

**THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2025**

Patron:

HIS MAJESTY THE KING

President:

Vice Admiral P M Bennett, CB, OBE

Registered Charity Number
207405

**THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2025**

	Page
Report of the Trustees	1-6
Report of the Independent Auditors	7-9
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the Financial Statements	13-22

**THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2025**

REPORT OF THE TRUSTEES

The Trustees present their report with the financial statements of the charity for the year ended 31st December 2025. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

LEGAL AND ADMINISTRATIVE INFORMATION

Name of the Charity

The official name of the charity is the 'Royal Naval Benevolent Society for Officers' (RNBSO). However, in 2008 the Trustees agreed to adopt the working title of the 'Royal Navy Officers' Charity' (RNOC).

The Council structure and Trustees

The Council members, who are the Trustees of RNBSO, are as follows:

President - Vice Admiral P M Bennett, CB, OBE
Chairman – Vice Admiral A Kyte CB
Deputy Chairman - The Venerable M G Poll, Royal Navy
Honorary Treasurer – Commander B F M Hughes, Royal Navy
Surgeon Commander G F Chirnside, Royal Navy until 21 October 2025
Commander I Fyfe-Green Royal Navy
Commander P Graham, Royal Navy
Commander G P Hockley, LVO, Royal Navy until 21 October 2025
Lieutenant Commander W Hairsine, Royal Navy
Surgeon Captain Joanne Keogh, OBE, Royal Navy from 21 Oct 2025
Surgeon Commodore Stuart Millar, Royal Navy from 21 Oct 2025
Commodore Philip Thicknesse, Royal Navy from 21 October 2025
Lieutenant S Williams Royal Navy

Chief Executive Officer

Commander M Goldthorpe, BEM, Royal Navy

Grants Administrator

Ms Geraldine Cassidy

Principal Address & Contact Details

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London, W2 3TP
Tel No: 020 7402 5231
E-Mail: rnoc@ arno.org.uk

Auditor

Moore Kingston Smith LLP
6th Floor, 9 Appold Street
London
EC2A 2AP

Bankers

Child & Co. (Bankers) 1 Spinningfields Square, Manchester, M3 3AP

Investment Managers

Cazenove Capital Management Limited, 12 Moorgate, London EC2R 6DA

**THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2025**

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Documents

The charity was founded in 1739 and was incorporated by Royal Charter as the Royal Naval Benevolent Society in 1838. Extant amendments to the Royal Charter were granted in 1996 (change of name to Royal Navy Benevolent Society for Officers) and 1997 (inclusion of Warrant Officers holding Warrants before 1st April 1956).

The charity is governed by a set of rules, which were last amended in 2019 and approved by the members of the Society at the Annual General Meeting in July 2019.

HM King Charles III

The President, Chairman, Trustees and executive of the RNBSO all remain honoured and privileged to have His Majesty King Charles III as Patron of the charity and are deeply grateful for the interest shown by His Majesty on the charity's activities.

The Council

The members of the governing Council meet thrice yearly and are, for the purposes of charity law, the Trustees of RNBSO. Trustees may be elected to the Council for a period of three years and retire by rotation, albeit offering themselves for re-election, if they remain eligible. The President is elected by Trustees from amongst its senior members. The Chairman and Deputy Chairman are elected from the Trustees by the Council to serve in those offices for a period of one year. They may also offer themselves for re-election, as long as they remain eligible.

The RNBSO is a subsidiary charity of the RNRMC but retains its own Trustees for the day-to-day administration of the charity. The RNRMC is, however, the Corporate Member with a power of veto at a General Meeting. In addition, the Corporate Member is entitled to nominate a Trustee to the board; the current nominated trustee is Surgeon Captain J Keogh OBE RN.

Trustees Induction and Training

New members of the Council, not already experienced, attend the NCVO run Trustee Induction Course, all new Trustees receive an induction pack, which includes a description of their duties and responsibilities, and current policy documents for the charity. Further in-house and external training is delivered if required.

Management and Administration

The executive business of the charity is administered by the CEO, supported by four staff members jointly employed by the charity and ARNO which shares the same premises. All members of the Board give their time voluntarily and receive no benefits other than travelling expenses.

Volunteers and Related Parties

The RNBSO is also the sole Trustee of the ARNO Charitable Trust (CT). In addition, it manages the RN Scholarship Fund (RNSF) as a sub-charity. Due to the small amount of income generated by the RNSF Investment portfolio the level of capital continues to reduce and where necessary education grants are covered by the main unrestricted fund.

Risk Management

The Trustees monitor the principal risks in the charity via a Risk Matrix. Risk is discussed and scrutinised by the Finance and Administration Sub Committee (FASC) with an in-depth review of an individual risk undertaken at each Board meeting. The Trustees believe that the charity remains, under normal circumstances, both sustainable and resilient, in its structure, governance and administration. The Risk Matrix identifies the following areas as those of the highest potential risk if not mitigated:

**THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2025**

Risk	Mitigation
Investment policies	Review and agree policy, obtain proper advice and management, consider diversity, prudence and liquidity criteria and accept long-term investment cycle. Non-reliance on fundraising
Information technology	Comprehensive staff IT protocols and procedures, regular training, broad support contract, robust data back-up, Data Protection Audit and up-to-date security software

OBJECTIVES & ACTIVITIES

Objects

The governing document enables relief to be given to Officers and former Officers of the Royal Navy, the Royal Marines, the Royal Naval Reserve, the Royal Naval Volunteer Reserve, the Royal Marine Forces Volunteer Reserve, former WRNS Officers and the Queen Alexandra's Royal Naval Nursing Service, their spouses, former spouses and dependants who are in need.

PUBLIC BENEFIT

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

RNBSO is a membership organisation as well as a charity and on being established only members were eligible for financial assistance. In 1997 Trustees agreed to widen the criteria so that all serving and retired officers, whether members or not, would be eligible for benevolence in the future. Furthermore, the list of beneficiaries was widened to include spouses, dependent children, former spouses, and former officers of the Woman's Royal Naval Service.

Grant Making Policy

In accordance with its Royal Charter, the charity delivers its objects for public benefit by enabling financial relief to be extended by the Trustees to all officers of the Naval Service and their dependants who are in financial distress.

SIGNIFICANT ACHIEVEMENTS

The RNBSO started the year by undertaking an independent Governance Review which highlighted minor areas for attention whilst the conclusion was that "overall governance is sound, with strong trustee engagement and a commitment to best practices." A concerted PR campaign utilising in house publications and an external marketing company has resulted in an increase in awareness and several additional applications. In July 2025 the RNBSO were pleased that, on winding up, the Officer's Association entrusted the RNBSO with a transfer of funds to seamlessly support their RN Beneficiaries. In addition to financial benevolence the staff continue to offer advice, and in some cases assist with the application, for state benefits for current and potential clients. This continued intervention has resulted in clients receiving more than £100K of benefits year on year. A copy of the latest Impact Report can be accessed at the charity website. www.rnoc.org.uk.

FINANCIAL REVIEW

Investment Controls and Restrictions

The Trustees ensure that the capital held by RNBSO is invested prudently and conservatively, in line with our Investment Policy, over the long term for the ultimate benefit of beneficiaries. The aim is to achieve a balance of income and capital growth through an agreed investment strategy utilising the Cazenove Charity Sustainable Multi Asset Fund. This fund not only provides income from investments and capital but also addresses various Environmental, Social, Governance (ESG) and Geographic requirements.

THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2025

Cazenove Capital Management continues to manage the charity's Investment Portfolio on a discretionary basis.

Investment Performance

In early 2025, President Trump's re-inauguration was marked by a flurry of executive orders, including high-profile withdrawals from international agreements and the introduction of new government departments. These moves triggered considerable uncertainty in global markets, notably through punitive tariffs targeting key trading partners such as Canada, Mexico, and China. US equity markets experienced substantial declines, with the S&P 500 and Nasdaq tech index, reporting their worst quarterly performance since 2022. The technology sector, particularly the so-called Magnificent 7, entered a bear market as investor confidence was challenged by emerging international competitors and doubts about the sustainability of large-scale AI investments. Despite these headwinds and inflationary policies, the US economy showed resilience, leading the Federal Reserve to hold interest rates steady. Meanwhile, European equities outperformed the US, bolstered by fiscal stimulus in Germany and rate cuts by the European Central Bank. The UK and Japan faced their own macroeconomic challenges related to inflation, growth slowdowns, and tariff shocks, while Chinese equities rallied despite geopolitical tensions. Fixed income markets reflected diverging outlooks, with US Treasury yields falling and UK Gilt yields rising, and gold prices appreciating amid market volatility.

In April 2025, market instability persisted as the so called "Liberation Day" tariffs from the US President, reinforced concerns about the potential for a global economic slowdown, though the risk of recession remained uncertain. By the third quarter of 2025, sentiment shifted decisively. Equity markets rebounded strongly, supported by the Federal Reserve's dovish pivot and a 0.25% interest rate cut in September, which restored investor optimism. Continued strong corporate earnings and signs of stabilising economic growth suggested that earlier fears had been overcome, even as global trade uncertainty lingered due to ongoing tariff disputes. The equity rally was led by growth sectors, especially technology and communications, which benefited from renewed optimism in AI and semiconductor demand. However, this positive environment saw government bond yields rise to multi-decade highs, as investors weighed the implications of mounting fiscal deficits and potential long-term inflation. Gold prices surged to record levels, reflecting both ongoing volatility and inflation concerns.

The year-end value of the combined RNBSO investment portfolios was £19,122,487 with the calendar year return of 11.2%. The core equity allocation once again drove the majority of returns but was aided by allocations to bonds and alternatives (particularly the allocation to gold which had a very strong period of performance).

The global economy enters 2026 with considerable momentum. A resilient US consumer, higher government spending and lower interest rates are supporting growth, while corporate profits are rising. These are powerful tailwinds for equity markets. Yet this economic cycle is ageing, and the risks of overheating are rising – whether through stock market exuberance around AI or a resurgence in inflation. Politics and geopolitics may also bring surprises. Our diversified, active approach positions portfolios to benefit from opportunities we still see in global markets, while managing the inevitable crosswinds.

Financial Outcome

Incoming resources for the year amounted to £1,745,423 and resources expended £1,010,662 giving rise to a net income of £734,761 before recognised gains and losses on investments. Investment income was £715,358 and legacies/donations, for which the Council are extremely grateful, £1,030,065.

The total sum expended on grants during the year was £719,842 compared to £561,218 in 2024. As in previous years the number of applications from serving personnel remains significant. Grants continue to be administered in a timely manner and it is extremely rare that valid applications are not met in full.

**THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2025**

Reserves Policy

The aim of the charity is to maintain sufficient resources to continue to be self-financing in perpetuity. It aims to hold its free reserves to a level equivalent to six months of its own expenditure, which would require a liquid reserve of around £375k. At the year end funds amounted to £19.5m of which £835k are restricted and are therefore not freely available. The remaining funds are therefore £18.6m, the majority of which are represented by investments which the Trustees deem to be held for the longer term in order to generate an income stream for the charity and remain sustainable for future generations.

Fundraising Principles

RNBSO income remains predominantly from investments. In 2025 the charity participated in the Big Give Challenge. Having received the requisite number of pledges meant that matched funding was authorised. At the end of the campaign pledges, matched funding and additional funding equalled a magnificent £9,190. In addition we were grateful to receive a number of donations and legacies, and we hope that this important income stream continues for the future. No complaints were received in the year in respect of fundraising practices.

FUTURE PLANS

Future Activities and Aims

We have continued to raise awareness of the RNOC through wider use of social media and advertising. It is intended to build on this success and repeat in 2026. During 2025 the charity engaged with St Albans based marketing company On Brand who produced several short video clips featuring beneficiaries. These were shared on a number of social media platforms resulting in an increase in both enquiries and donations. As previously reported 2026 will see the transfer of funds and beneficiaries from the Royal Navy Club of 1765 and 1785 Surplus Fund allowing the RNBSO to continue the excellent work of this wonderful likeminded charity. The results of the Greenwich Hospital funded RAND research into the future requirements of the Royal Navy community will be published in March 2026 and we, along with several other RN Charities, will use this data to ensure the RNBSO is well placed to respond to the challenges and needs.

The standard annuity grant for 2025 was £4,250. The Benevolence Sub Committee regularly review the level of grants using data from the Rowntree Foundation along with evidence from casework and a recommendation to increase this amount to £4400 was fully supported and endorsed by the RNBSO Trustees.

**THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2025**

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

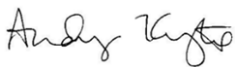
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the charity's Trustees are aware:

- there is no relevant audit information of which the organisation's auditor is unaware, and
- the charity's Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Signed on behalf of the Trustees.



Vice Admiral A Kyte CB
Chairman

28. February 2026

REPORT OF THE INDEPENDENT AUDITORS TO MEMBERS OF THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS

Opinion

We have audited the financial statements of The Royal Naval Benevolent Society for Officers for the year ended 31 December 2025 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, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025, and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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. 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.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO MEMBERS OF THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

REPORT OF THE INDEPENDENT AUDITORS TO MEMBERS OF THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Date: 11 March 2026

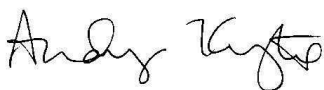
THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2025

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2025	Total Funds 2024
INCOME & ENDOWMENTS					
Donations and legacies	2	287,209	742,856	1,030,065	220,272
Investment income	3	700,114	15,244	715,358	707,660
Total operating income		987,323	758,100	1,745,423	927,932
EXPENDITURE					
Raising funds					
Investment manager's fees		20,980	-	20,980	20,404
Advertising		6,120	-	6,120	1,928
Charitable activities					
Grants	5	630,163	89,679	719,842	561,218
Other Charitable Activities	4	263,720	-	263,720	225,129
Total operating expenditure		920,983	89,679	1,010,662	808,679
Net operating income/(expenditure)		66,340	668,421	734,761	119,254
Net gains/(losses) on investments	11	1,192,196	23,491	1,215,687	663,405
Net income/ (expenditure)		1,258,536	691,912	1,950,448	782,659
Gross transfers between funds	15	-	-	-	-
Net movement in funds		1,258,536	691,912	1,950,448	782,659
Total funds brought forward		17,371,639	143,168	17,514,807	16,732,149
Total funds carried forward	14	18,630,175	835,080	19,465,255	17,514,807

THE ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
BALANCE SHEET AT 31ST DECEMBER 2025

		2025	2024
		£	£
Fixed assets			
Investments	11	19,122,487	17,225,867
Current assets			
Debtors	12	10,851	1,404
Cash at bank and in hand		421,508	304,485
		<u>432,359</u>	<u>305,890</u>
Liabilities			
Creditors falling due within one year	13	<u>(89,591)</u>	<u>(16,950)</u>
Net current assets		342,768	288,940
Net assets		<u>19,465,255</u>	<u>17,514,807</u>
The funds of the charity			
Restricted funds	14	835,080	143,168
Unrestricted funds	14	18,630,175	17,371,639
Total charity funds		<u>19,465,255</u>	<u>17,514,807</u>

The financial statements on pages 10 to 22 were approved by the Trustees on...28 February 2026... and signed on their behalf by:



Vice Admiral Andy Kyte, CB
Chairman



Commander B F M Hughes
Honorary Treasurer

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2025

	2025	2024
	£	£
Cash inflow/(outflow) from operating activities		
Net cash provided by/(used in) operating activities	82,598	(562,164)
Cash flows from investing activities		
Investment income and interest received	715,358	707,660
Proceeds from disposal of fixed asset investments excluding endowment funds	177,180	(80,857)
Acquisition of fixed asset investments excluding endowment funds	(858,113)	(50,000)
Net cash flow from investing activities	34,425	576,804
Net increase in cash and cash equivalents	117,023	14,640
Cash and cash equivalents at beginning of year	304,485	289,845
Cash and cash equivalents at end of year	421,508	304,485

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

	2025	2024
	£	£
Net income/(expenditure) including endowments	1,950,448	782,658
Adjustments for:		
Net (gains)/losses on investments	(1,215,687)	(663,405)
Investment income	(715,358)	(707,660)
(Increase)/ decrease in debtors	(9,446)	14,833
Increase/(decrease) in creditors	72,641	11,411
Net cash used in operating activities	82,598	(562,164)

The charity has no net debt and accordingly no net debt note is presented.

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

1. ACCOUNTING POLICIES

a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments which are measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements comprise the charity and its subsidiary, the Royal Naval Scholarship Fund (RNSF), under a Charity Commission Scheme.

RNSF is presented as a restricted fund in these financial statements.

OABF is a new fund in 2025 this is presented as a restricted fund in these financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

c) Income

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER

1. ACCOUNTING POLICES (Continued)

Income is deferred when the donor attaches conditions outside the charity's own control or specifies that the resources are to be used in a future accounting period.

d) Expenditure

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. Unconditional grant offers are accrued once the recipient has been notified of the grant award and its payment is probable. Grant awards that are subject to the recipient fulfilling performance or other conditions are accrued when the recipient has been notified of the grant and either the performance condition is met or any remaining unfulfilled condition attaching to the grant is outside of the control of the Charity.

e) Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements. Where services are provided to the charity as a donation that would normally be purchased, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

g) Allocation of overhead and support costs

Overhead, support and governance costs are allocated between the cost of raising funds and charitable activities. Overhead, support and governance costs relating to charitable activities have been apportioned between activities.

h) Costs of raising funds

The costs of raising funds consist of investment management fees, other direct costs of raising funds and an apportionment of overhead, support and governance costs.

i) Charitable activities

Costs of charitable activities include grants payable, other costs directly associated with providing benevolence to beneficiaries and an apportionment of overhead, support and governance costs.

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

1. ACCOUNTING POLICES (Continued)

j) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, legal fees and Trustee meeting expenses together with an apportionment of overhead and support costs.

k) Fixed asset investments

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

l) Realised and unrealised gains and losses on investments

All gains and losses are taken to the income and expenditure section of the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and

opening market value or purchase date if later. Unrealised gains and losses are calculated as the difference between the market value at the end of the year and opening market value, or purchase date if later.

m) Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose.

n) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

o) Financial Instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

1. ACCOUNTING POLICES (Continued)

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 12 and 13 for the debtor and creditor notes.

p) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

q) Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

2.VOLUNTARY INCOME

	Unrestricted	Restricted	Total
	2025	2025	2025
	£	£	£
General donations	51,580	742,856	794,436
Legacies	222,756	-	222,756
Donated services	6,873	-	6,873
Other-Grants	6,000	-	6,000
	<u>287,209</u>	<u>742,856</u>	<u>1,030,065</u>

	Unrestricted	Restricted	Total
	2024	2024	2024
	£	£	£
General donations	35,870	-	35,870
Legacies	163,040	-	163,040
Donated services	5,586	-	5,586
Other-Grants	15,776	-	15,776
	<u>220,272</u>	<u>-</u>	<u>220,272</u>

Donated services represent audit and accountancy fees paid on behalf of the charity by the Royal Navy & Royal Marines Charity (RNRMC). The expenditure is shown under governance costs (see note 7).

3.INVESTMENT INCOME

	Unrestricted	Restricted	Total
	2025	2025	2025
	£	£	£
Dividends	698,564	15,244	713,808
Interest on cash deposits	1,550	-	1,550
	<u>700,114</u>	<u>15,244</u>	<u>715,358</u>

	Unrestricted	Restricted	Total
	2024	2024	2024
	£	£	£
Dividends	697,640	7,654	705,294
Interest on cash deposits	2,366	-	2,366
	<u>700,006</u>	<u>7,654</u>	<u>707,660</u>

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

4.ANALYSIS OF CHARITABLE EXPENDITURE

	Grants Payable (see note 5)	Other Direct Costs	Support Costs (see note 6)	Total 2025
	£	£	£	£
Benevolence	719,842	-	263,720	983,562
	719,842	-	263,720	983,562

	Grants Payable (see note 5)	Other Direct Costs	Support Costs (see note 6)	Total 2024
	£	£	£	£
Benevolence	561,218	-	225,128	786,346
	561,218	-	225,128	786,346

5.ANALYSIS OF GRANTS PAYABLE

	Grants to Institutions	Grants to Individuals	Total 2025
	£	£	£
Benevolence grants	-	630,163	630,163
Scholarships	-	58,330	58,330
Officers Association	-	31,349	31,349
Total	-	719,842	719,842

	Grants to Institutions	Grants to Individuals	Total 2024
	£	£	£
Benevolence grants	-	512,218	512,218
Scholarships	-	49,000	49,000
Total	-	561,218	561,218

The number of grants paid to individuals in the current year was 202 (2024: 170)

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

6.ALLOCATION OF SUPPORT COSTS AND OVERHEADS

The Trustees consider that no or at least a very minimal amount of supports costs and overheads can be attributed to the governance costs therefore they are all apportioned to charitable activities.

Analysis of support costs:

	2025	2024
	£	£
Management costs	188,974	164,752
Establishment costs	35,500	35,000
Administrative costs	14,201	13,450
Governance costs (See note 7)	25,045	11,927
	<u>263,720</u>	<u>225,129</u>

7.ANALYSIS OF GOVERNANCE COSTS

	Total	Total
	2025	2024
	£	£
Auditor's remuneration	6,873	5,586
Legal and professional fees	8,613	658
Annual report costs	4,209	2,149
Other	5,350	3,535
	<u>25,045</u>	<u>11,928</u>

8.TRANSACTIONS WITH MEMBERS OF THE COUNCIL

No Trustees received emoluments in the year (2024: none). 4 trustees received reimbursement of travel expenses and other administrative expenses of £271 (2024: 6 Trustees received £591) from RNSBO.

9.ANALYSIS OF STAFF COSTS

	2025	2024
	£	£
Salaries and wages	273,840	250,495
Social security costs	33,884	24,121
Pension costs	25,072	20,648
	<u>332,796</u>	<u>295,264</u>

Employees' responsibilities are split between the charity and the Association of Royal Navy Officers (ARNO). Since 1 October 2008 staff have been paid by RNBSO and a recharge made to ARNO. The disclosures above relate to the total payroll responsibilities of the charity.

One employee (2024: one employee) had emoluments of £90,000-£100,000 (2024: £90,000-£100,000) The cost to this charity is 0 in the range of £60,000- £70,000 as a portion of their salary and associated costs are re-charged to ARNO (see note 17).

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

Key management personnel include the Trustees and Chief Executive. The total employee benefits of the charity's key management personnel were £81,648 (2024: £78,797). No Trustees received emoluments in the year.

10. STAFF NUMBERS

The average number of staff employed was 5 (2024: 5 staff) and the average number of full-time equivalent employees (including casual and part time staff) during the period was as follows:

	2025	2024
	Numbers	Numbers
Direct charitable	5	5

11. FIXED ASSET INVESTMENTS

	2025	2024
	£	£
Movements in fixed asset investments		
Market value brought forward	17,065,517	16,412,862
Additions	858,113	50,000
Disposals	(45,025)	(60,750)
Net gains/(losses)	1,215,687	663,405
	19,094,292	17,065,517
Add cash	28,195	160,350
Market value carried forward	19,122,487	17,225,867

Analysis of market value of investments by type:

	2025	2024
	£	£
Equities	14,249,022	12,707,027
Bonds	1,820,783	1,788,289
Alternative Investments	3,024,487	2,103,808
Cash	28,195	626,743
	19,122,487	17,225,867

Analysis of market value of investments between those held within and outside the United Kingdom:

	2025	2024
	£	£
Within the United Kingdom	5,131,247	4,890,164
Outside the United Kingdom	13,991,240	12,335,703
	19,122,487	17,225,867

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

12. DEBTORS

	2025 £	2024 £
Prepayments	1,184	1,404
Other debtors	9,667	-
	<u>10,851</u>	<u>1,404</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Accruals	5,991	16,950
Grant creditors	83,600	-
	<u>89,591</u>	<u>16,950</u>

14. ANALYSIS OF CHARITABLE FUNDS**Analysis of unrestricted fund movements**

	Balance at 01.01.2025 £	Income £	Expenditure £	Investment Gain/(losses) £	Balance at 31.12.2025 £
General funds	17,371,639	987,323	(920,983)	1,192,196	18,630,175

	Balance at 01.01.2024 £	Income £	Expenditure £	Investment losses £	Balance at 31.12.2024 £
General funds	16,547,635	920,278	(759,679)	663,405	17,371,639

Analysis of restricted fund movements

	Balance at 01.01.2025 £	Income £	Expenditure £	Investment Gain/(losses) £	Balance at 31.12.2025 £
RNSF	143,168	5,443	(58,330)	6,294	96,575
OABF	-	752,657	(31,349)	17,197	738,505
Total	<u>143,168</u>	<u>758,100</u>	<u>(89,679)</u>	<u>23,491</u>	<u>835,080</u>

	Balance at 01.01.2024 £	Income £	Expenditure £	Investment losses £	Balance at 31.12.2024 £
RNSF	184,514	7,654	(49,000)	-	143,168

The Royal Naval Scholarship Fund is a subsidiary of the charity and aggregated in its financial statements under a Uniting Direction issued by the Charity Commission. The Fund was transferred to RNBSO from ARNO Charitable Trust and it originated from the proceeds of the sale of the Royal Naval School at Eltham.

The OABF Fund is a restricted fund to be used to relieve distress of the Beneficiaries; including former officers of the Royal Navy, the Royal Marines, the Royal Naval Reserve, the Royal Naval Volunteer Reserve, the Royal Marine Forces Volunteer Reserve, and the Queen Alexandra's Royal Naval Nursing Services, and their spouses, widows, widowers and dependants.

15. TRANSFER BETWEEN FUNDS

There were no transfers between funds during the period.

ROYAL NAVAL BENEVOLENT SOCIETY FOR OFFICERS
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2025

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Restricted Funds	Total 2025
	£	£	£
Fixed asset investments	18,286,682	835,804	19,122,487
Current assets	433,084	(724)	432,359
Other net current liabilities	(89,591)	-	(89,591)
	<u>18,630,175</u>	<u>835,080</u>	<u>19,465,255</u>

	Unrestricted Fund	Restricted Funds	Total 2024
	£	£	£
Fixed asset investments	17,060,255	165,612	17,225,867
Current assets	311,384	(5,495)	305,890
Other net current liabilities	-	(16,950)	(16,950)
	<u>17,371,639</u>	<u>143,167</u>	<u>17,514,807</u>

17. RELATED PARTY TRANSACTIONS

Association of Royal Navy Officers (ARNO)

ARNO is a membership association for which the Trustees of the charity are also the members of ARNO's council.

During the year the net management, administration and establishment costs recharged by the charity to ARNO amounted to £94,122 (2024: £82,063).

During the year the charity received gifts in kind from the Royal Navy and Royal Marines Charity of £6,873 (2024: £5,586).

18. ULTIMATE CONTROLLING PARTY

During the year the charitable company was under the control of the Royal Navy and Royal Marines Charity (a registered charity incorporated in England and Wales, registered company number 6047294, registered charity number 1117794 and also a registered charity in Scotland, charity number SC041898), which has the right of veto in general meetings of the charity. Copies of the Royal Navy and Royal Marines Charity consolidated financial statements can be obtained from Building 29, HMS Excellent, Whale Island, Portsmouth, PO2 8ER.