2,814	2,363
Postage and stationery	1,141	827
Advertising	6,000	8,239
Sundries	1,315	310
Computer costs	22,131	17,175
Accountancy fees	1,765	1,004
Subscriptions	395	178
Depreciation of tangible assets	4,215	4,137
Auditors' remuneration	5,970	4,100
	<u>63,192</u>	<u>55,299</u>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.12.23	31.12.22 as restated
	£	£
Depreciation - owned assets	4,215	4,137
	<u>4,215</u>	<u>4,137</u>

**11. AUDITORS' REMUNERATION**

	31.12.23	31.12.22 as restated
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	5,970	4,100
	<u>5,970</u>	<u>4,100</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

**13. STAFF COSTS**

	31.12.23	31.12.22 as restated
	£	£
Wages and salaries	339,633	295,116
Social security costs	24,706	41,001
Other pension costs	12,877	6,012
	<u>377,216</u>	<u>342,129</u>

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

	31.12.23	31.12.22 as restated
Direct charitable activities	<u>7</u>	<u>6</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.12.23	31.12.22 as restated
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1
	<u>2</u>	<u>2</u>

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

	31.12.23	31.12.22
Direct charitable activities	<u>7</u>	<u>6</u>

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	36,949
<b>Charitable activities</b>	
Naval service personnel advice and assistance	96,250
Other trading activities	21,350
Investment income	122,193
Other income	1,002
<b>Total</b>	<u>277,744</u>
<b>EXPENDITURE ON</b>	
Raising funds	7,508
<b>Charitable activities</b>	
Naval service personnel advice and assistance	447,325
<b>Total</b>	<u>454,833</u>
Net gains/(losses) on investments	<u>(433,008)</u>
<b>NET INCOME/(EXPENDITURE)</b>	(610,097)
<b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	6,158,471
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>5,548,374</u></u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**15. PRIOR YEAR ADJUSTMENT**

The Association received grants from two funders in 2022 where a deferred income adjustment of £18,750 was omitted from the financial statements.

The Association included accrued income of £3,402 at 31 December 2022 for subscription income which subsequently was not invoiced and was not due. This resulted in income and debtors being overstated by £3,402 in the 2022 financial statements.

The Association's investment valuation was overstated by £3,065 as at 31 December 2022 as the total investment value included accrued income which was also included in debtors.

A summary of these changes is shown below.

	31.12.22
	£
Deferred grant income	(18,750)
Reverse accrued subscription income	(3,402)
Revaluation of investments	(3,065)
	<hr/>
Effect of prior year adjustment	(25,217)
	<hr/> <hr/>
Unrestricted funds	
Total unrestricted funds brought forward as previously stated	5,573,591
Effect of 2022 prior year adjustment	(25,217)
	<hr/>
Total unrestricted funds brought forward as restated	5,548,374
	<hr/> <hr/>

**16. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
<b>COST</b>	
At 1 January 2023	45,653
Additions	5,954
	<hr/>
At 31 December 2023	51,607
	<hr/>
<b>DEPRECIATION</b>	
At 1 January 2023	38,993
Charge for year	4,215
	<hr/>
At 31 December 2023	43,208
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2023	8,399
	<hr/> <hr/>
At 31 December 2022	6,660
	<hr/> <hr/>

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

17. FIXED ASSET INVESTMENTS

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2023	5,466,472
Additions	5,339
Disposals	(6,580)
Revaluations	181,038
	<u>5,646,269</u>
At 31 December 2023	<u>5,646,269</u>
<b>NET BOOK VALUE</b>	
At 31 December 2023	<u>5,646,269</u>
At 31 December 2022	<u>5,466,472</u>

Investments are held in a portfolios managed by Cazenove Capital and Sarasin & Partners. The market value of investments by geographical area is as follows:

	31.12.23	31.12.22 as restated
	£	£
Held within UK	1,753,651	2,274,419
Held outside UK	3,892,618	3,195,118
	<u>5,646,269</u>	<u>5,469,537</u>

All investments are listed on recognised stock exchanges.

**Material Investments**

	Holding	Market Value
Charity Multi-Asset Fund Units-S- GBP Distribution	4,820,418	£2,684,009
Sarasin Endowments Funds Class A Income	2,265,239	£2,679,778

The historical cost of the above investments is £5,775,797 (31.12.22: £5,778,858).

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22 as restated
	£	£
Trade debtors	93,221	-
Accrued income	20,134	53,065
Prepayments	3,826	10,803
	<u>117,181</u>	<u>63,868</u>

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22 as restated
	£	£
Trade creditors	41,861	10,436
Social security and other taxes	13,061	-
Deferred income	70,525	22,942
Accrued expenses	10,751	5,725
	<u>136,198</u>	<u>39,103</u>

**Deferred income**

Deferred income comprises £10,668 (31.12.22: £4,192) for subscription income and £59,857 (31.12.22: £18,750) for grant income received in the year which will be released to income in future financial periods.

	31.12.23	31.12.22 as restated
	£	£
Balance brought forward	22,942	-
Amount release to incoming resources	(22,942)	-
Amount deferred in the year	70,525	22,942
Balance carried forward	<u>70,525</u>	<u>22,942</u>

20. LEASING AGREEMENTS

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

	31.12.23	31.12.22 as restated
	£	£
Within one year	<u>3,924</u>	<u>-</u>

21. MOVEMENT IN FUNDS

	At 1.1.23 £	Prior year adjustment £	Net movement in funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	4,793,591	(25,217)	203,570	4,971,944
Designated fund	780,000	-	-	780,000
	<u>5,573,591</u>	<u>(25,217)</u>	<u>203,570</u>	<u>5,751,944</u>
<b>TOTAL FUNDS</b>	<u>5,573,591</u>	<u>(25,217)</u>	<u>203,570</u>	<u>5,751,944</u>

THE WHITE ENSIGN ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	565,165	(542,633)	181,038	203,570
<b>TOTAL FUNDS</b>	<u>565,165</u>	<u>(542,633)</u>	<u>181,038</u>	<u>203,570</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
<b>Unrestricted funds</b>			
General fund	5,378,471	(610,097)	4,768,374
Designated fund	780,000	-	780,000
	<u>6,158,471</u>	<u>(610,097)</u>	<u>5,548,374</u>
<b>TOTAL FUNDS</b>	<u>6,158,471</u>	<u>(610,097)</u>	<u>5,548,374</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	277,744	(454,833)	(433,008)	(610,097)
<b>TOTAL FUNDS</b>	<u>277,744</u>	<u>(454,833)</u>	<u>(433,008)</u>	<u>(610,097)</u>

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

	At 1.1.22 £	Prior year adjustment £	Net movement in funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	5,378,471	(25,217)	(406,527)	4,946,727
Designated fund	780,000	-	-	780,000
	<u>6,158,471</u>	<u>(25,217)</u>	<u>(406,527)</u>	<u>5,726,727</u>
<b>TOTAL FUNDS</b>	<u>6,158,471</u>	<u>(25,217)</u>	<u>(406,527)</u>	<u>5,726,727</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**21. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	842,909	(997,466)	(251,970)	(406,527)
<b>TOTAL FUNDS</b>	<u>842,909</u>	<u>(997,466)</u>	<u>(251,970)</u>	<u>(406,527)</u>

**Designated Fund** - The White Ensign Association Fund was set up following receipt of two major donations in September 1995. The purpose of the Fund is to help secure the long-term future of the Association and is invested appropriately.

**22. EMPLOYEE BENEFIT OBLIGATIONS**

The charitable company operates a defined contribution pension scheme for all salaried employees. The pension charge for the period was £12,877 (31.12.22: £6,012). At the balance sheet date the contributions outstanding were £Nil (31.12.22: £Nil).

**23. RELATED PARTY DISCLOSURES**

Certain trustee directors were associated with organisations which undertook transactions with the charitable company. All such transactions were undertaken in accordance with the charitable company's normal agreements with suppliers. None of the relevant trustee directors were in a position of material influence within the organisations concerned such that transactions between the charitable company and the organisations require disclosure in the financial statements other than noted below.

During the year The Gosling Foundation, a charitable foundation of which Captain A Gosling RNR is a trustee director provided grant income totalling £50,000 (31.12.22: £50,000), donation income totalling £20,000 (31.12.22: £5,044) and fundraising event income totalling £10,000 (31.12.22: £Nil).

During the year eight (31.12.22: ten) trustee directors were invoiced by the charitable company totalling £1,737 (31.12.22: £3,070) for attendance fees for events that they attended.

**Key management**

The total remuneration paid to those considered key management during the year was £154,553 (31.12.22: £146,494).

**24. ULTIMATE CONTROLLING PARTY**

The charitable company is not under the control of another entity or any one individual.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

England & Wales - Charity number 206787

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# Accounts

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**THE WHITE ENSIGN ASSOCIATION LIMITED**

**REPORT OF THE COUNCIL OF MANAGEMENT AND AUDITED ACCOUNTS FOR THE  
PERIOD ENDED 31 DECEMBER 2022**

<b>Charity Registered No</b>	206787	<b>Company Registered No</b>	00606887
<b>Registered Office</b>	HMS BELFAST Tooley Street London SE1 2JH		
<b>Bankers</b>	Royal Bank of Scotland plc Holt's Military Banking 200 Fowler Avenue Fowler Business Park Farnborough Hampshire GU14 7JP		
<b>Auditors</b>	Appleby & Wood (London) Limited 40 The Lock Building 72 High Street London E15 2QB		
<b>Solicitors</b>	Ashurst LLP Broadwalk House 5 Appold Street London EC2A 2HA		

A Limited Company, Registered in England and Wales, incorporated on 24<sup>th</sup> June 1958

Website: [www.whiteensign.co.uk](http://www.whiteensign.co.uk)

**“THE EXISTENCE OF THIS ASSOCIATION, RECOMMENDED BY THE ADMIRALTY BOARD, IS A REFLECTION OF THE GOODWILL THE CITY HAS ALWAYS FELT FOR THE ROYAL NAVY”**

**REPORT OF THE WHITE ENSIGN ASSOCIATION COUNCIL OF MANAGEMENT FOR  
THE YEAR ENDED 31 DECEMBER 2022**

**INTRODUCTION**

1. The Council of Management presents herewith the Annual Report and Audited Financial Statements of the White Ensign Association Limited for the year ended 31 December 2022. The report is set out in the format required by SORP 2019 and is designed to provide salient information on the Charity, its activities and its plans for the future.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**Title & Registration**

2. The registered name and number of the Charity is 'THE WHITE ENSIGN ASSOCIATION LIMITED' No:206787, (hereafter referred to as 'WEA' or 'the Association').

**Registered Office**

3. The registered office of the WEA is HMS BELFAST, Tooley Street, London, SE1 2JH.

**The Trustees**

4. The registered Trustees serving continuously between the periods 1 Jan 2022 to 31 December 2022 were as follows:

Captain L H L Batchelor RNR\*. **Vice Chairman.**  
Mr S A Black\*  
Mr E W Byers\*  
Ms R Cairnie  
Lieutenant General E G M Davis CB CBE  
Mrs H Deeble CBE  
Commodore R W Dorey RFA  
Captain A P Gosling RNR  
Ms Caroline Haughey OBE KC  
Admiral Sir Philip Jones GCB DL  
Commodore I Kennedy CBE QHNS\*  
Ms S Murray OBE  
Mr James Saunders-Watson DL\*  
Admiral Sir Mark Stanhope GCB OBEL DL\*. **Chairman.**  
Mr Harry Theochari OBE  
Admiral Sir George Michael Zambellas GCB DSC DL\*

\*Members of the Finance & General Purposes Committee

5. Lord Carlile of Berriew CBE KC retired as Chairman of the Council at its meeting held on 23 Mar 22. Admiral Sir Mark Stanhope was appointed as the new Chairman at that meeting.

**Presidents and Vice Presidents**

6. It was with great sadness that we learned that our President, Admiral of the Fleet The Lord Boyce KG GCB OBE DL, passed away on 6 November 2022. A new President will be appointed in 2023. The following senior former members of the Council have been appointed

Vice Presidents of the Association since relinquishing their duties as members of the Council and are still serving as such:

Mr J D Andrewes MA FCA  
Sir Michael Bett CBE MA  
Admiral Sir Jonathan Band GCB DL  
Mr C J Cazalet MA FCA  
Vice Admiral Sir Adrian Johns KCB CBE DL  
Admiral Sir Michael Layard KCB CBE  
Sir John Parker GBE  
Sir Patrick Sergeant  
Admiral Sir Jock Slater GCB LVO DL  
Mr R J Taylor

### **Royal Patron**

7. The former Prince of Wales has been our long-standing and much valued Patron. However, following his succession as His Majesty King Charles III following the sad passing of the late Queen Elizabeth II, the Association has been notified that his former patronages are now subject to review and a decision will be communicated in due course regarding his patronage of the WEA.

### **The Chief Executive and Staff**

8. Captain J P Lavery MVO Royal Navy, who was appointed as the Chief Executive by the Council with effect from 17<sup>th</sup> January 2012, was relieved by Commodore S H Wright Royal Navy on 22<sup>nd</sup> April 2022. The Chief Executive is supported by five other members of staff: a Director of Employment and Finance, who also serves as the Company Secretary; the Regional Manager South and East England; the Regional Manager South West and Scotland; the Compensation Advocacy and Support Officer; and the Administration and Support Manager.

9. The staff conduct a programme of visits to ships, submarines, naval shore establishments, naval air squadrons and Royal Marines units to fulfil various lecture programmes and undertake one-to-one interviews and casework.

### **Remuneration Policy Setting**

10. Staff remuneration is considered on an annual basis by the Nominations and Remuneration Committee (NRC) which considers recommendations from the Chief Executive covering salary, travel allowances and any special bonus. The final award is then ratified by the Council of Management.

### **The Advisers**

11. A panel of professional advisers has been formed to provide advice and guidance to the WEA's beneficiaries. The names and details of the advisers are published in the charity's Annual Review and are listed on the WEA's website.

## **STRUCTURE, GOVERNANCE & MANAGEMENT**

### **Constitution**

12. The WEA is a registered charity and a company limited by guarantee. It was incorporated on 24 June 1958 and is governed by its Memorandum and Articles of Association.

13. The Council is the Governing Body of the Association and consists of the elected trustees (see paragraph 4). It meets formally twice a year and additionally as required.

**The Finance & General Purposes Committee (F&GPC)**

14. The Council has delegated day to day oversight of the Association’s operations to the F&GPC, which meets twice a year and additionally as necessary.

**Trustee Policy**

15. The selection, induction, review and monitoring of trustees is overseen by the NRC as part of its remit from the Council and it is charged with the nomination of suitable candidates to maintain the necessary breadth of expertise on the Council. A training programme, including a comprehensive presentation and staff briefing, has been prepared for trustee induction. During the period of this report the Association saw the retirement of one member of the Council of Management, namely the outgoing Chairman, Lord Carlile of Berriew. No new trustees were selected or inducted.

**Risk Assessment and Compliance**

16. During the year, the Council (through the F&GPC) has reviewed the full range of risks to which the Association could be exposed and the necessary management action to mitigate them. The Association has a Risk Management Plan, which integrates the ongoing assessment of risks into the day-to-day management processes of the WEA. A summary of the main risks associated with the WEA’s activities are contained in the table below:

Risk Description	Risk Mitigation Activities
<p><b>Product</b> Failure to meet the needs of beneficiaries because WEA services are not tailored to their requirements.</p>	<p>Conduct of a full strategic review involving engagement with key stakeholders in the Royal Navy and military charity sector to ensure WEA is meeting the needs of its beneficiaries. Seek regular customer feedback. Continually improve, update and augment guidance available. Use of modern technology and WEA's digital presence to engage with beneficiaries.</p>
<p><b>Finance</b> Inability to deliver outputs owing to insufficient income.</p>	<p>Implementation of income generation activities and cost control measures agreed by the Council following CEO's review of financial options. Regular monitoring by F&amp;GPC. Maintain 5-yearly financial forecast with monthly cash flow projections. Maintain long-term investment funding strategy and tangible reserve of 6 months' operating costs.</p>
<p><b>Staff performance and calibre</b> Failure to support beneficiaries properly because of staff under-performance.</p>	<p>Meticulous selection of staff to maintain staff quality. Tailored staff induction and rolling staff training programme to maintain currency. Regular interaction with RN, MoD and other stakeholders to ensure staff remain current with relevant legislative and policy developments.</p>
<p><b>Business Continuity</b> Inability to deliver outputs owing to staffing and/or other issues.</p>	<p>Business Continuity Plan to be reviewed regularly. Regular review of staff availability to ensure maintenance of reasonable coverage. Strategic review to consider need for new posts to help build resilience into service provision.</p>
<p><b>Relevance</b></p>	<p>Monitor MoD activity and charity sector networks for any indications of strategic market changes. Conduct full</p>

Reduction in demand for WEA services owing to a lack of relevance.	strategic review to ensure WEA remains relevant and correctly positioned.
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### **Public Benefit**

17. The Council has referred to the advice contained in the Charity Commissioner's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future activities. The Association's charitable services, which are provided free, are available to all who serve or have served in the Royal Navy, the Royal Marines, the Royal Fleet Auxiliary, the Queen Alexandra's Royal Naval Nursing Service or the Royal Naval or Royal Marine Reserve Forces from the time they join the Service until they die. The Association's services may also be accessed by close dependents and the WEA will always endeavour to advise and assist people who approach the charity for help, but who may not have a Royal Navy or Royal Marines background.

## **OBJECTIVES AND ACTIVITIES**

### **Objects**

18. The principal objects of the Association are to assist and promote the interests of those who are serving or have at any time served in the Royal Navy, the Royal Marines, the Royal Naval or Royal Marines Reserves, the former Women's Royal Naval Service, the Queen Alexandra's Royal Naval Nursing Service or the Royal Fleet Auxiliary, in such ways as shall from time to time be thought fit, and in particular and without prejudice to the generality of the foregoing by providing:

- a. General guidance in connection with investments, house purchase, insurance (including educational costs and school fees), pensions and commutation.
- b. Appropriate advice and guidance, through employment services, to deliver enduring support to individuals preparing for and those seeking civilian employment, including the establishment of small businesses.
- c. General information and advice to those leaving the Service and seeking to settle in civilian life.
- d. Information and advice on general personal administrative matters in suitable cases appropriate to the position and facilities of the Association.

19. It should be noted that the Association does not make grants but facilitates and supports applications to other appropriate charities or organisations when, in the course of its welfare work, it comes across such cases of need.

### **Summary of Policies**

20. The Association's policies have been designed to achieve these objects by providing the basic infrastructure to enable all those who are serving in or have served in the Naval Service and who seek assistance with civilian employment, resettlement, investment, financial planning and general personal administration matters to obtain appropriate information, guidance, contacts and opportunities through:

- a. A comprehensive counselling service, with a programme of regular visits to all major Royal Navy bases, shore establishments and Royal Marines units. Visits are also made to air squadrons and ships and submarines of the Fleet as requested.
- b. Personal interviews in HMS BELFAST or online. Home visits are made in appropriate cases, for example to widows, wounded or injured personnel and to the disabled.
- c. Services for the provision of lectures on transition, resettlement and financial awareness for members of the Royal Navy.
- d. The creation of opportunities for senior directors and managers from commerce and industry to visit RN and RM ships and establishments to acquaint them at first hand with the skills and qualities of Naval Service personnel.
- e. Other activities, including arranging meetings for beneficiaries with the Association's Panel of Professional Advisers, facilitating networking connections, presenting briefings and organising events.

### **Membership Schemes**

- 21. The Association has two categories of membership:
  - a. **Company Member** – Annual fee: £500.
  - b. **Individual (Life) Membership** – offered to those who make either a significant financial or personal contribution.
- 22. The Association had 63 subscribing company members and 145 individual members on 31 December 2022.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Overview**

23. During the last 12 months the Association has re-established its pre-COVID routine of on-site briefings and personal face-to-face interviews with our beneficiaries. That said, the WEA is applying the lessons of COVID in how modern technology can be harnessed to support the Association's business practices. One-to-one meetings on MS Teams provide a welcome flexibility for both beneficiaries and staff members as an alternative to meeting in person. Equally, when appropriate, the Association is using webinars to increase its reach. Of note, 318 people attended a webinar which the WEA conducted in support of the MoD's annual pension awareness week in November 2022. This included individuals who were serving abroad.

24. Collaboration with partners in the military charity sector continues to be an essential part of the WEA's business. This is particularly prevalent in relation to supporting the most vulnerable. In 2022 the Association became a partner of the Royal Navy and Royal Marines Charity (RNRMC) in the delivery of their transition support programme for vulnerable Service leavers. Due to the generosity of RNRMC funding the Association was able to recruit a specialist caseworker to provide support for Royal Navy personnel and veterans who wish to pursue compensation claims and appeals through the Armed Forces Compensation Scheme and War Pension Scheme. Colleagues from the Royal Marines Association-The Royal Marines Charity, who already provide this vital support to the Royal Marines community, kindly provided specialist training to the Association's new caseworker to enable the compensation support service for Royal Navy personnel and veterans to go live on 1 Sep

22. Early demand for the services of this caseworker indicates that an unmet need is now being met. Elsewhere, to mark the fiftieth anniversary of the WEA being headquartered onboard HMS Belfast, the Association held a successful Supporters Reception to recognise and thank the charity's partners for what they do in enabling the WEA to support its beneficiaries. In addition, as one of the few external bodies invited by the MoD to assist in pensions development and communications, the WEA continues to be a contributor to the refinement of policy following the McCloud judgement and a key conduit of information to the affected community within the Royal Navy.

### **Work Summary**

25. Work over the year comprised (in this paragraph the corresponding figures for 2021 are in parenthesis for comparison)

- a. **Advice, Assistance and Information.** Support was offered to 983 (589) individuals who registered for some form of assistance during the year.
- b. **Interviews.** 466 (77) face to face interviews were conducted.
- c. **Lectures.** 220 (44) lectures were provided to audiences totalling 3143 (401) people – financial awareness 1152 (24), transition preparation 564 (237) and other topics 1427 (140).

26. Therefore, in overall terms, the number of individuals with whom the charity has interacted over the past 12 months has increased dramatically and recovered to pre-COVID levels. This is explained by the resumption, post-COVID, of a full programme of unit level briefings in 2022. The increased physical presence of the charity across the naval estate also facilitated an increase in the number of individual approaches made by beneficiaries. The split between officers and ratings who use the WEA's services has seen a slight increase in the proportion of enquiries and beneficiaries from naval ratings and RM other ranks (70%) as compared to the officer corps (30%). As in 2021 the ratio of RN to RM beneficiaries is just over 5:1 which does not reflect the actual ratio of RN to RM in service. The amount of work undertaken on behalf of families and dependants was 3% of the overall total.

27. There have been some notable trends in the subject matter of enquiries received by the WEA. Continuing the trend seen last year, personal finance and pensions requests remain the largest single category and has risen significantly to 60% (from 45% in 2021). 75% of that total was pension-related which was broadly similar to 2021 (80%). Requests relating to employment and medical discharges account for 16% and 7% of the Association's total work respectively. Of particular note, 7% of requests now concern the Armed Forces Compensation Scheme (AFCS) and War Pensions Scheme (WPS). This reflects the establishment of our new AFCS and WPS support service in September 2022. Divorce and other legal issues account for a further 7% of all requests.

### **Events**

28. The Annual General Meeting was held in Trinity House on 23 March 2022.

## **FINANCIAL REVIEW**

### **Results for the Year**

29. On 31 December 2022 the Association had an operating deficit of - £186,641. The global economic decline over the period and a resultant significant shortfall in anticipated dividend income from investments explains a major part of this operating deficit. In addition,

monies were received from RNRMC to fund the CASO post in late 2021. This represented a pre-payment against paying the CASO salary, who was recruited, employed and therefore paid in 2022, thereby contributing further to the operating deficit.

30. The RNRMC assumed all transactional banking and accounting responsibilities for the WEA on 1<sup>st</sup> August 2022. All payments made on the Association's behalf are authorised by the WEA's Director of Employment and Finance (DEF). The RNRMC also have a two-person authorisation process, providing assurance against the potential for fraudulent activity. The DEF also works closely with the RNRMC in-house management accountant and finance officers.

### **Balance Between Direct Charitable Costs and Overheads**

31. The allocation of costs between the main functional areas laid down by the Charity Commission is based on analysis of overall activity levels and cost and time by value spent on individual and collective tasks. The major item of expenditure is the cost of the staff. The majority of staff time, by value, is spent on the primary output of the charity (casework and lecturing) and is therefore categorised as 'activities in furtherance of the charity's objects.' The overall balance between direct charitable output and overheads and running costs is considered reasonable.

### **Investment Policy**

32. The Association's investment policy aims to contribute to and build a reserve to guarantee its long-term future. The investment managers report regularly on the performance of the Association's investments and they have provided briefings to the F&GPC in committee. Members of the F&GPC with a good working knowledge of fund and investment management also keep a watching brief over the performance of the Association's investments.

### **Designated Endowment Fund**

33. The White Ensign Association Designated Endowment Fund was set up following receipt of two major donations in September 1995. The purpose of the Fund is to help secure the long-term future of the Association and is invested appropriately.

### **Going Concern**

34. The trustees are not aware of any material uncertainties which would affect the WEA's ability to continue as a going concern. The trustees review this issue on a regular basis.

### **Policy on Reserves**

35. The Association depends for its financial viability on donations and grants. Donation income, which by its nature is uncertain, supplements the returns from the Association's investments. Grant income received can be both unrestricted and restricted and is allocated to the Association's activities accordingly. The Association's policy on reserves is to maintain a value matching assessed operating costs for an extended period (six months) to allow for continued support to existing clients in the event of a significant reduction in current anticipated income levels. The WEA's Reserves held at the year-end are above the Reserves Policy. The WEA's policy on Reserves and their disposal is regularly reviewed, taking into account investment advice and market volatility.

## COUNCIL'S RESPONSIBILITIES

### Financial Statements

36. Company law requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the Council is required to:

- a. Select suitable accounting policies and apply them consistently;
- b. Make judgements and estimates that are reasonable and prudent;
- c. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statement;
- d. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

### Accounting Records

37. The Council is responsible for keeping proper accounting records which disclose fairly and accurately at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Charity Commission Regulations. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditors

38. A resolution to appoint new auditors will be considered at the Annual General Meeting.

## THE FUTURE

39. In November 2022 Greenwich Hospital notified the Association that its application for funding of a new Scotland and Overseas Regional Manager post had been successful. Thanks to the generosity of Greenwich Hospital, this will enable the Association to better support an increasing number of beneficiaries in these geographical locations in the coming years. Recruitment action for this post is planned for the early part of 2023.

40. At its meeting in September 2022 the Council commissioned the new CEO to conduct a full strategic review and to report to the Council with his recommendations in January 2023. This is expected to generate a new 5-year strategy that will be implemented in 2023. Following a review of financial options which was conducted in 2022, work is now in hand to introduce new income generation streams to ensure that the Association is financially sustainable in the future.

### By order of the Council

S H Wright  
Chief Executive



The White Ensign Association Limited  
HMS BELFAST  
Tooley Street  
London SE1 2JH

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WHITE ENSIGN ASSOCIATION LIMITED**

### **Opinion**

We have audited the financial statements of The White Ensign Association Limited (the 'charitable company') for the year ended 31<sup>st</sup> December 2022 which comprise of the Income and Expenditure Account, Statement of Financial Activities, Balance Sheet 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 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<sup>st</sup> December 2022 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 entity'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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

#### **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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined the most significant are FRS 102, the Companies Act 2006 and the Charities Act 2018. Together with the supervisory requirements of Companies House and the Charity Commission.
- The company does not operate internationally and is not impacted by international laws and regulations. Taxation law and regulations apply to the company but it is not involved in any complex matters that increase the risk of non-compliance.
- We understood how the company is complying with those frameworks through discussions with the trustees and review of the council minutes and the company's policies and procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved a review of the trustees' reporting to the company with respect of the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the company.
- Our pre-audit review specifically makes reference to fraud risk and this is supported by audit documentation. We also review the council minutes to identify any matters of concern or risk. None was identified.
- However, the primary responsibility for the prevention and detection of fraud rest with both those charged with governance of the company and management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. 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.

*R W Williams*

R W Williams FCCA  
(Senior Statutory Auditor)  
For and on the behalf of...  
Appleby & Wood (London) Limited  
40 The Lock Building  
72 The High Street  
London E15 2QB

*18th May 2013*

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Notes	2022 £	2021 £
Income		293,927	272,267
(Losses)/Gains on investments		( 400,239 )	161,829
		<u>( 106,312 )</u>	<u>434,096</u>
Expenditure		( 478,568 )	( 496,421 )
<b>Net (expenditure)/Income before tax for the reporting period</b>		<b>( 584,880 )</b>	<b>( 62,325 )</b>
Tax Payable		-	-
<b>Net (expenditure)/ income for the financial year</b>		<b><u>( 584,880 )</u></b>	<b><u>( 62,325 )</u></b>

All income relates to unrestricted funds.

A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities and the notes to the financial statements.

The notes on pages 16 to 22 form part of these financial statements.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Statement of Financial Activities for the year ended 31st December 2022**

		<b>Unrestricted Funds</b>	
	<b>Notes</b>	<b>Total Funds 2022 £</b>	<b>Total Funds 2021 £</b>
<b><u>Income and endowments from:</u></b>			
Donations	2	36,949	176,375
Charitable Activities : Fees		-	-
Other Trading activities:			
Subscriptions		18,310	22,390
Investment income		116,224	22,351
Other income		122,444	51,151
<b>Total</b>		<b><u>293,927</u></b>	<b><u>272,267</u></b>
<b><u>Expenditure on:</u></b>			
Raising funds	5	14,618	13,730
Charitable activities	5	376,688	391,868
Other Costs (including publicity)	5	87,261	90,823
<b>Total</b>		<b><u>478,568</u></b>	<b><u>496,421</u></b>
Net (loss)/ gain on investments		<u>(400,239)</u>	<u>161,829</u>
<b>Net (expenditure)</b>		<b>(584,880)</b>	<b>(62,325)</b>
<b>Transfers between funds</b>		-	-
<b>Net movement in funds</b>		<b><u>(584,880)</u></b>	<b><u>(62,325)</u></b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		<u>6,158,471</u>	<u>6,220,796</u>
<b>Total funds carried forward at 31st December 2022</b>	<b>10</b>	<b><u>5,573,591</u></b>	<b><u>6,158,471</u></b>

The company has no recognised gains and losses for the year other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

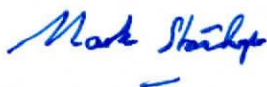
The notes on pages 16 to 22 form part of these financial statements.

THE WHITE ENSIGN ASSOCIATION LIMITED

Balance Sheet as at 31st December 2022  
Company No. 00606887

	Notes	Total Funds 2022		Total Funds 2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		6,660		6,324
Investments	7		<u>5,469,537</u>		<u>5,994,393</u>
<b>Total fixed assets</b>			5,476,197		6,000,717
<b>Current assets</b>					
Debtors	8	67,270		30,974	
Cash at bank and in hand		<u>50,478</u>		<u>135,821</u>	
<b>Total current assets</b>		117,748		166,795	
<b>Creditors: amounts falling due within one year</b>	9	<u>(20,353)</u>		<u>(9,041)</u>	
<b>Net current assets</b>			<u>97,395</u>		<u>157,754</u>
<b>Total net assets or liabilities</b>			<u><u>5,573,592</u></u>		<u><u>6,158,471</u></u>
General funds	10		5,573,592		6,158,471
Restricted funds	10		<u>-</u>		<u>-</u>
<b>Total charity funds</b>			<u><u>5,573,592</u></u>		<u><u>6,158,471</u></u>

The financial statements on pages 13 to 22 were approved by the Finance and General Purposes Committee, on behalf of the Council of Management on 22nd March 2023 and were signed on its behalf by:



**Admiral Sir Mark Stanhope GCB OBE DL**  
Chairman & Member of the Council of Management



**Captain L H L Batchelor RNR**  
Vice Chairman & Member of the Council of Management

The notes on pages 16 to 22 form part of these financial statements.

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**Notes to the financial statements – 31st December 2022**

**1 Principal Accounting Policies.**

The financial statements have been prepared in accordance with the Companies Act 2006 and follow the recommendations of the 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).

**a Basis of accounting**

Monetary values are calculated under the historical cost convention modified by the inclusion of investments at their aggregated quoted market value.

**b Income**

Subscriptions for the Company Membership scheme, RN Lecture program, listed investments and bank interest are credited to income on an accruals basis. Income from donations is credited on a cash received basis.

**c Depreciation**

Depreciation is calculated on a straight line basis so as to write off fixed assets over their expected useful lives. The principal annual rates used for this purpose are:

Equipment	25%
-----------	-----

**d Investments**

The investment assets have been shown at market value in the period ending 31st December 2022 with the comparatives for the year ending 31st December 2021, also shown at their market value. The revaluation surplus has been shown on the statement of financial activities as net realised and unrealised gain on investment assets.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### Notes to the financial statements – 31st December 2022

#### e Endowment and unrestricted funds

The Trustees set aside at their discretion designated sums forming part of the Association's unrestricted funds to be used for maintaining future activities of the Association. Such sums are described and disclosed as Designated Endowment Fund. The Trustees have the power to reallocate such funds within the unrestricted funds unless and until expended.

#### f Pension

individuals pension provision by making a monthly payment to the individual. This payment is for the individual to make provision for their pension on a personal basis.

#### g Functional classification of expenditure

Each component of expenditure is analysed by time and cost, based on task and activity and allocated proportionately to the prime functional areas laid down by the Charity Commission in SORP 2019.

## 2 Donation income

In common with many other charities of similar size and organisation, a proportion of income is derived from donations which cannot be fully controlled until they are entered into the accounting records. In the opinion of the Council of Management this does not constitute a significant uncertainty in the preparation of the accounts.

## 3 Emoluments of Council of Management Members

No emoluments were paid during the year to any member of the Council of Management.

## 4 Employee information

	2022	2021
	Number	Number
The average monthly number of persons employed during the year was:	<u>6</u>	<u>6</u>

The emoluments of no employee exceeded £100,000

The emoluments of two employees exceeded £60,000

	2022	2021
	£	£
Staff costs (for the above persons):		
Wages and salaries (including holiday pay provision)	289,512	285,137
Social security costs	41,001	32,422
Pension costs	6,012	17,376
Renumeration Benchmarking	6,000	-
	<u>342,525</u>	<u>334,935</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Notes to the financial statements – 31st December 2022**

**Remuneration of Key Management Personnel**

Total employee benefits (including employer's National Insurance contributions, Pension contributions and other benefits) paid to the key management personnel (Chief Executive and Finance Director), totalled £140,000 in the year. (2021: £192,116)

**5 Analysis of total resources expended(\*)**

	<b>Cost of Raising Funds £</b>	<b>Activities on the Charity's Objects £</b>	<b>Other Costs £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Staff costs (inc pensions)	13,701	301,422	27,402	342,525	334,935
Communications (incl IT, Printing, Postage)	-	15,273	5,091	20,365	80,862
Rent, rates, light & heat	-	11,529	3,842	15,372	12,146
General expenses	-	-	1,614	1,613	788
Travel/Corp Hosting/Training	917	17,430	-	18,346	6,644
Events	-	31,035	-	31,035	21,057
Auditors remuneration	-	-	4,100	4,100	3,990
Depreciation	-	-	4,137	4,137	3,066
Investment Fund Management Fee	-	-	31,242	31,242	20,418
Bank Charges	-	-	-	-	37
Insurance	-	-	1,594	1,594	2,342
Public relations	-	-	8,239	8,239	10,136
	<b>14,618</b>	<b>376,688</b>	<b>87,261</b>	<b>478,568</b>	<b>496,421</b>

(\*) Note: The White Ensign Association is not a grant awarding charity and no grants have been paid in furtherance of the charity's objects.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Notes to the financial statements – 31st December 2022**

<b>6</b>	<b>Tangible fixed assets</b>	<b>2022</b>	<b>2021</b>
		£	£
		<b>Office</b>	<b>Office</b>
		<b>Equipment</b>	<b>Equipment</b>
		£	£
	<b>Costs</b>		
	As at 1 January 2022	41,180	40,048
	Additions	4,473	1,132
	Disposals	-	-
		<hr/>	<hr/>
	As at 31st December 2022	<u>45,653</u>	<u>41,180</u>
	<b>Depreciation</b>		
	As at 1 January 2022	34,856	31,790
	Disposals	-	-
	Charge for year	4,137	3,066
		<hr/>	<hr/>
	As at 31st December 2022	<u>(38,993)</u>	<u>(34,856)</u>
	<b>Net book value</b>		
	31st December 2022	<b>6,660</b>	6,324

<b>7</b>	<b>Fixed asset investments</b>		
	Classification of investments at market value:	<b>2022</b>	<b>2021</b>
		£	£
	Fixed interest - Bonds	611,949	359,550
	Equities (mainly common investment funds)	4,436,606	1,858,090
	Cash held as part of investment portfolio	420,982	3,776,753
		<hr/>	<hr/>
		<u>5,469,537</u>	<u>5,994,393</u>

The acquisition costs of the above investments were £5,878,375 (2021: £5,754,039)

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Notes to the financial statements – 31st December 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>8 Debtors</b>		
Membership Fees	-	-
<b>Other Debtors:</b>		
Pre-paid travel	2,418	914
Pre-paid Insurance	8,385	1,060
Accrued Income	56,467	-
Event Paid in advance	-	29,000
	<u>67,270</u>	<u>30,974</u>
<b>9 Creditors- amounts falling due within one year</b>		
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
VAT creditor	-	-
Holiday pay entitlement	-	4,434
Deferred Income	4,192	-
Other creditors	<u>16,161</u>	<u>4,607</u>
	<u>20,353</u>	<u>9,041</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Notes to the financial statements – 31st December 2022**

**10 (a) Analysis of funds balances**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Unrestricted funds	4,793,593	5,378,471
Restricted funds	-	-
Designated funds	780,000	780,000
	5,573,593	6,158,471
	5,573,593	6,158,471

**(b) Net movement in general fund balances during the financial year.**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
As at 1st January 2022	-	5,378,471	780,000	6,158,471
Net Movement in general funds	-	(584,879)	-	(584,879)
As at 31st December 2022	-	4,793,592	780,000	5,573,592
	-	4,793,592	780,000	5,573,592

**11 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

<b>Fund Balances at 31st December 2022 are represented by</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	6,660	-	6,660	6,324
Investments	4,689,537	780,000	5,469,537	5,994,393
Current assets	117,748	-	117,748	166,795
Current liabilities	(20,353)	-	(20,353)	(9,041)
Total Net Assets	4,793,592	780,000	5,573,592	6,158,471
	4,793,592	780,000	5,573,592	6,158,471

**12 Net movement in funds**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Audit fees (including VAT)	4,100	3,990
Depreciation of fixed assets	4,137	3,066
	4,100	3,990
	4,137	3,066

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31ST DECEMBER 2022**

<b><u>Statement of cash flows</u></b>	<b>Total funds 2022 £</b>	<b>Total fund 2021 £</b>
<b>Cash flows from operating activities:</b>		
<i>Net cash provided by (used in) operating activities</i>	(321,712)	(287,944)
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	116,224	22,351
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(4,473)	(1,132)
Movement in investments	124,617	(2,229,581)
<i>Net cash provided by (used in) investing activities</i>	<u>(85,344)</u>	<u>(2,496,307)</u>
<b>Cash flows from financing activities:</b>		
Repayments of borrowing	-	-
Cash inflow from new borrowing	-	-
Receipt of endowment	-	-
<i>Net cash provided by (used in) financing activities activities</i>	<u>(85,344)</u>	<u>(2,496,307)</u>
<i>Change in cash and cash equivalents in the reporting period</i>	(85,344)	(2,496,307)
Cash and cash equivalents at the beginning of the reporting period	135,821	2,632,128
Change in cash and cash equivalents due to exchange rate movements	-	-
Cash and cash equivalents at the end of the reporting period	<u>50,477</u>	<u>135,821</u>

**Reconciliation of net income/(expenditure) to net cash flow from operating activities**

<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	(584,880)	(62,325)
<b>Adjustments for:</b>		
Depreciation charges	4,137	3,067
(Gains)/Losses on investments	400,239	(161,829)
Dividends and interest from investments	(116,224)	(22,351)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(36,296)	(28,127)
Increase/(decrease) in creditors	11,312	(16,379)
<i>Net cash provided by (used in) operating activities</i>	<u>(321,712)</u>	<u>(287,944)</u>

**Analysis of cash and cash equivalents**

	<b>Total funds 2022</b>	<b>Total fund 2021</b>
Cash in hand	50,478	135,821
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	<u>50,478</u>	<u>135,821</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

England & Wales - Charity number 206787

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# Accounts

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**THE WHITE ENSIGN ASSOCIATION LIMITED**

**REPORT OF THE COUNCIL OF MANAGEMENT  
& AUDITED ACCOUNTS FOR THE PERIOD ENDED  
31 DECEMBER 2021**

Charity Registered No 206787

Company Registered No 00606887

Registered Office

HMS BELFAST  
Tooley Street  
London SE1 2JH

Bankers

National Westminster Bank plc  
216 Bishopsgate  
London EC2M 4QB

Auditors

Appleby & Wood  
40 The Lock Building  
72 High Street  
London  
E15 2QB

Solicitors

Ashurst LLP  
Broadwalk House  
5 Appold Street  
London EC2A 2HA

A Limited Company, Registered in England and Wales, incorporated on 24<sup>th</sup> June 1958

Website: [www.whiteensign.co.uk](http://www.whiteensign.co.uk)

**"THE EXISTENCE OF THIS ASSOCIATION, RECOMMENDED BY THE ADMIRALTY BOARD, IS A REFLECTION OF THE GOODWILL THE CITY HAS ALWAYS FELT FOR THE ROYAL NAVY"**

## THE WHITE ENSIGN ASSOCIATION LIMITED

### **REPORT OF THE WHITE ENSIGN ASSOCIATION COUNCIL OF MANAGEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **INTRODUCTION**

1. The Council of Management presents herewith the Annual Report and Audited Financial Statements of The White Ensign Association Limited for the year ended 31 December 2021. The Report is set out in the format required by SORP 2019 and is designed to provide salient information on the Charity, its activities and its plans for the future.

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

##### **Title & Registration**

2. The registered name and number of the Charity is 'THE WHITE ENSIGN ASSOCIATION LIMITED' No: **206787**, (hereafter referred to as 'WEA' or 'the Association').

##### **Registered Office**

3. The registered office of the Association is HMS BELFAST, Tooley Street, London SE1 2JH.

##### **The Trustees**

4. The registered Trustees serving continuously between the periods 1 January 2020 to 31 December 2021 were as follows:

Captain L H L Batchelor RNR\*  
Mr S A Black\*  
Mr E W Byers\*  
The Lord Carlile of Berriew CBE QC\*: **Chairman**\*  
Lieutenant General E G M Davis CB CBE  
Mrs H Deeble CBE  
Commodore R W Dorey RFA  
Captain A P Gosling RNR  
Admiral Sir Philip Jones GCB DL  
Commodore I Kennedy CBE QHNS  
Ms S Murray OBE  
Mr James Saunders-Watson DL\*  
Admiral Sir Mark Stanhope GCB OBE DL\*: **Vice Chairman**\*  
Admiral Sir George Michael ZAMBELLAS GCB DSC DL\*

\* Members of the Finance & General Purposes Committee

## THE WHITE ENSIGN ASSOCIATION LIMITED

### President and Vice Presidents

5. Admiral of the Fleet The Lord Boyce KG GCB OBE DL was invited to take up the position of President of the Association at the AGM in March, and graciously accepted the role for a 5 year tenure of office. The following senior former members of the Council have been appointed Vice Presidents of the Association since relinquishing their duties as members of the Council and are still serving as such:

Mr J D Andrewes MA FCA  
Sir Michael Bett CBE MA  
Admiral Sir Jonathon Band GCB DL  
Mr C J Cazalet MA FCA  
Vice Admiral Sir Adrian Johns KCB CBE DL  
Admiral Sir Michael Layard KCB CBE  
Sir John Parker GBE  
Sir Patrick Sergeant  
Admiral Sir Jock Slater GCB LVO DL  
Mr R J Taylor

### Royal Patron

6. HRH The Prince of Wales is the Patron of The White Ensign Association, which was founded by his late great-uncle, Admiral of the Fleet Earl Mountbatten of Burma.

### The Chief Executive and Staff

7. All permanent members of staff, with the exception of the Support Manager, have served in the Armed Forces and all are based in HMS BELFAST. The staff conduct a programme of visits to ships, submarines, naval shore establishments, naval air squadrons and Royal Marines units to fulfil various lecture programmes and undertake one-to-one counselling and casework.

8. The Chief Executive is Captain J P Lavery MVO Royal Navy, appointed by the Council with effect from 17<sup>th</sup> January 2012. The Chief Executive, who is also the Regional Manager for London, the West of England and Wales, is supported by a Director of Employment and Finance, the Regional Manager South and East England, who is also the Company Secretary, and the Regional Manager South West and Scotland. Day to day administration and support of the charity's activity is carried out by the Administration & Support Manager.

### Remuneration Policy Setting

9. Staff Remuneration is considered on an annual basis by the Nominations and Remuneration Committee (NRC) who consider proposals from the Chief Executive covering salary, travel allowances and any special bonus. The final award is then ratified by the Council of Management.

### The Advisers

10. A panel of professional advisers has been formed to provide advice and guidance to clients of the Association. The names and details of the advisers are published in the charity's Annual Review and are listed on the Association's web site.

# THE WHITE ENSIGN ASSOCIATION LIMITED

## STRUCTURE, GOVERNANCE & MANAGEMENT

### Constitution

11. The Association is a registered charity and a company limited by guarantee. It was incorporated on 24 June 1958 and is governed by its Memorandum and Articles of Association.

12. The Council is the Governing Body of the Association and consists of the elected trustees (see paragraph 4). It meets formally twice a year and additionally as required.

### The Finance & General Purposes Committee (F&GPC)

13. The Council has delegated day to day oversight of the Association's operations to the F&GPC, which meets twice a year and additionally as necessary.

### Trustee Policy

14. The selection, induction, reviews and monitoring of trustees is overseen by the NRC as part of its remit from the Council and is charged with the nomination of suitable candidates to maintain the necessary breadth of expertise on the Council. A training programme, including a comprehensive presentation and staff briefing, has been prepared for trustee induction. During the period of this report the Association saw the retirement of one member of the Council of Management and the arrival of three new trustees.

### Risk Assessment and Compliance

15. During the year, the Council (through the F&GPC) has reviewed the full range of risks to which the Association could be exposed and the necessary management action to mitigate them. The Association has a Risk Management Plan, which integrates the ongoing assessment of risks into the day to day management processes of the company. A summary of the main risks associated with the Charity's activities are contained in the table below:

<b>Risk Description</b>	<b>Mitigation and Notes</b>
<u>Product.</u> Not meeting the needs of customers	Prepare and review an annual Strategic Plan to shape and adapt business output to reflect and anticipate market requirement. Continually improve, update and augment guidance and advice available.
<u>Finance.</u> Significant loss of income	Regular monitoring by the Finance and General Purposes Committee. Consideration of fresh initiatives to increase income and control expenditure. Maintenance of long-term investment funding at levels to meet a projected future running costs.
<u>Regulatory Compliance.</u> Damage to reputation and risk of FCA investigation and potential closure.	Company business procedures to reflect legislative and regulatory changes relating to Company Law, Charity Commission regulations, Bribery Act 2010 and FCA guidelines. Staff to guard against inadvertent passing of financial advice or opinion that does not reflect the considered view of the Association. GDPR compliance strictly enforced and closely monitored.

## THE WHITE ENSIGN ASSOCIATION LIMITED

<u>Business Continuity.</u> Inability to conduct business.	Business Continuity Plan to be reviewed regularly. Regular review of staff availability to ensure maintenance of national coverage at reasonable levels.
<u>Relevance.</u> Resulting in a reduction in demand for the Association's services.	Staff to monitor MOD activity and charity sector networks for indications of strategic market changes and the entry of newcomers. Maintain presence and visibility at all appropriate Service Charity and MOD events

### Public Benefit

16. The Council has referred to the advice contained in the Charity Commissioner's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future activities. The Association's charitable services, which are provided free, are available to all who have served in the Royal Navy and Royal Marines, the Royal Fleet Auxiliary, the QARNNS or the Reserve Forces from the time they join the Service until they die. The Association's services may also be accessed by close dependants and the WEA will always endeavour to advise and assist people who approach the charity for help, but who may not have a Royal Navy or Royal Marines background.

## OBJECTIVES & ACTIVITIES

### Objects

17. The principal objects of the Association are to assist and promote the interests of those who are serving or have at any time served in the Royal Navy, the Royal Marines, the Royal Naval or Royal Marines Reserves, in the former Women's Royal Naval Service, Queen Alexandra's Royal Naval Nursing Service or the Royal Fleet Auxiliary, in such ways as shall from time to time be thought fit, and in particular and without prejudice to the generality of the foregoing by providing:

- a. General guidance in connection with investments, house purchase, insurance (including educational costs and school fees), pensions and commutation.
- b. Appropriate advice and guidance, through employment services, to deliver enduring support to both individuals preparing for, and to those seeking, civilian employment, including the establishment of small businesses.
- c. General information and advice to those leaving the Service and seeking to settle in civilian life.
- d. Information and advice on general personal administrative matters in suitable cases appropriate to the position and facilities of the Association.

18. It should be noted that the Association does not make grants but facilitates and supports applications to other appropriate charities or organisations when, in the course of its welfare work, it comes across such cases of need.

### Summary of Policies

19. The Association's policies have been designed to achieve these objects by providing the basic infrastructure to enable all those in the Naval Services (or who have served in them) seeking

## THE WHITE ENSIGN ASSOCIATION LIMITED

assistance with civilian employment, resettlement, investment, financial planning and general personal administration matters to obtain appropriate information, guidance, contacts and opportunities through:

- a. A comprehensive counselling service, with a programme of regular visits to all major Royal Navy bases, shore establishments and Royal Marines units. Visits are also made to air squadrons and ships and submarines of the Fleet as requested.
- b. Personal interviews in HMS BELFAST. Home visits are made in appropriate cases, for example to widows, wounded or injured personnel and to the disabled.
- c. Services for the provision of lectures on transition, resettlement and financial awareness for members of the Royal Navy.
- d. The creation of opportunities for senior directors and managers from commerce and industry to visit RN and RM ships and establishments to acquaint them at first hand with the skills and qualities of Service personnel.
- e. Other activities, including arranging meetings for clients with the Association's panel of professional advisors, facilitating networking connections, presenting briefings and organising events.

### Membership Schemes

20. The Association had two categories of membership:

**Company Member** - Annual Fee: £500 + VAT

**Individual (Life) Membership** – Offered to those who make either a significant financial or personal contribution

21. The Association had 76 subscribing company members and 145 individual members on 31 December 2021.

## ACHIEVEMENTS & PERFORMANCE

### Overview

22. During the last 12 months the Association has matched its activity to the emergence of the Royal Navy and its client base, from the social distancing behaviours and other restrictions imposed or adopted as part of the national response to the COVID pandemic. Digital consultations and video messaging have slowly been replaced by on site briefings and interviews although the phenomenon of the "zoom" interview remains a popular way of dealing with clients' concerns and requests for assistance when the visits programme is not conducive to a relatively swift meeting opportunity. The introduction of a new case management system towards the end of the summer and the refreshing of the Association's website has invigorated our client's digital experience and allowed the staff swifter access to records and data.

23. Engagement in the wider armed forces charitable sector continues to be an essential part of the WEA's business and we are ever ready to adopt a collaborative approach to service or answer a perceived need within the Royal Navy community where we can. This is particularly prevalent in regard of the most vulnerable, and we have signed an MoU with the RMA to ensure a joint approach

## THE WHITE ENSIGN ASSOCIATION LIMITED

to assisting those service personnel being discharged early on medical grounds. We have also initiated a new project for the provision of advocacy and specialist advice for those sailors and veterans pursuing compensation claims through the Armed Forces Compensation and War Pension Schemes which is wholly funded by the RNRMC. Elsewhere we have also successfully held an event in Leith for our supporters and partners in Scotland and participated in a much lauded, joint Fundraising dinner with the RNRMC in the Painted Hall at ORNC Greenwich. As one of the few external bodies invited by the MOD to assist in pensions development and communication the charity continues to be a contributor to the refinement of policy post the McCleod judgment and a key conduit of communication to the affected community.

### Work Summary

24. Work over the year comprised (201/20<sup>1</sup>, in parenthesis for comparison):

Advice, Assistance and Information: Support was offered to 589 (1048) individuals who registered for some form of assistance during the year.

Interviews: 77 (193) face to face interviews were conducted.

Visits: 41 (150) visits to ships, units, establishments and individuals were carried out.

Lectures: 44 (126) lectures were provided to audiences totalling 401 (3610) people – financial awareness 24, transition preparation 237 and other topics 140.

25. The COVID pandemic continues to effect the numbers of individuals the charity has interacted with over the past 12 months. Much of the decline relates directly to the inability to carryout unit level briefings for much of 2021 with such activity only really starting to be re-established post September. Individual client approaches have been lower than previous years but can be attributed to the hugely reduced physical presence of the charity within establishments plus the pause in transition preparations experienced by many in the naval service who took advantage of the extensions of service offered during the pandemic. The split between officers and ratings who use our services has seen a reduction in the proportion of enquiries and clients from ratings and other ranks (60%) with a slight increase from the officer corps (32%). The split between RN and RM has increased to just over 5:1 which is a ratio that does not reflect previous years trends and will be monitored closely to check if a more normal regime corresponds to the actual service split between dark blue and lovat of 3:1. The amount of work undertaken on behalf of non-uniformed clients with veterans, families and dependants has also decreased to 9%, the bulk of which is associated assistance to veterans.

26. The subject of enquiries to the WEA has seen a significant swing away from the established proportions of previous years with employment related topics no longer forming the single largest proportion – for this period they accounted for 37% of questions and requests. Conversely personal finance and pension questions accounted for over 45% of interest with pension queries accounting for almost 80% of the assistance requested. This shift in emphasis is attributed to the focus on the economic circumstances of the individual as the national recovery struggles to recover despite an extremely buoyant employment market. The remainder of staff activity has been evenly split between more general resettlement issues and broad life challenges including 9% on medical discharges and 4% on divorce and legal issues.

### Events

27. The Annual General Meeting was held remotely via Zoom on 25th March 2021.

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<sup>1</sup> adjusted to take account of the 18 month reporting period

# THE WHITE ENSIGN ASSOCIATION LIMITED

## FINANCIAL REVIEW

### Results for the Year

28. The Association increased its revenue slightly on the previous reporting period (less the legacy from our late President). This was due to an increase in the number of subscribing company members and the receipt of some significant donations. Expenditure was significantly lower than the previous reporting period. This can be explained by several factors including a reduction in staff members, less travel made due to Covid-19 restrictions and much lower investment management fees than was expected (this, because our late President's legacy of £5.2M was largely retained in cash for much of the period). The Association had, on the 31 December 2021, an operating deficit of £224,154. This was reduced by an unrealised gain of £161,829 on investments, to leave a retained deficit of (£62,325).

### Balance Between Direct Charitable Costs and Overheads

29. The allocation of costs between the main functional areas laid down by the Charity Commission is based on analysis of overall activity levels and cost and time by value, spent on individual and collective tasks. The major item of expenditure is the cost of staff and 88% of staff time by value is spent on the primary output of the Charity (interviewing, casework and lecturing) and is therefore categorised as 'activities in furtherance of the charity's objects'. The overall balance between direct charitable output and overheads and running costs is considered reasonable.

### Investment Policy

30. The Association's investment policy is to maintain sufficient reserves to secure its long-term future. At the Council of Management meeting in September 2021 it was agreed, in order to minimise risk, to split the management of the charity's investment funds between two companies. After a review of a number of potential managers and subsequent presentations to the F&GPC it was decided that the WEA's investment capital would be equally divided between Cazenove and Sarasin. Each organisation will manage their share of the Association's investment funds with set objectives to preserve the real value of the capital while producing income to finance charitable needs.

### Designated Endowment Fund

31. The White Ensign Association Designated Endowment Fund was set up following receipt of two major donations in September 1995. The purpose of the Fund is to help secure the long-term future of the Association and the income is used to fund continuing activities.

32. The Trustees are not aware of any material uncertainties which would affect the Charity's ability to continue as a going concern. The Trustees review this issue on a regular basis.

### Policy on Reserves

33. The Association depends for its financial viability on donations. Donation income, which by its nature is uncertain, supplements the returns from the Association's investments. The Association's policy on reserves is to maintain a value matching assessed operating costs for an extended period to allow for continued support to existing clients in the event of a significant reduction in current anticipated donation levels. The Charity's Reserves held at the year-end date

## THE WHITE ENSIGN ASSOCIATION LIMITED

are above the Reserves policy. The Charity's policy on Reserves and their disposal are regularly reviewed taking into account investment advice and market volatility.

### COUNCIL'S RESPONSIBILITIES

#### **Financial Statements**

34. Company law requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the Council is required to:

- (a) Select suitable accounting policies and then apply them consistently;
- (b) Make judgements and estimates that are reasonable and prudent;
- (c) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statement;
- (d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

#### **Accounting Records**

35. The Council is responsible for keeping proper accounting records which disclose fairly and accurately at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charity Commission Regulations. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditors**

36. A resolution to appoint new auditors will be considered at the Annual General Meeting.

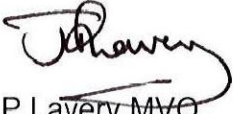
### THE FUTURE

36. The Council of Management will continue to strive to ensure that the Association maintains a suite of services to the sailors, marines, both present and past, and their families, that remains relevant and of value. Specific areas of the Service and locations will be targeted to ensure that awareness of the Association remains high, whilst further opportunities for closer working relationships within the wider service charity sector will continue to be explored. The Association's principal aims and objectives for the next 5 years, along with specific undertakings for 2022 are detailed within the White Ensign Strategic Plan, which is published on the WEA website.



**THE WHITE ENSIGN ASSOCIATION LIMITED**

**By order of the Council**



J P Lavery MVO  
Chief Executive

The White Ensign Association Limited  
HMS BELFAST  
Tooley Street  
London SE1 2JH



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WHITE ENSIGN ASSOCIATION LIMITED

### Opinion

We have audited the financial statements of The White Ensign Association Limited (the 'charitable company') for the year ended 31<sup>st</sup> December 2021 which comprise of the Income and Expenditure Account, Statement of Financial Activities, Balance Sheet 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 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<sup>st</sup> December 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 entity'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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

#### **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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined the most significant are FRS 102, the Companies Act 2006 and the Charities Act 2018. Together with the supervisory requirements of Companies House and the Charity Commission.
- The company does not operate internationally and is not impacted by international laws and regulations. Taxation law and regulations apply to the company but it is not involved in any complex matters that increase the risk of non-compliance.
- We understood how the company is complying with those frameworks through discussions with the trustees and review of the council minutes and the company's policies and procedures.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved a review of the trustees' reporting to the company with respect of the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the company.
- Our pre-audit review specifically makes reference to fraud risk and this is supported by audit documentation. We also review the council minutes to identify any matters of concern or risk. None was identified.
- However, the primary responsibility for the prevention and detection of fraud rest with both those charged with governance of the company and management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. 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.



R W Williams FCCA  
(Senior Statutory Auditor)  
For and on the behalf of...  
Appleby & Wood (London) Limited  
40 The Lock Building  
72 The High Street  
London E15 2QB

10th October 2022



**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	2021 £	2020 £
Income		272,267	5,424,879
Gains/(Losses) on investments		161,829	56,694
		<u>434,096</u>	<u>5,481,573</u>
Expenditure		( 496,421 )	( 717,412 )
<b>Net (expenditure)/Income before tax for the reporting period</b>		<b>( 62,325 )</b>	<b>4,764,161</b>
Tax Payable		<u>-</u>	<u>-</u>
<b>Net (expenditure)/ income for the financial year</b>		<b><u>( 62,325 )</u></b>	<b><u>4,764,161</u></b>

All income relates to unrestricted funds.

A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities and the notes to the financial statements.

The notes on pages 17 to 23 form part of these financial statements.



THE WHITE ENSIGN ASSOCIATION LIMITED

Statement of Financial Activities for the year ended 31st December 2021

		Unrestricted Funds	
	Notes	Total Funds 2021 £	Total Funds 2020 £
<b><u>Income and endowments from:</u></b>			
Donations	2	176,375	5,279,402
Charitable Activities : Fees		-	-
Other Trading activities:			
Subscriptions		22,390	42,270
Investment income		22,351	50,740
Other income		51,151	52,467
<b>Total</b>		<b><u>272,267</u></b>	<b><u>5,424,879</u></b>
<b><u>Expenditure on:</u></b>			
Raising funds	5	13,730	22,966
Charitable activities	5	391,868	593,333
Other Costs (including publicity)	5	90,823	101,113
<b>Total</b>		<b><u>496,421</u></b>	<b><u>717,412</u></b>
Net gain on investments		<u>161,829</u>	<u>56,694</u>
<b>Net (expenditure)</b>		<b>(62,325)</b>	<b>4,764,161</b>
<b>Transfers between funds</b>		-	-
<b>Net movement in funds</b>		<b><u>(62,325)</u></b>	<b><u>4,764,161</u></b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		<u>6,220,796</u>	<u>1,456,635</u>
<b>Total funds carried forward at 31st December 2021</b>	<b>10</b>	<b><u><u>6,158,471</u></u></b>	<b><u><u>6,220,796</u></u></b>

The company has no recognised gains and losses for the year other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 17 to 23 form part of these financial statements.

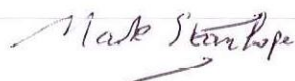


THE WHITE ENSIGN ASSOCIATION LIMITED

Balance Sheet as at 31st December 2021  
Company No. 00606887

	Notes	Total Funds 2021		Total Funds 2020	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		6,324		8,258
Investments	7		5,994,393		3,602,983
<b>Total fixed assets</b>			6,000,717		3,611,241
<b>Current assets</b>					
Debtors	8	30,974		2,847	
Cash at bank and in hand		135,821		2,632,128	
<b>Total current assets</b>		166,795		2,634,975	
<b>Creditors:</b> amounts falling due within one year	9	(9,041)		(25,420)	
<b>Net current assets</b>			157,753		2,609,555
<b>Total net assets or liabilities</b>			<b>6,158,471</b>		<b>6,220,796</b>
General funds	10		6,158,471		6,220,796
Restricted funds	10		-		-
<b>Total charity funds</b>			<b>6,158,471</b>		<b>6,220,796</b>

The financial statements on pages 12 to 21 were approved by the Finance and General Purposes Committee, on behalf of the Council of Management on March 2022 and were signed on its behalf by:



**Admiral Sir Mark Stanhope GCB OBE DL**  
Chairman & Member of the Council of Management



**Captain Lance Batchelor RNR**  
Vice Chairman & Member of the Council of Management

The notes on pages 17 to 23 form part of these financial statements.



**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**Notes to the financial statements – 31st December 2021**

**1 Principal Accounting Policies.**

The financial statements have been prepared in accordance with the Companies Act 2006 and follow the recommendations of the 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).

**a Basis of accounting**

Monetary values are calculated under the historical cost convention modified by the inclusion of investments at their aggregated quoted market value.

**b Income**

Subscriptions for the Company Membership scheme, RN Lecture program, listed investments and bank interest are credited to income on an accruals basis. Income from donations is credited on a cash received basis.

**c Depreciation**

Depreciation is calculated on a straight line basis so as to write off fixed assets over their expected useful lives. The principal annual rates used for this purpose are:

Equipment	25%
-----------	-----

**d Investments**

December 2021 with the comparatives for the 18 month period ending 31st December 2020, also shown at their market value. The revaluation surplus has been shown on the statement of financial activities as net realised and unrealised gain on investment assets.



Notes to the financial statements – 31st December 2021

**e Endowment and unrestricted funds**

The Trustees set aside at their discretion designated sums forming part of the Association's unrestricted funds to be used for maintaining future activities of the Association. Such sums are described and disclosed as Designated Endowment Fund. The Trustees have the power to reallocate such funds within the unrestricted funds unless and until expended.

**f Pension**

individuals pension provision by making a monthly payment to the individual. This payment is for the individual to make provision for their pension on a personal basis.

**g Functional classification of expenditure**

Each component of expenditure is analysed by time and cost, based on task and activity and allocated proportionately to the prime functional areas laid down by the Charity Commission in SORP 2019.

**2 Donation income**

In common with many other charities of similar size and organisation, a proportion of income is derived from donations which cannot be fully controlled until they are entered into the accounting records. In the opinion of the Council of Management this does not constitute a significant uncertainty in the preparation of the accounts.

**3 Emoluments of Council of Management Members**

No emoluments were paid during the year to any member of the Council of Management.

**4 Employee information**

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
The average monthly number of persons employed during the year was:	<u>6</u>	<u>6</u>

The emoluments of one employee exceeded £100,000

The emoluments of two employees exceeded £60,000

	<b>2021</b>	<b>2020</b>
	£	£
Staff costs (for the above persons):		
Wages and salaries (including holiday pay provision)	285,137	461,872
Social security costs	32,422	57,564
Pension costs	17,376	25,448
	<u>334,935</u>	<u>544,884</u>

**Remuneration of Key Management Personnel**

Total employee benefits (including employer's National Insurance contributions, Pension contributions and other benefits) paid to the key management personnel (Chief Executive and Finance Director), totalled £192,116 in the year. (2020: £191,181)



THE WHITE ENSIGN ASSOCIATION LIMITED

Notes to the financial statements – 31st December 2021

5 Analysis of total resources expended(\*)

	Cost of Raising Funds £	Activities on the Charity's Objects £	Other Costs £	Total 2021 £	Total 2020 £
Staff costs (inc pensions)	13,397	294,743	26,795	334,935	544,884
Communications (incl IT, Printing, Postage)	-	60,646	20,216	80,862	53,424
Rent, rates, light & heat	-	9,110	3,036	12,146	14,083
General expenses	-	-	788	788	1,541
Travel/Corp Hosting/Training	332	6,313	-	6,644	23,423
Events	-	21,057	-	21,057	40,953
Auditors remuneration	-	-	3,990	3,990	3,990
Depreciation	-	-	3,066	3,066	2,872
Investment Fund Management Fee	-	-	20,418	20,418	9,900
Bank Charges	-	-	37	37	63
Insurance	-	-	2,342	2,342	4,053
Public relations	-	-	10,136	10,136	18,227
	13,730	391,868	90,823	496,421	717,413

(\*) Note: The White Ensign Association is not a grant awarding charity and no grants have been paid in furtherance of the charity's objects.



THE WHITE ENSIGN ASSOCIATION LIMITED

Notes to the financial statements – 31st December 2021

<b>6</b>	<b>Tangible fixed assets</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
		<b>Office</b>	<b>Office</b>
		<b>Equipment</b>	<b>Equipment</b>
		<b>£</b>	<b>£</b>
	<b>Costs</b>		
	As at 1 January 2021	40,048	28,918
	Additions	1,132	11,130
	Disposals	-	-
	As at 31st December 2021	<u>41,180</u>	<u>40,048</u>
	<b>Depreciation</b>		
	As at 1 January 2021	31,790	28,918
	Disposals	-	-
	Charge for year	3,066	2,872
	As at 31st December 2021	<u>(34,856)</u>	<u>(31,790)</u>
	<b>Net book value</b>		
	31st December 2021	<b>6,324</b>	8,258

<b>7</b>	<b>Fixed asset investments</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Classification of investments at market value:		
	Fixed interest - Bonds	359,550	141,719
	Equities (mainly common investment funds)	1,858,090	907,132
	Cash held as part of investment portfolio	3,776,753	2,554,132
		<u>5,994,393</u>	<u>3,602,983</u>

The acquisition costs of the above investments were £5,754,039 (2020: £3,455,272)



THE WHITE ENSIGN ASSOCIATION LIMITED

Notes to the financial statements – 31st December 2021

	2021	2020
	£	£
<b>8 Debtors</b>		
Membership Fees	-	1,500
<b>Other Debtors:</b>		
Pre-paid travel	914	-
Pre-paid Insurance	1,060	1,347
Event Paid in advance	29,000	-
	<u>30,974</u>	<u>2,847</u>
<b>9 Creditors- amounts falling due within one year</b>		
	2021	2020
	£	£
VAT creditor	-	2,136
Holiday pay entitlement	4,434	7,288
Other creditors	4,607	15,996
	<u>9,041</u>	<u>25,420</u>



THE WHITE ENSIGN ASSOCIATION LIMITED

Notes to the financial statements – 31st December 2021

10 (a) Analysis of funds balances

	2021 £	2020 £
Unrestricted funds	5,378,471	5,440,796
Restricted funds	-	-
Designated funds	780,000	780,000
	<u>6,158,471</u>	<u>6,220,796</u>

(b) Net movement in general fund balances during the financial year.

	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total £
As at 1st January 2021	-	5,440,796	780,000	6,220,796
Net Movement in general funds	-	(62,325)	-	(62,325)
As at 31st December 2021	-	5,378,471	780,000	6,158,471

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund Balances at 31st December 2021 are represented by	Unrestricted Funds	Designated Funds	2021 £	2020 £
	£	£		
Tangible fixed assets	6,324	-	6,324	8,258
Investments	5,214,393	780,000	5,994,393	3,602,983
Current assets	166,795	-	166,795	2,634,975
Current liabilities	(9,041)	-	(9,041)	(25,420)
Total Net Assets	<u>5,378,471</u>	<u>780,000</u>	<u>6,158,471</u>	<u>6,220,796</u>

12 Net movement in funds

	2021 £	2020 £
This is stated after charging:		
Audit fees (including VAT)	3,990	3,990
Depreciation of fixed assets	-	-
	<u>-</u>	<u>-</u>



**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 31ST DECEMBER 2021**

<b><u>Statement of cash flows</u></b>	<b>Total funds 2021 £</b>	<b>Totaal fund 2020 £</b>
<b>Cash flows from operating activities:</b>		
<i>Net cash provided by (used in) operating activities</i>	(287,944)	4,674,555
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	22,351	50,740
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(1,132)	(11,130)
Movement in investments	(2,229,581)	(2,191,101)
<i>Net cash provided by (used in) investing activities</i>	<u>(2,496,307)</u>	<u>2,523,064</u>
<b>Cash flows from financing activities:</b>		
Repayments of borrowing	-	-
Cash inflow from new borrowing	-	-
Receipt of endowment	-	-
<i>Net cash provided by (used in) financing activities</i>	<u>(2,496,307)</u>	<u>2,523,064</u>
<i>Change in cash and cash equivalents in the reporting period</i>	(2,496,307)	2,523,064
Cash and cash equivalents at the beginning of the reporting period	2,632,128	109,064
Change in cash and cash equivalents due to exchange rate movements	-	-
Cash and cash equivalents at the end of the reporting period	<u>135,821</u>	<u>2,632,128</u>

**Reconciliation of net income/(expenditure) to net cash flow from operating activities**

<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	(62,325)	4,764,161
<b>Adjustments for:</b>		
Depreciation charges	3,066	2,872
(Gains)/Losses on investments	(161,829)	(56,694)
Dividends, interest and rent from investments	(22,351)	(50,740)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(28,127)	26,844
Increase/(decrease) in creditors	(16,379)	(11,888)
<i>Net cash provided by (used in) operating activities</i>	<u>(287,944)</u>	<u>4,674,555</u>

<b><u>Analysis of cash and cash equivalents</u></b>	<b>Total funds 2021</b>	<b>Totaal fund 2020</b>
Cash in hand	135,821	2,632,128
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	<u>135,821</u>	<u>2,632,128</u>



**THE WHITE ENSIGN ASSOCIATION LIMITED**

England & Wales - Charity number 206787

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# Accounts

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**THE WHITE ENSIGN ASSOCIATION LIMITED**

**REPORT OF THE COUNCIL OF MANAGEMENT  
& AUDITED ACCOUNTS FOR THE PERIOD ENDED  
31 DECEMBER 2020**

**Charity Registered No 206787**

**Company Registered No 00606887**

**Registered Office**

HMS BELFAST  
Tooley Street  
London SE1 2JH

**Bankers**

National Westminster Bank plc  
216 Bishopsgate  
London EC2M 4QB

**Auditors**

Appleby & Wood  
40 The Lock Building  
72 High Street  
London  
E15 2QB

**Solicitors**

Ashurst LLP  
Broadwalk House  
5 Appold Street  
London EC2A 2HA

A Limited Company, Registered in England and Wales, incorporated on 24<sup>th</sup> June 1958

Website: [www.whiteensign.co.uk](http://www.whiteensign.co.uk)

**"THE EXISTENCE OF THIS ASSOCIATION, RECOMMENDED BY THE ADMIRALTY BOARD,  
IS A REFLECTION OF THE GOODWILL THE CITY HAS ALWAYS FELT FOR THE ROYAL  
NAVY"**

## THE WHITE ENSIGN ASSOCIATION LIMITED

### **REPORT OF THE WHITE ENSIGN ASSOCIATION COUNCIL OF MANAGEMENT FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **INTRODUCTION**

1. The Council of Management presents herewith the Annual Report and Audited Financial Statements of The White Ensign Association Limited for the year ended 31 December 2020. The Report is set out in the format required by SORP 2019 and is designed to provide salient information on the Charity, its activities and its plans for the future.

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

##### **Title & Registration**

2. The registered name and number of the Charity is ‘**THE WHITE ENSIGN ASSOCIATION LIMITED**’ No: **206787**, (hereafter referred to as ‘WEA’ or ‘the Association’).

##### **Registered Office**

3. The registered office of the Association is HMS BELFAST, Tooley Street, London SE1 2JH.

##### **The Trustees**

4. The registered Trustees serving continuously between the periods 1 July 2019 to 31 December 2020 were as follows:

Commander L H L Batchelor RNR\*

Mr S A Black\*

Mr E W Byers\*

The Lord Carlile of Berriew CBE QC\*: **Chairman**\*

Mrs H Deeble CBE

Captain A P Gosling RNR

Vice Admiral Sir Adrian Johns KCB CBE DL

Commodore I Kennedy CBE QHNS

Miss S Murray OBE

Mr James Saunders-Watson DL\*

Admiral Sir Mark Stanhope GCB OBE DL\*: **Vice Chairman**\*

Admiral Sir George Michael ZAMBELLAS GCB DSC DL\*

\* Members of the Finance & General Purposes Committee

## THE WHITE ENSIGN ASSOCIATION LIMITED

### Vice Presidents

5. The following senior former members of the Council have been appointed Vice Presidents of the Association since relinquishing their duties as members of the Council and are still serving as such:

Mr J D Andrewes MA FCA  
Sir Michael Bett CBE MA  
Admiral Sir Jonathon Band GCB DL  
Admiral of the Fleet Lord Boyce KG GCB OBE DL  
Mr C J Cazalet MA FCA  
Admiral Sir Michael Layard KCB CBE  
Sir John Parker GBE  
Sir Patrick Sergeant  
Admiral Sir Jock Slater GCB LVO DL  
Mr R J Taylor

### Royal Patron

6. HRH The Prince of Wales is the Patron of The White Ensign Association, which was founded by his late great-uncle, Admiral of the Fleet Earl Mountbatten of Burma.

### The Chief Executive and Staff

7. All permanent members of staff, with the exception of the Support Manager, have served in the Armed Forces and all are based in HMS BELFAST. The staff conduct a programme of visits to ships, submarines, naval shore establishments, naval air squadrons and Royal Marines units to fulfil various lecture programmes and undertake one-to-one counselling and casework.

8. The Chief Executive is Captain J P Lavery MVO Royal Navy, appointed by the Council with effect from 17<sup>th</sup> January 2012. The Chief Executive is supported by a Director of Finance (who is also the Company Secretary, Data Protection Manager and Regional Manager for Central England and Scotland), a Director of Employment Services, a Regional Manager South and a Regional Manager South West. Day to day administration and support of the charity's activity is carried out by the Administration & Support Manager.

### Remuneration Policy Setting

9. Staff Remuneration is considered on an annual basis by the Nominations and Remuneration Committee (NRC) who consider proposals from the Chief Executive covering salary, travel allowances and any special bonus. The final award is then ratified by the Council of Management.

### The Advisers

10. A panel of professional advisers has been formed to provide advice and guidance to clients of the Association. The names and details of the advisers are published in the charity's Annual Review and are listed on the Association's web site.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### STRUCTURE, GOVERNANCE & MANAGEMENT

#### Constitution

11. The Association is a registered charity and a company limited by guarantee. It was incorporated on 24 June 1958 and is governed by its Memorandum and Articles of Association.

12. The Council is the Governing Body of the Association and consists of the elected trustees (see paragraph 4). It meets formally once a year and additionally as required.

#### The Finance & General Purposes Committee (F&GPC)

13. The Council has delegated day to day oversight of the Association's operations to the F&GPC, which meets twice a year and additionally as necessary.

#### Trustee Policy

14. The selection, induction, reviews and monitoring of trustees is overseen by the NRC as part of its remit from the Council and is charged with the nomination of suitable candidates to maintain the necessary breadth of expertise on the Council. A training programme, including a comprehensive presentation and staff briefing, has been prepared for trustee induction. During the period of this report the Association saw the retirement of two members of the Council of Management and welcomed three new trustees.

#### Risk Assessment and Compliance

15. During the year, the Council (through the F&GPC) has reviewed the full range of risks to which the Association could be exposed and the necessary management action to mitigate them. The Association has a Risk Management Plan, which integrates the ongoing assessment of risks into the day to day management processes of the company. A summary of the main risks associated with the Charity's activities are contained in the table below:

<b>Risk Description</b>	<b>Mitigation and Notes</b>
<u>Product.</u> Not meeting the needs of customers	Prepare and adopt a Strategic Plan to shape and adapt business output to reflect and anticipate market requirement. Continually improve, update and augment guidance and advice available.
<u>Finance.</u> Significant loss of income	Regular monitoring by the Finance and General Purposes Committee. Consideration of fresh initiatives to increase income and control expenditure. Maintenance of long-term investment funding at levels to meet a projected future running costs.
<u>Regulatory Compliance.</u> Damage to reputation and risk of FCA investigation and potential closure.	Company business procedures to reflect legislative and regulatory changes relating to Company Law, Charity Commission regulations, Bribery Act 2010 and FCA guidelines. Staff to guard against inadvertent passing of financial advice or opinion that does not reflect the considered view of the Association. GDPR compliance strictly enforced and closely monitored.
<u>Business Continuity.</u> Inability to conduct business.	Business Continuity Plan to be reviewed regularly. Regular review of staff availability to ensure maintenance of national coverage at reasonable levels.
<u>Relevance.</u> Resulting in a reduction in demand for the Association's services.	Staff to monitor MOD activity and charity sector networks for indications of strategic market changes and the entry of newcomers. Maintain presence and visibility at all appropriate Service Charity and MOD events

## **THE WHITE ENSIGN ASSOCIATION LIMITED**

### **Public Benefit**

16. The Council has referred to the advice contained in the Charity Commissioner's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future activities. The Association's charitable services, which are provided free, are available to all who have served in the Royal Navy and Royal Marines, the Royal Fleet Auxiliary, the QARNNS or the Reserve Forces from the time they join the Service until they die. The Association's services may also be accessed by dependants and the WEA will always endeavour to advise and assist people who approach the charity for help, but who may not have a Royal Navy or Royal Marines background.

### **OBJECTIVES & ACTIVITIES**

#### **Objects**

17. The principal objects of the Association are to assist and promote the interests of those who are serving or have at any time served in the Royal Navy, the Royal Marines, the Royal Naval or Royal Marines Reserves, in the former Women's Royal Naval Service, Queen Alexandra's Royal Naval Nursing Service or the Royal Fleet Auxiliary, in such ways as shall from time to time be thought fit, and in particular and without prejudice to the generality of the foregoing by providing:

- a. General guidance in connection with investments, house purchase, insurance (including educational costs and school fees), pensions and commutation.
- b. Appropriate advice and guidance, through employment services, to deliver enduring support to both individuals preparing for, and to those seeking, civilian employment, including the establishment of small businesses.
- c. General information and advice to those leaving the Service and seeking to settle in civilian life.
- d. Information and advice on general personal administrative matters in suitable cases appropriate to the position and facilities of the Association.

18. It should be noted that the Association does not make grants but facilitates and supports applications to other appropriate charities or organisations when, in the course of its welfare work, it comes across such cases of need.

#### **Summary of Policies**

19. The Association's policies have been designed to achieve these objects by providing the basic infrastructure to enable all those in the Naval Services (or who have served in them) seeking assistance with civilian employment, resettlement, investment, financial planning and general personal administration matters to obtain appropriate information, guidance, contacts and opportunities through:

- a. A comprehensive counselling service, with a programme of regular visits to all major Royal Navy bases, shore establishments and Royal Marines units. Visits are also made to air squadrons and ships and submarines of the Fleet as requested.
- b. Personal interviews in HMS BELFAST. Home visits are made in appropriate cases, for example to widows, wounded or injured personnel and to the disabled.

## THE WHITE ENSIGN ASSOCIATION LIMITED

- c. Services for the provision of lectures on transition, resettlement and financial awareness for members of the Royal Navy.
- d. The creation of opportunities for senior directors and managers from commerce and industry to visit RN and RM ships and establishments to acquaint them at first hand with the skills and qualities of Service personnel.
- e. Other activities, including arranging meetings for clients with the Association's panel of professional advisors, facilitating networking connections, presenting briefings and organising events.

### Membership Schemes

20. The Association had two categories of membership:

**Company Member** - Annual Fee: £400 + VAT or £500 + VAT depending upon size of the company

**Individual (Life) Membership** – Offered to those who make either a significant financial or personal contribution

21. The Association had 64 subscribing company members and 145 individual members on 31 December 2020.

## ACHIEVEMENTS & PERFORMANCE

### Overview

22. Over the last 18 months the Association, has tried to maintain its usual activity in support of its charitable objectives whilst coping with the implications and outcomes of the COVID 19 pandemic. During what has been an extended reporting period caused by the restructuring of governance oversight within the Association, 9 months has been at “normal running” and the remainder has been under COVID travel and social distancing restrictions which led to the cancellation of most of the year's planned engagement and external programme. The result of the latter has been a significant reduction in face to face interviews and briefings and a move to a digital format for much of the charity's interaction with clients. This new format has both allowed the WEA to maintain its profile and offer even greater flexible services at a time when much of the country and sector were adjusting to dramatic changes in work and wider lifestyle norms. Remote and digital working for much of 2020 has focussed attention on updating internal systems and processes to ensure that we are well placed to keep pace and relevancy with our client base and sector as working practices and expectations adjust to new routines and behaviours in a post COVID 19 environment. Investment in new IT equipment, cybersecurity protocols and a new casework management system and website (to be introduced in Q1 of 2021) has further enhanced the Association's services and abilities in this environment.

23. Engagement in the wider armed forces charitable sector remains a priority, where the WEA continues to actively contribute to a number of cross charity initiatives. The COVID crisis has forged much closer links between the naval charities who have all been involved in providing new services and support to our community and the Association has developed several new joint projects to support particularly vulnerable groupings with the RNRMC and RMA. As one of the few external bodies invited by the MOD to assist in pensions development and communication the charity is a key contributor to the development of the department's strategy following the McCleod judgment.

### Work Summary

23. Work over the year comprised (2018/19 figures in parenthesis for comparison):

## THE WHITE ENSIGN ASSOCIATION LIMITED

Advice, Assistance and Information: There were 1527 (942) direct requests for assistance or information from members of staff whilst 1789 (1228) individuals registered on the website or asked for help for the first time.

Interviews: 290 (474) personal interviews were conducted.

Visits: 226 (235) visits to ships, units, establishments and individuals were carried out.

Lectures: 189(202) lectures were provided to audiences totalling 3610 (3581) people – financial awareness 1577, transition preparation 1029 and other topics 1004.

24. The COVID pandemic effects have undoubtedly decreased the numbers of individuals the charity has interacted with over the past 18 months. Much of the decline relates directly to the inability to carryout unit level briefings for much of 2020. Individual client approaches have remained proportionately similar to previous years but the lack of personal interview opportunities, and the convenience this provides to our client base has influenced activity during the summer months. The split between officers and ratings who use our services has seen a slight increase in the proportion of enquiries and clients from ratings and other ranks (72%) with a matching reduction from the officer corps (28%). The split between RN and RM remains just over 3:1 which corresponds to the wider service split between dark blue and lovat. The amount of work undertaken on behalf of non-uniformed clients with veterans, families and dependants has increased to 21%, the bulk of which is associated assistance to veterans.

25. The subject of enquiries to the WEA has remained relatively unchanged with employment related topics forming the single largest proportion (55%). Personal finance and pension questions accounted for 27% with pension queries still the largest area of concern (22%). The remainder of staff activity has been evenly split between more general resettlement issues and broad life challenges including 4% on medical discharges and 5% on divorce and legal issues.

### Events

26. The Annual General Meeting was held in London on 14th November 2019 at HMS PRESIDENT in London.

## FINANCIAL REVIEW

### Results for the Year

27. The Association increased its revenue substantially due to a magnificent donation from our late President, whilst maintaining similar expenditure to the previous reporting period. This huge increase in unrestricted donation income resulted in an operating surplus on 31 December 2020 of £4,764,161. This surplus included unrealised gains of £56,694 in investments to leave a retained surplus of £6,220,796.

### Balance Between Direct Charitable Costs and Overheads

28. The allocation of costs between the main functional areas laid down by the Charity Commission is based on analysis of overall activity levels and cost and time by value, spent on individual and collective tasks. The major item of expenditure is the cost of staff and 88% of staff time by value is spent on the primary output of the Charity (interviewing, casework and lecturing) and is therefore categorised as ‘activities in furtherance of the charity's objects’. The overall balance between direct charitable output and overheads and running costs is considered reasonable.

## **THE WHITE ENSIGN ASSOCIATION LIMITED**

### **Investment Policy**

29. The Association's investment policy is to build up over time sufficient reserves to secure its long-term future. Cazenove Capital Management manage all the Association's investment funds with set objectives to preserve the real value of the capital while producing income to finance charitable needs.

### **Designated Endowment Fund**

30. The White Ensign Association Designated Endowment Fund was set up following receipt of two major donations in September 1995. The purpose of the Fund is to help secure the long-term future of the Association and the income is used to fund continuing activities.

31. The Trustees are not aware of any material uncertainties which would affect the Charity's ability to continue as a going concern. The Trustees review this issue on a regular basis

### **Policy on Reserves**

32. The Association depends for its financial viability on donations. Donation income, which by its nature is uncertain, supplements the returns from the Association's investments. The Association's policy on reserves is to maintain a value matching assessed operating costs for an extended period to allow for continued support to existing clients in the event of a significant reduction in current anticipated donation levels. The Charity's Reserves held at the year-end date are above the Reserves policy. The Charity's policy on Reserves and their disposal are regularly reviewed taking into account investment advice and market volatility.

## **COUNCIL'S RESPONSIBILITIES**

### **Financial Statements**

33. Company law requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those financial statements, the Council is required to:

- (a) Select suitable accounting policies and then apply them consistently;
- (b) Make judgements and estimates that are reasonable and prudent;
- (c) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statement;
- (d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

### **Accounting Records**

34. The Council is responsible for keeping proper accounting records which disclose fairly and accurately at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charity Commission Regulations. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **THE WHITE ENSIGN ASSOCIATION LIMITED**

### **Auditors**

35. A resolution to appoint new auditors will be proposed at the Annual General Meeting.

### **THE FUTURE**

36. The Council of Management will continue to strive to ensure that the Association maintains a suite of services to the sailors, marines, both present and past, and their families, that remains relevant and of value. Specific areas of the Service and locations will be targeted to ensure that awareness of the Association remains high, whilst further opportunities for closer working relationships within the wider service charity sector will continue to be explored. The Association's principal aims and objectives for the next 5 years, along with specific undertakings for 2021-21 are detailed within the White Ensign Strategic Plan, which is published on the WEA website.

### **By order of the Council**

J P Lavery MVO  
Chief Executive

The White Ensign Association Limited  
HMS BELFAST  
Tooley Street  
London SE1 2JH

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE PERIOD ENDED 31ST DECEMBER 2020**

	Notes	2020 £	2019 £
Income		5,424,879	462,571
Gains/(Losses) on investments		56,694	38,366
		<u>5,481,573</u>	<u>500,937</u>
Expenditure		<u>( 717,412 )</u>	<u>( 702,237 )</u>
<b>Net Income/(expenditure) before tax for the reporting period</b>		<b>4,764,161</b>	<b>( 201,300 )</b>
Tax Payable		<u>-</u>	<u>-</u>
<b>Net income/(expenditure) for the financial year</b>		<b><u>4,764,161</u></b>	<b><u>( 201,300 )</u></b>

All income relates to unrestricted funds.

A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities and the notes to the financial statements.

The notes on pages 15 to 21 form part of these financial statements.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Statement of Financial Activities for the period ended 31st December 2020**

	Notes	Unrestricted Funds	
		Total Funds 2020 £	Total Funds 2019 £
<b><u>Income and endowments from:</u></b>			
Donations	2	5,279,402	237,223
Charitable Activities : Fees		-	24,570
Other Trading activities:			
Subscriptions		42,270	23,100
Investment income		50,740	45,762
Other income		52,467	131,916
<b>Total</b>		<b><u>5,424,879</u></b>	<b><u>462,571</u></b>
<b><u>Expenditure on:</u></b>			
Raising funds	5	22,966	16,784
Charitable activities	5	593,333	623,235
Other Costs (including publicity)	5	101,113	62,218
<b>Total</b>		<b><u>717,412</u></b>	<b><u>702,237</u></b>
Net Gains/ (Losses) on investments		<u>56,694</u>	<u>38,366</u>
<b>Net (expenditure)</b>		<b>4,764,161</b>	<b>(201,300)</b>
<b>Transfers between funds</b>		-	-
<b>Net movement in funds</b>		<b><u>4,764,161</u></b>	<b><u>(201,300)</u></b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		<u>1,456,635</u>	<u>1,657,935</u>
<b>Total funds carried forward at 30th June 2019</b>	<b>10</b>	<b><u>6,220,796</u></b>	<b><u>1,456,635</u></b>

The company has no recognised gains and losses for the year other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 15 to 21 form part of these financial statements.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Balance Sheet as at 31st December 2020**

**Company No. 00606887**

	Notes	Total Funds 2020		Total Funds 2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		8,258		-
Investments	7		3,602,983		1,355,188
<b>Total fixed assets</b>			3,611,241		1,355,188
<b>Current assets</b>					
Debtors	8	2,847		29,691	
Cash at bank and in hand		2,632,128		109,064	
<b>Total current assets</b>		2,634,975		138,755	
<b>Creditors:</b> amounts falling due within one year	9		(25,420)		(37,308)
<b>Net current assets</b>			2,609,555		101,447
<b>Total net assets or liabilities</b>			6,220,796		1,456,635
General funds	10		6,220,796		1,456,635
Restricted funds	10		-		-
<b>Total charity funds</b>			6,220,796		1,456,635

The financial statements on pages 12 to 21 were approved by the Finance and General Purposes Committee, on behalf of the Council of Management on 25th March 2021 and were signed on its behalf by:

**Lord Carlile of Berriew CBE QC**  
Chairman & Member of the Council of Management

**Admiral Sir Mark Stanhope GCB OBE DL**  
Vice Chairman & Member of the Council of Management

The notes on pages 15 to 21 form part of these financial statements.

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**Notes to the financial statements – 31st December 2020**

**1 Principal Accounting Policies.**

The financial statements have been prepared in accordance with the Companies Act 2006 and follow the recommendations of the 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).

**a Basis of accounting**

Monetary values are calculated under the historical cost convention modified by the inclusion of investments at their aggregated quoted market value.

**b Income**

Subscriptions for the Company Membership scheme, RN Lecture program, listed investments and bank interest are credited to income on an accruals basis. Income from donations is credited on a cash received basis.

**c Depreciation**

Depreciation is calculated on a straight line basis so as to write off fixed assets over their expected useful lives. The principal annual rates used for this purpose are:

Equipment	25%
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**d Investments**

The investment assets have been shown at market value in the period ending 31st December 2020 with the comparatives for the year ending 30th June 2019 also shown at their market value. The revaluation surplus has been shown on the statement of financial activities as net realised and unrealised gain on investment assets.

## THE WHITE ENSIGN ASSOCIATION LIMITED

### Notes to the financial statements – 31st December 2020

#### e Endowment and unrestricted funds

The Trustees set aside at their discretion designated sums forming part of the Association's unrestricted funds to be used for maintaining future activities of the Association. Such sums are described and disclosed as Designated Endowment Fund. The Trustees have the power to reallocate such funds within the unrestricted funds unless and until expended.

#### f Pension

individuals pension provision by making a monthly payment to the individual. This payment is for the individual to make provision for their pension on a personal basis.

#### g Functional classification of expenditure

Each component of expenditure is analysed by time and cost, based on task and activity and allocated proportionately to the prime functional areas laid down by the Charity Commission in SORP 2019.

## 2 Donation income

In common with many other charities of similar size and organisation, a proportion of income is derived from donations which cannot be fully controlled until they are entered into the accounting records. In the opinion of the Council of Management this does not constitute a significant uncertainty in the preparation of the accounts.

## 3 Emoluments of Council of Management Members

No emoluments were paid during the year to any member of the Council of Management.

## 4 Employee information

	2020 Number	2019 Number
The average monthly number of persons employed during the year was:	6	6

The emoluments of one employee exceeded £100,000

The emoluments of two employees exceeded £60,000

	2020 £	2019 £
Staff costs (for the above persons):		
Wages and salaries (including holiday pay provision)	461,872	330,555
Social security costs	57,564	37,609
Pension costs	25,448	15,290
	<u>544,884</u>	<u>383,454</u>

### Remuneration of Key Management Personnel

Total employee benefits (including employer's National Insurance contributions, Pension contributions and other benefits) paid to the key management personnel (Chief Executive and Finance Director), totalled £196,181 in the year. (2019: £191,713)

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Notes to the financial statements – 31st December 2020**

**5 Analysis of total resources expended(\*)**

	<b>Cost of Raising Funds £</b>	<b>Activities on the Charity's Objects £</b>	<b>Other Costs £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Staff costs (inc pensions)	21,795	479,498	43,591	544,884	383,454
Communications (incl IT,Printing, Postage)	-	40,068	13,356	53,424	13,134
Rent, rates, light & heat	-	10,562	3,521	14,083	11,445
General expenses	-	-	1,541	1,541	676
Travel/Corp Hosting/Training	1,171	22,252	-	23,423	26,288
Events	-	40,953	-	40,953	243,092
Auditors remuneration	-	-	3,990	3,990	4,065
Depreciation	-	-	2,872	2,872	-
Investment Fund Management Fee	-	-	9,900	9,900	7,711
Bank Charges	-	-	63	63	61
Insurance	-	-	4,053	4,053	1,650
Public relations	-	-	18,227	18,227	10,661
	<u>22,966</u>	<u>593,333</u>	<u>101,113</u>	<u>717,412</u>	<u>702,237</u>

(\*) Note: The White Ensign Association is not a grant awarding charity and no grants have been paid in furtherance of the charity's objects.

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Notes to the financial statements – 31st December 2020**

<b>6</b>	<b>Tangible fixed assets</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
		<b>Office</b>	<b>Office</b>
		<b>Equipment</b>	<b>Equipment</b>
		<b>£</b>	<b>£</b>
	<b>Costs</b>		
	As at 1 July 2019	28,918	28,918
	Additions	11,130	-
	Disposals	-	-
		<hr/>	<hr/>
	As at 31st December 2020	<u>40,048</u>	<u>28,918</u>
	<b>Depreciation</b>		
	As at 1 July 2019	28,918	28,918
	Disposals	-	-
	Charge for year	2,872	-
		<hr/>	<hr/>
	As at 31st December 2020	<u>(31,790)</u>	<u>(28,918)</u>
	<b>Net book value</b>		
	31st December 2020	<b>8,258</b>	-
	30 June 2019	-	-
<b>7</b>	<b>Fixed asset investments</b>		
	Classification of investments at market value:	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	Fixed interest - Bonds	141,719	172,464
	Equities (mainly common investment funds)	907,132	1,082,724
	Cash held as part of investment portfolio	2,554,132	100,000
		<hr/>	<hr/>
		<u>3,602,983</u>	<u>1,355,188</u>

The acquisition costs of the above investments were £3,399,140 (2019: £1,148,564)

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Notes to the financial statements – 31st December 2020**

		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
<b>8</b>	<b>Debtors</b>		
	Membership Fees	1,500	1,300
	<b>Other Debtors:</b>		
	Pre-paid rent	-	10,786
	Pre-paid travel	-	2,638
	Pre-paid Insurance	1,347	-
	Event Paid in advance	-	14,967
		<u>2,847</u>	<u>29,691</u>
<b>9</b>	<b>Creditors- amounts falling due within one year</b>		
		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
	VAT creditor	2,136	2,136
	Holiday pay entitlement	7,288	31,296
	Other creditors	15,996	3,876
		<u>25,420</u>	<u>37,308</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**

**Notes to the financial statements – 31st December 2020**

**10 (a) Analysis of funds balances**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Unrestricted funds	5,440,796	676,635
Restricted funds	-	-
Designated funds	780,000	780,000
	6,220,796	1,456,635
	6,220,796	1,456,635

**(b) Net movement in general fund balances during the financial year.**

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
As at 1st July 2019	-	676,635	780,000	1,456,635
Net Movement in general funds	-	4,764,161	-	4,764,161
As at 31st December 2020	-	5,440,796	780,000	6,220,796
		5,440,796	780,000	6,220,796

**11 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

<b>Fund Balances at 31st December 2020 are represented by</b>	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	8,258	-	8,258	-
Investments	2,822,983	780,000	3,602,983	1,355,188
Current assets	2,634,975	-	2,634,975	138,755
Current liabilities	(25,420)	-	(25,420)	(37,308)
Total Net Assets	5,440,796	780,000	6,220,796	1,456,635

**12 Net movement in funds**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Audit fees (including VAT)	3,990	3,876
Depreciation of fixed assets	-	-
	-	-

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE PERIOD ENDED 31ST DECEMBER 2020**

<b><u>Statement of cash flows</u></b>	<b>Total funds 2020 £</b>	<b>Prior year funds 2019 £</b>
<b>Cash flows from operating activities:</b>		
<i>Net cash provided by (used in) operating activities</i>	4,674,555	(304,779)
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments	50,740	45,762
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	(11,130)	-
Movement in investments	(2,191,101)	327,711
<i>Net cash provided by (used in) investing activities</i>	<u>2,523,064</u>	<u>68,694</u>
<b>Cash flows from financing activities:</b>		
Repayments of borrowing	-	-
Cash inflow from new borrowing	-	-
Receipt of endowment	-	-
<i>Net cash provided by (used in) financing activities</i>	<u>2,523,064</u>	<u>68,694</u>
<i>Change in cash and cash equivalents in the reporting period</i>	2,523,064	68,694
<b>Cash and cash equivalents at the beginning of the reporting period</b>	109,064	40,370
<b>Change in cash and cash equivalents due to exchange rate movements</b>	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u>2,632,128</u></u>	<u><u>109,064</u></u>
<b><u>Reconciliation of net income/(expenditure) to net cash flow from operating activities</u></b>		
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	4,764,161	(201,300)
<b>Adjustments for:</b>		
Depreciation charges	2,872	-
(Gains)/Losses on investments	(56,694)	(38,366)
Dividends, interest and rent from investments	(50,740)	(45,762)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	26,844	(25,061)
Increase/(decrease) in creditors	(11,888)	5,710
<i>Net cash provided by (used in) operating activities</i>	<u>4,674,555</u>	<u>(304,779)</u>
<b><u>Analysis of cash and cash equivalents</u></b>	<b>Total funds 2020</b>	<b>Prior year funds 2019</b>
Cash in hand	2,632,128	109,064
Notice deposits (less than 3 months)	-	-
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	<u>2,632,128</u>	<u>109,064</u>

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**FOR THE PERIOD ENDED 31ST DECEMBER 2020**

**Independent Auditors' Report to the members of The White Ensign Association Limited**

**Opinion**

We have audited the financial statements of The White Ensign Association Limited (the 'charitable company') for the year ended 31st December 2020 which comprises the Income and Expenditure Account, the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies and the Statement of Cashflows. 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 31st December 2020 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

**THE WHITE ENSIGN ASSOCIATION LIMITED**  
**FOR THE PERIOD ENDED 31ST DECEMBER 2020**

**Independent Auditors' Report to the members of The White Ensign Association Limited (continued)**

**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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

**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 trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.

R W Williams  
Senior Statutory Auditor  
For and on behalf of Appleby & Wood, Statutory Auditor  
40 The Lock Building  
Stratford  
London E15 2QB

Date