



DAME AGNES WESTON'S
ROYAL SAILORS' RESTS

Trustees' Report
and Financial Statements
for the year ended 31 March 2017

Registered Charity Number (England & Wales) 238748
Registered Charity Number (Scotland) SC039718

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

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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TRUSTEES' ANNUAL REPORT DISCLOSURE

The Trustees of Dame Agnes Weston's Royal Sailors' Rests have pleasure in presenting their annual report for the purposes of the Charities Act 2011, together with the accounts for the year ended 31 March 2017. In preparing this annual report and financial statement the Trustees have adopted the updated provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

1. REFERENCE AND ADMINISTRATIVE DETAILS

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

Dame Agnes Weston's Royal Sailors' Rests (generally known as Aggie Weston's or Aggie's).

The charity is honoured to have as its patrons:

Her Majesty the Queen
Ministry of Defence

Registration numbers with Charity Commission and Office of the Scottish Charity Register

England & Wales	238748
Scotland	SC039718

Address of principal office (Head Office)

Castaway House
311 Twyford Ave
Portsmouth
PO2 8RN
T: 02392 650505
W: www.aggies.org.uk

Trustees

The following have served as Trustees for the charity during all or part of the year:
(For the full year unless a shorter period is indicated)

Commodore Robert Fancy RN	(Chairman since 7 October 2016)
Lieutenant Commander Paul Nelson Royal Navy	(Chairman until 7 October 2016)
Mrs Carole Backhouse	
Lieutenant Commander Tim Haddow Royal Naval Reserve	
Mr Nicholas Roberts	
Commander Stuart Somerville Royal Navy (Retired)	
Petty Officer Johnathan Hinchcliffe	
Commander Richard Hutchins Royal Navy	(Resigned 16 June 2016)

Holding Trustees for property: Braeholm, Families Centre in Helensburgh:

Lieutenant Commander Paul Nelson Royal Navy	(Appointed 31 March 2016)
Lieutenant Commander Tim Haddow Royal Naval Reserve	(Appointed 31 March 2016)

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Senior Executives and organisations providing services or professional advice

Mr Craig Fulton	Interim Chief Executive Officer (CEO) since February 2016 and permanently appointed on 24 June 2016
Mrs Theresa Pratt	Director Operations
Mrs Mandy Towell	Director Finance
Mrs Anna Wright	Director Naval Families Federation
Miss Jennifer Ward	NFF Regional Team Leader
Mrs Kathryn Smyth	Champions Team Leader
Mr Gary Alpin	Braeholm Manager (to 30 June 2016)
Mrs Karen Lyall	Clyde Project Manager (July 2016 to November 2016)

Solicitors	Large & Gibson Kent House 49 Kent Road Southsea Portsmouth PO5 3EJ	McMilan Williams Solicitors 34 Bell Street Reigate Surrey RH2 7SL
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Balfour Mason LLP 54-66 Frederick Street Edinburgh EH2 1LS	Weller Law Group LLP 65 Leadenhall Street London EC3A 2AD
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Auditors	Blue Spire Limited Chartered Accountants and Statutory Auditors Cawley Priory South Pallant Chichester PO19 1SY
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Bankers	NatWest Bank plc 130 Commercial Road Portsmouth PO1 1ES
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Investment Managers	Newton Investment Management Ltd 160 Queen Victoria Street London EC4V 4LA
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Global Custody Services	The Bank of New York Mellon One Canada Square London E14 5AL
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2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

Aggie Weston's is an unincorporated association governed by a Scheme of the Charity Commission dated 6 November 2000 ('the Scheme') with revised Articles of Faith adopted 7 October 2005.

Governance

Governance is undertaken by a Board of Trustees comprising 6 to 15 members as specified in 'the Scheme.' The current Board comprises 6 Trustees as listed on page 1 of this report. In accordance with 'the Scheme', the Trustees may exercise the following powers in furtherance of the objects of the charity:

- (1) Make rules and regulations consistent with 'the Scheme' for the management of the charity.
- (2) Establish committees.
- (3) Allow investments to be held in the name of a corporate body.
- (4) Make reasonable charges in respect of any residential accommodation and facilities provided for beneficiaries.
- (5) Accept and retain unconverted, for so long as they think fit, gifts or bequests of any investments which are not authorised by law for the investment of trust funds.

Trustees are required to accept the charity's Christian Articles of Faith, and are identified as candidates from a range of networks and contacts. Potential Trustees are invited to attend two Board meetings on an exploratory basis, after which the Board will consider their appointment. In accordance with 'the Scheme' (clause 7.5), Trustees are appointed for a five-year period at a Special Meeting of Trustees (convened in accordance with clause 15). Trustees may serve for a maximum of 15 years. All Trustees sign a declaration of eligibility to serve in this capacity. Trustee induction comprises of the aforementioned attendance at two meetings as well as attendance at a Trustee Induction Course. The CEO is responsible for facilitating the training of new Trustees and will ensure attendance at a suitable induction course as well as facilitating any special training or induction which is deemed necessary. Additionally, continuation training is included as a standing agenda item at each Trustees' meeting.

In order to allow the disposal of the charity's only remaining property, the Trustees have appointed Lt Cdr Paul Nelson and Lt Cdr Timothy Haddow as Holding Trustees, to hold the Property on trust for the charity.

'The Scheme' requires one ordinary meeting of the Trustees to be held at least once in every 12-month period. In practice the Board of Trustees meets three times per year. The Board will generally review long term strategy at a meeting in October and agree a budgeted plan for the forthcoming financial year in February. 'The Scheme' defines the required quorum based on the size of the Board; while the Board consists of 6 members (as at present) a quorum of 3 is required before any business can be transacted. Special meetings may be called at any time.

Management and Oversight

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

The Chief Executive Officer, and his staff, are responsible for implementing the plan agreed by the Board of Trustees, and for undertaking the day-to-day management of the charity. The Board is kept informed of progress by a 'Monthly Report to Trustees' which is prepared by the CEO. In addition, the CEO meets with the Chairman on an approximate monthly basis, and provides a detailed oral report to the Trustees at each board meeting.

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Most of Aggie Weston's operational staff are Pastoral Workers based within Naval Establishments under the local line management of the Naval Chaplaincy Service. This arrangement is formalised within a Memorandum of Understanding (MoU), which is co-signed by the CEO and the Chaplain of the Fleet. The current MoU was signed in July 2016. The local Chaplaincy Team Leader has responsibility for drafting the operational Terms of Reference for the Pastoral Workers and the CEO personally authorises these to ensure that the charity's needs are being met. Aggie's CEO, or Director of Operations, maintains close links with both the staff and their local line management. The Chaplaincy Team Leaders provide annual personnel appraisal reports on Aggie's staff to the CEO.

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

The dispersed nature of the workforce and the indirect leadership structure creates a risk of individuals operating in a manner which is not consistent with the charity's objectives and the Trustees' strategy. This risk is mitigated by an annual conference which brings all the staff together for two days to ensure that the corporate strategy of the charity is understood at all levels, policies are fully understood and good practices are shared.

Pay for all staff is set using, as a guide, the annual survey of charities pay and benefits produced by Croner Rewards. This provides a known set of guidelines which can be adjusted for regional and responsibility variations within the workforce.

Supporters, donors and other interested parties are encouraged to monitor the work of Aggie Weston's through the website, social media (Facebook and Twitter) and a regular magazine; "Ashore and Afloat." Specific impact reporting is provided to grant giving organisations.

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

3. OBJECTIVES AND ACTIVITIES

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

Agnes Weston's is an independent Christian charity founded in 1876. In response to the needs of her day the founder, Agnes Weston, provided the ratings of the Royal Navy with 'homes from home' (known as *Rests*) that were located in naval port areas. The Rests were alcohol-free facilities, providing a safe refuge and genuine alternative to the other less wholesome entertainment and accommodation facilities outside a 19th Century Dockyard. Agnes Weston also corresponded extensively with sailors and successfully campaigned for the welfare of naval families. Her pioneering efforts brought her national recognition, and her life's work is encapsulated in her simple memorial epitaph: *The Sailors' Friend*. The charity today seeks to carry forward the spirit of the founder's Christian philanthropy by offering support to the naval community (serving members of the Royal Navy and Royal Marines and their families).

The formal Objects of the Charity (per 'the Scheme' clause 4) are:

- (1) The objects of the charity are the advancement among the beneficiaries of:
 - a. religion in accordance with the articles of faith; and
 - b. the cause of temperance.

- (2) The Trustees may further the objects by providing accommodation and facilities for recreation and by other Christian outreach work, without alcohol being provided or consumed.

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The main activities undertaken in relation to these purposes

In meeting the objects, Aggie Weston's works in close cooperation with the RN and, in particular, with the Naval Chaplaincy Service. Motivated by the love of God, the charity's traditional activities have been focussed on providing support to Naval Service personnel (including Royal Marines) and their families by:

- Seeking to befriend and support Naval personnel and their families;
- Providing facilities for education and recreation;
- Looking for and addressing other specific areas of need identified with Service life.

Over recent years the need for traditional Sailors' Rests has reduced and the charity has identified 'pastoral support' as the most pressing and unfulfilled requirement for the beneficiary community. Pastoral support is defined as *"listening, encouraging, comforting and supporting; offering practical help when possible and signposting to more specialist assistance when appropriate."* In delivering this service the charity recognises the unique demands which are placed upon the naval community. It believes that simple acts of practical support and kindness can help to mitigate for the stresses, loneliness and separation which are part and parcel of naval life. Whilst operating at the heart of the beneficiary community Aggie Weston's staff are well placed to become confidantes and offer personal pastoral support to those that are beginning to struggle. All Aggie Weston's staff are Christians and motivated by the love of God, but they offer their service to those of any faith or of no faith. Thus, the object of promoting the Christian faith is met by ensuring Christian staff are available where needed, demonstrably offering care to individuals and providing an example of selfless love.

The main activities undertaken for the public benefit.

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

- Provision of pastoral support to beneficiaries by allocating Pastoral Workers to operate within the naval communities both on bases and within the service family communities in the vicinity of the bases.
- Provision of a "family club" to support the naval families located in service family accommodation on the Rowner estate in Gosport.
- Support to "The Ark," an independent charity with similar objectives to Aggie Weston's that operates in the Widewell estate in Plymouth where there is a high concentration of naval families.
- Provision of 'Storybook Waves'; a project to enable deploying personnel to record bedtime stories for their children to listen to while they are away.
- Provision of Christian literature for the beneficiary community.
- Facilitation of the Naval Families Federation.

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

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

The Trustees have specifically considered this guidance on public benefit during FY 16/17, and are content that all of the charity's objects and activities can be defined as 'for the public benefit.' The beneficiary group is defined by 'occupation or profession' (i.e. serving members of the Royal Navy or Royal Marines) or by family association to a member of that group.

Activities, Projects or Services.

Life in a disciplined military environment can be a shock for young recruits when they first join the Service. After they move on from basic training they can find that life in single living accommodation is surprisingly lonely, leaving them vulnerable to excessive online gaming, gambling or drinking alone. Equally, young spouses who have moved to a new

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area, and are then left alone when the serving partner deploys, may well feel trapped and isolated with a young family in a new community and no easy access to support from close family and friends. In such circumstances the services offered by Aggie Weston's are a readily available source of assistance, and can help the beneficiaries to deal with the issues and lead them towards a happier, more contented and fulfilling life.

The key activities, projects and services referred to in the accounts are summarised as follows:

Pastoral Workers. The charity currently employs 22 Pastoral Workers across 12 sites. This footprint of support puts an Aggie Weston's Pastoral Worker within easy reach of most personnel in the naval service, as well as those families which live near to a naval establishment. Over the course of the next year the charity aspires to grow this team to 30 Pastoral Workers across 13 sites. During the last year the Pastoral Worker role has been more carefully defined, and an increased level of rigour has been placed upon recruitment, training, support and delivery. A two-day training course was designed and delivered with training being provided by recognised experts in relevant fields; namely, the Samaritan's, the Defence Medical Welfare Service and Pastoral Care UK. In support of the Pastoral Workers, a monthly 'Clinical Supervision' process has been instigated which provides 'care for the carer' to mitigate against the risk of the staff themselves becoming stressed due to the emotional burdens that they are being asked to share.

'Champions' family club. The Champions initiative comprises a range of activities and groups for children and families in the naval community in the Gosport area. This well-established project is run by 2 salaried Families Workers, 5 hourly paid part time workers and 4 volunteers, operating from the church of St Mary the Virgin in Rowner, with further outreach in the nearby Grange and Siskin Schools.

Ark Community Project. Aggie Weston's part-finances a Community Worker for the Widewell housing estate in Plymouth, which is an area with a high proportion of Naval Service families. This project operates from an RNRM Welfare community house on the estate, and offers multiple events, sessions and clubs. The Ark shares a Christian ethos with Aggie Weston's.

Storybook Waves. This project allows personnel who are separated from their families through deployment, courses or long shift patterns to record a bedtime story for their children. This allows them to maintain a virtual presence during the period of physical separation. Volunteers edit the vocal recording on to a soundtrack, with sound effects, to create a professional sounding CD or MP3 recording which is sent to the child with a hard copy of the book, a scrapbook to be filled in during the deployment, a bookmark and a 'bravery medal.' Experience has shown that young children struggle to understand the separation which comes from long deployments and these recordings are better for maintaining the parental relationship than telephone calls or similar. A plethora of feedback has proved that children will listen to these recordings time and again. This not only benefits the child and the absent parent, but also provides relief to the parent at home. Feedback consistently tells us that this facility promotes strong family relationships. The project aligns comfortably with the Christian ethos of the charity, and provides an opportunity to make the pastoral role of the charity known amongst the spouses of deployed personnel.

Provision of Christian Literature. Working in partnership with the Naval, Military and Air Force Bible Society, Aggie Weston's provides New Testaments and other Christian literature to stimulate spiritual considerations amongst the beneficiary community.

Naval Families Federation: Aggie's receives MOD 'Grant-in-Aid' funding to provide the Naval Families Federation (NFF) for the Naval Command Headquarters. The NFF statement of purpose is to offer an independent voice to Royal Navy and Royal Marine Families. It seeks to:

- Represent the views and concerns of family members to the Naval Service, other Government departments, civilian service providers and at Ministerial level.
- Act as an effective communication channel between families and agencies, both service and civilian.
- Assist in empowering families by challenging policy, de-mystifying the system and clarifying the rules.

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- In appropriate circumstances advocate, mediate and liaise on behalf of families who have struggles to resolve an issue.

Family and accommodation centre. Until June 2016 the Braeholm centre provided 16 ensuite hotel rooms, several function rooms and a café/restaurant for serving personnel and their families close to HM Naval Base Clyde in Helensburgh. Unfortunately, beneficiary use had declined and after serious consideration over several years the Trustees concluded that the facility was no longer efficiently meeting the charitable goals. The advice of an independent property surveyor was sought and it was determined that the best option was to sell the property on the open market. As of 31 March 2016, a purchaser had been found, missives had been concluded and the sale was close to completion.

Aims, details of issues.

The overarching vision of Aggie Weston's is that all serving members of the Royal Navy and Royal Marines and their families should be able to 'live life to its fullest measure' which means that they should have physical, emotional and spiritual health. The objective of all Aggie Weston's work is to move towards achieving this vision by improving the quality of life within the beneficiary community, and to help individuals to deal with the unique stresses associated with the naval service. Separation and loneliness are two of the key stressing factors which create the need.

How achievement of aims will further legal purposes.

The services of Aggie Weston's are provided freely to those of all faiths and none, but the advancement of religion and temperance are achieved through positive example at the heart of the beneficiary community. The charity uses an entirely Christian staff who offer pastoral care because it flows from an attitude and commitment to follow biblical direction to "love one another because we ourselves our first loved by God."² Alcohol is not available at any facility or event supported by Aggie Weston's.

Working closely with the Naval authorities, Aggie Weston's seeks to improve the well-being of individual beneficiaries, and help them to 'live life to its fullest measure.' The charity believes that this will ultimately be of benefit to the efficiency of the Naval Service.

It is assessed that there is a gap in the support activity currently offered to the naval community, specifically the provision of personnel with the flexibility to offer time to listen and contemplate with those who are struggling under the pressures in their lives. Annual efficiency measures have reduced naval manning levels to a minimum, thus reducing the time available for pastoral care within the Command Chain. At the same time, face to face support previously offered by the Naval Personnel and Family Support service has now been reduced and is provided by means of a telephone 'portal.' This has created a need for preventative or early intervention support at a personal level. By placing encouraging Christian individuals to meet this need, the Trustees believe that they are advancing the religion in a positive and constructive manner.

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

Strategy for achieving aims and objectives.

The traditional 'Sailors' Rests' provided a comfortable and wholesome alternative to the other facilities available. The need for these Rests was met through Christian philanthropy, and thus while meeting a real and practical need the charity was providing a positive Christian example in the midst of a secular environment. This strategy was neatly summed up in the organisation's original motto "For the glory of God and the good of the Service." Publicly funded accommodation is now at a generally high standard and the Sailor's Rests are no longer required – so they have been closed. However, sailors, marines and their families still have needs which can be met by Christian philanthropy. The

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

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

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strategy for meeting the objectives is therefore to seek opportunities to improve the quality of life of those within the beneficiary community. Such activity will help to move towards the vision, but it will also allow the individual Pastoral Worker to become a familiar and trusted face, and thus a source of comfort or advice and a good confidante in times of stress or need. So, for example, the provision of a coffee bar on a base, or a family club in the community will make a beneficiary's life a little bit better. But it will also put the Pastoral Worker in a place where he/she will become known and ready to listen, encourage, comfort and support when needed.

Criteria/measures to assess success.

A revised impact measurement policy has been established during FY 16/17, and will be further developed during FY 17/18. It relies on a mix of qualitative and quantitative data to assess the difference which is being made.

- The number of beneficiaries that are helped in some way are counted daily. Since people will use the services provided on multiple occasions within a month these daily figures cannot be added together to create a total number of individuals that have been helped. They can however be used to create an average number of beneficiaries helped per day, or summed to create a total number of 'acts of kindness' delivered over a month or year.
- A second, and more significant, figure is the number of 'pastoral conversations' that have been conducted in over a monthly period.
- Qualitative data is collected by means of survey questionnaires.
- Anecdotal stories are captured to demonstrate the difference which an interaction may have made to someone's life.

Objectives.

The short-term objectives are to:

- Provide pastoral support to the naval community.
- Provide excellent facilities and events in support of the local need.
- Increase the use of facilities and recognition of the Aggie Weston brand.

The longer-term objectives are to:

- Increase the knowledge of the pastoral role of the Aggie's staff amongst beneficiaries.
- Increase the number of beneficiaries who would choose to confide in an Aggie Weston's Pastoral Worker in time of need.
- Increase the number of beneficiaries who have confided in an Aggie Weston's Pastoral Worker in a time of need.

Scale of resources used in activities

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

4. ACHIEVEMENTS AND PERFORMANCE

Summary of main achievements and difference made to beneficiaries.

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

Pastoral Workers

22 Pastoral Workers have been provided to work alongside Naval Chaplains in and around 12 Naval Bases in England and Scotland. By working in collaboration with the Chaplaincy Service the charity maximises efficiency; the requirement for charity funded work space and line management is negated. The collaboration also ensures close links with the local

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military executive team and thus allows the Pastoral Workers to keep a close eye on requirements as they emerge. They are involved in a wide variety of support activities, including community work, pastoral care and management of on-base facilities for rest and recreation.

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

- HMS NELSON, HM Naval Base Portsmouth (4 posts)
- HMS DRAKE, HM Naval Base Plymouth (2 posts)
- HM Naval Base Clyde (community-based – 1 post)
- HMS SULTAN (Training Establishment) (1 post)
- HMS COLLINGWOOD (Training Establishment) (3 posts)
- Commando Training Centre Royal Marines, Lympstone (3 posts)
- Royal Marines Poole (1 post)
- Royal Marines Barracks Stonehouse (Plymouth) (1 post)
- Royal Marines Barracks Bickleigh (1 post)
- Royal Marines Barracks Arbroath (2 posts)
- Royal Naval Air Station Culdrose (1 post)
- Royal Naval Air Station Yeovilton (2 posts)

The Pastoral Worker role is proactive and adapted to meet the local needs and opportunities. The common theme is that Pastoral Workers seek to come alongside and become known by service personnel and their families, and thus to be ready to help deal with personal issues before they grow into crises. This team has helped an average of 594 beneficiaries in some way on each working day through the delivery of 137,840 acts of kindness over the year. This has led to over 1,792 pastoral interventions (an average of 150 per month).

Other Projects

Aggie Weston's is an innovative organisation and considers any ideas for projects that may help to the beneficiary community and meet the charitable objects. Proposed projects will be researched, tried and assessed. Some stand the test of time and run for many years, others are successful and passed on to other agencies, and some are dropped for one reason or another. The underlying aim of any project will be to improve the quality of life, (including spiritual health) of beneficiaries and they will always be aligned with the Christian ethos of the charity; any project should be encompassed within the charity's motto of "for the glory of God and the good of the Service."

Champions. This initiative has been located in rented halls at the church of St Mary the Virgin in the Rowner Estate, Gosport, where there is a high density of service family accommodation. During this year Champions has offered:

- A daily 'drop in' coffee shop.
- Six weeks of holiday clubs during half terms and school holidays.
- Two 'mother and toddler' mornings per week.
- Three after school clubs delivered on the school grounds of two local schools.
- A weekly lunch and conversation session covering Christian themes.
- Champions also engages in a series of more overtly Christian outreach schemes by provision of Exploring Christianity sessions and 'Messy Church' events.

While the facilities are provided for service families, non-service families are accepted to encourage community cohesion. However, over several years, the split of users has swung away from Service families and so the Trustees have directed that the services offered should be reviewed and refocussed on the needs of the beneficiary community. As a result of this review the project's work will now be split between the church and an RNRM Welfare Community Centre which is nearby. The individual events which are facilitated will also be redirected at the specific needs of the beneficiaries. Some of the resources of the Champions teams will also be shifted to the adjacent Naval Establishment; HMS SULTAN.

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Ark Community Project. The Ark offers a much-valued contribution to local service families. Over the last year the project has moved into the RNRW Welfare community house on the estate which makes the services provided very accessible for naval families. The Ark team has revitalised the community house, for example by making the garden more child friendly. The programme varies to meet opportunity and need and includes a number of toddler groups, workshops and a crèche. There are 76 regular users of the facility. The Ark also reaches out and conducts weekly visits to the local school where it runs a 'school bank' to encourage saving as well as facilitating special events such as harvest festival and Christmas concerts. It has also established links with the local Anglican Church and now has free use of the church halls for events which are too big to be contained within the community house.

Work is in hand to see whether the partnership between Aggie Weston's and the Ark might be further developed to allow the Ark staff to be trained by Aggie Weston's and 'badged' as Pastoral Workers. The Directors of the Ark and the other funders are keen to engage, and a draft Memorandum of Understanding has been tabled for discussion. The project has its own website (www.arkcommunity.org.uk).

Storybook Waves. The Storybook Waves project has progressed well over this reporting period. The service is provided free to the user, and is available to all personnel, full-time and reserve, who are separated from their child through deployment, weekly commuting or long shift patterns. The recording takes about 20 minutes and is facilitated by Aggie Weston's Pastoral Workers.

The project is run by one part-time salaried project manager, and a team of (currently 13) volunteer editors. A partnership with Reading Force (a service charity providing reading scrapbooks for service children) and financial support from the Annington Trust has meant that each child now receives a package consisting of a free copy of the selected book, a bookmark, a Reading Force scrapbook and a 'bravery' medal - as well as well as the recording

Storybook Waves now has twelve recording centres based in shore-side establishments around the UK and one each at UKMCC Bahrain and in Oman. There are also eleven recording kits deployed across the Fleet to enable recording at sea, with ten more allocated to ships that deploy during 2017.

828 recordings were prepared and sent during FY 16/17 (up from 429 recordings in the previous year).

Christian Literature. Aggie Weston's works with the Naval, Military and Air Force Bible Society to provide New Testaments and full Bibles for Royal Marines passing out of CTCRM Lympstone and for recruits at HMS RALEIGH. Bibles and other Christian literature are also made available to naval service personnel and their families through Pastoral Workers. In particular, Christian lifestyle magazines (Sorted & Liberti) are distributed to naval personnel at their accommodation and workplace. During this year, literature to a value of £5,736 has been distributed.

Naval Families Federation: Aggie's receives MOD 'Grant-in-Aid' funding to facilitate the Naval Families Federation (NFF) for the naval Command Headquarters. The NFF statement of purpose is to offer an independent voice to Royal Navy and Royal Marine Families.

Since its inception in 2003, the NFF has increased in size and influence. It now has 13 team members, is represented in relevant forums and meetings up to ministerial level and reports annually to the Navy Board. The NFF has its own active website, (nff.org.uk), which is heavily used by naval families. It also has its own quarterly magazine *Homeport*, which is widely distributed amongst naval personnel and families and receives overwhelmingly positive feedback. The contribution of the NFF continues to be highly valued by the Naval Service. The current 'Grant-in-Aid' arrangement will run until the end of March 2018.

Welcome to Scotland. For several years, free accommodation was offered at the Braeholm Centre for personnel and families who had been assigned to HM Naval Base Clyde and wanted to visit the area to consider re-location. With the sale of Braeholm, this initiative has been refreshed and all personnel assigned to the region are now offered two nights in a locally selected guest house. Aggie Weston's works with local and naval authorities to prepare tailored programmes for the visitors to ensure that they are given the opportunity to see the area and to get a feel for what it offers. The aim of this project is to provide families with the information that they need to

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TRUSTEES' ANNUAL REPORT DISCLOSURE

make an informed decision as to what is right for them. Initial uptake on the offer has not been high.

5. FINANCIAL REVIEW

Principal funding sources are investment income, legacies, trusts, donations from supporters, Grant-in-Aid and grants. During the year grants were received from the Methodist Forces Board, the Annington Trust, the Royal Navy and Royal Marines Charity and Greenwich Hospital. This generous financial commitment has enabled Aggie Weston's work during the year.

Total incoming resources for the year on income funds amounted to £756,677 (2015/16: £1,441,745), comprising income from investments (£283,822), charitable activities (£296,584), trading activities for raising funds (£8,177), and voluntary income (£168,094).

Total expenditure, including investment management fees charged to the endowment fund was £1,328,565 (2015/16: £1,549,107), in addition there were gains on investments of £1,462,184 (2015/16: £414,273 loss).

During this year the charity also received a capital addition to its expendable endowment fund of £43,362 from the Dashwood Trust. The Dashwood Trust holds a portfolio of properties, which are generally disposed of on becoming vacant, and proceeds distributed to the Trust's beneficiaries. Amounts distributed vary considerably from year to year. Aggie's anticipates further receipts for the next 10-15 years but amounts will decrease as the portfolio reduces.

Combining the Dashwood receipt with the net expenditure the total funds carried forward at 31 March 2017 are £10,817,544 compared to £9,883,886 brought forward at 1 April 2016, a favourable movement in funds of £933,658.

Overall the Trustees are content and assess that the financial outturn for the charity is acceptable.

Investment policy

Aggie Weston's investment manager, Newton Investment Management Ltd, is instructed to invest at moderate risk to provide a balance of growth and income. This overall investment strategy is to achieve an income to assist the charitable activities and preserve the capital to sustain this income stream going forward. The budget for income from the investment portfolio for 2016/17 was £0.280m, out turn was £0.283m.

The return on investment is impacted by Aggie's investment restrictions: there are to be no investments in alcohol, pornography, gambling services, tobacco or companies offering 'pay day' loans. All investments are acquired and held by the investment manager as nominee.

Reserves policy

In establishing the charity's Reserves Policy the Trustees have taken reference to Charity Commission guidance (CC19) and accounting standards (SORP 2015). The Trustees do not intend to build up reserves for unspecified purposes, but rather to apply all income to direct charitable purposes. This intention is established annually when Trustees agree the budget for the forthcoming year.

On current assumptions, with an output based on a network of 30 Pastoral Workers, the evolving Champions and Ark projects and the Storybook Waves project, Trustees expect annual income to fall short of expected expenditure by approximately £320,000 per year.

The legacy of Aggie Weston's long history is that the charity benefits from approximately £10m of unrestricted expendable endowment. This is invested to provide annual income for the long-term benefit of the charity. The financial policy in recent years has been to use that income to fund the overheads and management of the charity. Thus, any donations and grants received can be focused on delivery of output for the beneficiary group.

A drawdown of £200,000 that was made on the unrestricted endowment during FY16/17.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

TRUSTEES' ANNUAL REPORT DISCLOSURE

Following the strategy review during 2016, the charity's effort is now firmly focussed on the delivery of pastoral support to the beneficiary community and all project work is in some way connected to this work. Trustees recognise that it will take some time for the effectiveness and general awareness of this strategy shift to develop, and for evidence of impact to mature. It is therefore accepted that there will be a delay before any resulting increase in grant support, donations or legacies will be seen. Whilst a significant mismatch between income and expenditure would be unsustainable in the long term, trustees have decided to accept a draw-down of the free reserve, and, if necessary, the unrestricted expendable endowment to allow time for the new delivery model to settle in.

The intention is to allow an annual net expenditure of £320,000 for up to two years (i.e. through FY 17/18 and FY 18/19). If income does not increase as hoped during that period, then a new delivery model will be developed. Whilst detailed planning for this alternative model will not be undertaken until the middle of FY 18/19, the strategy would be to reduce expenditure to a level which approximately matches the achievable annual income. This outcome would see a significantly reduced management team supporting a much smaller network of Pastoral Workers.

The predictable nature of expenditure, the low risk of unexpected events that may have high cost implications and the availability of investments which could be liquidated in extremis suggest that this drawdown will be manageable, and significant free reserves are not required. So, for the two-year period to 31 March 2019, the Reserves Policy will not stipulate a minimum level of free reserve.

The charity's free reserves, unrestricted funds not represented by fixed assets, at 31 March 2017 were £494,627 (31 March 2016: £292,823). Cash Liquidity will be carefully monitored.

Risk management

The Board of Trustees recognises its ultimate responsibility for risk management, but delegates responsibility for day to day management, administration and monitoring of the process to the CEO. Risk management is a standing agenda item at Board meetings, which ensures that all substantial risks are brought to Trustees' attention and considered in priority order. To assist this process, a risk management framework is reviewed and updated at each Trustees' meeting. This framework has been substantially reviewed and assessed during FY 16/17.

The Board confirms that it has considered the major risks that can reasonably be identified, and taken pre-emptive action to mitigate those risks. The decision to close the Braeholm family and accommodation centre, as reported on Page 6 above, was a result of the risk management process. Aggie Weston's operates a policy of continuous review and development of its management systems.

Pension

Aggie's has always provided a group personal pension plan. The Auto Enrolment staging date for Aggie's was August 2015, this was successfully achieved and at year end there were 34 employees on a defined contribution scheme. Aggie's contribute 5% and the employee contributes 3%.

6. PLANS FOR FUTURE PERIODS

During 2017/18 the charity will seek to incorporate as a Company Limited by Guarantee. The Trustees have for some time recognised that the Unincorporated Association model of governance has been inappropriate for a charity with the size and complexity of Aggie Weston's. The Board had considered that the Charitable Incorporated Organisation (CIO) model that was introduced by the Government in 2012/13 would be appropriate, and during 2013/14 made an application to become a CIO. However, during FY 16/17 the executive staff was directed to reconsider the full range of options, and having monitored similar charities going through an incorporation process, and having taken legal advice they advised the Board that incorporation as a Company Limited by Guarantee would be the most appropriate way ahead. The Board has accepted this recommendation and the charity is now working with its solicitor (Weller's Law Group) to implement this decision.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

TRUSTEES' ANNUAL REPORT DISCLOSURE

During the forthcoming process of incorporation as a Company Limited by Guarantee, the Trustees will seek to amend the formal objects to read:

- (1) The Charity's Object ("the Object") which is for the Public Benefit is the promotion of the efficiency of the Royal Navy and Royal Marines and the advancement of the Christian faith.
- (2) The Object is to be carried out as a proclamation of the beliefs set out in Clause 8 herein. (Clause 8 contains the 'Articles of Faith' which summarise the religious ethos of the charity).

The Trustees are seeking to remove the historic reference to temperance because they recognise that alcohol consumption is not the only harmful and addictive activity which can negatively impact on the health and well-being of the beneficiary community and on the efficiency of the Naval Service. For example, gambling (particularly on-line), recreational drugs and debt can all have equally corrosive effects.

The Pastoral Worker initiative has been formalised and developed during FY 17/18, but there are several further improvements to be made. The following work strands will be taken forward during the next FY:

- Review of Safeguarding Policy.
- Development of a formal policy and direction statement regarding boundaries for pastoral support.
- Increasing brand recognition.
- Increasing the footprint of PWs from 22 to 30.
- Further improvement of ability to demonstrate the impact.

The 'Grant-in-Aid' arrangement to facilitate the Naval Families Federation runs until the end of March 18, the trustees believe that the role into which the NFF has grown and its future plans will no longer fit comfortably within the charitable objects of Aggie Weston's. So, the Naval Command Headquarters have been informed that whilst the charity will honour the current arrangement which runs until March 2018, it will then cease to host the NFF. Equally, it is happy to hand over the responsibility earlier if suitable arrangements can be made. The Greenwich Hospital Foundation has offered to take on the role and discussions to affect a handover at some point during the autumn of 2017 are now progressing.

Despite the uncertainties resulting from the economic climate, and the current budget deficit in the charity, the Trustees assess that Aggie's remains well placed to respond to opportunities to serve the Naval Service and to maintain a positive Christian presence at the heart of the beneficiary community. They are ever mindful that its work is *For the Glory of God and the good of the Service*.

ACKNOWLEDGEMENTS

The Trustees express their sincere thanks to Her Majesty the Queen for her continued Patronage. They are also most appreciative and grateful to all supporters, funding bodies and partners.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England & Wales and Scotland 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

TRUSTEES' ANNUAL REPORT DISCLOSURE

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

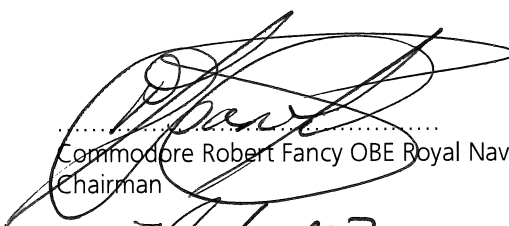
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Scheme. 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.

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

APPOINTMENT OF AUDITORS


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

Approved by the trustees and signed on their behalf.



.....
Commodore Robert Fancy OBE Royal Navy
Chairman

Date... 7 July 2017



.....
Lieutenant Commander Tim Haddow Royal Naval Reserve
Deputy Chairman

Date... 7 July 2017

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DAME AGNES WESTON'S ROYAL SAILORS' RESTS

We have audited the financial statements of Dame Agnes Weston's Royal Sailors' Rests for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011 and accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of financial statements which give a true and fair view.

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 and appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017, 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 and accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

INDEPENDENT AUDITORS' REPORT

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
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Blue Spire Limited
Blue Spire Limited, Statutory Auditor

Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Date *13 July 2017*

Blue Spire Limited is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £	(restated) 2016 Total Funds £	
Note							
INCOME AND ENDOWMENTS FROM:							
Donations and legacies							
	- Revenue receipts	1	67,820	100,274	-	168,094	281,261
	- Dashwood capital receipts	1	-	-	43,362	43,362	193,753
	Other trading activities	2	8,177	-	-	8,177	37,433
	Investments	3	283,822	-	-	283,822	269,516
	Charitable activities	4	13,271	283,313	-	296,584	853,535
	Total		<u>373,090</u>	<u>383,587</u>	<u>43,362</u>	<u>800,039</u>	<u>1,635,498</u>
EXPENDITURE ON:							
Raising funds							
	Seeking donations, grants and legacies	5	26,458	-	-	26,458	15,648
	Investment management costs	6	-	-	63,279	63,279	49,224
	Charitable activities	7	689,828	549,000	-	1,238,828	1,484,235
	Total		<u>716,286</u>	<u>549,000</u>	<u>63,279</u>	<u>1,328,565</u>	<u>1,549,107</u>
	Net gains/(losses) on investments	14	-	-	1,462,184	1,462,184	(414,273)
	Net Income/(expenditure)		<u>(343,196)</u>	<u>(165,413)</u>	<u>1,442,267</u>	<u>933,658</u>	<u>(327,882)</u>
	Transfers between funds	20	-	-	-	-	-
			<u>(343,196)</u>	<u>(165,413)</u>	<u>1,442,267</u>	<u>933,658</u>	<u>(327,882)</u>
Other recognised gains/(losses)							
	Gains/(losses) on revaluation of fixed assets		-	-	-	-	-
	Net movement in funds		<u>(343,196)</u>	<u>(165,413)</u>	<u>1,442,267</u>	<u>933,658</u>	<u>(327,882)</u>
RECONCILIATION OF FUNDS							
	Total funds brought forward	20	837,823	360,601	8,685,462	9,883,886	10,211,768
	Total funds carried forward	20	<u>494,627</u>	<u>195,188</u>	<u>10,127,729</u>	<u>10,817,544</u>	<u>9,883,886</u>

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

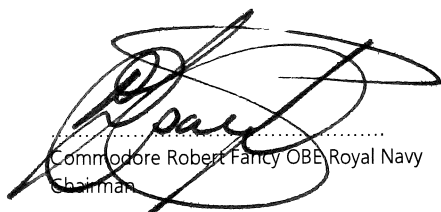
DAME AGNES WESTON'S ROYAL SAILORS' RESTS


FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

BALANCE SHEET AS AT 31 MARCH 2017

	Note	2017		(restated) 2016	
		£	£	£	£
FIXED ASSETS					
Tangible assets	13	-		550,000	
Investments	14	9,961,619		8,699,434	
			9,961,619		9,249,434
CURRENT ASSETS					
Stocks		-		1,109	
Debtors	15	355		6,493	
Assets held for sale	16	469,899		-	
Cash at hand and in bank		446,321		689,305	
Total current assets		<u>916,575</u>		<u>696,907</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	17	60,650		62,455	
Net current assets/(liabilities)			855,925		634,452
Net assets/(liabilities)			<u>10,817,544</u>		<u>9,883,886</u>
THE FUNDS OF THE CHARITY					
Endowment funds	20		10,127,729		8,685,462
Restricted funds	20		195,188		360,601
Unrestricted funds	20		494,627		837,823
Total charity funds			<u>10,817,544</u>		<u>9,883,886</u>

The financial statements on pages 23 to 33 were approved and authorised for issue by the trustees on 7th JULY 2017 and signed on their behalf by:


 Commodore Robert Farcy OBE Royal Navy
 Chairman


 Lieutenant Commander Tim Haddow Royal Navy Reserve
 Deputy Chairman

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

STATEMENT OF CASH FLOWS

	Note	2017		2016	
		£	£	£	£
Net cash flow from operating activities (see below)			(726,805)		(146,315)
Cash flow from investing activities					
Interest received		283,822		269,516	
Proceeds from sale of investments		2,316,344		1,347,897	
Purchase of investments		(2,146,567)		(1,444,414)	
Net cash flow from investing activities			453,599		172,999
Net increase/(decrease) in cash and cash equivalents			(273,206)		26,684
Cash and cash equivalents at 1 April 2016			1,076,877		1,050,193
Cash and cash equivalents at 31 March 2017			<u>803,671</u>		<u>1,076,877</u>
Cash and cash equivalents consist of:					
Cash at bank and in hand			446,321		689,305
Cash held within investments			357,350		387,572
Cash and cash equivalents at 31 March 2017			<u>803,671</u>		<u>1,076,877</u>

Reconciliation of net income to net cash flow from operating activities

	2017		2016	
	£	£	£	£
Net income for the year		933,658		(327,882)
Adjusted for:				
Interest and dividends	(283,822)		(269,516)	
(Gains)/losses on investments	(1,462,184)		414,273	
Depreciation and impairment of tangible fixed assets	16,160		144,587	
Impairment of asset held for sale	63,941		-	
Decrease/(increase) in stock	1,109		810	
Decrease/(increase) in debtors	6,138		(3,970)	
Increase/(decrease) in creditors	(1,805)		(104,617)	
		(1,660,463)		181,567
		<u>(726,805)</u>		<u>(146,315)</u>

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

Dame Agnes Weston's Royal Sailors' Rests is an unincorporated association governed by a scheme. The address of the principal office is given in the reference and administrative details section and the nature of the charity's operations and principal activities are given in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

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

Incoming resources

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

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

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

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

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

Resources expended

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

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

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs allocation

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

The analysis of these costs is included in note 8.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

ACCOUNTING POLICIES

Fixed assets

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold property	2% straight line
-------------------	------------------

At each balance sheet date the charity's management and trustees consider whether there is any indications the assets are impaired. Where indications of impairment exist the assets is written down to its recoverable amount.

Fixed asset investments

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

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

Debtors receivable and creditors payable within one year

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

Assets held for sale

Assets held for sale comprise assets available for immediate sale, which are being actively marketed at a market rate. These assets are reported at net present value less costs to sell.

Cash and cash equivalents

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

Leases

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

Employee benefits

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

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

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

VAT

For part of the year under review the charity was registered for VAT and applied VAT on a partial exemption basis with costs recorded net of VAT in the Statement of Financial Activities (SOFA) where they related to VATable business activities. Expenses related to non-business activities were recorded gross in the financial statements. During the year under review the charity de-registered for VAT and is no longer able to recover VAT incurred. On this basis all costs are recorded inclusive of VAT within the financial statements.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

ACCOUNTING POLICIES

Tax

The charity is considered to pass the tests set out in sections 521 to 536 Income Tax Act 2007 (ITA 2007), as such no income tax is payable on the charity's activities.

Fund accounting

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

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

Endowment funds represent those assets which must be held permanently by the charity, principally held as fixed asset investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Going concern

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

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £
Donations	29,109	-	-	29,109
Dashwood Trust	14,000	-	-	14,000
Income from trusts	13,211	-	-	13,211
Grants	-	100,274	-	100,274
Other legacies	11,500	-	-	11,500
	<u>67,820</u>	<u>100,274</u>	<u>-</u>	<u>168,094</u>
Dashwood Trust capital receipt	-	-	43,362	43,362
	<u>67,820</u>	<u>100,274</u>	<u>43,362</u>	<u>211,456</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Donations	29,400	-	-	29,400
Dashwood Trust	-	-	-	-
Income from trusts	8,281	-	-	8,281
Grants	-	154,574	-	154,574
Other legacies	89,006	-	-	89,006
	<u>126,687</u>	<u>154,574</u>	<u>-</u>	<u>281,261</u>
Dashwood Trust capital receipt	-	-	193,753	193,753
	<u>126,687</u>	<u>154,574</u>	<u>193,753</u>	<u>475,014</u>

2. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £
Rental income	8,177	-	-	8,177
	<u>8,177</u>	<u>-</u>	<u>-</u>	<u>8,177</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Rental income	37,433	-	-	37,433
	<u>37,433</u>	<u>-</u>	<u>-</u>	<u>37,433</u>

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

3. Investments

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £
Income from investment assets	283,822	-	-	283,822
	<u>283,822</u>	<u>-</u>	<u>-</u>	<u>283,822</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Income from investment assets	269,516	-	-	269,516
	<u>269,516</u>	<u>-</u>	<u>-</u>	<u>269,516</u>

4. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £
Income from centres	13,271	-	-	13,271
Naval Families Federation	-	283,313	-	283,313
LIBOR projects	-	-	-	-
	<u>13,271</u>	<u>283,313</u>	<u>-</u>	<u>296,584</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Income from centres	119,180	-	-	119,180
Naval Families Federation	-	275,328	-	275,328
LIBOR projects	-	459,027	-	459,027
	<u>119,180</u>	<u>734,355</u>	<u>-</u>	<u>853,535</u>

5. Seeking donations, grants and legacies

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £
Staff costs	13,908	-	-	13,908
Other costs	12,550	-	-	12,550
	<u>26,458</u>	<u>-</u>	<u>-</u>	<u>26,458</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Staff costs	8,308	-	-	8,308
Other costs	7,340	-	-	7,340
	<u>15,648</u>	<u>-</u>	<u>-</u>	<u>15,648</u>

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

6. Investment management costs

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £
Investment manager fees	-	-	63,279	63,279
	<u>-</u>	<u>-</u>	<u>63,279</u>	<u>63,279</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Investment manager fees	-	-	49,224	49,224
	<u>-</u>	<u>-</u>	<u>49,224</u>	<u>49,224</u>

7. Charitable activities

	Direct Staff Costs £	Other Direct Costs £	Support Costs £	2017 Total Funds £
Cost of operating centres	66,449	133,299	72,681	272,429
LIBOR projects	129,167	38,908	-	168,075
Pastoral workers	265,159	4,315	98,051	367,525
Naval Families Federation	179,076	96,026	26,869	301,971
Storybook Waves	22,096	11,885	-	33,981
Other projects	12,749	29,687	15,441	57,877
Governance costs	31,578	5,392	-	36,970
	<u>706,274</u>	<u>319,512</u>	<u>213,042</u>	<u>1,238,828</u>
Restricted funds	364,718	157,413	26,869	549,000
Unrestricted funds	341,556	162,099	186,173	689,828
	<u>706,274</u>	<u>319,512</u>	<u>213,042</u>	<u>1,238,828</u>
	Direct Staff Costs £	Other Direct Costs £	Support Costs £	2016 Total Funds £
Cost of operating centres	217,248	255,043	107,157	579,448
LIBOR projects	121,034	64,237	-	185,271
Pastoral workers	243,464	1,600	55,595	300,659
Naval Families Federation	172,572	89,123	25,365	287,060
Storybook Waves	-	-	-	-
Other projects	32,790	33,269	14,983	81,042
Governance costs	25,463	25,292	-	50,755
	<u>812,571</u>	<u>468,564</u>	<u>203,100</u>	<u>1,484,235</u>
Restricted funds	373,055	176,665	25,365	575,085
Unrestricted funds	439,516	291,899	177,735	909,150
	<u>812,571</u>	<u>468,564</u>	<u>203,100</u>	<u>1,484,235</u>

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

8. Support costs allocation - Unrestricted funds

	Centres £	Pastoral Workers £	Naval Families Federation £	Other Projects £	Governance Costs £	2017 Total Funds £
Staff costs	59,930	80,850	25,422	12,732	31,578	210,512
Other costs	12,751	17,201	1,447	2,709	5,392	39,500
	<u>72,681</u>	<u>98,051</u>	<u>26,869</u>	<u>15,441</u>	<u>36,970</u>	<u>250,012</u>

	Centres £	Pastoral Workers £	Naval Families Federation £	Other Projects £	Governance Costs £	2016 Total Funds £
Staff costs	80,898	41,972	24,193	11,312	25,463	183,838
Other costs	26,259	13,623	1,172	3,671	25,292	70,017
	<u>107,157</u>	<u>55,595</u>	<u>25,365</u>	<u>14,983</u>	<u>50,755</u>	<u>253,855</u>

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

9. Governance costs

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £
Staff costs	31,578	-	-	31,578
Trustees expenses	172	-	-	172
Legal and professional fees	-	-	-	-
Auditors remuneration - current period	5,220	-	-	5,220
	<u>36,970</u>	<u>-</u>	<u>-</u>	<u>36,970</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Staff costs	25,463	-	-	25,463
Trustees expenses	1,079	-	-	1,079
Legal and professional fees	19,663	-	-	19,663
Auditors remuneration - current period	4,550	-	-	4,550
	<u>50,755</u>	<u>-</u>	<u>-</u>	<u>50,755</u>

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

10. Wages and salary cost

	2017 Total Funds £	2016 Total Funds £
Gross wages	809,742	896,867
Employer's national insurance costs	59,793	63,429
Employer's pension contributions	42,518	58,684
Other staff costs	7,123	8,889
Termination payments*	42,986	16,654
	<u>962,162</u>	<u>1,044,523</u>

* Following the announcement of the closure of the Braeholm operation in the comparative financial year a redundancy payment was made in that financial year. Further redundancy payments were made in the year under review in respect of this closure amounting to £35,322. Additionally, due to the cessation of funding for a pastoral worker post, redundancy totalling £7,664 was paid to the post holder. No further amounts are expected in relation to these events. No additional termination benefits were payable at the balance sheet date.

There were no employees with employee benefits (excluding employer pension costs) totalling more than £60,000 in the current or the comparative year.

	2017	2016
Staff numbers:		
Average head count	<u>50</u>	<u>60</u>
Analysed as:		
Full time	14	16
Part time	<u>36</u>	<u>44</u>
	<u>50</u>	<u>60</u>

Calculated on a full-time equivalent basis, analysed by function:

Charitable activities - Centres	3.7	11.7
Charitable activities - LIBOR projects	4.0	3.6
Charitable activities - Pastoral workers	13.6	12.2
Charitable activities - NFF	6.2	6.1
Charitable activities - Other projects	0.9	0.9
Administration, management, raising funds and research	4.7	5.1
	<u>33.1</u>	<u>39.6</u>

The number of employees to whom pension contributions are accruing:

<u>34</u>	<u>43</u>
<u>34</u>	<u>43</u>

11. Related party transactions

None of the trustees were remunerated or received other benefits during the year under review or the comparative year from employment with the charity.

The trustees listed on page 1 were reimbursed or had travel and subsistence expenses paid on their behalf amounting to £93 (2016: £1,079).

Donations from trustees, without conditions, within the year under review amounted to £360. There were no donations with conditions.

During the year under review the charity's key management personnel had travel and subsistence expenses reimbursed or paid on their behalf totalling £13,041 (2016: £17,625), of which £9,366 (2016: £14,391) related to travel costs for key management personnel in NFF and LIBOR projects.

During the year under review the charity had 7 (FTE 6) (2016: 10 (FTE 8)) members of key management personnel who received employee benefits totalling £294,861 (2016: £274,861).

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

12. Auditors remuneration

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £
Auditors remuneration - current period	5,220	-	-	5,220
Auditors remuneration - payroll services	1,400	-	-	1,400
	<u>6,620</u>	<u>-</u>	<u>-</u>	<u>6,620</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Auditors remuneration - current period (excluding VAT)	4,550	-	-	4,550
Auditors remuneration - payroll services (excluding VAT)	1,365	-	-	1,365
	<u>5,915</u>	<u>-</u>	<u>-</u>	<u>5,915</u>

13. Tangible fixed assets

	Freehold property £	Total £
<i>Cost</i>		
At 1 April 2016	808,004	808,004
Additions	-	-
Disposals	(808,004)	(808,004)
At 31 March 2017	<u>-</u>	<u>-</u>
<i>Depreciation</i>		
Accumulated at 1 April 2016	258,004	258,004
Charge for the year	16,160	16,160
On disposals	(274,164)	(274,164)
At 31 March 2017	<u>-</u>	<u>-</u>
Net book value at 31 March 2017	<u>-</u>	<u>-</u>
Net book value at 31 March 2016	<u>550,000</u>	<u>550,000</u>

During the year under review the charity's activities at the Braeholm Naval Family and Accommodation Centre in Helensburgh ceased with the property placed on the market for sale. At the balance sheet date the site was available for immediate sale and the sale completed shortly after the year end. As such the asset was de-recognised from fixed assets and included as an asset held for sale. As part of this process the site was impaired to its net present value less costs to sell and shown within note 16 of these accounts.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

14. Fixed assets investments

	Listed investments £	Cash £	2017 Total Funds £	2016 Total Funds £
<i>Reconciliation of movement on investments</i>				
Carrying (market) value brought forward	8,311,862	387,572	8,699,434	9,111,455
Additions at cost	2,146,567	-	2,146,567	1,444,414
Disposals at carrying value	(2,089,492)	-	(2,089,492)	(1,498,442)
Gain/(Loss) on revaluation	1,235,332	-	1,235,332	(263,728)
Net increase/(decrease) in cash	-	(30,222)	(30,222)	(94,265)
Carrying (market) value carried forward	<u>9,604,269</u>	<u>357,350</u>	<u>9,961,619</u>	<u>8,699,434</u>
<i>Gains/(losses) on investments</i>				
Unrealised (from above)	1,235,332	-	1,235,332	(263,728)
Realised on disposal of fixed asset investments	226,852	-	226,852	(150,545)
	<u>1,462,184</u>	<u>-</u>	<u>1,462,184</u>	<u>(414,273)</u>
<i>The investments above are analysed as follows:</i>				
Cash and cash equivalents	-	357,350	357,350	387,572
Listed investments	9,604,269	-	9,604,269	8,311,862
	<u>9,604,269</u>	<u>357,350</u>	<u>9,961,619</u>	<u>8,699,434</u>

15. Debtors

	2017 Total Funds £	2016 Total Funds £
Accrued income	-	4,473
Trade debtors	355	2,020
Other debtors	-	-
	<u>355</u>	<u>6,493</u>

16. Assets held for sale

	2017 Total Funds £	2016 Total Funds £
Braeholm Naval Family and Accommodation Centre, Helensburgh	<u>469,899</u>	<u>-</u>

During the year under review the charity's accommodation and activity centre in Helensburgh was made available for immediate sale and actively marketed. With the sale completed shortly after the year end the asset has been transferred from fixed assets to assets held for sale and impaired to be recorded at its net present value less costs to sell. An impairment of £63,941 has been included in the statement of financial activities as part of this transfer.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

17. Creditors: amounts falling due within one year

	2017 Total Funds £	2016 Total Funds £
Accruals	45,332	54,003
Deferred income	13,145	5,000
Trade creditors	2,173	2,484
Other creditors	-	968
	<u>60,650</u>	<u>62,455</u>

18. Deferred income

	2016 Total Funds £	Total Funds £	Total Funds £	2017 Total Funds £
RMCTF - Deferred grant in support of pastoral workers	5,000	(5,000)	-	-
Forces in Mind Trust - Deferred grant in support of a transition post	-	-	12,145	12,145
Donation in support of Storybook Waves project	-	-	1,000	1,000
	<u>5,000</u>	<u>(5,000)</u>	<u>13,145</u>	<u>13,145</u>

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total Funds £	2016 Total Funds £
Tangible fixed assets	-	-	-	-	550,000
Fixed asset investments	-	-	9,961,619	9,961,619	8,699,434
Net current assets	494,627	195,188	166,110	855,925	634,452
	<u>494,627</u>	<u>195,188</u>	<u>10,127,729</u>	<u>10,817,544</u>	<u>9,883,886</u>

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

20. Analysis of net movement in funds

	(restated) Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Gains and (losses) on investments £	Total funds carried forward £
<i>Endowment funds</i>						
Expendable endowment	8,685,462	43,362	(63,279)	-	1,462,184	10,127,729
<i>Total restricted funds</i>	<u>8,685,462</u>	<u>43,362</u>	<u>(63,279)</u>	<u>-</u>	<u>1,462,184</u>	<u>10,127,729</u>
<i>Restricted funds</i>						
NFF	40,819	283,313	(275,102)	-	-	49,030
LIBOR projects	277,495	-	(167,877)	-	-	109,618
Greenwich Hospital - AFC	199	-	(199)	-	-	-
Greenwich Hospital - NFF Research	20,466	30,000	(26,869)	-	-	23,597
Annington Trust - SBW	16,622	-	(8,798)	-	-	7,824
Forces in Mind Trust	-	12,514	(10,713)	-	-	1,801
Greenwich Hospital - PW review	5,000	5,000	(6,682)	-	-	3,318
Methodist Forces Board - PW Sultan	-	26,035	(26,035)	-	-	-
RMCTF - Pastoral workers	-	16,725	(16,725)	-	-	-
RNRMC - Ark	-	4,500	(4,500)	-	-	-
RNRMC - Champions	-	5,500	(5,500)	-	-	-
<i>Total restricted funds</i>	<u>360,601</u>	<u>383,587</u>	<u>(549,000)</u>	<u>-</u>	<u>-</u>	<u>195,188</u>
<i>Unrestricted funds</i>						
General fund	837,823	373,090	(716,286)	-	-	494,627
<i>Total unrestricted funds</i>	<u>837,823</u>	<u>373,090</u>	<u>(716,286)</u>	<u>-</u>	<u>-</u>	<u>494,627</u>
Total funds	<u>9,883,886</u>	<u>800,039</u>	<u>(1,328,565)</u>	<u>-</u>	<u>1,462,184</u>	<u>10,817,544</u>

Description of funds

Expendable endowment fund	Funds arising from capital assets donated to the charity. The fund is expendable at the discretion of the trustees to support the charity's objects.
NFF	Funds received from the Ministry of Defence in the form of Grant-in-Aid funding to facilitate the Naval Families Federation (NFF) who act as the independent voice of Royal Navy and Royal Marines Families.
LIBOR projects	Funds received from the Ministry of Defence's LIBOR banking fines fund to support the Naval Families Federation regional team.
Greenwich Hospital - AFC	Funds received from Greenwich Hospital to support the Armed Forces Covenant project (regional team).
Greenwich Hospital - NFF Research	Funds received from Greenwich Hospital to support the cost of employing a Naval Families Federation Armed Forces Covenant research and communications co-ordinator.
Annington Trust - SBW	Funds received from the Annington Trust to support the Storybook Waves project.
Forces in Mind Trust	Funds received from Forces in Mind Trust for a transition liaison post to assist armed forces families leaving the military.
Greenwich Hospital - PW review	Funds received from Greenwich Hospital to fund a review of the pastoral workers project.
Methodist Forces Board - PW Sultan	Funds received from Methodist Forces Board to support pastoral workers at HMS Sultan.
RMCTF - Pastoral workers	Funds received from the RMCTF to support pastoral workers at CTCRM and Stonehouse.
RNRMC - Ark	Funds received from RNRMC to support the Ark community project.
RNRMC - Champions	Funds received from RNRMC to support the Champions community project.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

21. Pension scheme

The charity operates defined contribution pension scheme for its employees. The total payable for the period under review was £42,518 (2016: £58,684). There were no amounts outstanding at the end of the current period or comparative financial year.

22. Financial instruments

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

	2017 Total Funds £	2016 Total Funds £
<i>Financial assets</i>		
Measured at fair value through net income/(expenditure):		
Fixed asset investments	9,961,619	8,699,434
	<u>9,961,619</u>	<u>8,699,434</u>
Debt instruments measured at amortised cost:		
Trade debtors (note 15)	355	2,020
	<u>355</u>	<u>2,020</u>
<i>Financial liabilities</i>		
Measured at amortised cost:		
Trade creditors (note 16)	2,173	2,484
	<u>2,173</u>	<u>2,484</u>

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

	2017 Total Funds £	2016 Total Funds £
<i>Income and expense</i>		
Financial assets measured at fair value through net income/(expenditure)		
Investment income	283,313	268,334
Investment management fees	(63,279)	(49,224)
	<u>220,034</u>	<u>219,110</u>
<i>Net gains and losses (including changes in fair value)</i>		
Financial assets measured at fair value through net income/(expenditure)		
Unrealised gains/(losses) on investments	1,235,332	(263,728)
Realised gains/(losses) on investments	226,852	(150,545)
	<u>1,462,184</u>	<u>(414,273)</u>

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

Impairment losses recognised on freehold buildings totalled £nil (2016: £128,426) and impairment of assets held for sale following derecognition of freehold buildings totalled £63,941.

DAME AGNES WESTON'S ROYAL SAILORS' RESTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

NOTES TO THE FINANCIAL STATEMENTS

23. Restatement

During the year under review the charity's management undertook a review of the recognition of income between unrestricted and restricted funds and concluded some of the charity's income should be recorded as restricted within the financial statements. This review incorporated a review of income received in earlier accounting periods. The impact of the review on the results of the comparative year is shown in the table below:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £
Total income and endowments as previously stated	610,768	830,977	193,753	1,635,498
Methodist Forces Board - PW Sultan	(25,158)	25,158	-	-
RMCTF - PW CTCRM	(5,000)	5,000	-	-
RNRMC - Ark community project	(4,400)	4,400	-	-
RNRMC - Champions community project	(16,500)	16,500	-	-
Business Gateway Grant - Braeholm	(1,894)	1,894	-	-
Greenwich Hospital - PW review	(5,000)	5,000	-	-
Total income and endowments as restated	<u>552,816</u>	<u>888,929</u>	<u>193,753</u>	<u>1,635,498</u>
Total expenditure as previously stated	977,751	522,132	49,224	1,549,107
Direct staff costs	(46,658)	46,658	-	-
Other direct costs	(6,294)	6,294	-	-
Total expenditure as restated	<u>924,799</u>	<u>575,084</u>	<u>49,224</u>	<u>1,549,107</u>
Net income/(expenditure) as restated	(371,983)	313,845	144,529	86,391
Net income/(expenditure) as previously stated	(366,983)	308,845	144,529	86,391
Increase/(decrease) in reserve position	(5,000)	5,000	-	-
Charity funds at 31 March 2016 as previously stated	842,823	355,601	8,685,462	9,883,886
Charity funds brought forward as restated	<u>837,823</u>	<u>360,601</u>	<u>8,685,462</u>	<u>9,883,886</u>

24. Operating leases

At 31 March 2017 the charity had operating lease commitments in respect of rent of facilities of £250 per calendar month at St Mary's Church, Rowner and £720 per quarter at Castaway House, Portsmouth. The notice periods under these operating leases are six weeks and twelve months respectively.

During the year under review payments under operating leases amounted to £7,638 inclusive of a lease which ended during the year.