

Annual Report & Consolidated Accounts 2019 – 20

ABF

THE SOLDIERS'

CHARITY

The Army's National Charity

For Soldiers. For Veterans
For Families. For Life

PATRON

Her Majesty The Queen

PRESIDENT

General Sir Mike Jackson GCB CBE DSO DL

TRUSTEES**CHAIRMAN**

Lieutenant General (Ret'd) Philip Jones CB CBE DL

VICE CHAIRMAN

Simon Martin MA (Oxon)

MEMBERS

Peter Baynham FCA, AMCT
(Ret'd 2019)

Mary Fagan

Damien Francis
(Ret'd 2019)

Paul Hearn LLB (Hons)

Amanda Metcalfe

Major General Sharon Nesmith
(Ret'd 2019)

Warrant Officer Class One Gavin Paton
(The Army Sergeant Major)

James Rous

Anthony Scott, Chartered FCSI
(Appointed 2019)

Major General Neil Sexton
(Appointed 2019)

Major General (Ret'd) Malcolm Wood CBE

Lisa Worley

SENIOR MANAGEMENT TEAM

Major General (Ret'd) Martin Rutledge CB OBE,
Chief Executive

Brigadier (Ret'd) Robin Bacon,
Chief of Staff & Company Secretary

Temidayo Ajakaiye,
Director of Finance

Sean Bonnington,
Director of National Fundraising

Colonel (Ret'd) Kevin Haugh CBE,
Director of Grants and Welfare

Jenny Redman,
Director of Communications and Marketing

Brigadier (Ret'd) Colin Tadler CBE,
Director of Regions

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ABF The Soldiers' Charity is an incorporated charity registered with the Charity Commission for England and Wales with Charity No.1146420, and in Scotland with the Office of the Scottish Charity Regulator with Scottish Charity Register No. SC039189.

ABF The Soldiers' Charity is a company limited by guarantee in England and Wales (07974609) and was incorporated on 2nd March 2012.



Cover image: A soldier from the Royal Logistic Corps, pictured at a joint event with NAAFI to commemorate our 75th anniversary, September 2019.

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I STILL HAVE MY TOUGH DAYS BUT
THE SOLDIERS' CHARITY HAS GIVEN ME
SOMETHING TO WORK TOWARDS.

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HOLLY
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WELCOME FROM THE CHAIRMAN



As the chief executive notes in his foreword, 2020 has proved to be an extraordinary year. But while in next year's Annual Report we will begin to see the harmful medium-term impact of the pandemic, much of this report reflects on activity that took place in the year before COVID-19 struck. By any measure, this pre-COVID period was highly successful.

Our charity, in its 75th anniversary year, spent £12.2m supporting 70,000 members of the Army family and funded 89 other charities and organisations. While our anniversary allowed us to celebrate the charity, we never for a moment lost sight of our core purpose and our resolute commitment to those in need. Our corporate persona is understated and modest; and I think our family of professional and volunteer workers, supporters and donors can be rightly proud of this.

In terms of governance, our 75th anniversary year was one of continuity and change. HRH The Duchess of Cornwall graciously hosted a splendid reception for

the charity and its guests at Buckingham Palace in October 2019. We were delighted to be able to subsequently invite HRH to become vice patron of ABF The Soldiers' Charity, which was announced on Armed Forces Day in June 2020.

In March 2020, General Sir Mike Jackson handed over his role as president of the charity after seven years to General Sir James Everard. We are immensely grateful to General Mike for his tremendous support and commitment, and we are delighted and honoured to welcome General James to our presidency.

Our board has seen the departure of long-serving trustees, to whom we are most grateful: Damien Francis after nine years serving on the fundraising and marketing committee and actively participating in many of our events; and Peter Baynham stepped down after five years as the chair of the finance and investment committee, a very demanding and exacting role. Through open competition we appointed four new trustees who joined us in April 2020: Simon Heale, Sarah Booth, Rowena Fell and David London. We thank them for volunteering for these roles and we welcome them warmly to the trustee body.

And then COVID-19 struck. As chairman, I would like to thank everyone from the bottom of my heart for the way in which the immediate impact of the pandemic was managed. As the world scrambled to make sense of tragedy and massive change, it was so heart-warming to see how everyone pulled together to ensure the charity could remain fully operational and effective throughout. People across the charity innovated and exercised their initiative to make sure that those in need were cared for despite the constraints.

This spirit of overcoming adversity meant that in the six months immediately following lockdown the charity spent nearly £3m supporting over 1,100 individuals in need and providing essential financial support to some 20 partner charities and organisations that support the whole Army family.

While leading the urgent transition to remote working, and ensuring the charity's outputs were protected, the chief executive and his directors continued to successfully deliver vital and highly-complex pieces of work such as the budget, the audit and detailed risk reviews. Thanks to this first-class leadership and meticulous re-planning, the charity is now well placed to understand and manage the risks we are facing in the mid- to long-term.

It is at times like these that the charity's robust and resilient underpinnings stand us in good stead. As we come to terms with the damaging long-term impact of the pandemic, we know that our role is as important as ever. Times will be tough for a while and we will not escape unscathed, but thanks to the inspirational dedication of every single person involved with the charity, our work to help and support those in need will remain undiminished.

**LIEUTENANT GENERAL (RET'D)
PHILIP JONES CB CBE DL
CHAIRMAN
ABF THE SOLDIERS' CHARITY**

WELCOME FROM THE CHIEF EXECUTIVE



This Annual Report 2019-20 obviously spans a truly unique year. Whilst the first ten months covered a fairly normal but challenging year, by mid-February 2020 we were beginning to worry about an emerging crisis and by year-end in March had essentially completely moved to remote working with all that implied.

We entered the year with a clear understanding that this could be a potentially difficult year for both the sector and for ABF The Soldiers' Charity. With the inevitable further waning of the Armed Forces' profile as the public's memory of the conflict in Afghanistan fades, and the continued impact of over a decade of public sector funding constraints, we anticipated that both fundraising and demands for our help would prove challenging.

Actually, the resulting year was mixed but in the round we achieved a good outcome. A very creditable income of £14.8m was generated from the normal wide range of sources. Charitable expenditure was £12.2m, with which we

were able to support over 70,000 people in 62 countries worldwide. This was achieved via our individual grants programme and by providing essential funding for 89 other charities and organisations to enable them to deliver specialist services to the Army family on our behalf. We remain one of the biggest providers of grants to other charities and organisations in the military charity sector – not least as other charities retrench. A 19% increase in our core charitable expenditure and another substantial operating deficit of £3.3m demonstrate a charity doing the right things in already quite difficult circumstances.

“
OF SPECIAL NOTE, WE ALSO MARKED OUR 75TH ANNIVERSARY. THIS SEEMS ALL THE MORE POIGNANT GIVEN THAT WE WERE ESTABLISHED IN THE EXCEPTIONAL CIRCUMSTANCES AFTER THE SECOND WORLD WAR AND NOW, IN THESE VERY DIFFICULT TIMES, WE MUST REMAIN STEADFAST IN OUR CONTINUING ABILITY TO SUPPORT THE ARMY AND ITS PEOPLE.
”

The emerging pandemic was clearly a game changer. Our extensive array of fundraising events closed down almost immediately, and it quickly became apparent that we faced a prospective 50% reduction in income. However, through prudent management we had

already increased our liquidity given high asset values and an evident tightening of circumstances across our sector. Our board was also very clear that our reserves exist to sustain our operations through thick and thin and that they should be used in these circumstances.

Accordingly, we entered the new financial year with at least a year's operating cash, with remote operating fully-enabled across our 12 sites and our grants and welfare team working seamlessly throughout to help those in need – indeed in the six months since March we have dispersed in excess of £1m to over 1,100 individuals in need plus a further £1.8m to some 20 other charities and organisations that support the Army family writ large. You would expect nothing less from the Army's national charity.

As always none of this would be possible without my very supportive board, our fantastic hard-working and committed staff and our very loyal supporters – especially in the current circumstances. Thank you. We are absolutely clear that we can sustain our activities into the long term, despite the current extraordinary challenges, and indeed we see significant opportunities for our sector to adapt and further improve.

**MAJOR GENERAL (RET'D)
MARTIN RUTLEDGE CB OBE
CHIEF EXECUTIVE
ABF THE SOLDIERS' CHARITY**

OUR VISION

ALL SERVING SOLDIERS, VETERANS AND THEIR IMMEDIATE FAMILIES SHOULD HAVE THE OPPORTUNITY TO AVOID HARDSHIP AND ENJOY INDEPENDENCE AND DIGNITY.



01 Audrey served as a mechanic during World War Two. Now in her nineties, she characterises one of many elderly veterans who we have been proud to support.

02 Jean's husband served in the Royal Artillery during the 1950s. Some years ago, she suffered a stroke that left her partially paralysed and unable to speak. We awarded a grant to repair her day chair.

03 Lee served in the Royal Artillery for eight years. Following a back injury, we supported him with a grant towards a carpet cleaning course and some equipment. He now owns a successful cleaning business, White Horse Cleaning Services, and employs 28 people.

04 Felix is among over 2,000 serving and former service personnel choosing to study with The Open University (OU) each year. Our £20,000 grant has enabled disabled veterans access to supported scholarships with the OU to study courses in psychology, sport and social care, business, languages, law and STEM subjects (photo credit: Chris Floyd).

05 Claire served in the Royal Logistic Corps for nearly 20 years and was subsequently diagnosed with post-traumatic stress disorder. With the help of Finchale – a specialist employment charity we support – Claire was able to access help with housing, emotional issues and employment.



OUR MISSION

We are the Army's national charity, giving a lifetime of support to serving soldiers, former soldiers and their immediate families when they are in need.



OUR OBJECTIVES

Since our formation in 1944, our objectives have been to benefit persons who are serving or who have served in the British Army, or their dependants, in any charitable way by the provision of grants, loans, gifts, pensions or otherwise. We work with veterans of every conflict, from the Second World War to the most recent operations, whether they live in the British Isles or overseas.

PUBLIC BENEFIT

When reviewing The Soldiers' Charity's aims and objectives, and when setting grant-making policy and planning for the future, the trustees have carefully considered the Charity Commission's guidance on public benefit. The Soldiers' Charity provides a public benefit in that it supports the Army community, contributing to the defence of the UK and its interests. Through its external grants programme, The Soldiers' Charity also enables other charities to maximise their public benefit, in support of the Army family.



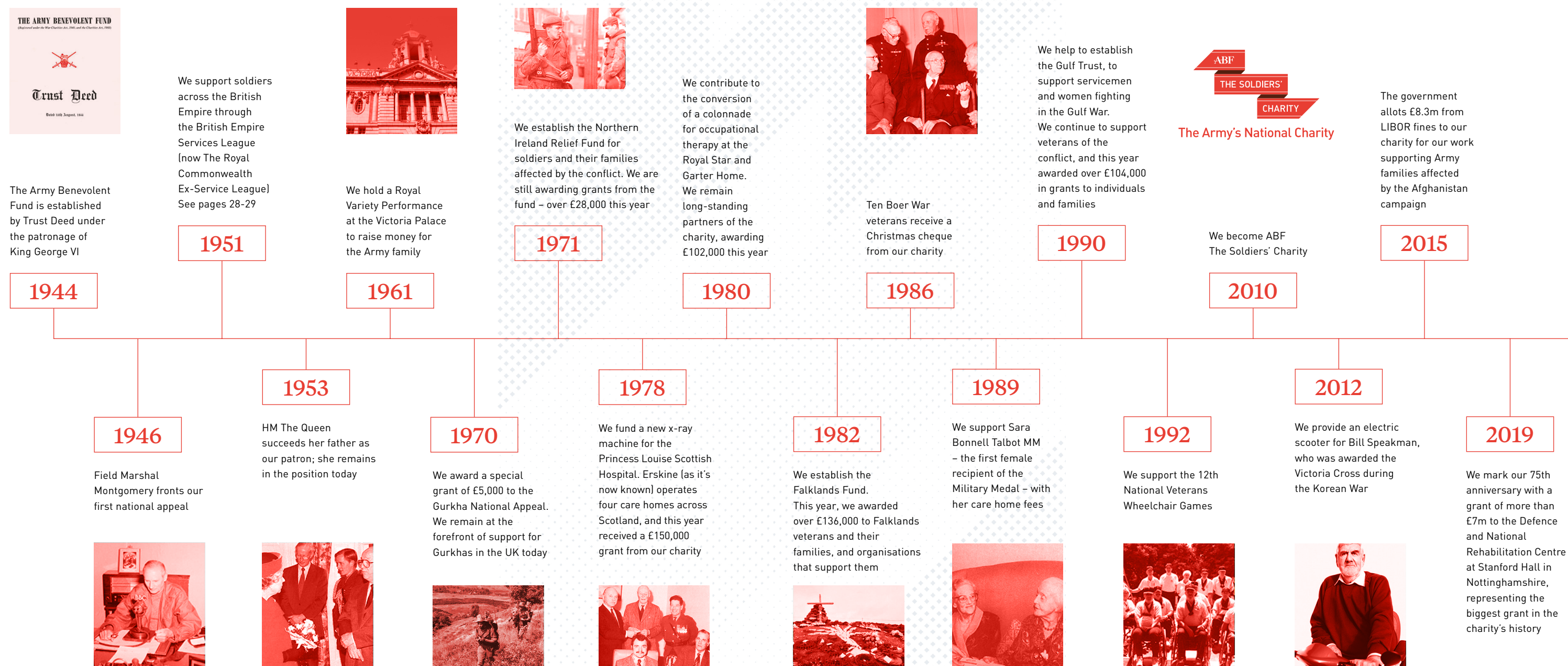
75 YEARS OF SERVICE 1944-2019

In 2019, we marked 75 years of service as the Army's national charity. We were founded in the tumultuous final years of World War Two to ensure that returning soldiers would be taken care of.

Our purpose has not changed since the day we were founded: we exist to ensure that all soldiers, veterans and their immediate families can live a life of independence and dignity.

Our anniversary gave us the opportunity to express thanks to our supporters and to reflect on our continuing relevance to the serving soldiers and veterans today, not least during the current COVID-19 pandemic.

SOME OF THE WAYS WE HAVE SUPPORTED SOLDIERS, VETERANS AND THEIR FAMILIES SINCE 1944:



CHARITABLE ACTIVITIES OVERVIEW

AS THE ARMY'S NATIONAL CHARITY, THE WELFARE OF SOLDIERS, VETERANS AND THEIR IMMEDIATE FAMILIES HAS ALWAYS BEEN AT THE HEART OF EVERYTHING WE DO.

In the past year, we have supported more than 70,000 people in 62 countries across the globe. This has been achieved via our individual grants programme and by providing essential funding for 89 other charities and organisations to enable them to deliver specialist services to the Army family. By supporting us, you truly do support the whole Army family.

In the financial year 2019-20, our charitable expenditure was £12.2m. Our aim, as ever, was ensuring a complete spectrum of support to the Army family in the areas it was needed most, such as: enabling independent living; caring for the elderly; training and education to increase employability; improving mental fitness; helping Army families; and securing the provision of suitable housing. This is an increase of 19% on last year, excluding our one-off £7m grant to the Defence and National Rehabilitation Centre in FY18-19. The increase in FY19-20 was due to a number of factors including a general marked increase in the cost of individual grants and a one-off £1.6m expenditure using LIBOR funds to refurbish eight childcare and community facilities on Army bases around the UK (see page 21 for more information).

It is important to highlight that our ability to provide support was not stymied by the coronavirus pandemic, which hit in the latter part of the 2019-20 financial year. Our grants programme continued full steam ahead and we were able to provide support to, for example, individuals who had lost their income and were struggling with essential living costs; unlikely to find employment soon. We were also able to continue making substantial grants to our partner charities, in support of the Army family.

We pride ourselves on acting immediately when help is needed and provide true through-life support, the breadth and variety of which is explained in this publication.

Our three mechanisms for providing support

- 1** We make grants to individuals, through their Regimental and Corps charities.
- 2** We make grants to other charities and organisations that deliver specialist support to soldiers, veterans and their immediate families.
- 3** We take a key role in the military welfare ecosystem by: funding organisations that carry out Army-related casework (particularly SSAFA); investing in the casework management system (to ensure grants are reviewed and disbursed quickly); and collaborating with and providing advice and support to other military charities and organisations.

Supporting the whole Army family

The overall scale, breadth and variety of our support is vast. We are here to help soldiers, veterans and families of all 'ages and stages' – our youngest beneficiary in FY19-20 was a one-year-old baby and our eldest was 102. We are here to help the Army family through life's challenges – whether that involves bereavement, injury, getting back to work, elderly care, and much more besides.

We are never judgmental, and we always adopt a holistic approach to the person or family in need of support. Often, an individual in need will receive an initial grant, delivered through their Regimental or Corps charity; then be referred to a specialist charity that we have funded. They may then receive support from other partner charities – with assistance from us at every stage. Throughout, we rigorously focus on their need and allocate our support accordingly across a wide range of charity partners.

We give grants to support other charities both large and small, local and international, depending on our assessment of where the need is. Our grants programme is continually evolving and we never 'rubber stamp' applications – all cases are based on merit, with rigorous due diligence checks on outcomes (or, put another way, the positive effect of our spend).

Finally, and crucially, we act with speed. When we are alerted that a person or family is in need of help, we aim to make the relevant grant within 48 hours.



In **FY19-20** we spent **£12.2m** supporting **70,000 members** of the Army family



The youngest person we supported was a **1 year old** baby, the eldest was **102 years old**



We funded **89 other** charities and organisations that are providing support to the Army family



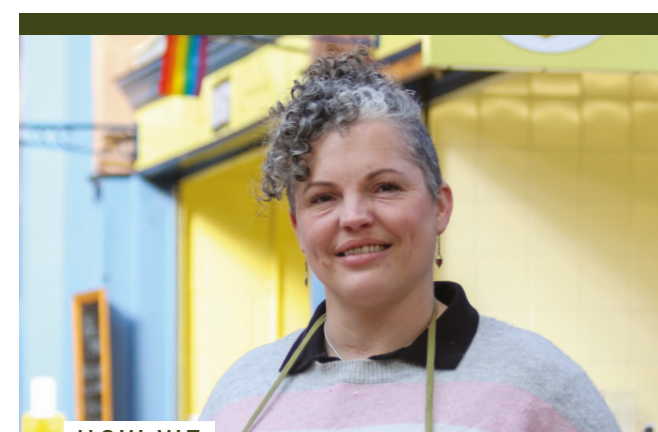
We have supported the British Army family all over the world – in **62 countries** this year



Around **22% of our grants** were spent supporting serving Army personnel and their families



We spend around **£15,000 a day** and **£78,000 a week** on grants to individuals



HOW WE HELPED HOLLY

Holly was 19 when she joined the Army. She served with the Royal Electrical and Mechanical Engineers for seven years; training for arctic warfare in Norway before an operational tour of Iraq in 2003.

After leaving the Forces, Holly secured a place at the University of Lincoln to study Sport and Exercise Science. In her second year, she suffered a sporting injury that left her with a broken back and neck.

Holly struggled with her mental health and found it difficult to hold down a job. But with the help of the Poppy Factory – one of 89 charities supported by ABF The Soldiers' Charity this year – she decided to launch The Hangry Lemons café in the indoor market of her hometown of Carlisle.

Holly runs the café with her wife, Hannah. Together, they applied to our charity for help with a kitchen refurbishment to get the café up and running, and the business got off to a great start. At the time of writing the café is closed due to the coronavirus pandemic, but Holly and Hannah look forward to welcoming customers back as soon as social distancing restrictions are lifted.

“
IT'S FANTASTIC THAT I'M DOING
SOMETHING I LOVE. I STILL HAVE MY
TOUGH DAYS BUT THE SOLDIERS'
CHARITY HAS GIVEN ME SOMETHING
TO WORK TOWARDS. I FEEL SO LUCKY.

”

HOLLY

CHARITABLE ACTIVITIES ENABLING INDEPENDENT LIVING

WE STRONGLY BELIEVE THAT ALL PEOPLE, REGARDLESS OF AGE OR DISABILITY, SHOULD HAVE THE OPPORTUNITY TO LEAD FULL AND INDEPENDENT LIVES.

We are on hand to support veterans and their families, both young and old, with home adaptations and mobility equipment to enable them to live where they are most comfortable. Some will require substantial support for the rest of their lives, and we are here for the long-haul to ensure their needs are met.

As well as providing grants to individuals in need of support, we fund a number of specialist charities that help former soldiers and their families to live independently.



01 Our support for the Spinal Injuries Association (SIA) enables it to provide a peer support service for injured veterans at every stage of their recovery.

02 A recent survey found that 99% of veterans reported a more positive outlook after using the SIA's peer support service.



WE ASSISTED 152
wounded, injured and sick soldiers
with individual grants this financial year



WE SPENT MORE THAN £320,000
on specialist mobility aids for individuals



WE SUPPORTED 424
individuals with grants for mobility
aids and equipment

sia spinal
injuries
association
FOR LIFE AFTER SPINAL CORD INJURY

Supporting Spinal Injuries Association

We have worked in partnership with the Spinal Injuries Association (SIA) since 2003 to provide enhanced support to serving and former members of the British Army who sustain a spinal cord injury.

Our grant of £30,000 in FY19-20 enabled a specialised peer support service that offers advice and advocacy as well as assistance with equipment, housing, funding and mental health support. The service is available to individuals at every stage of their recovery; from the newly injured receiving treatment in hospital to those continuing their rehabilitation at home. A recent survey found that 99% of service users reported a more positive outlook.

In addition, the SIA provides training and support for healthcare professionals, a Freephone advice line, telephone counselling and access to funding and support.

HIGHLIGHT

Our latest grant has supported five newly-injured veterans, alongside 40 existing patients.

CHARITABLE ACTIVITIES CARE FOR THE ELDERLY

OUR AIM IS TO PROVIDE SUPPORT FOR SOLDIERS, FOR LIFE. IN OUR 75TH YEAR, WE WERE PROUD TO BE SUPPORTING WORLD WAR TWO VETERANS – AND WE WILL BE DOING THE SAME FOR AFGHANISTAN AND IRAQ VETERANS IN YEARS TO COME.

We believe it is vital that elderly veterans and their families have access to the highest quality care and equipment. Whether a veteran is living in the UK or overseas, we reach them through our extensive, established network to ensure they have the support they need.

We enable veterans to stay in their own homes by, for example, providing stairlifts and accessible bathrooms to make sure they are safe and comfortable. We ensure elderly veterans can remain independent and connected to their local communities, spending over £162,000 this year on electric-powered vehicles for 230 elderly veterans. And for those who are no longer able to stay at home, we assist with care home top-up fees.

We also provide funding for a number of charities that provide top-quality elderly care, including six of the UK's leading care homes for veterans. We also support international organisations taking care of veterans overseas, such as the Royal Commonwealth Ex-Services League. We made a £200,000 grant to this important charity this year.



**WE SPENT
OVER £1.1M**

on individual grants to
veterans over 65 years old



**WE PROVIDED
GRANTS**

to eight World War
Two veterans



**WE SPENT
OVER £680,000**

supporting organisations
that help elderly veterans



HOW WE HELPED EMILY

Emily was born one of eight children in Stepney, London, in 1919. Her father worked at the docks and her mother was a housewife. During the Blitz, Emily recalls sheltering from air raids in the undercroft of St George's Church, where she celebrated her 21st birthday in 1940.

Emily served in the Auxiliary Territorial Service (ATS) between 1942 and 1945 and was stationed at Chelsea Barracks, Aldermaston, Donnington and Reading. Her favourite wartime memory is meeting Charlie; the young Sergeant who would later become her husband. They met in a local pub where Emily's father used to buy beer for visiting soldiers.

Emily and Charlie were married in 1944 and went on to have three children. The young family moved to Essex where Emily remained until 2018, when she moved into a nursing home close to her daughter. Emily now has five grandchildren and seven great grandchildren. In 2019, she celebrated her 100th birthday.

Our charity is proud to be working with the Women's Royal Army Corps Association Benevolent Fund to support Emily with her care home fees.



“

WE ARE SO GRATEFUL FOR THE
ASSISTANCE MUM RECEIVES.
I DON'T THINK SHE WOULD BE
HERE WITHOUT IT.

”

JEAN PROSSER,
EMILY'S DAUGHTER

CHARITABLE ACTIVITIES TRAINING AND EDUCATION TO INCREASE EMPLOYABILITY



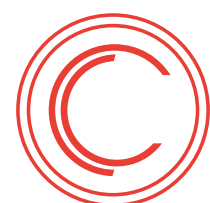
WE SPENT MORE THAN £570,000

on education support for individuals,
including training course fees



OVER 580 PEOPLE

have been helped into
employment following participation
in the programmes we support



WE AWARDED £398,146

to RFEA – the Forces Employment
Charity, the leading source of
ex-forces jobs and career advice

ARMY LIFE IS A UNIQUE EXPERIENCE, AND FOR SOME THE TRANSITION TO CIVILIAN LIFE IS CHALLENGING. WE ARE HERE TO HELP THOSE WHO REQUIRE ADDITIONAL SUPPORT WHILE TAKING THIS STEP.

Our grants towards education and training enable former soldiers to embark on rewarding new careers. Over 580 people have been helped into employment after participating in programmes that we support over the past year, with veterans qualifying in fields ranging from animal welfare, barbering and beauty therapy to close protection, driving, catering, computing, counselling, personal training, and many more! The Army equips its people with skills for life and we are delighted to be able to assist veterans in pursuing fulfilling careers, enabling them to live with independence and dignity.



01 Dale served for nine years in the Welsh Guards. He was severely injured in Afghanistan, when his vehicle was caught in an IED explosion. Following support from our charity, Dale is now employed as a driver.

02 Scott served for seven years with the Mercian Regiment until he was seriously injured in a road traffic accident in Afghanistan. Following assistance from our charity to retrain, Scott is now a successful self-employed electrician.



AMONGST A HOST OF CHARITIES
WE SUPPORT IN THE EMPLOYMENT
SPACE, OUR LARGEST GRANTS WERE:



£398,146

RFEA - the Forces Employment Charity



£100,000

The Poppy Factory provides employment
support for wounded, injured and sick veterans



£50,000

SSVC offers free, full-time creative media
production courses for service leavers and veterans



HOW WE HELPED MATTHEW

Matthew served for 23 years as an infantry communications specialist. After leaving the Army, he struggled to secure work and began to lose focus. He approached RFEA, a specialist employment charity for the Armed Forces community.

Last year, we awarded £398,146 to RFEA to provide support, jobs and training opportunities to service leavers, reservists, veterans and their families.

At RFEA, Matthew was partnered with a mentor and received support with CV writing. He is now living in London and looking to build a civilian career in project management. He believes the field will challenge him and enable him to function at his best.

“
I'VE BEEN INTRODUCED TO ROLES
I NEVER THOUGHT I'D BE
CAPABLE OF. I NOW HAVE A NEW
POSITIVE OUTLOOK.

”
MATTHEW

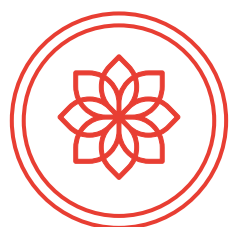
CHARITABLE ACTIVITIES INCREASING MENTAL FITNESS

MENTAL HEALTH IS A KEY AREA OF OUR WORK. WE PROVIDE WIDE-RANGING FINANCIAL ASSISTANCE TO AN ARRAY OF ORGANISATIONS THAT PROMOTE MENTAL AND PHYSICAL WELLBEING AMONG THE ARMY COMMUNITY.

Combat Stress remains a key partner for us and we have supported them for many decades, enabling the delivery of life-changing services for individuals and families facing a mental health crisis (read more in the case study adjacent).

Another programme we have been delighted to support is Right Turn, a specialist drug, alcohol and mental health programme for veterans, run by the charity We Are With You (formerly known as Addaction). And thanks to funding from the Lord Mayor's Big Curry Lunch, we could enable 18 Armed Forces veterans to attend the Pain Management Programme at King Edward VII's Hospital's Centre for Veterans' Health, at a cost of £6,500 per person, which seeks to address the mental and physical effects of chronic pain.

DUNDEE THERAPY GARDEN



£15,000 towards horticultural therapy for veterans, a project we have supported since its inception

THE WARRIOR PROGRAMME



£50,000 to support 150 veterans and family members battling issues such as suicide, homelessness and family breakdown

THE MATTHEW PROJECT



£38,848 to support close family members affected by a loved one's drug or alcohol misuse



01 Alan served with the Royal Horse Artillery for six years, including tours of Northern Ireland, Belize and Kenya. After leaving the Army, he struggled with addiction and mental illness and was found accommodation at Launchpad, one of 89 charities we support. We subsequently supported Alan with an individual grant. He says: "I'm at the stage now where I like myself again and present myself better. I've got a future to look forward to."

02 This year, we awarded £250,000 to Combat Stress to adapt its service provision due to coronavirus. A team of specially-trained professionals has been available to provide free confidential advice and support to veterans.



2,451

Army veterans attended appointments at Combat Stress in the past year



5,000+

Army veterans contacted the Combat Stress 24-hour helpline in the past year

Supporting Combat Stress

This year, we were delighted to continue our support for Combat Stress with a £250,000 grant towards its work with veterans battling complex mental health conditions.

Formed in the aftermath of the First World War, the charity offers therapeutic and clinical community and residential treatment to former members of the British Armed Forces who are suffering from a range of mental health conditions, including post-traumatic stress disorder.

Our grant will support Combat Stress as it adapts its service provision in response to the COVID-19 pandemic. This includes its 24-hour helpline, alongside a new programme that provides holistic and flexible therapy via video link.

HIGHLIGHT

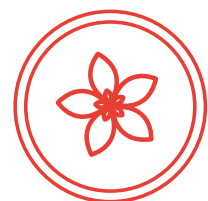
In FY19-20, Army veterans attended 11,719 appointments at Combat Stress, including individual counselling, group sessions and residential treatment.

CHARITABLE ACTIVITIES HELPING ARMY FAMILIES

WE ARE COMMITTED TO SUPPORTING THE IMMEDIATE FAMILIES OF THOSE WHO HAVE SERVED THEIR COUNTRY. OUR TEAM RESPONDS TO INDIVIDUAL GRANT REQUESTS WITHIN 48 HOURS, ENSURING FAMILIES RECEIVE THE HELP THEY NEED.

Our help comes in many forms – furnishing a new home after a relationship breakdown; funding a relative's funeral; helping repair a leaking roof or boiler; or assisting with the grocery bill for a single parent who has fallen on hard times. We also fund other charities such as the Rainbow Trust, which provides practical and emotional support for families caring for a child with a life-threatening or terminal illness.

In the past year we spent over £19,000 supporting children's needs via our individual grants programme. When providing financial assistance, we signpost families to the relevant local services such as debt advice, and ensure they are in receipt of all their entitled state benefits prior to awarding a grant. This helps the family to build financial security and avoid a similar crisis in the future. We continue to work especially closely with, and fund, the Army Families Federation, to improve the quality of life for Army families around the world.



WE AWARDED £32,000

to the Army Widows' Association whose aim is to offer comfort, support and friendship to the widows and widowers of servicemen and women.



01-03 Sutton Heath Childcare Centre at Rock Barracks, MOD Woodbridge in Suffolk. The centre is one of eight being refurbished as part of a joint project between ABF The Soldiers' Charity and HQ Regional Command.



WE HELPED ALMOST 400

families with funeral costs, spending over £365,000 to ensure they could bury their loved one with dignity



WE AWARDED OVER £60K

to Home Start to run dedicated programmes for military families in Hampshire, Kennet and Medway



Supporting Serving Families

In 2017, we initiated a three-year programme with the Army's HQ Regional Command to refurbish eight childcare and community facilities on Army bases around the UK. This £1.6m project was funded by the Chancellor of the Exchequer using LIBOR funds.

The first childcare centre was opened at Dalton Barracks in Oxfordshire in May 2019. Once housed in a dilapidated portacabin, the new centre provides a light, spacious place with sleeping areas, a ball-pit and sensory room to ensure children get the best possible start in life.

Further centres will support Army communities in Woodbridge, Pirbright, Worthy Down, Andover, South Cerney, Stafford and Corsham. Alongside childcare facilities, the updated centres are equipped for community activities and events, and include provisions for children with special needs.

HIGHLIGHT

The centres give parents and children the chance to have a proper purpose-built facility, which reflects the needs of modern parents and allows mums and dads to get back to work.

CHARITABLE ACTIVITIES ENSURING THE PROVISION OF SUITABLE HOUSING

SUITABLE HOUSING IS A MUST IF A PERSON IS TO BE ABLE TO LIVE WITH INDEPENDENCE AND DIGNITY. WE WORK HARD TO MEET THE VARIED HOUSING NEEDS OF VETERANS AND THEIR FAMILIES.

Whether that is helping a homeless veteran to get off the streets, ensuring a property is safe and suitable for a young family, or preventing eviction for a veteran who has been unable to guarantee his or her income.

We do this by providing grants to individuals in need as well as by funding several charities across the UK that provide specialist housing support for veterans. For example, we have provided a £60,000 grant to Stoll, to fund community services at five of their housing schemes; £35,000 to the Lord Leycester Hospital in Warwick, which provides free accommodation for needy and wounded veterans; and over £37,000 to Launchpad, which provides homeless veterans in the North East with accommodation and communal facilities.



**WE SPENT ALMOST
£530,000**

on essential household furniture and appliances, such as fridges and washing machines



**OVER £1.3M
WAS SPENT**

on grants to individuals with housing needs



**WE SPENT ALMOST
£480,000**

on grants to other charities supporting veterans with housing needs



Supporting Scottish Veterans' Residences

This year, we were delighted to award £15,000 to Scottish Veterans' Residences to refurbish the dining room at its Whitefoord House centre in Edinburgh.

Scottish Veterans' Residences provides support and accommodation to former members of the British Armed Forces when they are in need. Formed in 1919, the charity operates housing support services for veterans in Scotland's three largest cities: Edinburgh, Glasgow and Dundee.

The dining room at Whitefoord House is used continually by residents for meals and social activities. Our grant has contributed towards refurbishing the space and making it suitable for the needs of all veterans, including those with restricted mobility and mental health conditions. The work is now complete and the dining room open to residents.

“IT MAKES SUCH A DIFFERENCE THAT ORGANISATIONS LIKE THE SOLDIERS' CHARITY ARE THERE TO SUPPORT SERVING SOLDIERS AND VETERANS.”

MARTIN NADIN,
CHIEF EXECUTIVE,
SCOTTISH VETERANS'
RESIDENCES

SUPPORTING THE MILITARY WELFARE ECOSYSTEM

We take great care and invest substantial resource in playing a key role in the military welfare ecosystem, collaborating with our sister Service charities (the Royal Naval Benevolent Trust, the Royal Navy and Royal Marines Charity and the Royal Air Force Benevolent Fund), other charities that support the Army family, government and the Army, to ensure we have a comprehensive picture of need and can guard against duplication of effort. This will be ever-more important in the face of the challenges emanating from the pandemic.

This financial year we have spent £2.4m on activities that fall outside the responsibility of our principal business of grant-making but are key to ensuring soldiers, veterans and their immediate families' needs are met in a timely and effective manner.

Funding casework

All our grants are made in partnership with the Regimental and Corps charities and are supported by detailed casework as a key element of our governance procedures. These organisations aim to help all those who currently serve or have served in their respective Regiments or Corps (including any antecedent Regiments/Corps) and who find themselves or their dependants in need. We rely on organisations such as SSAFA and The Royal British Legion (TRBL) to undertake casework. Both SSAFA and TRBL train volunteers and staff to visit soldiers, veterans and their families and report on the need as they find it, including a review of their financial situation. In FY19-20, we spent £200,000 funding SSAFA in order to ensure that need could be speedily and adequately assessed.

Funding the Casework Management System

Nearly all individual grants we make, some 4,534 this financial year, are via the presentation of casework on the digital Casework Management System. This digital platform enables detailed information to be passed securely between Regimental and Corps charities, caseworkers (such as SSAFA) and grant makers (such as The Soldiers' Charity) – and enables grants to be paid out quickly. This system continues to require substantial investment to ensure data remains secure and to guarantee that when the appropriate information is provided those who need help can have their case assessed and, if appropriate, have a grant disbursed to support them as quickly as possible.

Due diligence

Our governance process is at the heart of all we do, and accordingly substantial staff resource is invested. Applications from partner charities are assessed by our Grants Committee, which considers the long-term impact of each project, its financial sustainability and organisational credibility prior to reaching a funding decision. Grantees are monitored and evaluated on an annual basis, including regular project visits, which are often trustee-led, to ensure that we fund only the most efficient and effective interventions. These visits also help to provide an overall picture of the military welfare ecosystem and assist us with gauging the 'need' landscape.

Administering funds on behalf of others

We continue to administer funds on behalf of the nation, such as the Falklands Fund, Gulf Fund and Afghanistan Fund. These primarily provide very long-term support to veterans wounded or injured in those conflicts, as well as their families. These funds are subject to the same governance processes and staff resources, but we have absorbed the associated costs related to managing these funds in the interest of efficiency, partnership and collaboration – ensuring that optimal financial support is obtainable and distributed to those in need. It is worth noting, in the current COVID-19 climate, that never before has it been so vital to have these long-term funds available, as it means we can continue to provide support when external circumstances bring challenges.



HOW WE HELP: THE MECHANICS OF BENEVOLENCE

Our grants programme provides a comprehensive package of support to serving and former members of the British Army and their immediate families. Our priority is our individual grants programme, which this year assisted 4,534 individuals and families.

Our support for individuals and families: Who we help

We are proud to support the whole Army family. Those eligible for our help are as follows:

- Members and former members of the British Regular Army who have normally completed adult basic training. Exceptionally individuals who are medically discharged as a direct result of an injury sustained during their basic training will also be supported.
- Dependant spouses/civil partners, widows, widowers, children and other immediate dependants.
- Members and former members of the British Army Reserve (and their dependants as outlined above), providing they have completed one year's satisfactory service which will have included Phase 1 training. Exceptionally we will provide support for a lesser period of service if the death, injury or distress arises from any action or incident while on military duty or the soldier had deployed on a designated operation.

How we help

In the case of serving soldiers and their immediate families, the soldier will contact their Unit Welfare Officer, Personnel Recovery Officer, Resettlement Officer, or the Army Welfare Service in the first instance. We then stand ready to assist with funding as appropriate.

Many cases we support relate to veterans and their immediate families. Generally, cases will initially be submitted to the appropriate Regimental and Corps charity. We provide support through our partnership with these charities, dealing with around half of all cases presented to them.

All cases are considered on their merits. Underlying every case is a clearly identified individual case of need that cannot be met by other sources.

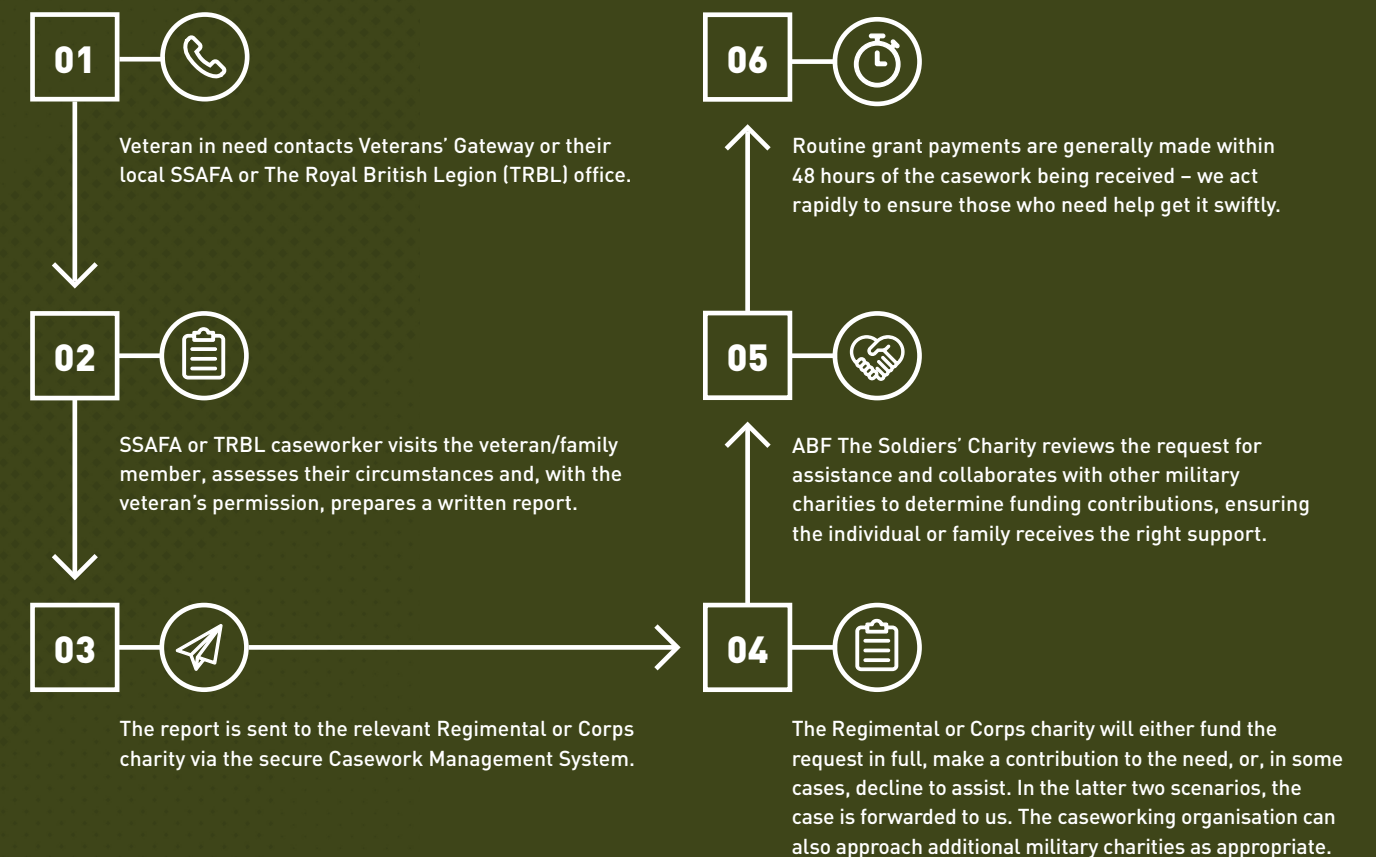
Collaboration is key

Since 1944, ABF The Soldiers' Charity has worked in partnership with the Regiments and Corps charities to ensure that all soldiers, past and present, and their immediate families have equal access to welfare support. Our grants to individuals also depend on the efforts of caseworking organisations such as SSAFA and The Royal British Legion (TRBL), which conduct the casework necessary for us to provide financial assistance. The diagram on the right sketches out a typical support pathway for a veteran in need of help.

WE ARE ONE OF THE BIGGEST PROVIDERS OF GRANTS TO OTHER CHARITIES AND ORGANISATIONS IN THE MILITARY CHARITY SECTOR.



TYPICAL SUPPORT PATHWAY FOR A VETERAN IN NEED OF HELP



Our support for other charities and organisations

Our priority will always be our individual grants programme, but it is important to note that we are one of the biggest providers of grants to other charities and organisations in the military charity sector. Our well-established and substantial grants programme provides vital funding for other charities and organisations that support the Army family.

The broad range of charities and organisations that we support is extensive and covers every aspect of social care, including but not limited to care for a disabled child, marriage guidance, hospice care, addressing homelessness amongst former soldiers, managing post-traumatic stress disorder and helping disabled soldiers renew their sense of self-worth through sport.

As part of our due diligence processes (outlined on p.24), we have in place established guidelines for applicant charities

and organisations. Preference is given to charities and organisations that are members of the Confederation of Service Charities (Cobseo) or Veterans Scotland.

Grant applications are considered individually by our Grants Committee, which includes external sector and subject experts, and confirmed by trustees. In assessing applications, the following issues are taken into consideration: the governance and trustees of the organisation, the financial viability of the organisation, the degree of need for the project requiring funding, the amount the organisation spends on administration and fundraising compared with charitable activities, and the ability of the charity to gain sufficient funding for the project from other sources.

Finally, as part of our governance procedures, charities or organisations that are awarded a significant grant are required to complete outcomes reports, so we can gauge the impact of the funds bequeathed. This year, we funded 89 charities to the tune of £5.9m.

WHERE WE HELP: A GLOBAL FOOTPRINT

ONE OF THE WAYS WE HELPED IN CANADA

We provided an annuity payment to an elderly widow living in Canada. Our help ensures that she can heat her home during the cold winter months.

ONE OF THE WAYS WE HELPED IN ECUADOR

We purchased a stair-lift for a veteran with mobility issues living in Ecuador. This help ensures he can remain safe and supported in his own home.

ONE OF THE WAYS WE HELPED IN SPAIN

This year, we awarded £25,000 to Age In Spain to support British Army veterans and their families living there. The charity provides information, case-working support with issues such as money, health, home and relationships, and a repatriation service for those wishing to return to the UK.

ONE OF THE WAYS WE HELPED IN MALTA

We provided a grant for funeral costs to a veteran whose family member had passed away. Our help ensured the family could bury their loved one with dignity.

ONE OF THE WAYS WE HELPED IN PAKISTAN

Through RCEL, our partner organisation, we provided an elderly British Indian Army veteran with two meals a day, enabling him to live with independence and dignity.

ONE OF THE WAYS WE HELPED IN MALAYSIA

We awarded a grant for living costs to an Army widow living in Malaysia. The lady had fallen on hard times after her husband's death and struggled to maintain her standard of living.

ONE OF THE WAYS WE HELPED IN ZIMBABWE

We awarded a grant for rent arrears to a veteran living in Zimbabwe. The veteran had fallen on hard times following a period of ill health and unemployment.

Our support for the Army family extends all over the world. This year, we helped 70,000 people in 62 countries through a combination of grants to individuals and partner charities. The bulk of our overseas work is delivered in partnership with the Royal Commonwealth Ex-Services League (RCEL), which assists veterans and spouses in 48 countries across the Commonwealth.

This year, we were delighted to make a £200,000 contribution to a project RCEL is running with the Department for International Development (DFID) to provide two meals a day to Commonwealth veterans and spouses, ensuring that those living in hardship have access to proper nutrition.

FUNDRAISING

WE COULD NOT ANNUALLY ASSIST MORE THAN 70,000 MEMBERS OF THE ARMY FAMILY ACROSS 62 COUNTRIES WITHOUT OUR FANTASTIC SUPPORTERS. WE ARE EXTREMELY GRATEFUL TO EVERY PERSON AND ORGANISATION THAT MAKES OUR GRANT-MAKING POSSIBLE. WITH THE EMERGENCE OF THE COVID-19 PANDEMIC, THIS BECOMES EVER-MORE IMPORTANT.

It would be remiss not to mention how humbled we have been by the generosity of our many supporters following the outbreak of the coronavirus pandemic. We have had to cancel or postpone the vast majority of our fundraising events from mid-March 2019 and have been astonished by the number of people who have refused refunds, or called in with donations. It is this sort of generosity that helps keep our grant-making going.

Fundraising standards

We adhere to the highest fundraising standards. Our fundraising success is directly related to our reputation and we go to great lengths to protect the public, including vulnerable people, by, for example, avoiding cold calling, street 'chugging' or any other practices that are not in line with The Soldiers' Charity's values. We are committed to the Fundraising Regulator's Code of Fundraising Standards to ensure we meet the highest standards, so supporters and volunteers can give and fundraise with confidence and trust.

Our behaviour

We promise to always show respect and never pressure anyone to make a donation. We want the decision to give to always be an active choice on the part of the giver and we are particularly sensitive when dealing with vulnerable people. We have a comprehensive supporter engagement policy, which incorporates all elements of fundraising and associated activities. We do not sell personal details to other charities or other third parties. We only share personal information with suppliers that we engage to process data on our behalf; and such processing is only conducted under formal data processing agreements.

Safeguarding

The Soldiers' Charity is committed to proactively safeguarding children, young people and vulnerable adults with whom staff, or any organisation acting on our behalf, come into contact during fundraising, benevolence or outreach activities. We reviewed our safeguarding policy in early 2018, having taken expert counsel to ensure it is fully up-to-date and fit for purpose. We take all reasonable care to protect our beneficiaries and supporters, and comply with all relevant legal obligations and statutory guidance, with safeguarding being integral to our recruiting process. There is also a documented procedure for reporting serious incidents to the Charity Commission and relevant statutory bodies. In FY19-20 there were no such matters to report.

Accessibility

We make it easy for people to get in touch with us either by phone, letter or email. Whether someone wants to ask a question about our work or how we spend donations, or wants to find out about an event we are organising, or to update their communication preferences, we pride ourselves on being responsive and accessible. We have a complaints process in place, should any supporter be unhappy or express concerns about our activity; and complaints received this financial year remain at a very low level.

Complying with GDPR

The General Data Protection Regulation (GDPR) came into force in May 2018 and implementing it has not been without its difficulties. In order to take forward the raft of complex and often inter-related technical and procedural issues, we have recently established the Data Management Working Group (DMWG), which meets regularly to resolve issues, agree priorities and impose better coherence on how data is managed within the charity.

Information systems

We have modernised and raised the standard of our technical processes and infrastructure that support fundraising. Importantly, this has been achieved without increasing the budget; our highly-skilled IT team has removed the need for costly third party support.

In-house projects have replaced antiquated on-premises equipment, with the latest cloud-based services and configuration control of software and hardware being far more efficient. We have also taken advantage of gratis offerings from the likes of Microsoft and Amazon, such as free cloud storage. This progress has continued to improve the performance, reliability, security and compliance of our information systems.

Relationships with agencies and commercial providers

We have a small in-house fundraising team and we employ external agencies to add additional expertise or capacity, for example event management companies when we are organising large scale events. This is more cost effective than trying to do everything ourselves. We always ensure signed contracts are in place.



01 Yomp ambassador Major Sandy Hennis tackles the 54-mile Cateran Yomp accompanied by a team from AFC Harrogate. The Cateran Yomp 2019 raised over £200,000, with over 1,000 walkers taking part.



02 In August, we were delighted to receive a donation of £303,500 from The Royal Edinburgh Military Tattoo. The has gone primarily towards our work supporting members of the Army family with housing needs.



03 On 6th June 2019, the 75th anniversary of the D-Day landings, our Scotland office welcomed HRH The Princess Royal to a commemorative dinner at Edinburgh's Prestonfield House. The event raised over £100,000 for soldiers, veterans and their families.

FINANCIAL HIGHLIGHTS

Overview

Despite a difficult fundraising environment and the unpredictability of legacies income (hitherto particularly substantial for us), we have had a moderately successful year, generating an income of £14.8m (FY18-19: £17.7m). This has come from a wide range of sources such as donations from individuals, trust and foundations; direct marketing appeals; legacies; high-profile events and income from investments and cash deposits.

As a charity, we benefit from the generosity of a number of organisations who give freely of their time, energy and financial support. There are too many to name here but we are grateful to them all. Special thanks this year must go to: The Soldiers Fund (USA), The Royal Edinburgh Military Tattoo, the Utley Foundation, Robert Galbraith Ltd., BAE Systems, MBDA and RIFT Ltd.

We are also grateful to the Army Dependants' Trust, which has again made a substantial contribution towards our work – and in particular our continuing ability to sustain support to the bereaved over the long term. Our ongoing relationship and coordination with the Army Dependants' Trust and indeed the Army Central Fund is vital because it enables the most effective use of Army charitable funding on behalf of serving soldiers, veterans and their immediate families.

The outbreak of the coronavirus pandemic in March 2020 did not affect our financial performance during FY19-20, but in reaction to the prevailing global circumstances we have stress tested our ability to continue to meet our obligations for the foreseeable future. Measures are being put in place to further strengthen our resilience and flexibility; and to monitor the ongoing impact of the pandemic on our grants programme and fundraising.

As detailed earlier in this report, our charitable expenditure was £12.2m, representing an increase of 19% on last year (excluding our one-off £7m plus grant to the Defence and National Rehabilitation Centre in FY18-19). This steep increase is largely due to the expenditure of £2.1m from LIBOR funding that was awarded to us for

two important projects: to help improve childcare and community centre facilities for Army families and to enable a bespoke welfare service for the Armed Forces community in hospitals and across Southern England, working in partnership with the Defence Medical Welfare Service. We thank the Chancellor of the Exchequer for his confidence in our governance of these funds.

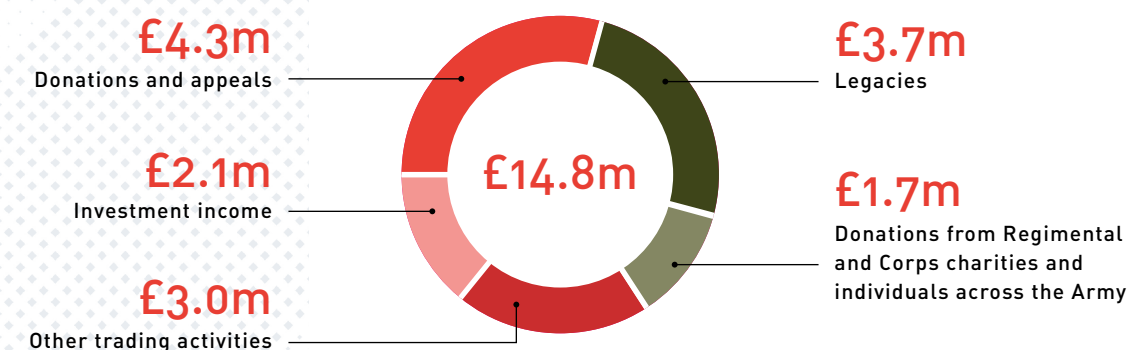
The total cost of raising funds was £5.9m (FY18-19: £5.7m) as we invested slightly more in income-generating activities. We continue to bear the total cost of raising and administering funds, with the proceeds being passed on for free to the 89 partner charities and organisations we supported this year.

Total expenditure decreased to £18.1m (FY18-19: £22.9m), largely due to last year's substantial grant to the Defence and National Rehabilitation Centre (more than £7m).

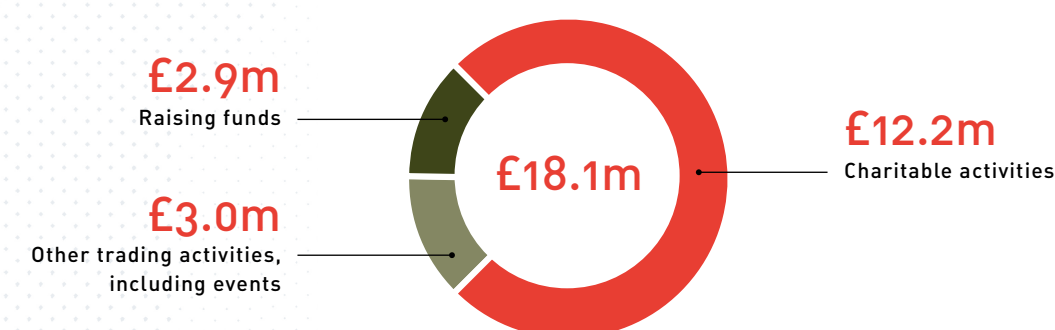
We are delighted to have been able to make a real and significant difference to the Army family, whether serving or retired – and are steadfast in our commitment to being able to provide this support for soldiers, veterans and their families for the very long term.



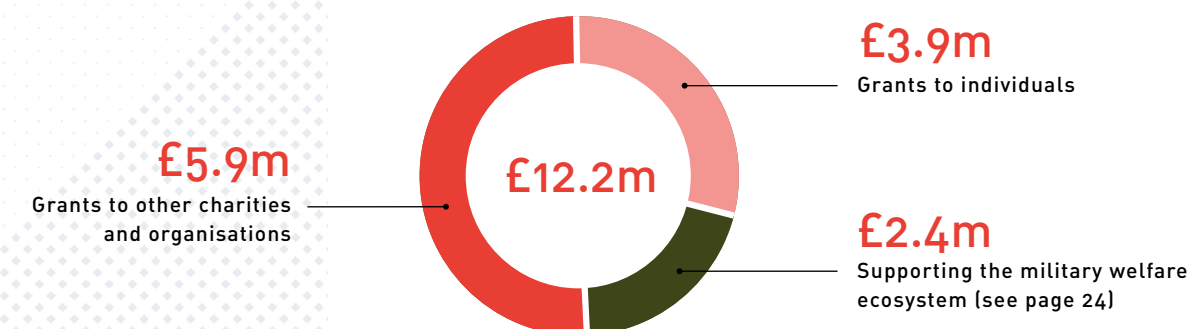
WHERE MONEY CAME FROM



HOW WE SPENT/ALLOCATED MONEY



HOW WE SUPPORTED THE ARMY FAMILY



FINANCIAL HIGHLIGHTS

Investment management

Our overall investment objective is focused on capital growth of the investments in real terms with an appropriate return from our income units.

At the year end, the charity held long term investments with a market value of £70,583k and short-term cash deposits of £1,504k (2019: £77,158k and £1,915k respectively). Values were impacted by exceptional year-end volatility as we entered the COVID-19 crisis. The charity's long-term investments are held in BlackRock Armed Forces Charities Growth & Income Fund and the CCLA Common Investment Fund with the aim of achieving a balance between the two investment managers.

Our investment performance and holdings are reviewed regularly by the Finance & Investment Committee against our investment objectives and its benchmarks. Both investment managers have performed satisfactorily, or better, in difficult market conditions.

Reserves

Our Reserves policy is set to ensure that our work is protected from the risk of disruption at short notice due to lack of funds, or indeed sudden pressures on the Army and its people in this very uncertain world. At the same time, we need to ensure that we do not hold income or capital for longer than required – but equally we must ensure that we meet our strategic imperative to act 'for the long haul'. The current crisis clearly serves to further reinforce the importance of adequate reserves.

Much of our reserves has been endowed to us as Restricted or Designated funds, meaning they are held against a specific purpose. These include substantial funds such as the Northern Ireland Special Relief Fund and the Afghanistan Fund which are solely for soldiers and families affected by these conflicts. We are privileged to administer these funds on behalf of the nation. We willingly absorb the associated costs related to managing these funds in the interest of efficiency, partnership and collaboration – ensuring that optimal financial support is available and delivered to those in need.

Designated funds also include money that has been set aside to ensure we, and by extension the wider Army family of Regimental and Corps charities, can meet the needs of our current and future beneficiaries against potential future risks. This remains the fundamental purpose of The Soldiers' Charity

– established as it was by the War Cabinet in 1944 to act as the Army's strategic reserve in times of exceptional need.

Our Designated funds also cover LIBOR funding that will be disbursed for specific projects in partnership with the Army and the Defence Medical Welfare Service; and a sum to cover our eventual relocation from the current head office. The latter is a strategic issue for us, given our role as landlord to seven co-located charities, and our continuing wish to drive efficiency across our sector.

The balance of our reserves is held in Unrestricted funds, which are the resources The Soldiers' Charity has available for its general purposes once it has met its planned expenditure commitments. Full details of the reserves and our reserves policy can be found in the Notes to Accounts (see notes 17-20).

Our Board is clear that the fundamental purpose of accumulating reserves is to mitigate against unanticipated risks (such as major conflict and indeed the recent pandemic) and to bring strategic impact to bear on the sector when opportunities arise.

This year our reserves position clearly changed as a result of the coronavirus pandemic. Markets plunged, resulting in significant losses as at year-end, but then substantially recovered. We continue to take a long-term view, expect the market to recover in due course and manage our resources accordingly. That said, we found it necessary to make available more cash, and trustees are fully prepared to draw down further from the reserves in FY20-21.

Risks and uncertainties

Trustees place considerable importance on achieving compliance with employment, health and safety and other relevant legislation. The Board of Trustees reviews major risks at each meeting and ensures that the senior management team has taken all reasonable measures to manage these risks.

Risks are graded by likelihood and severity, including measures to mitigate them. In the event of a major situation involving or otherwise affecting The Soldiers' Charity, business continuity and disaster recovery plans are in place, and were of course fully tested in the final month of the year.

The Soldiers' Charity's solicitors review the principal charity policies on a regular basis and all other policies are reviewed periodically by the senior management team.

In the certain knowledge that we will need to continue to provide support to soldiers, veterans and their immediate families for many decades, we regularly update and review our financial plan, reserves and investment policies. Internal financial controls are checked by the auditors and reviewed with the Finance & Investment Committee on a regular basis.

This year, aside from the continuing uncertainties associated with the realisation of Brexit and the potential impact on significant numbers of Army veterans overseas, plus the emerging pandemic, trustees continued to place significant emphasis on data protection, compliance and safeguarding. Considerable effort has continued to be expended throughout the year to ensure that The Soldiers' Charity is compliant with the General Data Protection Regulation (GDPR) that came into effect in May 2018 and the Data Protection Act 2018.

The trustees have declared themselves satisfied that major risks have been identified and adequately mitigated, wherever reasonably practicable. It is recognised that systems can only provide reasonable not absolute assurance that major risks have been adequately managed.

Plans for future periods

The year 2020 is being dominated by the huge and unprecedented impact of the global COVID-19 pandemic. Its wide-reaching and enduring effects are likely to continue through 2021 and possibly beyond, having a significant financial impact on the charity and the whole sector, not only imposing a burden on our charitable expenditure but also reducing our opportunities for raising fundraising income with the cancellation of events. We had already demonstrated our willingness to make strategic interventions using our substantial reserves, with our £7m plus grant in FY18-19 to help set up the new Defence and National Rehabilitation Centre at Stanford Hall. Now we have taken further steps to adjust our operations to meet the new challenges, for example innovating through several successful virtual events.

The current pandemic, and its direct implications, is not the only uncertainty going forward; indeed it may prove not to be the biggest. Our sector already faced substantial potential change, some of which has been accelerated, increased or interestingly possibly ameliorated by the COVID-19 crisis. Examples include the rapidly-declining size of our beneficiary base; a longstanding need to fundamentally reform the nation's provision of health and social care including for the elderly; the status of the Armed Forces community in society; the impact of the Comprehensive Spending Review (CSR) and other radical underlying change on the Army, and therefore tangentially on us; the impact of Brexit (on an Army community with a large non-UK dependency); increasing governance and regulatory compliance changes; and a longstanding need to evolve a very particular Service charity sector.

Going forward, The Soldiers' Charity's approach will be to maintain our resilience in sustaining our activities and outputs, ensuring that we remain effective and well-positioned to continue to support the Army family writ large with substantial grants; and demonstrating our relevance and leadership whilst engaging effectively with our supporters to retain their goodwill

and continuing support. We have adapted to new ways of working through COVID-19 'lockdown' and will continue to adapt to the 'new normal' with a flexible but rigorous approach.

Notwithstanding the COVID-19 crisis, the demands for charitable support continue to be broadly stable. Our first priority is to continue supporting potential beneficiaries with individual grants, with the distinct possibility of there being significant additional demands on our grant-giving later in the year. This may need to be balanced by awarding fewer grants to other charities and organisations, as we and our charity partners come under increased pressure from the wider political and economic challenges emanating from COVID-19.

Our past deliberate approach to act as landlord to other co-located Service charities in Mountbarrow House, our national headquarters, has exposed us to the risk of them vacating the building and us being unable to replace them, thus incurring greater rental costs that fall to The Soldiers' Charity. We will be doing our utmost to fill the space with paying tenants and certainly reviewing the lease arrangements prior to the mutual rolling break clause in March 2024. In the meantime, vacant floorspace has greatly helped our ability to provide appropriate safely-distanced working arrangements for all our staff in London.

The Soldiers' Charity must continue to be cognisant of, and adapt to, the new regulatory environment; continue to protect its reputation and engender high levels of trust; continue to be pro-active in engaging, cooperating and coordinating activities between related Service charities and the Army; embrace up-to-date digital practice and adapt to becoming a more vibrant and networked business; and have in place a culture of continuous improvement and an unrelenting focus on outcomes.

As we rebalance our own operations, we continue to play a key role in encouraging the wider sector to further collaborate and consolidate. We are clear that the current exceptional circumstances provide opportunities as well as risks. With the financial pressures that have been brought to bear by the current crisis, our sector will face some consolidation and we are key stakeholders in work underway to shape that change rather than merely be subject to it.

Finally, to help guarantee our ability to meet our ongoing commitments without having to liquidate devalued assets, we have taken advantage of the government's VAT deferral scheme and have also borrowed £2m through the Coronavirus Business Interruption Loan Scheme (CBILS). We further released additional capital to guarantee our operations until at least the next financial year. The Board of Trustees is clear that our reserves exist to safeguard our operations in time of crisis, like now, but equally we need to preserve our long-term ability to act as the Army's 'strategic reserve' for benevolence.

GOVERNANCE STRUCTURES, GOVERNANCE & MANAGEMENT

Reference and administrative details

ABF The Soldiers' Charity, formerly the Army Benevolent Fund, is a Company limited by guarantee not having a share capital (Company No. 07974609), governed by the Articles of Association of ABF The Soldiers' Charity. The Soldiers' Charity was incorporated on 2 March 2012 and was registered with the Charity Commission on 14 March 2012 (Charity No.1146420). It is also registered with the Office of the Scottish Charity Regulator, the registration number is SC039189.

The Soldiers' Charity is governed by the Board of Trustees, which is ultimately responsible for the organisation's strategic direction. The Board of Trustees is assisted by four trustee-led committees: the Governance Committee, which is responsible for governance policies and procedures; the Finance & Investment Committee, which is responsible for oversight of all aspects of The Soldiers' Charity's financial policies and operations; the Grants Committee, which provides direction and scrutiny of all grant-giving; and the Fundraising & Marketing Committee, which provides expert guidance on The Soldiers' Charity's approach to fundraising and marketing.

Trustees are appointed for an initial period of three years, which can be extended for up to two further three-year periods. No trustee can serve for a consecutive period of more than nine years, except when approved by a majority of the other trustees by special resolution.

Each trustee is selected after a thorough search for suitable candidates through open competition or after service in an expert capacity on one of our four committees. On appointment, each trustee undergoes an induction programme tailored to their knowledge and experience. All trustees are offered briefings on charity governance, charity finance and their individual and collective legal responsibilities. A register of trustees' interests is held centrally and trustees are required to disclose all relevant interests, register them with the Secretary to the Board of trustees, and in accordance with The Soldiers' Charity's policy, withdraw from decisions where a conflict of interest arises. Trustees receive no remuneration or benefits-

in-kind, but are reimbursed for their expenses as noted in the accounts. The trustees are responsible for the strategic direction of The Soldiers' Charity and, through its committees, for monitoring the activities of the executive staff. Trustees receive and review regular reports from the committees and senior management team. The Board of Trustees met four times in the FY19-20.

The Chief Executive and senior management team are responsible for the day-to-day management of The Soldiers' Charity's affairs and for implementing the strategies and policies agreed by the Board of Trustees.

The Soldiers' Charity provides support for the Army family through a range of other charities and organisations, as shown on pages 10-29. The trustees are grateful to these bodies, and especially the unpaid caseworkers and other volunteers, without whom we would be unable to meet the needs of our beneficiaries.

The charity is firmly aligned with the Charity Governance Code, closely adhering to the code's seven principles, applying the recommended practices and thus able to continually demonstrate good governance.

Staff

Engaged, competent employees are key to the success of the organisation. We are focused on inspiring and developing our people to be the best that they can be, providing professional and in-house training that is both relevant and rewarding, whilst continuing to seek opportunities to develop new ways of working and streamline processes. The total number of employees in established posts as at 31st March 2020 was 89, some of whom are part time. The key management personnel for the charity comprise the trustees and the senior management team (see page 2 for more information).

Apprenticeship levy scheme

We have contributed to the government's Apprenticeship Levy scheme in FY19-20.

Remuneration policy

Making effective decisions in relation to remuneration and reward is considered both central and crucial to the continued success of The Soldier's Charity's overall aims. We aim to pay competitively against our relevant comparators in the voluntary sector. We draw our benchmark data from 'Croner's Charity Rewards', which gave indicative median salaries for all roles and grades from a very wide selection of national charities in 2019-20. All positions in The Soldiers' Charity have been assessed and placed within an appropriate generic pay band, with each pay band divided into increments to allow for job weighting, experience and performance.

We also aim to enhance the organisation's competitive positioning by promoting a total reward approach, recognising that other aspects of the employment package (such as benefits and development opportunities, as well as the intrinsic moral value of working for a charity) are also valuable to employees.

Remuneration review and annual pay award

Having drawn on inflation index data (HM Treasury and ONS statistics) and taken note of pay settlements for other similar charities, especially in the military charity sector, the trustees awarded an indicative increase of 2.1% for FY19-20. We pay no performance or retention inducements whatsoever, to any member of staff, irrespective of their position in the organisation. Benefits available to eligible staff include: defined contribution pension scheme; staff travel allowance; group life insurance and a sickness income protection scheme.

In accordance with Charities Statement of Recommended Practice (Charities SORP), The Soldiers' Charity discloses: all payments to trustees (our trustees do not receive remuneration but are reimbursed for valid transport and subsistence expenses) and the number of staff in receipt of more than £60,000 in salary and other benefits (note 9).

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare the financial statements for each financial year.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP;

- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK 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 Soldiers' Charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that 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) (effective 1 January 2015) - (Charities SORP), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant material audit information of which the charitable company's auditor is unaware; and
- Trustees have taken the necessary steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Approved by the Board of Trustees and signed on its behalf on 16th December 2020.



Lieutenant General (Ret'd) Philip Jones CB CBE DL
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ABF THE SOLDIERS' CHARITY

Opinion

We have audited the financial statements of ABF The Soldiers' Charity ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2020 and of the Group's incoming resources and application of resources and the Parent Charitable Company's 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the

financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

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

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information.

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and 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 Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Heather Wheelhouse
(Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK

Date 21st December 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

ABF The Soldiers' Charity
Consolidated Statement of Financial Activities
(Incorporating the Consolidated Income and Expenditure Account)
For the Year to 31 March 2020

	Notes	Unrestricted Funds (note 18) £	Designated Funds (note 19) £	Restricted Funds (note 20) £	Total 2020 £	Total 2019 £
Income from:						
Donations and legacies						
The public						
Donations and Appeals Income		4,323,840	-	-	4,323,840	4,550,503
Legacies		3,685,661	-	-	3,685,661	7,056,869
		<u>8,009,501</u>	<u>-</u>	<u>-</u>	<u>8,009,501</u>	<u>11,607,372</u>
Army personnel						
From individuals in Army Units		102,311	-	-	102,311	212,376
Regimental and Corps Benevolent Funds		776,025	-	-	776,025	802,790
Army Dependants Trust		800,000	-	-	800,000	800,000
		<u>1,678,336</u>	<u>-</u>	<u>-</u>	<u>1,678,336</u>	<u>1,815,166</u>
Investments	3	1,627,050	316,842	185,315	2,129,207	1,234,204
Other trading activities						
Other donations and events		2,960,291	-	-	2,960,291	3,045,471
Total Income		<u>14,275,178</u>	<u>316,842</u>	<u>185,315</u>	<u>14,777,335</u>	<u>17,702,213</u>
Expenditure on:						
Raising funds						
Fundraising trading	4	3,055,657	-	9	3,055,666	2,906,206
Other costs of raising funds	5	2,876,596	4	-	2,876,600	2,753,025
		<u>5,932,253</u>	<u>4</u>	<u>9</u>	<u>5,932,266</u>	<u>5,659,231</u>
Charitable activities						
Grants to Regiments and Corps for the benefit of individuals	6	3,847,903	16,958	59,836	3,924,697	3,736,507
Grants to other charities	7	2,946,104	2,648,023	269,100	5,863,227	11,292,592
		6,794,007	2,664,981	328,936	9,787,924	15,029,099
Grant making and other support costs	8	2,364,402	12,598	16,800	2,393,800	2,236,200
		9,158,409	2,677,579	345,736	12,181,724	17,265,299
Total expenditure		<u>15,090,662</u>	<u>2,677,583</u>	<u>345,745</u>	<u>18,113,990</u>	<u>22,924,530</u>
Net (expenditure) before net gains/(losses) on investments		(815,484)	(2,360,741)	(160,430)	(3,336,655)	(5,222,317)
Net gains/(losses) on investments	12	(3,211,248)	-	(416,212)	(3,627,460)	5,034,225
Net (expenditure) for the year		(4,026,732)	(2,360,741)	(576,642)	(6,964,115)	(188,092)
Net interest in the results for the year in associates	13	10,996	-	-	10,996	10,634
Net movement in funds		(4,015,736)	(2,360,741)	(576,642)	(6,953,119)	(177,458)
Funds balances at 1 April		19,514,586	57,603,587	7,745,216	84,863,389	85,040,847
Funds balances at 31 March		<u>15,498,850</u>	<u>55,242,846</u>	<u>7,168,574</u>	<u>77,910,270</u>	<u>84,863,389</u>

ABF The Soldiers' Charity
Charity Statement of Financial Activities
(Incorporating the Income and Expenditure Account)
For the Year to 31 March 2020

	Notes	Unrestricted Funds (note 18) £	Designated Funds (note 19) £	Restricted Funds (note 20) £	Total 2020 £	Total 2019 £
Income from:						
Donations and legacies						
The public						
Donations and Appeals Income		4,323,840	-	-	4,323,840	4,550,503
Legacies		3,685,661	-	-	3,685,661	7,056,869
		<u>8,009,501</u>	<u>-</u>	<u>-</u>	<u>8,009,501</u>	<u>11,607,372</u>
Army personnel						
From individuals in Army Units		102,311	-	-	102,311	212,376
Regimental and Corps Benevolent Funds		776,025	-	-	776,025	802,790
Army Dependants Trust		800,000	-	-	800,000	800,000
		<u>1,678,336</u>	<u>-</u>	<u>-</u>	<u>1,678,336</u>	<u>1,815,166</u>
Investments	3	1,627,050	316,842	185,315	2,129,207	1,234,204
Other trading activities						
Other donations and events		2,894,366	-	-	2,894,366	2,988,290
Total Income		<u>14,209,253</u>	<u>316,842</u>	<u>185,315</u>	<u>14,711,410</u>	<u>17,645,032</u>
Expenditure on:						
Raising funds						
Fundraising trading	4	2,978,516	-	9	2,978,525	2,838,311
Other costs of raising funds	5	2,876,596	4	-	2,876,600	2,753,025
		<u>5,855,112</u>	<u>4</u>	<u>9</u>	<u>5,855,125</u>	<u>5,591,336</u>
Charitable activities						
Grants to Regiments and Corps for the benefit of individuals	6	3,847,903	16,958	59,836	3,924,697	3,736,507
Grants to other charities	7	2,946,104	2,648,023	269,100	5,863,227	11,292,592
		6,794,007	2,664,981	328,936	9,787,924	15,029,099
Grant making and other support costs	8	2,359,328	12,598	16,800	2,388,726	2,232,600
		9,153,335	2,677,579	345,736	12,176,650	17,261,699
Total expenditure		<u>15,008,447</u>	<u>2,677,583</u>	<u>345,745</u>	<u>18,031,775</u>	<u>22,853,035</u>
Net (expenditure) before net gains on investments		(799,194)	(2,360,741)	(160,430)	(3,320,365)	(5,208,003)
Net gains/(losses) on investments	12	(3,211,248)	-	(416,212)	(3,627,460)	5,034,225
Net (expenditure) for the year		(4,010,442)	(2,360,741)	(576,642)	(6,947,825)	(173,778)
Net interest in the results for the year in associates	13	10,996	-	-	10,996	10,634
Net movement in funds		(3,999,446)	(2,360,741)	(576,642)	(6,936,829)	(163,144)
Funds balances at 1 April		19,455,788	57,603,587	7,745,216	84,804,591	84,967,735
Funds balances at 31 March		<u>15,456,342</u>	<u>55,242,846</u>	<u>7,168,574</u>	<u>77,867,762</u>	<u>84,804,591</u>

ABF The Soldiers' Charity
Balance Sheets at 31 March 2020

		GROUP		CHARITY	
		2020	2019	2020	2019
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11	144,796	154,120	144,796	154,120
Investments	12	70,583,273	77,157,806	70,583,274	77,157,806
Associate undertaking	13	37,513	26,517	37,513	26,517
		<u>70,765,582</u>	<u>77,338,443</u>	<u>70,765,583</u>	<u>77,338,443</u>
Current assets					
Stocks		213	1,496	-	-
Loan debtors	14	-	2,585	-	2,585
Other debtors	15	5,088,060	5,167,349	5,085,393	5,152,105
Short-term deposits		1,503,834	1,914,845	1,503,834	1,914,845
Cash at bank and in hand		<u>1,601,063</u>	<u>4,389,499</u>	<u>1,552,835</u>	<u>4,331,873</u>
		8,193,170	11,475,774	8,142,062	11,401,408
Creditors: amounts falling due within one year	16	<u>(1,048,482)</u>	<u>(3,950,828)</u>	<u>(1,039,883)</u>	<u>(3,935,260)</u>
Net current assets		<u>7,144,688</u>	<u>7,524,946</u>	<u>7,102,179</u>	<u>7,466,148</u>
Net assets	17	<u>77,910,270</u>	<u>84,863,389</u>	<u>77,867,762</u>	<u>84,804,591</u>
Represented by:					
Income funds					
Restricted funds	20	7,168,574	7,745,216	7,168,574	7,745,216
Designated funds	19	55,242,846	57,603,587	55,242,846	57,603,587
Unrestricted funds	18	<u>15,498,850</u>	<u>19,514,586</u>	<u>15,456,342</u>	<u>19,455,788</u>
Total funds		77,910,270	84,863,389	77,867,762	84,804,591

Approved by the Board of Trustees and signed on its behalf



Lieutenant General (Ret'd) Philip Jones CB CBE DL
Chairman

John Smith

Anthony Scott, Chartered FCSI
Honorary Treasurer

16th December 2020
Registered in England and Wales, company number 07974609

ABF The Soldiers' Charity
Consolidated Statement of Cash Flows for the Year to 31 March 2020

[illegible]

Analysis of cash

	2020	2019
	£	£
Cash in hand	1,601,063	4,389,499
Notice deposits (less than 3 months)	1,503,834	1,914,845
Total cash	3,104,897	6,304,344

1 / ACCOUNTING POLICIES

Accounting convention

The Accounts have been prepared on a going concern basis under the historical cost convention, unless otherwise stated in the relevant accounting policy note, 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) (effective 1 January 2019) – (Charities SORP (FRS 102)) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

ABF The Soldiers’ Charity (‘the Charity’) has taken advantage of the exemption to prepare a Statement of Cash Flows on the basis that it is a qualifying entity. The consolidated Statement of Cash Flows, within the financial statements, includes the Charity’s cash flows.

The Charity constitutes a public benefit entity as defined by FRS 102.

Consolidation

The Accounts consolidate ABF The Soldiers’ Charity and its trading subsidiary company; Soldiers’ Trading Limited. The income of the trading subsidiary is included in the Consolidated and Company Statement of Financial Activities within Donations and appeals income, and within Other donations and events. Expenditure is included in Costs of goods sold.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Donations and income from fundraising events are recorded in the Accounts when receivable. Income received from events is recognised in the period in which the event takes place. Income from legacies is taken into the Statement of Financial Activities when received or when receipt is probable, and the value can be measured with sufficient reliability. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. Investment income is recognised when received. Grants are included as income when these are received.

Costs of raising funds

Costs of raising funds comprise fundraising costs and the costs incurred in subsidiary trading company activities. Fundraising costs include advertising, producing publications, printing and mailing fundraising material, associated staff costs and an appropriate allocation of support costs.

Charitable expenditure

Grants payable in furtherance of the Charity’s objects are recognised as expenditure in the year in which the grant is formally approved by the Charity and has been communicated to the recipient, except to the extent that it is subject to conditions that enable the Charity to revoke the award. Any refunds of grants are credited to the line in which they were originally allocated in the Accounts.

Grant making and other support costs

Grant making costs are those costs incurred in support of the Charity’s primary objective of paying grants to those in need. Other support to charities reflects the support given to other charities in terms of management and staff time; other associated infrastructure costs and in certain circumstances subsidies for accommodation costs for office space occupied at Mountbarrow House. Governance costs represent those costs associated with the governance arrangements of the Charity which relate to the general running of the Charity. Such costs include external audit fees, legal costs, related trustee costs and costs associated with compliance with statutory requirements.

Investments in Associates

Investments in associates are measured in accordance with Section 14 of FRS 102 including Update Bulletin 1, ‘Investments in Associates’, using the equity model. As such, investments in associates are initially recognised at the transaction price and are subsequently adjusted to reflect the Charity’s share of the surplus, other comprehensive income and equity of the associate.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. The investment portfolio does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity

1 / ACCOUNTING POLICIES (CONT)

is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities. Rental income is recognised in the period to which it relates.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost, including any incidental expenses relating to the acquisition. Depreciation is provided for all tangible fixed assets so as to write off their cost in equal instalments over their expected useful lives as follows:

Computer equipment	3 years
Operating software	8 years
Office furniture and fittings	3-5 years
Leasehold improvements	Over the term of the lease

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Going concern

The trustees have assessed whether there are material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees have made this assessment in respect of a period of at least one year from the date of the approval of the Accounts.

The trustees have considered the impact of COVID-19 and have considered the projections for income and expenditure as well as long-term cash flow, taking into account pressures of fundraising income. These continue to be regularly monitored by the trustees and senior management team. The Charity holds significant reserves and has liquid assets in the form of investments that are readily available to convert into cash.

The trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that, whilst uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Charity’s ability to continue as a going concern. The Charity therefore continues to adopt the going concern basis in preparing its Accounts.

Loans to beneficiaries

Loans to beneficiaries are concessionary loans provided for the benefit of the Charity’s beneficiaries. Such loans are initially recognised and measured at the amount paid, with the carrying amount adjusted at each Balance Sheet date to reflect repayments and any accrued interest, less any impairment

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the period of the lease.

ABF The Soldiers’ Charity
Notes to the Accounts for the Year Ended 31 March 2020

1 / ACCOUNTING POLICIES (CONT)

Pension costs

Eligible employees are automatically enrolled into a Group Personal Pension scheme which is operated on a contributory basis. The assets of the Group Personal Pension Scheme are held separately from those of the Charity and contributions payable by the Charity are charged in the Statement of Financial Activities in the year in which they are payable.

Foreign currency

Transactions denominated in foreign currencies are recorded at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted to Sterling at the rates of exchange ruling at the balance sheet date. The Accounts of overseas operations are translated to Sterling at the approximate rates of exchange ruling at the balance sheet date. All differences are recorded in the Statement of Financial Activities.

Volunteers

The Charity benefits greatly from the involvement and enthusiastic support of its volunteers. These include our president, trustees and regional fundraising groups. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not included in the Accounts.

Critical estimates and significant judgements

With respect to the next reporting period for the year ended 31 March 2020, the most significant areas of uncertainty that affect the carrying value of assets held by the Charity are the level of investment return and the performance of the investment markets (see the investment policy and performance and risk management sections of the Trustees’ Report for more information).

COVID-19 - Post balance sheet impact

Since year-end on 31st March 2020, clearly both our activities and financial position have been severely impacted by the rapid emergence of the COVID-19 crisis. Key early elements were an immediate pretty seamless move to remote working across our 12 sites; a recast FY20-21 budget to reflect a steep fall away of income as charity events were rapidly cancelled, curtailed or postponed; and a reassessment of our likely grants expenditure going forward – plus of course exceptional volatility in the value of our investments.

We quickly established robust working practices and since lockdown eased have progressively, but carefully, returned to office-based working as appropriate. Significant investment has been made in the necessary IT enhancements and changes to Mountbarrow House in particular to make it COVID-secure. Much of this expenditure has been covered by a grant of some £158k from the Government Covid Impact Fund, for which we are grateful.

The Grants & Welfare team has operated seamlessly throughout the crisis and in the six months following lockdown dispersed in excess of £1m to over 1,100 individuals in need plus a further £1.8m to some 20 other charities and organisations that support the Army family writ large. Demand for our support continues to be suppressed as individual cases take longer to emerge and as partner charities cancel or postpone new projects. Income levels remain low but some excellent innovation, in particular though the creation of virtual events and thanks to our very loyal supporters, continue to sustain it at adequate levels under the circumstances.

Prior to this year we had already increased our liquidity given high asset values and an evident tightening of circumstances across our sector. Since year-end we have realised a further £4m of capital and borrowed £2m through the Coronavirus Business Interruption Loan Scheme (CBILS), which together will provide assured liquidity well into 2021. We were also grateful to receive a very welcome rent holiday from our freeholder, Grosvenor, shared with our co-tenants.

In the round we remain in a robust financial position for the foreseeable future and are particularly pleased we have not had to resort to furlough or other structural measures, thus helping us maintain a high pace of activity and continued innovation. Meanwhile, whilst we have seen considerable volatility in the value of our investments, as of 1st October 2020 they have broadly returned to year-end values.

ABF The Soldiers’ Charity
Notes to the Accounts for the Year Ended 31 March 2020

2 / SUBSIDIARY COMPANY’S RESULTS

Soldiers’ Trading Limited

Included in Donations and appeals income in Income is general purpose trading income arising in Soldiers’ Trading Limited. The results were as follows:

	2020	2019
	£	£
Turnover	124,723	130,293
Cost of sales	(68,899)	(60,017)
Gross profit	55,824	70,276
Administrative expenses	(13,316)	(11,478)
Profit on ordinary activities	42,508	58,798
Payments under Gift Aid	-	-
Profit after tax and for the financial year	42,508	58,798
Opening retained earnings	58,798	73,112
Payment to parent charity under Gift Aid	(58,798)	(73,112)
Closing retained earnings	42,508	58,798

3 / INVESTMENT INCOME - GROUP AND CHARITY

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£	£
Dividends and distributions	1,090,790	298,823	181,944	1,571,557	695,329
Bank interest	44,608	18,019	3,371	65,998	66,699
	1,135,398	316,842	185,315	1,637,555	762,028
Rental income	491,652	-	-	491,652	472,176
	1,627,050	316,842	185,315	2,129,207	1,234,204

Rental income arises from the sub-letting of office space in Mountbarrow House to a number of other Service charities.

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

4 / FUNDRAISING TRADING

	GROUP		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Fundraising Trading costs	1,845,973	1,723,006	1,768,823	1,655,111
Central and administrative costs	794,398	754,550	794,398	754,550
Regional offices costs	415,295	428,650	415,295	428,650
	3,055,666	2,906,206	2,978,516	2,838,311

5 / OTHER COSTS OF RAISING FUNDS - GROUP AND CHARITY

	2020	2019
	£	£
Other Costs of raising funds	1,226,604	1,194,263
Advertisements and promotion	630,443	527,679
Central and administrative costs	258,179	245,229
Regional office costs	761,374	785,854
	2,876,600	2,753,025

6 / GRANTS FOR THE BENEFIT OF INDIVIDUALS

All grants made for the benefit of soldiers, former soldiers and their families are paid through their parent regimental or corps associations. The total value of these grants made during the year was £3,924,697 (2019: £3,736,507).

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

7 / GRANTS TO CHARITIES AND OTHER ORGANISATIONS

The Charity, on behalf of the partnership of Army charitable funds, makes grants to national charities and occasionally other organisations that support soldiers, former soldiers and their families.

By the nature of Service charities and other charities supporting serving and former soldiers, many of The Soldiers' Charity's trustees and senior management work closely with, or serve as trustees for, some of the charities listed below that receive grants from us. Where this applies, the trustee or member of the management team will not take part in the grant-making decision process.

The total values of the grants made during the year for the Group and Charity were:

Grants from Unrestricted Funds:	2020	2019
	£	£
Elderly		
Age In Spain	25,000	25,000
Brighton & Hove Impetus	-	7,500
Broughton House	96,000	90,000
Care for Veterans (Queen Alexandra Hospital Home)	69,322	-
Chaseley Trust	-	12,500
Erskine Hospital	150,000	150,000
Royal Cambridge Home	-	4,500
Royal Commonwealth Ex-Services League	200,000	200,000
Royal Hospital Chelsea	40,000	20,000
Royal Star & Garter Home	102,000	60,000
The Somme Nursing Home	-	10,000
	682,322	579,500
Employment and Training:		
Durham University (refund as student did not complete)	-	(5,000)
Finchale Training College	30,000	32,866
Forces in the Community	10,000	-
Groundwork MSSTT	20,000	-
Highground	5,000	20,000
Mission Motorsport	-	15,000
Prisoners Education Trust	20,124	10,070
Recruit for Spouses	5,000	-
Regular Forces Employment Association (RFEA)	338,146	266,500
Salute My Job	-	25,000
Serve On	-	17,500
Services Sound and Vision Corporation (Academy)	40,000	-
Skill Force	-	15,000
Sporting Force	-	10,000
Team Rubicon UK	-	7,500
The Officers' Association	(25,000)	-
The Open University	-	10,000
The Poppy Factory	30,000	60,000
Walking with the Wounded	-	20,000
X Forces	48,000	48,000
	521,270	552,436

ABF The Soldiers’ Charity
Notes to the Accounts for the Year Ended 31 March 2020

7 / GRANTS TO CHARITIES AND OTHER ORGANISATIONS (CONT)

Grants from Unrestricted Funds (continued):	2020	2019
	£	£
Family:		
Army Families Federation	32,077	36,777
Army Welfare Service	-	40,000
Army Welfare Service - Welfare Minibuses	188	49,713
Army Widows’ Association	32,000	20,000
Cobseo, The Confederation of Service Charities	25,000	23,100
Go Commando	-	5,000
Home-Start Hampshire	13,654	-
Home-Start Kennet	20,000	-
Home-Start Medway	30,640	-
Home-Start UK	-	20,600
Hong Kong LEP Trust	9,000	9,000
Lord Kitchener Memorial Holiday Centre	10,000	10,000
Make Some Noise	-	15,000
NSPCC	20,000	20,000
QEHF - Fisher House	10,000	-
Rainbow Trust Children’s Charity	15,000	15,000
RCET	34,200	30,000
Reading Force	-	20,000
Re -Vitalise	-	57,300
Ruskin Mill Land Trust	17,356	-
Scotty’s Little Soldiers	5,000	-
Shine	-	2,200
SSAFA Central Office	299,892	231,439
SSAFA CMS Costs	1,941	47,000
The Ripple Pond	10,000	14,598
University of Winchester (Service Children project)	9,400	-
Veterans Scotland	-	15,000
	595,348	681,727
Housing:		
Alabaré Christian Care & Support	10,000	20,000
Amicus Trust	20,000	15,000
Armed Forces & Veterans Launchpad	25,000	3,272
Bournemouth War Memorial Homes	15,000	-
Changing Lives (Thirteen Care and Support (Norcare)	20,000	20,000
Lord Leycester	35,000	-
Queen Victoria Seamen’s Rest	15,000	-
RBLI	150,000	50,000
Scottish Veterans’ Garden City	-	15,000
Scottish Veterans’ Residences	15,000	-
SHAID - St Peters Court	-	40,000
SSAFA - Norton House	-	29,626
Stoll	40,000	30,000
	345,000	222,898

ABF The Soldiers’ Charity
Notes to the Accounts for the Year Ended 31 March 2020

7 / GRANTS TO CHARITIES AND OTHER ORGANISATIONS (CONT)

Grants from Unrestricted Funds (continued):	2020	2019
	£	£
Wellbeing:		
Addaction	30,000	20,000
BASIC	10,000	-
Black Stork Charity - Defence National Rehabilitation Centre	-	6,000,000
Blind Veterans UK	-	35,000
Brighterway Charity	10,000	-
Bristol Drugs Project	15,000	-
CAIS - Change Step	45,000	-
Care for Veterans	-	67,959
Combat Stress	120,000	175,000
Company of Makers	7,576	-
Deafblind UK	10,000	10,000
Defence Medical Rehabilitation Centre Benevolent Fund	35,000	25,000
Dig in North West	-	12,000
Defence Medical Welfare Service	40,000	-
Dundee Therapy Garden	15,000	15,000
Fares 4 Free	5,000	-
Glen Art/Bravehound	11,152	8,000
Help 4 Homeless Veterans	15,000	-
Home Farm Trust	36,563	23,600
HQ Regional Command	-	35,000
Improving Lives Plymouth	15,000	-
Jubilee Sailing Trust	-	10,000
King Edward VII Hospital	-	22,380
Lothian Veterans Centre	10,000	12,000
MacRoberts Arts Centre	-	5,000
Military Wives Choirs Foundation	5,000	-
Music in Hospitals	10,000	12,000
Mutual Support	10,000	-
Nottingham Forest Community Trust	6,100	-
Phyllis Tuckwell Hospice	5,000	5,000
Poppy Scotland	25,000	52,000
Ruskin Mill Land Trust	-	20,000
SAMA 82	-	5,000
Sharks Community Trust	20,000	19,737
Spinal Injuries Association	25,000	11,000
St Margaret’s Somerset Hospice	5,000	-
Stand Easy	2,650	4,700
Step Together	20,000	-
Taxi Charity for Military Veterans	12,000	12,000
The Bridge for Heroes	10,000	-

Continued overleaf

ABF The Soldiers' Charity		
Notes to the Accounts for the Year Ended 31 March 2020		
7 / GRANTS TO CHARITIES AND OTHER ORGANISATIONS (CONT)		
Grants from Unrestricted Funds (continued):	2020	2019
	£	£
Wellbeing (continued):		
The Gwennili Trust	-	5,000
The League of Remembrance	2,275	2,130
The Matthew Project	8,848	18,276
The Not Forgotten Association	35,000	25,000
The Warrior Programme	40,000	20,000
Thistle Health and Wellbeing	10,000	15,000
Together Co	10,000	-
Turn to Starboard	20,000	25,000
University Hospitals Birmingham	-	10,000
Veterans Contact Point	-	10,000
Veterans Outreach Support	20,000	25,000
Veterans Scotland	15,000	-
Victory Services Club	40,000	-
Vine Drop-In Centre	5,000	-
Waterloo Uncovered	10,000	12,500
William Simpsons Home	-	20,000
	802,164	6,805,282
Mobility:		
British Ex-Forces Wheelchair Sports Association	-	8,000
	-	8,000
Total Grants from Unrestricted Funds:		
	2,946,104	8,849,843

ABF The Soldiers' Charity		
Notes to the Accounts for the Year Ended 31 March 2020		
7 / GRANTS TO CHARITIES AND OTHER ORGANISATIONS (CONT)		
Grants from Designated Funds:	2020	2019
	£	£
Family		
Army Families Federation	10,000	-
Army Widows' Association	-	5,000
DIO - LIBOR Supporting Army Families	1,631,072	235,335
National Gulf Veterans & Families Association	6,000	5,000
RCET	-	10,000
Scotty's Little Soldiers	5,000	-
SSAFA Central Office	50,000	49,625
The Ripple Pond	10,000	10,000
	1,712,072	314,960
Employment Education and Training:		
Highground	5,000	-
Mission Motorsport	-	5,000
Regular Forces Employment Association (RFEA)	60,000	85,000
Services Sound and Vision Corporation (Academy)	10,000	-
Team Rubicon UK	-	5,000
The Poppy Factory	55,000	40,000
	130,000	135,000
Housing:		
AF&V Launchpad	7,489	-
Scottish Veterans Garden City Association	-	5,000
Stoll	10,000	-
RBLI	100,000	100,000
	117,489	105,000
Elderly:		
The Somme Nursing Home	-	9,000
	-	9,000

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

7 / GRANTS TO CHARITIES AND OTHER ORGANISATIONS (CONT)

Grants from Designated Funds (continued):	2020	2019
	£	£
Wellbeing:		
“Not Forgotten” Association	20,000	25,000
Addaction	-	10,000
Black Stork Charity - Defence National Rehabilitation Centre	-	1,000,000
CAIS - Change Step	5,000	-
Combat Stress	100,000	100,000
Defence Medical Rehabilitation Centre Benevolent Fund	-	10,000
Defence Medical Welfare Service - LIBOR	473,462	318,256
Fares 4 Free	5,000	-
PoppyScotland	20,000	-
Spinal Injuries Association	5,000	5,000
The Mathew Project	15,000	10,000
The Warrior Programme	10,000	20,000
Victory Services Club	35,000	-
Walking With The Wounded	-	10,000
	688,462	1,508,256
Total Grants from Designated Funds:	2,648,023	2,072,216

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

7 / GRANTS TO CHARITIES AND OTHER ORGANISATIONS (CONT)

Grants from Restricted Funds:	2020	2019
	£	£
Employment Education and Training:		
Finchale	20,000	-
Highground	10,000	-
Mission Motorsport	-	20,000
On Course Foundation	7,100	-
Regular Forces Employment Association (RFEA)	-	31,333
Team Rubicon UK	-	5,000
The Open University	-	10,000
The Poppy Factory	15,000	-
Walking With The Wounded	-	10,000
	52,100	76,333
Family:		
Army Families Association	-	15,500
Army Widows' Association	-	5,000
Falklands Islands Memorial Chapel Trust	-	-
Falklands Veterans Foundation	-	-
National Gulf Veterans and Families Association	32,000	43,700
South Atlantic medal Association 1982	5,000	-
SSAFA Central Office	50,000	-
	87,000	64,200
Wellbeing:		
"Not Forgotten" Association	10,000	15,000
Combat Stress	30,000	75,000
Defence Medical Welfare Service	15,000	-
Falklands Veterans Association	15,000	15,000
Fares 4 Free	5,000	-
PoppyScotland	20,000	-
Spinal Injuries Association	-	5,000
SSAFA Forces Help	-	20,000
The Mathew Project	15,000	10,000
Thistle Health & Wellbeing	5,000	-
Warrior Programme	-	10,000
	115,000	150,000
Housing:		
AF&V Launchpad	5,000	-
RBLI	-	50,000
Stoll	10,000	10,000
	15,000	60,000
Elderly:		
Royal Hospital Chelsea	-	20,000
	-	20,000
Total Grants from Restricted Funds:	269,100	370,533

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

7 / GRANTS TO CHARITIES AND OTHER ORGANISATIONS (CONT)

	2020	2019
	£	£
Grants from Unrestricted Funds:	2,946,104	8,849,843
Grants from Designated Funds:	2,648,023	2,072,216
Grants from Restricted Funds:	269,100	370,533
	5,863,227	11,292,592

8 / GRANT MAKING AND OTHER SUPPORT COSTS

	GROUP		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Central and administrative costs	1,127,209	1,046,389	1,127,209	1,046,389
Auditors: Audit fees	31,715	24,130	26,641	20,530
Trustee expenses	2,090	2,013	2,090	2,013
Regional Office costs	207,647	214,324	207,647	214,324
Advertisement and promotion	339,469	284,135	339,469	284,135
Support costs	607,740	590,124	607,740	590,124
Other costs	77,930	75,085	77,930	75,085
	2,393,800	2,236,200	2,388,726	2,232,600

9 / STAFF COSTS - GROUP AND CHARITY

	2020	2019
	£	£
Total staff costs comprised:		
Wages and salaries	3,413,989	3,165,155
Social security costs	330,895	307,651
Pension contributions	166,215	146,319
	3,911,099	3,619,125

The Charity employed an average staff of 89 (12 part-time) (2019: 85 including 13 part-time) of whom 50 (2019: 45) are employed at the Charity's head office. A small number of these individuals are on short-term contracts to cover vacant posts and also from time to time we engage a limited number of contract and agency staff. There is £10,800 included in salaries and wages related to redundancies or settlements. (2019: £6,426).

The number of employees whose employee benefits exceeded £60,000 was;

	2020	2019
	No.	No.
£70,001-£80,000	1	2
£80,001-£90,000	3	3
£90,001-£100,000	1	-
£130,001-£140,000	-	1
£140,001-£150,000	1	-

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

9 / STAFF COSTS - GROUP AND CHARITY (CONT)

An increasing number of our key employees who have previously served within the Army have become unable to participate in the Charity's pension scheme due to new HMRC Lifetime Allowance restrictions. Noting that this constitutes a significant reduction in their overall employee benefits, the Charity may elect to make a compensating taxable payment, in lieu of their eligibility to an employer contribution, which is therefore included in the above figures. Pension contributions of £24,619 (2019: £20,629) were made on behalf of eligible higher paid employees.

The key management personnel for the Charity comprise the trustees and the senior management team (see page 2 for more information). The trustees received no remuneration or benefits-in-kind during the year (2019: £nil). They were reimbursed expenses during the year as stated in note 10.

The total remuneration including employers pension contributions and employers National Insurance contributions paid to the executive board amounted to £758,659 (2019: £710,704). The remuneration included maternity cover for one of the directors.

10 / RELATED PARTY TRANSACTIONS

No trustees have been remunerated for their role as a trustee. Four trustees were reimbursed £2,090 for travel expenses which had been directly incurred during the year under review (2019: £2,013 to five trustees).

During the year ending 31 March 2020, the Charity charged its subsidiary £5,000 for management fees relating to Soldiers' Trading Limited's activities (2019: £5,000). Soldiers Trading Limited donated £58,798 to ABF The Soldiers' Charity from its profits (2019: £73,112). At 31 March 2020, there was a balance of £13,550 (2019: £6,041) owed to ABF The Soldiers' Charity by Soldiers' Trading Limited.

11 / TANGIBLE FIXED ASSETS - GROUP AND CHARITY

	Leasehold improvements		Office furniture, fittings & equipment		Total	Total
	2020	2019	2020	2019	2020	2019
	£	£	£	£	£	£
Cost						
At 1 April	106,680	442,905	316,298	391,481	422,978	834,386
Additions during the year	27,691	104,506	3,069	-	30,760	104,506
Disposals during the year	-	(440,731)	(29,647)	(75,183)	(29,647)	(515,914)
At 31 March	134,371	106,680	289,720	316,298	424,091	422,978
Depreciation						
At 1 April	11,912	428,933	256,946	308,086	268,858	737,019
Charge for the year	23,346	23,710	16,737	24,043	40,083	47,753
Disposals for the year	-	(440,731)	(29,647)	(75,183)	(29,647)	(515,914)
At 31 March	35,258	11,912	244,036	256,946	279,294	268,858
Net book value at 31 March	99,113	94,768	45,684	59,352	144,797	154,120

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

12 / INVESTMENTS - GROUP AND CHARITY

	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
Market value 1 April 2019	72,258,400	-	4,899,406	77,157,806
Purchase of investments	9,261,334	-	-	9,261,334
Sale of investments	(12,208,407)	-	-	(12,208,407)
Net losses on investments	(3,211,248)	-	(416,212)	(3,627,460)
Market value 31 March 2020	66,100,079	-	4,483,194	70,583,273
Cost				
At 31 March 2020	61,188,713	-	2,418,863	63,607,576
At 31 March 2019	60,592,638	-	2,418,863	63,011,501

All of the investments listed above are held by the Charity, including 100% of the issued share capital of Soldiers' Trading Limited. Both the cost and valuation of this shareholding is £1. The investment portfolio comprises the following at market value:

	Unrestricted Funds	Designated Funds	Restricted Funds	Total
	£	£	£	£
BlackRock - Armed Forces Charities Growth & Income Fund				
Income units	29,523,953	-	4,483,194	34,007,147
Accumulation units	8,156,568	-	-	8,156,568
CCLA - COIF				
Income units	12,598,797	-	-	12,598,797
Accumulation units	15,820,761	-	-	15,820,761
Market value 31 March 2020	66,100,079	-	4,483,194	70,583,273

13 / ASSOCIATES

The Soldiers' Fund (TSF) was incorporated as a tax-exempt charity in the United States in 2012, its primary purpose being to raise funds for British Army personnel, past and present, and their families in times of need. As ABF The Soldiers' Charity can appoint three of the eleven directors of TSF, it is treated as an associate undertaking for the purposes of the consolidated accounts. The Charity's share of TSF's surplus as at 31st March 2020 was £10,996 (2019: surplus, £10,634). The Charity's share of TSF's net assets was £37,513 (2019: £26,517).

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

14 / LOAN DEBTORS - GROUP AND CHARITY

	2020	2019
	£	£
Loan balances at 1 April	2,585	6,835
Amounts repaid in the year	2,585	4,250
Loan balances at 31 March due within one year	-	2,585
Loan balances at 31 March due beyond one year	-	-
Loan balances at 31 March	-	2,585

At 31 March 2019, loan debtor balance was represented by restricted funds.

15 / OTHER DEBTORS AND PREPAYMENTS

	GROUP		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Prepayments and accrued income	4,999,200	5,050,796	4,995,193	5,046,883
Other debtors	88,860	116,553	76,650	99,181
Due from subsidiary	-	-	13,550	6,041
	5,088,060	5,167,349	5,085,393	5,152,105

16 / CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Deferred income				
At 1 April	3,606,836	689,507	3,606,836	689,507
Arising during the year	1,575,840	5,925,624	1,589,390	5,990,464
Released during the year	(4,500,047)	(3,073,134)	(4,500,047)	(3,073,134)
At 31 March	682,629	3,541,997	696,179	3,606,837
Trade creditors	143,586	147,374	141,045	141,532
Accrued expenses	191,224	232,613	171,616	161,199
Other creditors	31,043	28,844	31,043	25,692
	1,048,482	3,950,828	1,039,883	3,935,260

ABF The Soldiers' Charity

Notes to the Accounts for the Year Ended 31 March 2020

17 / RESERVES POLICY AND ANALYSIS OF NET ASSETS BETWEEN FUNDS

Reserves Policy

Our reserves policy is set to ensure that our work is protected from the risk of disruption at short notice due to a lack of funds, or indeed sudden operational pressures on the Army and its people in this very uncertain world. The pandemic will only sharpen those risks. At the same time, we must continue to ensure that we do not hold income or capital for longer than required - but equally balance that against the strategic requirement to act as the Army's benevolence reserve, the fundamental purpose for which we were established.

Trustees review the level of reserves in both individual funds, as well as in total, and are very aware of their responsibility to 'smooth' the provision of support - setting aside significant reserves in the good times, but equally being prepared to run substantial deficits if, for example, the Army were to come under pressure with significant operational casualties or, indeed, due to the current unforeseen circumstances.

In considering the current level of reserves, the trustees are aware that the fundraising environment has now become much more challenging, and against a backdrop of further contraction in statutory public service welfare provision, which is leading to increased demands for The Soldiers' Charity's assistance - as evidenced by the further increase in grants over the year. Meanwhile, whilst the British Army continues to be actively engaged in operational duties worldwide, and of course in COVID-19-related activities, we assess there will be a further reduction in public awareness of their activities, and by extension our role in support, as other priorities for the nation's attention gain traction. Finally, whilst we are currently in a robust position, many of the charities we fund are less so - indeed a number continue to come to us for very substantial additional funding over the year.

Our reserves are held as Unrestricted, Designated and Restricted Funds (with further details at Notes 18 to 20). Much of the latter two categories are monies, such as the Falklands Fund, which we have the privilege to administer on behalf of the nation. These will be spent out over many years until the last eligible soldier, or their immediate family, is no longer alive. In each case we absorb much of the efforts of managing these substantial funds in the interest of efficiency, partnership and collaboration - ensuring that the optimal financial support is available and delivered to those in need.

ABF The Soldiers' Charity

Notes to the Accounts for the Year Ended 31 March 2020

17 / RESERVES POLICY AND ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONT)

Within Designated Funds are also:

- The Strategic Reserve. Its current £32.2m is determined by a number of interrelated factors:

Given the evident potential for future conflict(s), and our particular role in direct support of the Army, which will often bear the brunt of casualties or other pressures, it is considered prudent for The Soldiers' Charity to hold in reserve an amount equivalent to approximately two years' of our expenditure on benevolence grants for individuals and to other charities, in order to guarantee our grant-making activities irrespective of any other pressures we may have at the time. This equates to reserves holdings in the region of £14 million.

- In parallel, The Soldiers' Charity was also set up to act as the strategic reserve for other Army charitable funds, including those of Regiments and Corps, which currently make benevolence grants of around £5 million a year - indeed this was the rationale for our establishment in 1944 following the failures of the Regimental system to cope in 1919. It is considered that The Soldiers' Charity should therefore also hold in reserve an amount equivalent to approximately two years' Regimental and Corps benevolence grants, and combined with the potential obligation to the Army Dependants' Trust (ADT), this requires a reserve holding of £14 million.

- In addition, The Soldiers' Charity needs to ensure it can maintain the appropriate infrastructure to make the above associated benevolence payments for a period of up to two years. The reserves required to satisfy this obligation are around £4.2 million.

- The Current Operations Fund (See Note 19).

- The LIBOR Fund (See Note 19).

- The Relocation Fund. This was established to provide for the anticipated relocation of The Soldiers' Charity's head office when the current building leases expire - currently 2025. The need for this contingency is further emphasised by the high importance placed by trustees on the needs of those Service charities co-located with us, noting that most of their work directly relates to the needs of Army personnel. Co-location, joint working and sharing overheads are important drivers for us as the Army's national charity. Indeed, we believe it prudent to plan the capacity for more, given the desirability of other charities folding into us in future years and we will keep our plans under very careful review. Of course COVID-19-related 'working from home' may change that dynamic - but current uncertainties reinforce the need to retain a significant contingency against changes to the charity's operating model and that of our seven tenants.

The balance of the Unrestricted Fund is, in effect, The Soldiers' Charity's contingency reserve, and this represents just over 12 months' cover for unrestricted total expenditure. Put another way, our Unrestricted Fund is at a level that would allow us to carry out our work for just over 12 months in the event of our income ceasing entirely. Given that our end of year assessment was that we would lose at least 50% of our fundraising income for FY20-21, the trustees believe that in the current political, economic and fundraising climate this level of contingency reserve is prudent and appropriate. Indeed, we already have plans in place to draw down further on our reserves, despite taking advantage of a Coronavirus Business Interruption loan.

ABF The Soldiers' Charity

Notes to the Accounts for the Year Ended 31 March 2020

17 / RESERVES POLICY AND ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONT)

Analysis of net assets between funds - Group and Charity

	Tangible Fixed Assets	Investments and Associates	Net Current Assets	Group Total
	2020	2020	2020	2020
	£	£	£	£
Unrestricted Funds	144,796	66,137,591	(50,783,537)	15,498,850
Designated Funds				
Current Operations Fund	-	-	2,604,088	2,604,088
Afghanistan Fund	-	-	7,036,634	7,036,634
LIBOR Fund	-	-	1,402,124	1,402,124
Strategic Fund	-	-	32,200,000	32,200,000
Relocation Fund	-	-	12,000,000	12,000,000
	-	-	55,242,846	55,242,846
Restricted Funds				
Falklands Fund	-	2,812,028	174,040	2,986,068
Gulf Fund	-	282,750	42,773	325,523
George Purse Trust Fund	-	1,388,416	345,281	1,733,697
Commandos Benevolent	-	-	260,395	260,395
DEFLOG VQ Trust	-	-	1,862,891	1,862,891
	-	4,483,194	2,685,380	7,168,574
	144,796	70,620,785	7,144,689	77,910,270
	Tangible Fixed Assets	Investments and Associates	Net Current Assets	Group Total
	2019	2019	2019	2019
	£	£	£	£
Unrestricted Funds	154,120	72,284,918	(52,924,452)	19,514,586
Designated Funds				
Northern Ireland Special Relief Fund	-	-	32,270	32,270
Current Operations Fund	-	-	2,604,088	2,604,088
Afghanistan Fund	-	-	7,285,571	7,285,571
LIBOR Fund	-	-	3,481,658	3,481,658
Strategic Fund	-	-	32,200,000	32,200,000
Relocation Fund	-	-	12,000,000	12,000,000
	-	-	57,603,587	57,603,587
Restricted Funds				
Falklands Fund	-	3,073,091	208,585	3,281,676
Gulf Fund	-	309,000	140,179	449,179
George Purse Trust Fund	-	1,517,314	305,762	1,823,076
Commandos Benevolent	-	-	259,835	259,835
DEFLOG VQ Trust	-	-	1,931,450	1,931,450
	-	4,899,405	2,845,811	7,745,216
Unrestricted Funds	154,120	77,184,323	7,524,946	84,863,389

ABF The Soldiers' Charity

Notes to the Accounts for the Year Ended 31 March 2020

18 / UNRESTRICTED FUNDS FINANCIAL ACTIVITY - GROUP AND CHARITY

	GROUP		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Unrestricted Fund				
At 1 April	19,514,586	16,881,296	19,455,788	16,808,184
Incoming Resources	14,275,178	15,887,154	14,209,253	15,829,973
Resources Expended	(15,090,662)	(18,205,967)	(15,008,447)	(18,134,472)
Gains/(Losses)	(3,200,252)	4,952,103	(3,200,252)	4,952,103
Transfers	-	-	-	-
At 31 March	15,498,850	19,514,586	15,456,342	19,455,788

19 / DESIGNATED FUNDS FINANCIAL ACTIVITY - GROUP AND CHARITY

	Northern Ireland Special Relief Fund	Current Operations Fund	Afghanistan Fund	LIBOR Fund	Strategic Fund	Relocation Fund	Total
	2020	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£
Income							
Income from charitable activities	-	-	-	-	-	-	-
Income from investments	-	-	316,842	-	-	-	316,842
Total income	-	-	316,842	-	-	-	316,842
Expenditure							
Direct charitable expenditure	4,202	-	8,400	-	-	-	12,602
Grants to other charities	20,000	-	548,489	2,079,534	-	-	2,648,023
Grants for the benefit of individuals	8,068	-	8,890	-	-	-	16,958
Total expenditure	32,270	-	565,779	2,079,534	-	-	2,677,583
Net income/(expenditure) before net gains/(losses) on investments	(32,270)	-	(248,937)	(2,079,534)	-	-	(2,360,741)
Net gains/(losses) on investments	-	-	-	-	-	-	-
Net income/(expenditure) for the year	(32,270)	-	(248,937)	(2,079,534)	-	-	(2,360,741)
Net movement in funds	(32,270)	-	(248,937)	(2,079,534)	-	-	(2,360,741)
Fund balances at 1 April	32,270	2,604,088	7,285,571	3,481,658	32,200,000	12,000,000	57,603,587
Fund balances at 31 March	-	2,604,088	7,036,634	1,402,124	32,200,000	12,000,000	55,242,846

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

19 / DESIGNATED FUNDS FINANCIAL ACTIVITY - GROUP AND CHARITY (CONT)

	Northern Ireland Special Relief Fund	Current Operations Fund	Afghanistan Fund	LIBOR Fund	Strategic Fund	Relocation Fund	Total
	2019	2019	2019	2019	2019	2019	2019
	£	£	£	£	£	£	£
Income							
Income from charitable activities	-	276,677	-	1,000,000	-	-	1,276,677
Income from investments	22	-	343,133	-	-	-	343,155
Total income	22	276,677	343,133	1,000,000	-	-	1,619,832
Expenditure							
Direct charitable expenditure	4,200	141,125	8,400	-	-	-	153,725
Grants to other charities	49,000	2,000,000	1,469,625	553,591	-	-	4,072,216
Grants for the benefit of individuals	10,434	-	8,699	-	-	-	19,133
Total expenditure	63,634	2,141,125	1,486,724	553,591	-	-	4,245,074
Net income/(expenditure) before net gains/(losses) on investments	(63,612)	(1,864,448)	(1,143,591)	446,409	-	-	(2,625,242)
Net gains/(losses) on investments	-	-	-	-	-	-	-
Net income/(expenditure) for the year	(63,612)	(1,864,448)	(1,143,591)	446,409	-	-	(2,625,242)
Net movement in funds	(63,612)	(1,864,448)	(1,143,591)	446,409	-	-	(2,625,242)
Fund balances at 1 April	95,882	4,468,536	8,429,162	3,035,249	32,200,000	12,000,000	60,228,829
Fund balances at 31 March	32,270	2,604,088	7,285,571	3,481,658	32,200,000	12,000,000	57,603,587

Designated Funds, within Unrestricted Funds, are set aside at the discretion of the trustees for specific purposes and time. The Designated Funds now consist of the Northern Ireland Special Relief Fund (NISRF), the Current Operations Fund (COF), the Afghanistan Fund, the Relocation Fund (RF), the LIBOR Fund and the Strategic Reserve.

- The NISRF has been set up to meet the special requirements for aid occasioned by events in Northern Ireland.
- The Current Operations Fund was established in 2007 to provide a continuing fund for soldiers, former soldiers and their dependants in times of need who are suffering distress as a result of military operations being undertaken at that time and all subsequent military operations. It will continue in place until such time as all eligible beneficiaries no longer survive.
- The Afghanistan Fund was set up following receipt of a grant from HM Treasury, to support Army families affected by the Afghanistan campaign. Similarly, this will be time limited.
- The Relocation Fund of £12 million, to provide for the anticipated relocation of the Charity’s head office when the building lease expires – currently 2025, although these plans are under constant review.
- The LIBOR funding of £3m was granted to deliver the better provision of childcare/community facilities for those serving Army families who face particular disadvantage. Additional LIBOR funding for £1.23 million was received to provide a bespoke medical welfare service for the Armed Forces community across Southern England. The bespoke medical welfare service has now been completed and we aim to complete the provision of better childcare/community facilities for serving Army families in the next two years.
- The Strategic Reserve of £32.2 million – see Note 19, for comprehensive information about what this entails.

ABF The Soldiers' Charity
Notes to the Accounts for the Year Ended 31 March 2020

20 / RESTRICTED FUNDS FINANCIAL ACTIVITY - GROUP AND CHARITY

	Commandos Benevolent Fund	DEFLOG VQ Fund	Falklands Fund	George Purse Trust	Gulf Fund	Total
	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£
Income						
Income from charitable activities	-	-	-	-	-	-
Income from investments	560	2,811	114,122	56,347	11,475	185,315
Total income	560	2,811	114,122	56,347	11,475	185,315
Expenditure						
Direct charitable expenditure	-	-	12,603	3	4,203	16,809
Grants to other charities	-	32,100	135,000	-	102,000	269,100
Grants for the benefit of individuals	-	39,270	1,063	16,825	2,678	59,836
Total expenditure	-	71,370	148,666	16,828	108,881	345,745
Net income/(expenditure) before net (losses) on investments	560	(68,559)	(34,544)	39,519	(97,406)	(160,430)
Net (losses) on investments	-	-	(261,064)	(128,898)	(26,250)	(416,212)
Net income/(expenditure) for the year	560	(68,559)	(295,608)	(89,379)	(123,656)	(576,642)
Net movement in funds	560	(68,559)	(295,608)	(89,379)	(123,656)	(576,642)
Fund balances at 1 April	259,835	1,931,450	3,281,676	1,823,076	449,179	7,745,216
Fund balances at 31 March	260,395	1,862,891	2,986,068	1,733,697	325,523	7,168,574

	Sir Jules Thorn	Commandos Benevolent Fund	DEFLOG VQ Fund	Falklands Fund	George Purse Trust	Gulf Fund	Total
	2019	2019	2019	2019	2019	2019	2019
	£	£	£	£	£	£	£
Income							
Income from charitable activities	-	-	-	-	-	-	-
Income from investments	-	2,102	12,121	113,454	56,073	11,477	195,227
Total income	-	2,102	12,121	113,454	56,073	11,477	195,227
Expenditure							
Direct charitable expenditure	-	-	-	12,600	-	4,200	16,800
Grants to other charities	-	-	60,500	195,000	-	115,033	370,533
Grants for the benefit of individuals	252	-	62,968	1,960	15,894	5,082	86,156
Total expenditure	252	-	123,468	209,560	15,894	124,315	473,489
Net income/(expenditure) before net gains on investments	(252)	2,102	(111,347)	(96,106)	40,179	(112,838)	(278,262)
Net gains on investments	-	-	-	58,181	28,725	5,850	92,756
Net income/(expenditure) for the year	(252)	2,102	(111,347)	(37,925)	68,904	(106,988)	(185,506)
Net movement in funds	(252)	2,102	(111,347)	(37,925)	68,904	(106,988)	(185,506)
Fund balances at 1 April	252	257,733	2,042,797	3,319,601	1,754,172	556,167	7,930,722
Fund balances at 31 March	-	259,835	1,931,450	3,281,676	1,823,076	449,179	7,745,216

ABF The Soldiers’ Charity
Notes to the Accounts for the Year Ended 31 March 2020

20 / RESTRICTED FUNDS FINANCIAL ACTIVITY - GROUP AND CHARITY (CONT)

The Restricted Funds consist of:

- The Falklands Fund, which exists to meet the needs of soldiers, former soldiers and their dependants who have suffered distress as a result of the Falklands conflict.
- The Gulf Trust (Army and Civilian) Fund, which exists to meet the needs of soldiers, civilian personnel attached to or accompanying the Armed Forces and their dependants who have suffered distress as a result of the Gulf conflict and continuing operations.
- The George Purse Trust Fund which exists to make grants that would not otherwise be provided out of Charity Unrestricted funds to support the welfare needs of ex-Army personnel, dependants and carers residing in the former boundaries of the counties of Glamorgan and Monmouthshire.
- The DEFLOG VQ Trust was set up from the funds received from The DEFLOG VQ Trust, which folded into The Soldiers’ Charity two years ago. The funds are restricted to advance education and training and to relieve unemployment; and relieve the needs of people who are at risk of becoming socially excluded, through the promotion of social inclusion.
- The Army Commandos’ Benevolent Fund gave the bulk of its winding up funds as a grant to The Soldiers’ Charity for the assistance of any such persons who have served in the Commandos and in making grants to charitable organisations which directly or indirectly benefits the persons or dependents of persons who have served in the Commandos.

ABF The Soldiers’ Charity
Notes to the Accounts for the Year Ended 31 March 2020

21 / PENSION COSTS

ABF The Soldiers’ Charity Group Pension Plan

Employer contributions to the auto enrolment scheme during the year to 31 March 2020 amounted to £166,216 (2019: £146,319).

There was an outstanding pension contribution of £28,620 as at 31 March 2020 (2019: £27,301).

22 / OPERATING LEASE COMMITMENTS

At 31 March 2020 the Charity had future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Land and Buildings	Office Machinery	Vehicles	Total
	£	£	£	£
Not later than one year	677,673	11,919	21,373	710,965
Later than one year and not later than five years	2,845,879	47,842	21,548	2,915,269
Later than five years	165,824	2,980	-	168,804
	3,689,376	62,741	42,921	3,795,038

The lease between The Soldiers’ Charity and Grosvenor Estate Belgravia covers the first, second and third floors at Mountbarrow House.

ABF The Soldiers' Charity

Notes to the Accounts for the Year Ended 31 March 2020

23 / COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

		Total 2020	Unrestricted Funds (note 18)	Designated Funds (note 19)	Restricted Funds (note 20)	Total 2019
Notes	£	£	£	£	£	£
Income from:						
Donations and legacies						
The public						
Donations and Appeals Income		4,323,840	3,550,503	1,000,000	-	4,550,503
Legacies		3,685,661	7,056,869	-	-	7,056,869
		8,009,501	10,607,372	1,000,000	-	11,607,372
Army personnel						
From individuals in Army Units		102,311	212,376	-	-	212,376
Regimental and Corps Benevolent Funds		776,025	802,790	-	-	802,790
Army Dependants Trust		800,000	800,000	-	-	800,000
		1,678,336	1,815,166	-	-	1,815,166
Investments	3	2,129,207	695,822	343,155	195,227	1,234,204
Other trading activities						
Other donations and events		2,960,291	2,768,794	276,677	-	3,045,471
Total Income		<u>14,777,335</u>	<u>15,887,154</u>	<u>1,619,832</u>	<u>195,227</u>	<u>17,702,213</u>
Raising Funds						
Fundraising trading: costs of goods sold	4	3,055,666	2,769,281	136,925	-	2,906,206
Other costs of raising funds	5	2,876,600	2,753,025	-	-	2,753,025
		5,932,266	5,522,306	136,925	-	5,659,231
Charitable activities						
Grants to Regiments and Corps for the benefit of individuals	6	3,924,697	3,631,218	19,133	86,156	3,736,507
Grants to other charities	7	5,863,227	6,849,843	4,072,216	370,533	11,292,592
		9,787,924	10,481,061	4,091,349	456,689	15,029,099
Grant making and other support costs	8	2,393,800	2,202,600	16,800	16,800	2,236,200
		12,181,724	12,683,661	4,108,149	473,489	17,265,299
Total expenditure		<u>18,113,990</u>	<u>18,205,967</u>	<u>4,245,074</u>	<u>473,489</u>	<u>22,924,530</u>
Net (expenditure) before net gains/(losses) on investments		(3,336,655)	(2,318,813)	(2,625,242)	(278,262)	(5,222,317)
Net gains/(losses) on investments	12	(3,627,460)	4,941,469	-	92,756	5,034,225
Net income/(expenditure) for the year		(6,964,115)	2,622,656	(2,625,242)	(185,506)	(188,092)
Net interest in the results for the year in associates	13	10,996	10,634	-	-	10,634
Net movement in funds		(6,953,119)	2,633,290	(2,625,242)	(185,506)	(177,458)
Funds balances at 1 April		84,863,389	16,881,296	60,228,829	7,930,722	85,040,847
Funds balances at 31 March		<u>77,910,270</u>	<u>19,514,586</u>	<u>57,603,587</u>	<u>7,745,216</u>	<u>84,863,389</u>

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