

ANNUAL REPORT OF THE TRUSTEES AND COMMITTEE OF *THE NAVAL REVIEW* – 2024

Reference and Administrative Details

1. The Charity is named '*The Naval Review*'. Its Charity Registration Number is 214610.
2. Its office is situated at 14 Bedford Road, WELLS, Somerset, BA5 3NH.
3. The Trustees of *The Naval Review* are:

Rear Admiral S Ancona CBE (rtd) (Chairman)
Vice Admiral A P Burns CB OBE
Commodore D I Burns RN (rtd)
Commodore I D Park RN
Brigadier J A E Lewis RM
Commodore S E Oakley RN
Honorary Captain J Sproule RNR
Lieutenant Commander F C Allen RN
Professor T J Benbow PhD
Mrs T C A Armour

4. The officers of the Charity are:

- CEO/Editor: Commodore M J D Beardall RN (rtd)
- Secretary-Treasurer: Mrs Emma Rowlands
- Assistant Editor: Doctor Alexander Howlett PhD
- Book Reviews Editor: Doctor James Bosbotinis PHD

5. Other relevant organisations which support *The Naval Review* are:

- Banker:

The National Westminster Bank plc
Kensington Royal Garden Branch
55 Kensington High Street
LONDON
W8 5EQ

- Independent Examiner:

PN Independent Examinations
5 Nursery Road
Bedhampton
HAVANT
PO9 3BG

- Investment Management:

Quilter Cheviot
Senator House

Structure, Governance and Management

6. The Charity was established under the terms of a Trust Deed dated 19 September 1927, amended by a Deed of Variation dated 12 May 2016. This constitutes its governing document.

7. The number of Trustees is set by the Trust Deed at not less than three and not more than seven or such other number as the Trustees may think fit. They are recruited as required based on their relevant experience and disposition towards the aim and objectives of the Royal Navy and serve for an initial term of four years; they may be re-appointed for two further periods of four years. The Chairman is always a senior retired naval officer of Flag Rank.

8. The Trustees meet as required, but not less than twice a year. They take advice from the Executive appointees.

9. All policy decisions, in particular subscriptions and rates of pay to the Executive, are taken by the Trustees. The day-to-day running of the website, social media, the quarterly production of the journal, the administration and financial affairs of the Charity, and the running of *The Naval Review* are carried out by four officers: The CEO/Editor, the Secretary-Treasurer, the Assistant Editor and the Book Reviews Editor. The CEO/Editor and Secretary-Treasurer are employees of the Charity; the Assistant Editor and Book Reviews Editor are self-employed and contracted on a part-time basis for their specialist services for the production and management of *The Naval Review*.

Objectives and Activities

10. The Trust Deed states the objective as follows:

“Encouraging thought and discussion on such subjects as strategy, tactics, naval operations, staff work, administration, organisation, command, discipline, education, naval history and any other topic affecting the fighting efficiency of the Navy but excluding the material aspects of the technical sciences and in the hope that it would help to build up that body of sound doctrine which is so essential to success in war and to provide a means of expression and discussion within the Service.”

The Trustees seek to pursue this objective by promoting among its subscribers imaginative thinking, research, critical analysis, correspondence and informed debate on naval matters, in order to support the efficiency of those across the Royal Navy (Royal Navy, Royal Marines, Royal Fleet Auxiliary, RN and RM Reservists).

11. This aim is paraphrased on the title page of every issue of *The Naval Review* journal and on the *Naval Review* website, www.naval-review.com, as follows:

“To promote the advancement and spreading within the Service of knowledge relevant to the higher aspects of the Naval profession.”

12. The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. Noting the Trust Deed (paragraph 10 above), the Trustees remain satisfied that through research, analysis, writing and debate, subscribers transfer knowledge that strengthens the intellectual capacity of the armed forces in the public interest, to the benefit of national security. The Trustees are actively pursuing means to expand the educational

aspects of the activities of *The Naval Review* in pursuit of its charitable purpose. In that, clarity in its relationship, as an independent charity, with the Royal Navy is critical. Rejuvenation and codification of this linkage and mechanisms to promote freedom of discourse have been agreed (April 2019) and captured in the following agreement with the Royal Navy:

“For over a century, The Royal Navy and The Naval Review have enjoyed a unique relationship. In respecting this special relationship and acknowledging constraints imposed on serving members by established MoD communications policy, The Naval Review will remain limited to membership by subscription only. But such agreement is on the clear understanding that The Naval Review will sustain its independent voice and continue to encourage reasonable challenge to accepted policy amongst and by its members.”

13. The following are eligible to subscribe: officers and ratings, active or retired, of the Armed Forces of the Crown and the Commonwealth, and their Reserves; also members of the Royal Corps of Naval Constructors, and officers and ratings of the RMAF and RFA Service; and civil servants who hold or have held appointments in the Naval Commands, or appointments with a Naval Connection in the Ministry of Defence Headquarters or the Defence Equipment and Support; and officers and ratings, active or retired, of the Armed Forces of certain nations with which the United Kingdom has strong military connections. The Editor can admit other persons with demonstrable interest in the Royal Navy. The necessary restrictions on those who can subscribe have no bearing on the public benefit delivered by *The Naval Review*. In fact, significant effort has been committed to the creation and digital curation of a fully searchable educational archive of all issues from 1913.

14. The prime activity of the Charity remains the quarterly publication of a journal, *The Naval Review*. This has been published continuously since January 1913 when the Trust’s forerunner, a Corresponding Society named *The Naval Society*, was established with similar objectives. The Charity’s website provides subscribers with access to archive material and also a more immediate discussion forum than the quarterly journal can provide. However, the journal itself remains the journal of record. For a small charge, material over ten years old is available for one month to anybody having access to the internet. All indications are that this provides a valued source of research material to the broader community, particularly academics interested in maritime affairs.

Achievements

15. The last five years can be summarised as one of evolution for the *Review*. However, the last year 2024, has seen an increase in the pace of change to embrace digital management of both the charity’s business and management information and the products, namely the website and the journal. Notwithstanding a tight cost base, the *Review* has had to work very hard to stay within its means. This remains a key area of concern, and there are a number of projects underway to address this shortfall by increasing membership, seeking sponsorship and advertising in the hard copy and on the website. The improved hard copy, website and Membership management system are all now bedded in and producing good results. The management team have embraced innovation to engage with the key audience by going where they are rather than where we would like them to be. In all respects, *The Naval Review* has made steady progress following a policy set to shift the discourse to a digital presence, with the printed output remaining the journal of professional record. The challenge of attracting, recruiting and retaining junior serving and middle-ranking membership remains a key driver. The Trustees also embraced a need to explore other income streams from limited sponsorship, advertising and other 3rd Sector resources that may be possible, as *The Naval Review* in essence provides an educational asset to its membership.

Financial Review

16. **Finance.** The primary source of income for *The Naval Review* is subscriptions. The current number of subscribers is 1517 (as at 14 May 25), an increase of 11 members from the previous year,

which suggests that membership figures are no longer in decline. It has been the practice to endeavour to balance surpluses and deficits over the cycle of a particular subscription level. From 1 Aug 24, the cost of print membership increased to £60, and the cost of digital-only membership subscription increased to £40 for new members, with these prices applied to existing members from 1 Jan 25. In 2024, the overall value of the fund increased by £1.4k to £121.7k. The market value of the remaining investments increased by 12% to £119k at year-end. Work to expand the model to generate other streams of revenue is being pursued.

17. **Reserves.** Reserves are maintained to provide stability and to ensure that the journal can continue to be published despite a sudden, dramatic and unexpected short-term loss of income. In 2013, the Trustees revised their policy on reserves; it is intended that reserves should be maintained at a level equivalent to between 18 and 24 months' expenses at the current rate. Based on General Fund expenditure in 2024, reserves on 31 December 2024 equated to 9 months' expenditure.

18. **Risks.** A risk register is reviewed regularly, and the Trustees maintain Indemnity Insurance. The Trustees have assessed that the long-term risks to which the Charity is exposed are mainly financial or relate to maintaining its reputation for providing an outlet for independent thought. An existential risk remains the failure to grow a membership consisting of more Service personnel. A number of initiatives have borne some fruit in attracting more junior members. Currently, effort is focused on initiatives that might help subsidise the individual membership of serving personnel.

Approved by the Trustees and signed on their behalf by:

Signed on Original

Rear Admiral Simon Ancona CBE
Chairman
4 Jun 25

THE NAVAL REVIEW
Registered Charity No. 214610
STATEMENT OF ASSETS AND LIABILITIES
31-Dec-24

		<u>2024</u>	<u>2023</u>
<i>Fixed Assets</i>			
Investments (at market value)	Note	£ 118,998	£ 109,077
<i>Current Assets</i>			
Bank Accounts	£	4,265	£ 27,870
Gift Aid	£	-	£ 11,343
BRNC Lectures	£	215	£ -
Late Subscriptions 23	£	-	£ 115
Total Current Assets	£	<u>4,480</u>	<u>£ 39,328</u>
<i>Current Liabilities</i>			
HMRC (PAYE)	£	847	£ 1,919
Pension Provision	£	-	£ 1,440
Bank Charges	£	-	£ 187
Printing & Production	£	-	£ 9,904
Book Binding	£	-	£ 108
Website	£	-	£ 7,670
International Postage	£	552	£ 510
Subscriptions in advance	£	825	£ 5,780
Clive Richards Prize	£	-	£ 250
RJD Technology	£	-	£ 250
Prize Fund (22 and 23)	£	-	£ 500
Account Examination	£	230	£ 225
Total Liabilities	£	<u>2,454</u>	<u>£ 28,743</u>
Net Current Assets		£ 2,026	£ 10,585
Net Assets		<u>£ 121,024</u>	<u>£ 119,662</u>
Represented by:			
General Purposes Fund		£ 110,324	£ 109,727
Clive Richards Fund (Endowment)		£ 3,200	£ 2,935
Matthew Wills Fund (Restricted)		£ 5,000	£ 5,000
RJD Technology Prize Fund (Restricted)		£ 1,000	£ 1,500
Warden Berry Prize		£ 1,500	£ 2,000
		<u>£ 121,024</u>	<u>£ 119,662</u>

Note: Investments

	Market Value	
	2024	2023
Quilter Cheviot - Naval Review	£ 115,798	£ 106,142
Quilter Cheviot - Clive Richards (Endowment)	£ 3,200	£ 2,935
	<u>£ 118,998</u>	<u>£ 109,077</u>

Approved by the Trustees on 25th February 2025 and
signed on their behalf by

Signed on Original

Rear Admiral S J Ancona CBE
Chair of Trustees

THE NAVAL REVIEW
Receipts & Payments Summary (Bank Account)
1 January 2024 to 31 December 2024

<u>Receipts</u>	<u>2024</u>			<u>2023</u>		
	General Fund	Restricted Funds	Total	General Fund	Restricted Funds	Total
Subscription Income	£ 80,749		£ 80,749	} £ 80,925		£ 80,925
Corporate Membership	£ 7,380		£ 7,380	} £		
Income Tax Recovered (Gift Aid)	£ 24,038		£ 24,038	£ 1,880		£ 1,880
Interest	£ 611		£ 611	£ 683		£ 683
Donations	£ 2,060		£ 2,060	£ 5,586		£ 5,586
Advertising	£ 4,950		£ 4,950	£ -		£ -
Sponsorship	£ 2,500		£ 2,500	£ -		£ -
Book - Maritime Britain in 21st Century	£ 9,603		£ 9,603	£ -		£ -
Miscellaneous Income	£ 87		£ 87	£ 541		£ 541
Total Receipts	£ 131,978.47	£ -	£ 131,978	£ 89,614	£ -	£ 89,614
<u>Payments</u>						
Salaries and Honoraria	£ 57,150		£ 57,150	£ 52,132		£ 52,132
Pensions	£ 5,383		£ 5,383	£ 1,645		£ 1,645
Printing and Production	£ 47,795		£ 47,795	£ 27,970		£ 27,970
Stationery and Duplicating	£ 259		£ 259	£ 170		£ 170
IT Support/Zoom	£ 1,924		£ 1,924	£ 856		£ 856
Bank Charges	£ 1,179		£ 1,179	£ 567		£ 567
Direct Debit Charges + rejected DD	£ 945		£ 945	£ 664		£ 664
Postage and Telephone	£ 12,339		£ 12,339	£ 8,232		£ 8,232
Website	£ 10,884		£ 10,884	£ 12,442		£ 12,442
Prizes	£ 1,750	£ 1,000	£ 2,750		£ 500	£ 500
Trustee Indemnity Insurance	£ 844		£ 844	£ 668		£ 668
Examination Fee	£ 225		£ 225	£ 220		£ 220
RNSSC	£ 3,815		£ 3,815	£ 2,800		£ 2,800
Book - Maritime Britain in 21st Century	£ 9,289		£ 9,289			
Travel & Sundry Expenses	£ 804		£ 804	£ 1,123		£ 1,123
Total Payments	£ 154,583	£ 1,000	£ 155,583	£ 109,489	£ 500	£ 109,989
Payments exceed Receipts	£ (22,605)	£ (1,000)	£ (23,605)	£ (19,875)	£ (500)	£ (20,375)
Bank 1 January 2024			£ 27,870			£ 48,245
General Purposes Fund - Payments exceed Payments			£ (22,605)			£ (19,875)
Restricted Funds - Payments exceed Receipts			£ (1,000)			£ (500)
Bank 31 December 2024			<u>£ 4,265</u>			<u>£ 27,870</u>

Independent Examiner's Report to the Trustees of the Naval Review (Charity No 214610)

I report to the trustees on my examination of the accounts of the Charity for the year ended 31 December 2024.

Responsibilities and basis report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act") and that an independent examination is needed.

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- The accounts did not accord with the accounting records;

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed on Original

P A Nicholls MBE MAAT
5 Nursery Road
Havant
Hants PO9 3BG

25 February 2025