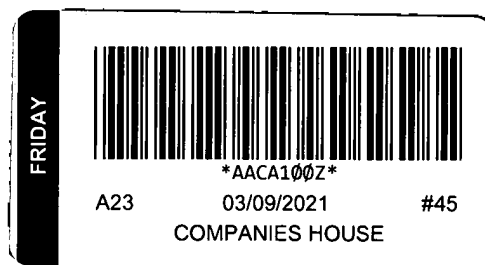


Company Registration Number: 07142012 (England & Wales)  
Registered Charity Number in England & Wales: 1134205  
Registered Charity Number in Scotland: SC048185

**ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY**  
**(A Company Limited by Guarantee)**

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**



**ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period ended 31 December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in July 2014.

### LEGAL AND ADMINISTRATIVE INFORMATION

#### Royal Patron

Her Majesty The Queen

#### Honorary Patron

General Sir GK Messenger KCB DSO\* OBE

#### Honorary Vice Patron

Mr R Wigley

#### Honorary President

Major General MJ Holmes CBE DSO (resigned 30.04.2020)  
Lieutenant General RA Magowan CB CBE (appointed 30.04.2020)

#### Trustees and Directors

Mrs LR Fordham (Chair)	(Appointed 01.04.2020)
Brigadier AR Turner ADC (Vice Chair)	(Appointed 15.10.2020)
WO1 (CRSM) R Angove RM	(Appointed 15.10.2020)
Mr ST Beet	
Mr KM Breslauer	
Mr P Deacon	
Brigadier (Retired) PR Denning OBE	
Mrs S Reed	
Mrs K Richardson OBE	
Mr AME Robinson	(Appointed 24.06.2020)
Mr RJ Weaver	
Mr JM Zuppinger BEM	
Mr D Cox	(Resigned 30.09.2020)
WO1 (CRSM) D Mason MBE RM	(Resigned 15.10.2020)
Mr WJ Stocks BEM	(Resigned 15.01.2020)
Brigadier HJ White ADC	(Resigned 15.10.2020)

#### Member

The Royal Navy and Royal Marines Charity

**ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY  
REPORT OF THE TRUSTEES**

**Company Secretary**

Lieutenant Colonel (Retired) AC Wilson RM (Resigned 31.10.2020)  
Brigadier (Retired) RAW Spencer CBE (Appointed 31.10.2020)

**Chief Executive**

Mr J Ball

**Company Registration Number**

07142012 (England and Wales)

**Registered Charity Number**

1134205 (England and Wales)  
SC048185 (Scotland)

**Registered Office**

Building 72  
Commando Training Centre Royal Marines  
Lymington  
Exmouth  
Devon  
EX8 5AR

**Auditor**

Moore Kingston Smith LLP, Chartered Accountants  
Devonshire House, 60 Goswell Road, London EC1M 7AD

**Investment Managers**

Cazenove Capital Management  
1 London Wall Place  
London EC2Y 4AU

[by the time of signing a new manager had been appointed:  
the Sarasin and Partners LLP  
Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU]

**Banker**

RBS Holts Military Banking  
31-37 Victoria Rd  
Farnborough  
GU14 7NR

**Legal Advisor**

Wilsons LLP  
Alexandra House  
St John's St  
Salisbury  
SP1 2SB

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

### STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity was incorporated on 1 February 2010 and registered as a charity on 1 April 2010 and adopted its current name on 1 April 2019 on the merger of The Royal Marines Charity with the Royal Marines Association Ltd. The working name of the charity is "RMA-The Royal Marines Charity". It is structured as follows:

- a. There is one restricted fund with the status of a subsidiary Charity:

The Royal Marines Benevolent Fund (Reg. Charity No. 1134205-1). This fund was formed from the amalgamation of the old Royal Marines Benevolent Fund (Reg Charity No. 1069059) and the Royal Marines Reserve 50th Anniversary Relief Fund (Reg Charity No. 1069629).

- b. There was previously one subsidiary Charitable Company limited by guarantee:

The Royal Marines Association Limited (Company No 09932494) (Registered Charity No. 1134205-4); this was deregistered as a subsidiary charity in November 2020, with all assets transferred to the main charity as at 31 March 2019, following strike-off at Companies House in October 2020. RMA Ltd was a shell company preserved for one year after merger with The Royal Marines Charity to ensure nil financial activity.

- c. There are 3 restricted day's pay giving funds:

- (1) The Royal Marines Officers Trust Fund.
- (2) The Royal Marines Central Sergeants' Mess Fund.
- (3) The Royal Marines Central Unit Institute Fund.

- d. There are as at time of signing five other restricted funds:

- (1) The Royal Marines Cadet Fund.
- (2) The Royal Marines Sports Association.
- (3) The Armed Forces Covenant Fund Trust 'Positive Pathways' Fund (Norway).
- (4) The Armed Forces Covenant Fund Trust 'Force For Change' Fund.
- (5) The Armed Forces Covenant Fund Trust 'One is Too Many' Fund.

- e. There are two designated funds:

- (1) The Royal Marines Museum Fund.
- (2) The Royal Marines Association Fund

- f. There are two wholly owned trading companies, TRMC Enterprises Ltd (Company No. 10020682) established to enable building projects and Royal Marines Shop Ltd (Company No. 08015901) established as a merchandise outlet (acquired on 1 April 2019 on merger with the Royal Marines Association).

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

### Governance

The Charity is a subsidiary of the Royal Navy and Royal Marines Charity (RNRMC) which is incorporated in the United Kingdom (Company No.6047294) (Reg Charity No. 1117794) and Scotland (SC041898). The RNRMC is the Sole Member of RMA-The Royal Marines Charity and its Board has the right to nominate one of its Trustees to the Board, this is currently Mr Mark Robinson.

The charity is governed by its Articles of Association last amended on 26 March 2019 and is subject to the requirements and the protection of both charity and company law.

The Board of Trustees comprises two serving Royal Marines in an ex-officio status: the Deputy Commandant General Royal Marines and the Corps Regimental Sergeant Major, alongside retired Royal Marines, two trustees appointed by the membership and other elected Trustees recruited for their competencies. The non-ex-officio trustees serve for a term of three years and may be elected to serve two further consecutive terms.

The Articles of Association of the Charity express the intent that a majority of the Trustees shall comprise persons who are serving or former serving members of the Royal Marines, in order to reassure the beneficiary community of a necessary level of empathy and understanding. This does impose limitation on the Board's ability to reflect the wider diversity of UK society.

The Commandant General Royal Marines is ex-officio Honorary President, currently Lieutenant General RA Magowan CB CBE.

Four Board meetings were held during 2020.

In line with the RNRMC Group structure, the Board has members on two Group sub-committees and one Group trading subsidiary company, which are:

- The Investment Committee (IC), meeting twice yearly with the fund managers (member Mr K Breslauer).
- The Finance, Risk and Audit Committee (FRAC), meeting twice yearly (member Mr R Weaver).
- RNRMC Enterprises Ltd, meeting four times a year (director Mr J Zuppinger BEM)

Both committees have delegated authority to scrutinise their respective areas and to make recommendations to the Board, particularly concerning the annual budget. RNRMC Ltd has delegated decision making authority concerning Band Service fundraising events.

Six other sub-committees exist to ensure appropriate oversight over Charity functions: Fundraising; Health & Wellbeing; Membership; Amenities; Employment & Education and People (HR, remuneration, nominations and grievance/discipline). There are separate Boards for the subsidiary companies TRMC Enterprises Ltd and Royal Marines Shop Ltd.

Trustees are selected through interview by the People Committee (acting as a nominations committee), which then makes recommendations to the Board. The induction process for any newly appointed trustee is to make all necessary declarations and undertake necessary checks, to meet with the Chief Executive (CE) and other charity staff as appropriate to explain the Charity's strategy, policies and outputs, followed by meetings with the Chair and external induction training if they are new to charity trusteeship. New trustees receive a copy of the Articles of Association, all Board-level policies and previous annual accounts; they are briefed and trained so as to ensure they are conversant with the Charity's aims and objectives, along with the responsibilities of a trustee and board as identified by the Charity Commission.

The Charity does not remunerate its Trustees, but refunds travel and incidental expenses if claimed. The serving military members of the Board undertake their duties as volunteers.

## **ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES**

### **Management and Administration**

As at year end, the charity employed 31 full- and part-time staff (a reduction of 3 in year, which had further declined to 29 by 1 April 2021) principally based in two locations: the Commando Training Centre Royal Marines, Exmouth; and HMS Excellent, Whale Island, Portsmouth; and in smaller numbers at Royal Marines Barracks Stonehouse, Plymouth; and at the office of Patron Capital Partners LLP, Piccadilly, London. There is also a part-time Relationships Manager based in Scotland. The day-to-day control and administration of the Charity is delegated to the Chief Executive (CE). The charity has a pay ratio of 4:1 between the CE's salary and the lowest paid charity employee. The sector average for a medium sized charity is 5:1.

The Trustees are responsible for setting the remuneration of the charity's staff, which is intended to reward the skills, experience and competences required for particular roles. In setting remuneration, the Trustees also consider a number of additional factors including an individual's geographical location, contribution, affordability and the remuneration offered by charities of a similar size.

### **BACKGROUND**

#### **Our Beneficiaries**

Royal Marines are deployed on duty serving the nation around the globe 365 days a year. A Corps of around 6,500, though they form only 4% of UK defence forces, they provide 47% of UK Special Forces personnel. As elite personnel, Royal Marines are disproportionately exposed to danger, which in turn has had disproportionate consequences over the past 20 years.

Currently there are 155 disabled Royal Marines, including 30 amputees and two tetraplegics who require through-life care. 256 Royal Marines have suffered life changing injuries and had their service cut short as a result, 180 of whom have exhibited signs of post-traumatic stress, in addition to hundreds who have developed complex post-traumatic stress disorder though not physically injured.

During the COVID-19 pandemic in 2020, several Royal Marines units were redirected from their defence tasks to support the NHS, Emergency Services, local authorities and Government at home and abroad in the first wave of the COVID-19 pandemic. In 2021, personnel from 40 and 42 Commandos, Commando Logistic Regiment, Commando Armoured Support Group and three RM bands have been deployed to assist the NHS vaccination programme.

As the new defence Integrated Review rolls out, Royal Marines will be permanently forward-based overseas in two Response Groups facing the UK's most significant overseas threats in the Baltic/High North, and the Gulf/Far East. This new role perpetuates the Royal Marines' high exposure to danger.

The Corps Family is a community of approximately 120-150,000, a community of around 30,000 serving and former Royal Marines, the remainder dependants. All are beneficiaries of the Charity.

#### **Our case for support**

We are the Royal Marines' own Charity set up in 1946, and so are uniquely placed to understand, respond and react, enabling Marines and their families to overcome their challenges.

We can target support across a wide range of needs to ensure no one is left behind. We seek to strengthen the Commando Mindset in every beneficiary.

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

### Our Vision

Giving a lifetime of support to the Royal Marines Family – Once a Royal Marine, always a Royal Marine.

- RMA - The Royal Marines Charity will be the central pillar of the Royal Marines Family, drawing together those who aspire to join, those who serve, those who have served and those who support and enable us;
- We will be the instinctive first place to which the Royal Marines Family turns for support and camaraderie;
- We will deliver through life support serving the needs of our Family.

### Our Ethos

We embrace the Commando Values - Excellence, Integrity, Self-Discipline and Humility, and the Commando Spirit – Courage, Determination, Unselfishness and Cheerfulness, in order to enable the Commando Mindset – first to understand, first to adapt and respond, first to overcome.

### Our objectives and activities

The Articles of Association of RMA – The Royal Marines Charity specify the following objects:

- a. To maintain and increase the efficiency of the Royal Marines, and to promote and preserve the esprit de corps, heritage, ethos and traditions of the Corps;
- b. To assist or benefit persons serving in or who have served in the Royal Marines or of such dependants, spouses, civil partners, widows, widowers, children (including adopted children) or immediate close family of such persons as may for the time being be in need of charitable assistance or benefit;
- c. To commemorate and remember those members of the Royal Marines who have lost their lives or suffered injury, or put themselves at risk of loss of life or injury, in service of the Crown and to encourage public recognition of their service and sacrifice;
- d. To support the Royal Marines, the Royal Marines Cadet Section of the Sea Cadet Corps, the Royal Marines Cadet Section of the Combined Cadet Force, the Royal Marines Volunteer Cadet Corps by any other charitable means as the Trustees shall from time to time permit.

### Our Mission

Our work combines the following roles:

- Prevent – ensure that members of our community do not descend into acute need;
- Respond – provide holistic support to those who have serious mental, physical or other challenges which threaten their independence and dignity;
- Assure – provide professional and safe support;
- Inform – ensure that our community knows how to promote good health and welfare, and where and how to seek help;
- Collaborate – ensure that members of our community are assisted by the most appropriate source.

Our work is in areas which span whole service provision from cadets to bereaved dependants:

**Benevolence and Transition:** we provide intelligent, cost-effective and sustainable solutions combining professional guidance and services with effective grant-making, in co-operation with partner agencies, charities and business. This is funded by money we raise ourselves; we receive no



## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

Government funding in normal circumstances, though this year we received support from the CJRS Furlough grant scheme due to the impact of the COVID-19 pandemic.

**Amenities:** we deliver appropriate and sustainable financial support to the serving Corps through infrastructure enhancements, adventure training, unit and family welfare, sport and regimental life in order to strengthen morale, improve effectiveness and encourage retention. Apart from support to families, this is funded by the voluntary donations of Royal Marines themselves or from historic reserves, rather than donations raised from the general public.

**Membership:** our membership (16,750, up 2,400 since 1 January 2020) is a focus for our promote and prevent work, which we undertake to promote mental and physical well being and to stave off charitable need and spend further down the line; this includes working through our 92 geographical and specialist branches to promote comradeship and mutual support. This is self-supporting through from member fundraising, donations and historic Association reserves.

2020 saw needs rising across every sphere of our work, following trends from previous years but exacerbated by the COVID-19 pandemic.

### PUBLIC BENEFIT

We provide quantifiable and tangible benefits to Defence and by extension to the public, underpinning its support of the Military Covenant between the Nation and its Armed Forces:

- Our work is retention positive. It supports RM units, personnel and families, providing a better quality of life and facilities/opportunities which the taxpayer cannot fund, thereby communicating to them that their contribution is recognised and valued. Our funding addresses specific needs identified by the Royal Navy which are deemed essential but for which no public funding is available, such as in-barracks social facilities, also family centres and childcare (contributing to the MOD's childcare policy) which are known to have an impact on retention.
- Our work contributes to military efficiency through our direct funding of the Corps Human Performance Operating Capability, and also sport and adventure training. This improves physical and mental fitness, teamwork and cohesion, in addition to the improvement in morale and enhancement of retention.
- Our work improves the morale of the Royal Marines and its community through funding of functions and activities such as unit functions and family days which the taxpayer cannot support.
- We contribute to the welfare and mental wellbeing of the Corps Family through our Support Network, providing a network of locally based volunteers who are able to give additional help to veterans; through our funding of unit-based pastoral workers employed by the Aggie Weston's charity; and by offering speedy access to recognised locally-based courses of therapy to veterans and serving personnel dependants, often following referrals from the NHS.
- We engage closely with the Commandant General Royal Marines and Corps Regimental Sergeant Major in order to ensure that the funding and services provided to the Corps are those most needed through the serving perspective.

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

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

### POLICIES

#### Grant making policy

During board meetings, trustees consider bids for funding exceeding £10,000 and decide which fit the charity's criteria. The CE and Deputy CE hold delegated authority to make grants of up to £10,000 within pre-set budgets agreed by Trustees; the Director of Health and Wellbeing and Head of Grants RNRMC hold delegated authority to make grants of up to £5,000 from within approved pre-set budgets, with authority to seek to almonise (share) grants with funds from other agreed sources; the Employment and Health & Wellbeing staff (administering RM Benevolent Fund grants) each have a delegation of £2,500. Any extraordinary or urgent bids exceeding £10,000 falling outside these parameters may be considered by a quorum of at least three Trustees as and when they are received, out of committee.

Trustees have indicated that need arising from the wounded, injured and sick should be met first from the Benevolent Fund, with the General Purpose Fund to be used primarily for welfare purposes which directly benefit serving individuals and their dependants or serving communities. It is intended that the Day's Pay Giving Funds serve primarily as the source for amenity grants for which funds raised from the General Public would not be appropriate, but the trustees have agreed that they may be used for welfare purposes (since this is permitted by their governing documents) on a case by case basis.

#### Fundraising policy

We have reviewed and revised our fundraising policies and procedures during 2020 reflecting the advice of the Fundraising Regulator and need to assure our supporters and the wider general public that we fundraise ethically and within the guidelines of the Charity Commission and the Fundraising Regulator.

Our approach to fundraising rests on positive supporter engagement in order to enable us to attract, steward and maintain support, but also to protect our reputation. A key element is the segmentation of supporters through our Customer Relationship Management database, so that supporters receive communications at appropriate frequencies. The charity only fundraises and promotes support to the charity from individuals and companies following explicit written ('opt in') consent from potential donors. Trustees and staff are aware of the need to protect the public, and especially vulnerable people, hence no cold call, telephone or street fundraising is carried out, and no bonuses or inducements are made to staff or volunteers. No professional fundraisers or commercial participators carried out any fundraising activities on behalf of the charity.

The charity is registered with the Fundraising Regulator (FR) and contributes to the FR levy on fundraising charities according to its income, adhering to the FR Code of Practice and to Charity Commission guidelines, particularly CC20 (Charity fundraising: a guide to trustee duties). Trustees are aware of the Commission's six fundraising principles and ensure adherence by charity staff through the oversight of a Fundraising sub-committee of the board: effective planning; supervision of fundraisers; protection of charity reputation, money and other assets; ensuring compliance with laws and regulations; following recognised standards; openness and accountability. Fundraising practices are monitored through a designated trustee engaging in weekly oversight of the Charity's Directors of Development and Fundraising, a formal quarterly sub-committee meeting and quarterly board reporting, and oversight of volunteers by the Community Fundraising Manager, whose induction training includes the protection of vulnerable people. Failures to comply will be reported to the FR if they occur, as will complaints, for which there is a process to follow if received; there have been none of either in the last financial year or since the FR was introduced. Policies and processes are in place to ensure the Charity's compliance with the General Data Protection Regulation (GDPR), particularly with regard to the use of personal data for fundraising purposes.

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

### ACHIEVEMENTS AND PERFORMANCE 2020

#### Response to COVID-19

We are confident that we have become increasingly effective in supporting the Corps Family despite the challenges of the pandemic:

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Increase 2019-20</u>
Welfare Cases provided with funding support	545	665	810	22%
Employment Assistance – discharged RMs	55	71	75	5.5%
Armed Forces Compensation Tribunal Case Support	97	117	126	7.7%
Transition Support to Vulnerable Leavers	82	96	93	
Veteran Mental Health Referral Cases	79	92	113	23%
Addiction support	NA	43	60	40%

#### Smart working - collaboration with partners

We have worked increasingly closely with the NHS (the Veterans' Transition Intervention and Liaison Service and Complex Treatment Service), the Office for Veterans' Affairs and Third Sector partners, with a number of whom we have now agreed formal MOUs: the Royal Navy & Royal Marines Charity, Walking With The Wounded, the White Ensign Association, the Special Boat Service Association, Heropreneurs and High Ground. We collaborate regularly with Combat Stress, Help For Heroes, the Regular Forces Employment Association, the Poppy Factory, Royal British Legion Industries, Poppy Scotland, Blesma and Supporting Wounded Veterans. The NHS and Combat Stress refer beneficiaries to the Charity because of overstretch or under-resourcing.

We work in close partnership with SSAFA-The Armed Forces Charity, and other Naval Service charities (the Royal Navy and Royal Marines Charity, Greenwich Hospital, the Royal Naval Benevolent Trust, the Naval Children's Charity, the Royal Navy Officers' Charity and the Naval Service Sports Charity) in our grant making work, with our USP being our holistic assessment of needs leading to complementary monetary and non-financial support. We are currently assisting the wider Naval charities to develop a more holistic service (mirroring our own) through embedding a RN casework Manager and two Transition Support Guides within our staff, while we are advising the Royal Naval Association in the development of its membership offer and services to reflect those offered to our members.

#### Rising need

Our outputs are driven by need. We have monitored need systematically over the last 5 years and can evidence that the need continues to rise; hence our work outputs continue to increase. In particular:

- need is rising faster in the veteran community than in the serving Corps;
- it is rising especially quickly in the veteran mental health sphere since the classic gestation period for PTSD is 7-10 years, meaning we will most likely be facing this rise for 3-4 years yet from veterans who served in Afghanistan.

This rising need has led to increased spend by the Charity, having to put in place the people, resources, structures and processes necessary to provide effective first call support appropriate for our community:

- The appointment of a Casework Manager – providing more effective triaging to ensure better holistic support;
- The creation of Transition Support Officers South and North, and Alcohol Education Adviser posts i.e., safeguards for vulnerable leavers, enabling early intervention to stave off later interventions

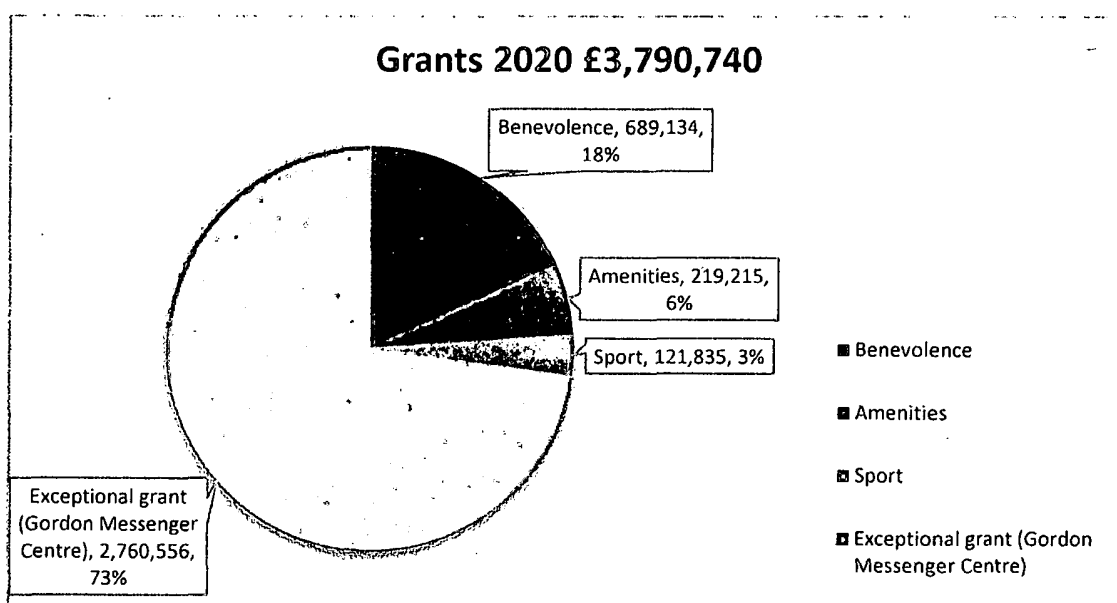
## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

and increased spend; this creates a virtuous circle whereby the beneficiary does not need further intervention;

- The recruitment of two part-time Clinical Care Managers (responsible for veterans' mental health referrals to accredited therapists) and two Armed Forces Compensation Scheme & War Pensions Advisers (responsible for appeals to secure higher lump sum and ongoing pensions payments) taken onto staff because of the rising volume of cases;
- The implementation of a 'Lifting the Lid' suicide prevention campaign in the latter half of 2020 which was praised by the NHS, Samaritans and Zero Suicide Alliance.

### Lifesaving support delivered

Since establishment of the Royal Marines Charitable Trust Fund (one of our precursor charities) in 2010, over £22.7M has been given in grants towards recovery, quality of life and through life care. The Charity achieved expenditure in 2020 on grants payable of £3,790,740 a rise of over £1M on 2019 (due primarily to the exceptional grant of the Gordon Messenger Centre to the Corps – details on pages 14 and 15).



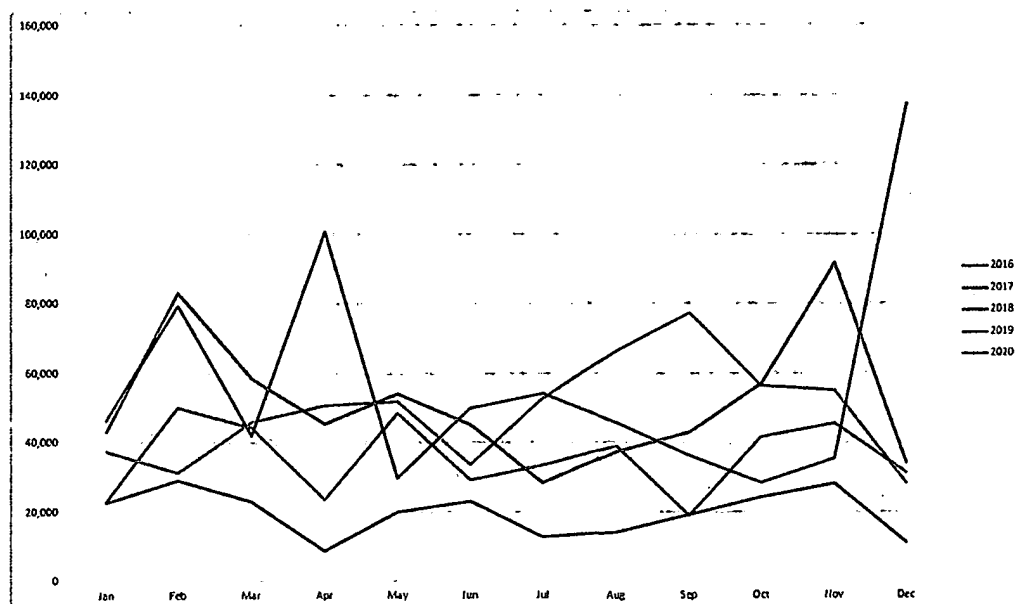
The delivery of support amounted to a further £801,166, giving a total of £4,591,906 of charitable expenditure.

### Increased numbers supported

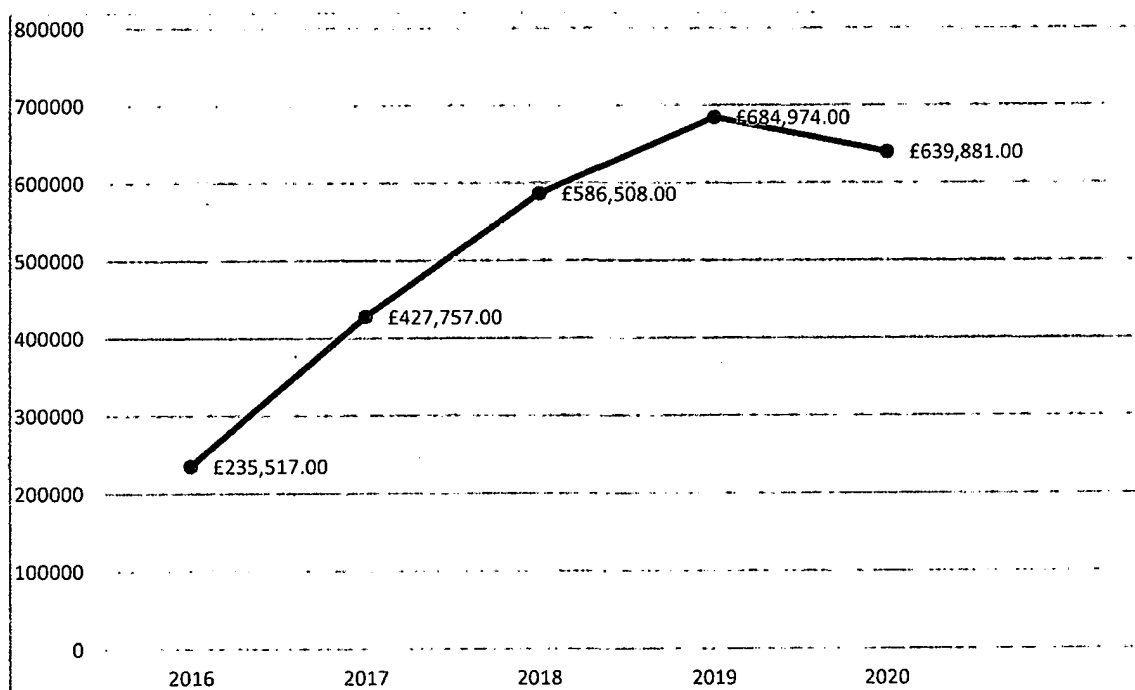
- Total number of beneficiaries supported by charitable interventions through year: 20,744 (2019: 16,092).
- Total number of beneficiaries in need supported through financial and non-financial benevolence: 1,896 individuals (excluding their dependants) (2019: 1,662; 2018: 1,404).

# ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

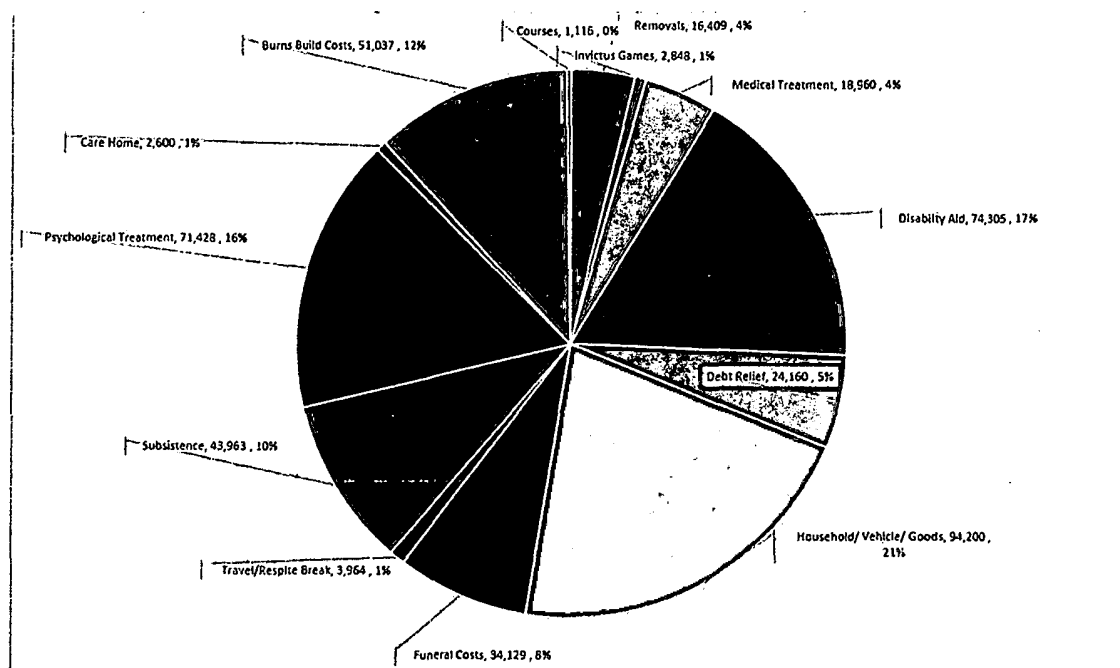
## Annual comparison of welfare grants to individuals 2016-20



## RMBF Spend on Welfare Grants to Individuals for the year to 31 December 2020



# ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES



The build costs referred to above represent half of the costs of an extension to a severely wounded beneficiary's home approved in 2019, which could only commence in late 2020.

- Total amount of amenities and sports/adventure training grants: £341,050 (as against £1,192,766 in 2019 and £1,011,557 in 2018, reflecting the impact of COVID-19 on Corps life and activities).
- Number of serving Royal Marines benefitting from amenities and sports grants: 18,893 (2019: 14,430).

## Support outputs and impact:

- A record number of discharged Royal Marines – 75 (2019: 71, 2018: 55) – were assisted into employment worth over £2.1M in added local employment value (the Government's approved proxy value for one person being in employment for 12 months is £28,758); see the dedicated section on social value below. 298 were advised in total (of whom 48 were funded).
- 203 War Pension and Armed Forces Compensation Scheme tribunal cases were supported (2019: 117, 2018: 97).
- All 10 major Royal Marines units were visited to be given alcohol education advice, received by universal chain of command praise, 60 individual addiction cases were supported (2019: 43), 28 serving with a replacement cost of £3.5M if they had been discharged (since it costs a minimum of £125,000 to train a new recruit), and 32 veterans.
- A larger number of Veterans' Referral Plan mental health therapy cases were supported, 113 (2019: 92, 2018: 79, 2017: 26).
- 93 new vulnerable leavers were supported by our Transition Support Officer (2019: 96, 2018: 62).
- Funding of £110,820 was provided for the coaching of 194 battling mental ill-health by Rock to Recovery (2019: 193, 2018: 142).
- 9 other partner organisations were supported by funding of £52,934, benefitting 30 individuals directly alongside pastoral work at 3 units.

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

### The Gordon Messenger Centre – enabling resilience in the Corps Family



The Charity has completed a seven-year project to deliver a state of the art welfare and community facility at the heart of the Corps, the Gordon Messenger Centre for Resilience, which opened in December for welfare support, training, rehabilitation activities, briefings, employment workshops, community events for serving and veteran Royal Marines, family activities, a children's creche, charity meetings, cadet activities and support to sporting events on the adjacent sports fields. Named after the Patron of the Charity, General Sir Gordon Messenger, the centre has a large hall, cafeteria and kitchen area, meeting room, office, indoor and outdoor play areas. This £2.8M project, which could not be funded by the MOD has been paid for through grants and donations of £1.9M, and £1M from Charity general funds. The MOD has agreed to fund ongoing running and routine maintenance costs. It is expected it will provide charitable benefit up to 50,000 personnel and dependants over the next 30 years. A local management committee on which the Charity is represented will oversee use in accordance with the charitable objects of the Charity, and will capture feedback to the Corps and trustees annually.

The trustees have determined that the most appropriate treatment of the project for accounting purposes (since the land reverts to MOD at the 30-year point and therefore the building), is to deem it a capital charitable grant, therefore the building's value has been removed from our balance sheet.

#### Created Social Value:

Through 2020, the Charity has been capturing metrics using government approved Themes, Outcomes and Measures (TOMS) including calculations of added social value, with the assistance of the [Social Value Portal](#). Government TOMS are concerned with jobs and skills, and societal and community development, to work out appropriate. There were 65 metrics captured.

Areas where extra value was added were as follows:

- Family members supported through Association events;

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

- Veterans attending parades;
- Discharged RM assisted into full time employment;
- Hours dedicated to supporting RMs into work by providing career mentoring, including mock interviews, CV advice, and careers guidance;
- Unpaid work experience provided by employer partnerships;
- Time dedicated to supporting divorcing families;
- Increase in lump sum and pension won following the tribunal and pension advice service.

The Social Value created by the Charity as measured through the Social Value Portal Themes, Outcomes and Measures in 2020 was £4,590,876 (2019: £4,005,099, 2018: £4,007,636).

	Budget	£ Social & Local Economic Value created	% Social & Local Economic Value Added	% of the programme over the overall delivered (ESV)	Total Delivered Social Value per £1 Spend
Funding of Amenities	£587,346	£580,633	99%	12.65%	£0.99
Membership	£271,468	£67,642	25%	1.47%	£0.25
Employment	£185,125	£2,322,064	1254%	50.58%	£12.54
Welfare	£1,357,492	£994,173	73%	21.66%	£0.73
Volunteering	£30,000	£626,364	2088%	13.64%	£20.88
Total 2020	£2,431,431	£4,590,876	189%	100%	£1.89

This sum does not tell the whole story of what the charity delivers as it only captures value to wider society and not that delivered specifically to the military community. This incremental support to the serving Corps Family not captured in SVP was £3,046,346, while the value added to the Corps through evidenced retention resulting from the Charity's interventions was worth a further £3,500,000.

**Therefore, the total social value created in 2020 was worth £11,137,222 (2019: £10,146,005), meaning that every £1 donated to the Group was turned into £2.43 of charitable value created.**

### FINANCIAL REVIEW

The Trustees consider that expenditure has been within the Objects of the Charity during the reporting period. They consider that the Charity remains healthy and thus able to meet its future charitable obligations.

The Charity was again reliant on income from donations, grants, fundraising events and investments. In 2020, the COVID-19 crisis removed a significant proportion of our fundraising capability which meant that we incurred a gross fundraising fall against budget of over £1.6M in year, principally due to the inability to hold major fundraising events:

- Income generation was diversified across a number of strands: major donor and corporate gifts, regular giving and one-off donations, trusts and foundations, grants, community fundraising (either Charity-organised initiatives or individuals undertaking their own initiatives) and legacies;
- Total gross Voluntary Income (i.e. fundraised) for the Group was £2.4M;
- £259K was received in legacies, a 50% decrease on 2019 due to the delays in Probate caused by the pandemic;



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- Total Net income for the Charity (including grants received and after cost of raising funds) was £1.7M behind budget at £2M, £1.1M below total net income in 2019;
- Investment income was £100K behind budget at £308K;
- Overheads (Office and administration costs and Direct Governance costs) were reduced at £387K, reflecting the move of costs of the build of a new Customer Relationship Management database to the asset register.

The Charity received services in kind valued at £201,004 from our parent charity RNRMC. This includes finance administration, grants administration, HR and IT support.

### Investment policy and performance

The Articles of Association authorise Trustees to make and hold investments using the funds of the Charity within current rules and regulations. During 2020 the Charity had two investment management teams: the majority of funds were held by Cazenove Capital Management, who were currently instructed to invest in a portfolio which will generate an agreed level of income whilst growing capital with a medium risk portfolio. This return could not be achieved during 2020 as a result of the COVID-19 pandemic's impact on the markets: income was 25% down on budget. Legacy RMA investments worth £1.6M at the end of 2020 were held by BNY Mellon.

The combined investment funds value decreased from £13.1M at the end of 2019 to £11.1M at the end of 2020, reflecting £1.25M drawn down to provide contingency cash flow, increasing cash held from 2-3 months to 5-6 months, and the funds losing £666,000 in value.

A joint review of investment manager has been held by RNRMC and the Charity, with a decision to appoint Sarasin and Partners LLP. The transfer of the Cazenove and Newton funds is expected to be complete by the end of June 2021.

The whole fund value of the Charity dropped from £16.9M to £13.4M; £2.8M was due to the grant of the Gordon Messenger Centre, the remainder was investment losses as a result of the pandemic.

The oversight of the management of the Charity's investments lies with a nominated trustee (Mr K Breslauer), and also with the Investment Committee (IC) of RNRMC, which is responsible for monitoring the performance of the investment managers in line with the investment strategy approved by the Board alongside RNRMC.

### Reserves Policy

- a. The Charity hold reserves for the following reasons:
  - In order to ensure that the Charity is able to meet unexpected and unbudgeted demands;
  - In order to ensure the Charity's short-long term sustainability in a context where it must generate its own income to cover costs;
  - In order to ensure continuity of service to beneficiaries in the event of an unexpected decline in charitable income;
  - In order to enable the Board to fund any required transformation of operating model.
- b. The particular context in which RMA-The Royal Marines Charity operates is conditioned by the operations of the Royal Marines, and is changing and uncertain:
  - The actuarial liabilities of the Charity in the medium-long term are not known since the military operational commitments of the Corps and their consequence on the Charity's beneficiaries cannot be planned for; their frequent and changing operational deployment pattern leads to disproportionate exposure to the possibility of death or injury, therefore increasing the chances of casualties and potential future calls on funds. Indeed, in the event of a major operation, the Trustees may find that they must draw on a substantial amount of capital to assist the Corps family at a time of need; hence reserves must be readily accessible.

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

- The beneficiary community, estimated to be in the region of 120-150,000 (serving and veterans with dependants), will remain stable in size for the next 30 years since the size of the Corps itself has changed little over that period, while life expectancy continues to lengthen and the welfare needs of the elderly become more complex.
  - The fundraising and income generating context for military charities has become more challenging following the cessation of large-scale overseas operations in 2014, meaning that the military community and its supporting charities are no longer in the public eye as they once were, and competition from other charitable causes has become stronger.
- c. The reserves of the Charity must be flexible to meet these changing demands and calls on the Charity's funds, which are held and applied for many different activities in line with its wide range of charitable objectives and strategic plans, arguably the widest of any military charity.
- d. Whilst the total value of the reserves held in investments as at 31 December 2020 was £11.09M,
- £2.71M is held in restricted funds which arise from the Royal Marines Day's Pay Giving schemes, money which may only be applied in specific circumstances to support regimental life, welfare, sport and adventure training. These funds are principally held in investments to ensure that there is a balance of income to meet the needs of current beneficiaries, but also growing capital to ensure that the needs of future beneficiaries are met, in order that they remain a sustainable resource for the Corps for future generations;
  - £1.74M is held in the restricted Royal Marines Benevolent Fund, which may only be applied to benevolence grants and support, projected to cost £1.7M in 2021;
  - £0.13M is also a restricted fund to be applied in grants supporting the activities of Royal Marines cadets.
  - £1M is held in a designated fund with the intention of part-funding a National Museum of the Royal Navy project to provide a new Royal Marines Museum, subject to review in mid-2021;
  - £0.5M is held in a designated fund to support the membership activities of the Royal Marines Association;
  - £5.01M is left as unrestricted funds, however of this £3.19M is held as a minimum reserve against the potential financial impact of identified, tabled and mitigated risks which could impact on the Charity's ability to deliver its objectives.
- e. Therefore, the free reserves of the charity are £1.852M, which equates to just over 5 months of expenditure to provide for grants, services and the administration of the Charity.

### RISK MANAGEMENT

The Charity Trustees have considered the major risks to which the Charity is exposed and review those risks and the established systems and procedures to manage those risks through oversight of a risk register at each Trustee meeting. This register is directly linked to the delivery programme in order to ensure that risks which cannot be removed are mitigated against through the operations of the Charity's staff. A three-stage line of defence assurance system is in place, based on the regular checks of staff, the oversight of trustees, and the annual interrogation of the appointed auditor.

Principal risks identified as at 31 December 2020 were:

Risk	Mitigation
<b>Financial</b> which includes: <ul style="list-style-type: none"> <li>• Not meeting our Voluntary Income targets;</li> <li>• Constraining Corporate and Major Donors;</li> <li>• Loss or reduction of funding streams.</li> </ul> <b>These risks would reduce our capacity to deliver our strategy.</b>	<ul style="list-style-type: none"> <li>• We have diversified our income generation opportunities as much as possible, focusing particularly on strengthening the support of major individual and corporate donors, trusts and foundations.</li> <li>• In the COVID-19 context this means identifying companies, donors, trusts and</li> </ul>

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	<p>foundations which have proved resilient in the economic downturn.</p> <ul style="list-style-type: none"> <li>• We are further developing measurement of whole social value to demonstrate impact to donors, and our marketing function in order better to promote case studies</li> <li>• We have a systematic approach to budget setting and financial planning with detailed monthly sequencing and monitoring during the year, with monthly cashflow projections and quarterly forecasts used to mitigate any budget/income pressures that arise during the year.</li> <li>• We regularly review our investment strategy and its performance managed by appointed external fund managers.</li> <li>• The Board has adopted a policy of holding between 5 and 6 months of expenditure in cash reserves, increased from 2-3 previously.</li> <li>• We have reviewed our insurance needs and provider to ensure financial losses are minimised.</li> </ul>
<p><b>Governance</b> which includes:</p> <ul style="list-style-type: none"> <li>• Lack of compliance with legal and regulatory requirements;</li> <li>• Breach of data and/or IT breach by external agents;</li> <li>• Lack of impact/outcome evidence may lead to sub-optimal block grant making.</li> </ul> <p><b>These risks will impact our operational delivery and increase regulatory scrutiny, both of which will impact our ability to deliver our objectives.</b></p>	<ul style="list-style-type: none"> <li>• A full Chair-led governance review will have been completed by mid-2021, identifying areas of improvement for governance, skills gaps and trustee succession planning.</li> <li>• We have reviewed all Charity policies and ensured that all required Board level policies have been refreshed for 2021.</li> <li>• We are registered with the Fundraising Regulator to evidence our compliance with the Charities Act 2016 and comply with regulations; no complaints were received in 2020.</li> <li>• We benefit from the extensive cyber protection provided by our internet provider.</li> <li>• We have a whistle-blowing policy that is known to employees. There is a robust process for any issues arising from a disclosure to be dealt with promptly and properly.</li> <li>• We have developed improved methods of monitoring the impact of grants made to individuals and organisations, including ensuring safeguarding protocols are in place with those we fund.</li> </ul>
<p><b>Reputational</b> which includes:</p> <ul style="list-style-type: none"> <li>• Adverse publicity concerning the Royal Marines may affect public's perception of the charity's need for support and funds;</li> <li>• Lack of control of funded organisations' activities;</li> <li>• Lack of control of membership branches and individual members.</li> </ul> <p><b>These risks would impact our reputation which is absolutely essential to keep key stakeholders,</b></p>	<ul style="list-style-type: none"> <li>• We are developing a PR function which will give the capability to respond to reputational challenge, with direct links into Navy Media.</li> <li>• We expect regular reports to the Board of Trustees from through year funded organisations and implement MOUs where appropriate.</li> <li>• We have revised terms and conditions for those outside organisations.</li> </ul>

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<b>funders and beneficiaries positively engaged in assisting us delivering our outcomes.</b>	<ul style="list-style-type: none"> <li>• Our branch and membership byelaws are subject to close oversight from the Membership Committee.</li> </ul>
<p><b>People</b> which includes:</p> <ul style="list-style-type: none"> <li>• Inability to recruit and retain people with the required skills and expertise;</li> <li>• Appropriate training and safeguarding for all staff;</li> <li>• Burnout due to increased demand for support.</li> </ul> <p><b>These risks would reduce our effectiveness to deliver our objectives, reducing our impact.</b></p>	<ul style="list-style-type: none"> <li>• We have reviewed and agreed a new staffing structure for the charity, alongside revised role descriptions and improved means of regular whole staff communication to improve retention and enhance retention.</li> <li>• We have introduced a revised Performance and Development Report to improve our performance and focus on learning and development.</li> <li>• We conduct an annual Training Needs Analysis, leading to whole staff training as appropriate, and individual education and learning needs being addressed.</li> <li>• We have introduced an Employee Assistance Programme and regularly consider staff workloads, promoting positive mental health and work-life balance.</li> </ul>

The Trustees consider by reviewing accounts and cashflow at each Board meeting that they are able to manage income over expenditure effectively, whilst they are also able to seek advice from the RNRMC Group Investment and Finance Risk and Audit Committees and other specialist advisors, all who have a depth of relevant experience.

## **FUTURE PLANS**

### **COVID-19**

The impact of COVID-19 has been considered on the company's future plans and budgeting processes, as the effect of the outbreak will be a significant risk for the year to 31 December 2021 and it is estimated, 2-3 years beyond.

The crisis resulted in the Charity staff ceasing office-based operations and moving to remote working from home; this was achieved seamlessly due to a major IT migration programme undertaken in late 2019. Staff have continued to deliver most aspects of welfare support, though it must be conducted remotely, but all membership events were cancelled in year; it is hoped that staff will return to office by mid-2021 and that events will recommence in September.

Our first priority was and will be to continue to provide support to the vulnerable members of our community, those suffering from the downturn in the economy and the social impact of Coronavirus and particularly those who may have even greater troubles due to the social distancing measures imposed. Whilst not front line, we are confident that we have alleviated significant pressure on the NHS and government, as we continue to address the following crucial areas where COVID-19 is impacting our community significantly:

- Mental ill-health across our community;
- Family stresses across our community;
- Medical discharges of serving Royal Marines;
- Unemployment among veterans and dependants.

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

Even before COVID-19, the Charity faced a significant challenge in fundraising:

- LIBOR bank fine funds are exhausted and will not be replaced;
- There is no potential government funding apart from Armed Forces Covenant Fund Trust grants;
- Brexit anxieties which have not yet restored business confidence;
- No public campaigning by the Royal Marines meaning that the military are out of mind.

The pandemic removed a significant proportion of our fundraising capability in 2020 and has a significant impact on the first two thirds of 2021. We have planned accordingly, but in order to ensure that essential services continue to be provided, the trustees approved a projected deficit budget of £400K.

There are sufficient free reserves for 10 months of expenditure as at the time of signing, but if fundraising and other income-generating activities are not able to recover, the trustees will need to liquidate investments which are intended to be held for the long term in order to generate a recurring income stream for beneficiaries. Cashflow is monitored monthly, looking forward 12 months. Based on the revised forecasts the Trustees are satisfied that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

### Strategy and Programme 2021-30

In 2020 the Membership strategy was reviewed and revised for implementation in the first half of 2021, which completed the revision of all the charity's functional strategies.

We continue to follow a 3-year budgeted delivery programme with associated risk register based on the revised strategies, delivered by the staff but with regular reporting oversight from the sub-committees allied to the Charity's functional teams, which in turn report to the Board.

This programme will ensure that the charity is proactive and bold, differentiated, sustainable, owned by the Corps Family, recognised by the wider community, and effective (efficient, cost-effective and achieving maximum impact).

The programme ensures the following objectives will be secured:

1. We will enable those we serve to live by the Commando Mindset (restoring, maintaining and enhancing independence, dignity and effectiveness) through financial and non-monetary support;
2. We will promote and sustain the Royal Marines brand and esprit de corps;
3. We will increase and achieve a representative membership mix of the Corps Family and supporters, in order that the Charity and Association become the heart of the Corps Family.

This year the charity celebrates the 75<sup>th</sup> anniversary of the founding of the Royal Marines Association in 1946, which will be the focus for membership events and community fundraising initiatives.

The Board and Executive have commenced further work to improve the charity's delivery in the 2022-24 period; and further to review the whole strategy of the charity for 2025-30 against the projected demographic changes of the beneficiary community, operational commitments of the Royal Marines, and other accepted trends in the serving and veteran military population of the UK, with the opportunities and challenges that will be presented. We will seek to develop the Unique Selling Point of the charity as the embedded charity of the Corps, so uniquely placed to provide appropriate charitable support.

## ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY REPORT OF THE TRUSTEES

### ACKNOWLEDGEMENTS

The Board wishes to place on record its gratitude to all those who have contributed to the fundraising progress of the Charity and its outputs in 2020, in particular:

- Our corporate partner Patron Capital Advisers LLP and its Managing Director (and our trustee) Mr Keith Breslauer, who have enabled the generation of further income by bringing in substantial support from other corporates and individuals, alongside giving support to individual Royal Marines seeking employment or training, whilst also providing meeting space and an office free of charge;
- Peak Scientific alongside June and Robin MacGeachy, who have provided significant donations and sponsorship to projects;
- The Armed Forces Covenant Fund Trust, which has provided substantial support to the charity's mental health work in year with COVID-19 Impact Programme funding of £125,000, £35,000 Positive Pathways funding towards the 2021 Norway Families Deployment, and £20,000 from its Force for Change programme towards branch welfare support;
- The donors who have enabled the Gordon Messenger Centre to be completed, among them the Mrs Nancy Warren Trust, the Gosling Foundation, The Royal British Legion, the Naval Children's Charity, Mundy Group, the Swire Charitable Trust and our West Country 100 business network;
- Other individuals who have provided substantial donations are too numerous to mention in full, but particular thanks must go to supporting organisations - the Royal Marines Band Service, the Royal Marines Sports Association, Commando Training Centre Royal Marines, the Corps Colonel's Department, and all regular and reserve units of the Corps; and to the tireless army of community fundraisers, many of whom are members of our Association.

The Board wishes to thank the RNRMC for its substantial back office support provided pro bono during the year, alongside its significant grant towards veteran benevolence support. The Trustees also thank other independent charities and organisations with which it works closely: SSAFA the Armed Forces Charity, the Royal Naval Benevolent Trust, the Naval Children's Charity, the Royal Navy Officers' Charity, The Royal British Legion, Greenwich Hospital, the Special Boat Service Association, the White Ensign Association, Aggie Weston's, Walking With the Wounded, Combat Stress, Help For Heroes, Heropreneurs, Bootnecks in2 Business and Rock to Recovery.

### Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment

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(Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

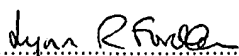
They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The charitable company has taken advantage of the small companies' exemption.

This report was approved by the Trustees on 25/05/21 and signed on their behalf by



**Mrs LR Fordham  
(Chairman)**

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBER OF ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY

### Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The 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



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBER OF ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY**

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

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 23 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and 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 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, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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.

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Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

**Use of this 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 charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

*Moore Kingston Smith LLP*

Neil Finlayson (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP  
Chartered Accountants  
Statutory Auditors  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Date: 26 August 2021

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

**RMA THE ROYAL MARINES CHARITY**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

		Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
	Note				
<b>INCOME &amp; ENDOWMENTS</b>					
Donations and legacies	4	1,596,766	801,729	2,398,495	3,977,974
Transfer of assets from RMA		-	-	-	2,605,944
Other trading activities		441,200	-	441,200	490,748
Investment income	5	176,268	132,415	308,683	439,222
		<u>2,214,234</u>	<u>934,144</u>	<u>3,148,378</u>	<u>7,513,888</u>
Charitable activities	6	15,000	342,049	357,049	391,947
Other income- CJRS grant		72,028	-	72,028	-
<b>Total operating income</b>		<u><u>2,301,262</u></u>	<u><u>1,276,193</u></u>	<u><u>3,577,455</u></u>	<u><u>7,905,835</u></u>
<b>EXPENDITURE</b>					
<b>Raising funds</b>					
Investment management fees		39,062	40,380	79,442	102,508
Fundraising costs		1,489,680	10,629	1,500,309	2,082,896
<b>Total cost of raising funds</b>		<u>1,528,742</u>	<u>51,009</u>	<u>1,579,751</u>	<u>2,185,404</u>
<b>Charitable activities</b>					
Through life pathway	7	274,920	839,919	1,114,839	1,849,429
Quality of life pathway		2,978,742	418,621	3,397,363	877,203
Fit for life pathway		118,118	212,514	330,632	894,450
<b>Total charitable expenditure</b>		<u>3,371,780</u>	<u>1,471,054</u>	<u>4,842,834</u>	<u>3,621,082</u>
<b>Total operating expenditure</b>		<u><u>4,900,522</u></u>	<u><u>1,522,063</u></u>	<u><u>6,422,585</u></u>	<u><u>5,806,486</u></u>
<b>Net operating (expenditure)/income</b>		(2,599,260)	(245,870)	(2,845,130)	2,099,349
<b>Net (losses)/gains on investment assets</b>	17	(328,384)	(333,666)	(662,050)	966,766
<b>Net (expenditure)/income</b>		(2,927,644)	(579,536)	(3,507,180)	3,066,115
Gross transfers between funds		945,934	(945,934)	-	-
<b>Net movement in funds</b>		(1,981,710)	(1,525,470)	(3,507,180)	3,066,115
Total funds brought forward		10,164,181	6,712,553	16,876,734	13,810,619
<b>Total funds carried forward</b>	22	<u><u>8,182,471</u></u>	<u><u>5,187,083</u></u>	<u><u>13,369,554</u></u>	<u><u>16,876,734</u></u>

The charity has no recognised gains or losses for the year other than as detailed above.

The net movements in the charity's funds for the year arise from the charity's continuing activities.

The notes on pages 31 to 48 form part of these accounts.

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY**  
**BALANCE SHEET- GROUP AND CHARITY**  
**AS AT 31 DECEMBER 2020**

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Fixed assets</b>					
Intangible assets	15	107,762	-	107,762	-
Tangible assets	16	557,302	2,412,477	553,966	2,410,435
Investments	17	11,086,093	13,081,101	11,086,193	13,081,201
		<u>11,751,157</u>	<u>15,493,578</u>	<u>11,747,921</u>	<u>15,491,636</u>
<b>Current assets</b>					
Stock	18	195,003	185,585	60,651	67,585
Debtors	19	314,869	395,047	284,424	381,170
Cash at bank and in hand		1,988,262	1,708,339	1,770,631	1,484,449
		<u>2,498,134</u>	<u>2,288,971</u>	<u>2,115,706</u>	<u>1,933,204</u>
<b>Liabilities</b>					
Creditors falling due within one year	20	(834,737)	(905,815)	(672,673)	(755,084)
<b>Net current assets</b>		<u>1,663,397</u>	<u>1,383,156</u>	<u>1,443,033</u>	<u>1,178,120</u>
<b>Total assets less current liabilities</b>		<u>13,414,554</u>	<u>16,876,734</u>	<u>13,190,954</u>	<u>16,669,756</u>
<b>Creditors falling due in more than one year</b>	21	(45,000)	-	-	-
<b>Net assets</b>		<u>13,369,554</u>	<u>16,876,734</u>	<u>13,190,954</u>	<u>16,669,756</u>
<b>Accumulated funds</b>					
Restricted funds	22	5,187,083	6,712,553	5,187,083	6,644,951
Unrestricted funds	22	8,182,471	10,164,181	8,003,871	10,024,805
<b>Total accumulated funds</b>		<u>13,369,554</u>	<u>16,876,734</u>	<u>13,190,954</u>	<u>16,669,756</u>

Company registration number: 07142012

The charitable company has taken advantage of the small companies' exemption.

The financial statements on pages 28 to 48 were approved by the trustees on 25/08/21 and signed on their behalf by:

.....*Lynne R Fordham*.....

Mrs LR Fordham  
(Chairman)

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>Cash flow/(outflow) from operating activities</b>		
Net cash (used in)/ provided by operating activities	(554,305)	2,418,202
<b>Cash flows from investing activities</b>		
Investment income and interest received	308,683	439,222
Proceeds from disposal of fixed asset investments excluding endowment funds	4,227,223	1,960,923
Acquisition of fixed asset investments excluding endowment funds	(2,894,265)	(3,671,768)
Payments to acquire tangible fixed assets	(749,651)	(2,412,078)
Payments to acquire intangible fixed assets	(107,762)	-
	<u>784,228</u>	<u>(3,683,701)</u>
<b>Cash flow/(outflow) from financing activities</b>		
New bank loan	50,000	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	279,923	(1,265,499)
Cash and cash equivalents at beginning of year	1,708,339	2,973,838
<b>Cash and cash equivalents at end of year</b>	<u>1,988,262</u>	<u>1,708,339</u>

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

	2020 £	2019 £
<b>Net (expenditure)/income</b>	(3,507,180)	3,066,115
<b>Adjustments for:</b>		
Depreciation charges	32,491	13,283
Net losses/(gains) on investments	662,050	(966,766)
Investment income	(308,683)	(439,222)
Grant to MOD- fixed asset disposal (see note 16)	2,740,335	-
(Increase) in stock	(9,418)	(126,767)
Decrease in debtors	80,178	185,345
(Decrease)/increase in creditors	(244,078)	686,214
<b>Net cash (used in)/provided by operating activities</b>	<u>(554,305)</u>	<u>2,418,202</u>

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES**

**a) Basis of preparation**

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

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and its subsidiaries are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

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

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

**b) Going concern**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions, particularly those arising from the COVID-19 pandemic, that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

**c) Group financial statements**

These financial statements consolidate the results of the Charity, TRMC Enterprises Limited and the RM Shop Limited, wholly owned trading subsidiaries on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account is not presented for the Charity itself as the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

**d) Income**

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

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

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

Investment income is received net of investment management fees but is grossed up in the accounts for investment management fees.

**Government grants**

Grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the associated costs for which the grant is intended to compensate. This includes £72,028 of Government assistance under the Coronavirus Job Retention Scheme (CJRS) relating to staff who were furloughed due to Covid-19.

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**e) Volunteers and donated services and facilities**

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

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

**f) Expenditure**

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

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

**g) Irrecoverable VAT**

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

**h) Allocation of overhead and support costs**

Overhead and support costs have been allocated first between cost of generating funds, charitable activities and governance. Overhead and support costs relating to charitable activities have been apportioned between activities.

**i) Cost of raising funds**

The cost of raising funds consists of investment management fees and fundraising costs including an apportionment of overhead and support costs.

**j) Charitable activities**

Costs of charitable activities include grants payable and other costs directly associated with providing sports, amenities, prizes and awards, dependants grants or benevolence to beneficiaries and an apportionment of overhead and support costs.

**k) Governance costs**

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

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

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

**m) Financial instruments**

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



**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 19 and 20 for the debtor and creditor notes.

**n) Stock**

Stock is stated at the lower of cost and net realisable value.

**o) Tangible fixed assets**

Individual fixed assets costing £500 or more are capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful economic lives as follows:

Computer and office equipment	- over 3 years straight line
Freehold property	- over 50 years straight line
Leasehold property	- over the life of the lease

**p) Intangible fixed assets**

Intangible fixed assets are amortised on a straight line basis over their estimated useful economic lives as follows:

Software	- over 3 years straight line
----------	------------------------------

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

**q) Investments**

Investments are stated at market value inclusive of accrued income as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

**r) Funds structure**

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

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

**s) Heritage assets**

The Charity is the owner of a collection of Paintings, Silverware and other items. Many precious works are contained within messes across the Corps, which is housed and managed on behalf of the Charity by Serving Royal Marines within the Corps Secretariat. The collection is considered irreplaceable and as such it is not possible to attribute a reliable cost or value to it. It is additionally considered that the process of obtaining valuations of the collection would be disproportionate to any public benefit that might be derived and that it is impractical to apply conventional valuation techniques to the collection, due to the uniqueness of its nature.

**t) Critical accounting estimates and areas of judgement**

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

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**2. LEGAL STATUS OF THE CHARITY**

The charity is a company limited by guarantee and has no share capital. The sole member of the Charity is The Royal Navy and Royal Marines Charity. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**3. FINANCIAL ACTIVITIES OF THE CHARITY**

The financial activities shown in the consolidated statement includes those of RMA-TRMC and its wholly owned trading subsidiaries TRMC Enterprises Limited and Royal Marines Shop Limited; RMSA a charitable company of which the RMA-TRMC is the sole member; The RMA of which the RMA-TRMC is the sole member.

A summary of the financial activities undertaken by the RMA-TRMC is set out below:

		2020 £	2019 £
Total income		3,184,557	7,130,385
Expenditure on charitable activities		(4,715,469)	(3,034,507)
Expenditure on raising funds		(1,285,840)	(1,760,251)
		<u>(2,816,752)</u>	<u>2,335,627</u>
Net investment (losses)/gains	17	(662,050)	966,766
		<u>(3,478,802)</u>	<u>3,302,393</u>
Net (expenditure)/income		16,669,756	13,367,363
Total funds brought forward		<u>13,190,954</u>	<u>16,669,756</u>
Total funds carried forward		<u>13,190,954</u>	<u>16,669,756</u>
Represented by:			
Restricted funds	22	5,187,083	6,644,951
Unrestricted funds	22	8,003,871	10,024,805
		<u>13,190,954</u>	<u>16,669,756</u>

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**4. VOLUNTARY INCOME**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Donations	1,509,591	104,392	1,613,983
Subscriptions	-	525,373	525,373
Legacies	87,175	171,964	259,139
	<u>1,596,766</u>	<u>801,729</u>	<u>2,398,495</u>
	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Donations	2,700,951	206,394	2,907,345
Subscriptions	-	522,561	522,561
Legacies	511,014	37,054	548,068
	<u>3,211,965</u>	<u>766,009</u>	<u>3,977,974</u>

**5. INVESTMENT INCOME**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Dividends – United Kingdom equities	85,510	38,805	124,315
Dividends – Non-UK equities	5,559	5,656	11,215
Fixed Interest - UK	10,872	10,903	21,775
Property Fund	19,022	19,403	38,425
Unit Trust	55,285	57,629	112,914
Interest on cash deposits	20	19	39
	<u>176,268</u>	<u>132,415</u>	<u>308,683</u>
	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Dividends – United Kingdom equities	81,792	124,459	206,251
Property Fund	20,286	30,873	51,159
Unit Trust	98,109	80,103	178,212
Interest on cash deposits	673	(1,831)	(1,158)
Other	3,597	1,161	4,758
	<u>204,457</u>	<u>234,765</u>	<u>439,222</u>

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020
	£	£	£
Other grants received	15,000	342,049	357,049
	<u>15,000</u>	<u>342,049</u>	<u>357,049</u>
	Unrestricted Funds 2019	Restricted Funds 2019	Total Funds 2019
	£	£	£
Other grants received	58,500	333,447	391,947
	<u>58,500</u>	<u>333,447</u>	<u>391,947</u>

**7. ANALYSIS OF CHARITABLE EXPENDITURE**

	Grants Payable	Other Direct Costs	Support Costs (see note 10)	Total 2020
	£	£	£	£
Fit for life pathway	121,835	-	208,797	330,632
Quality of life pathway	2,979,771	-	417,592	3,397,363
Through life pathway	689,134	8,113	417,592	1,114,839
	<u>3,790,740</u>	<u>8,113</u>	<u>1,043,981</u>	<u>4,842,834</u>
	Other Grants Payable	Support Direct Costs	Costs (see note 10)	Total 2019
	£	£	£	£
Fit for life pathway	701,487	-	192,963	894,450
Quality of life pathway	491,279	-	385,924	877,203
Through life pathway	1,394,855	68,650	385,924	1,849,429
	<u>2,587,621</u>	<u>68,650</u>	<u>964,811</u>	<u>3,621,082</u>

**8. ANALYSIS OF GRANTS PAYABLE**

	Grants to institutions	Grants to individuals	Total 2020	Total 2019
	£	£	£	£
Fit for life pathway	121,835	-	121,835	701,847
Quality of life pathway	2,865,270	114,501	2,979,771	491,279
Through life pathway	163,754	525,380	689,134	1,394,855
<b>Total</b>	<u>3,150,859</u>	<u>639,881</u>	<u>3,790,740</u>	<u>2,587,621</u>

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

Analysis of institutions receiving grants:

	2020
	£
MOD-Gordon Messenger Centre (see note 16)	2,760,556
Rock to Recovery	110,820
Globe & Laurel	85,315
J Burns	79,036
Dame Aggie Westons	20,668
Horseback UK	18,000
RMPCC	12,000
Climb to Recovery	11,100
Atlantic	10,000
Others less than £5,000	43,364
	<u>3,150,859</u>

**9. ANALYSIS OF DIRECT GOVERNANCE COSTS**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Auditor's remuneration	33,200	-	33,200
Legal fees	42,112	1,440	43,552
Trustees' expenses	1,154	-	1,154
Meeting expenses	4,572	-	4,572
Other governance costs	4,432	-	4,432
	<u>85,470</u>	<u>1,440</u>	<u>86,910</u>

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Auditor's remuneration	19,513	4,242	23,755
Legal fees	107,655	34,372	142,027
Trustees' expenses	14,379	-	14,379
Meeting expenses	7,132	-	7,132
Other governance costs	39	-	39
	<u>148,718</u>	<u>38,614</u>	<u>187,332</u>

**ROYAL MARINES ASSOCIATION- THE ROYAL MARINES CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**10. ALLOCATION OF SUPPORT COSTS AND OVERHEADS**

Cost type	Cost of Raising Funds 2020 £	Charitable Activities 2020 £	Governance 2020 £	Total Allocated 2020 £	Basis
Staff costs	686,273	803,061	59,652	1,548,986	Usage
Office and administration costs	134,111	134,111	67,056	335,278	Usage
Fundraising expenses	573,116	-	-	573,116	Usage
Investment management fees	79,442	-	-	79,442	Usage
	<u>1,472,942</u>	<u>937,172</u>	<u>126,708</u>	<u>2,536,822</u>	
Direct governance costs (see note 9)	-	-	86,910	86,910	
	<u>1,472,942</u>	<u>937,172</u>	<u>213,618</u>	<u>2,623,732</u>	
Allocation of governance support costs	106,809	106,809	(213,618)	-	
	<u>1,579,751</u>	<u>1,043,981</u>	<u>-</u>	<u>2,623,732</u>	

Cost type	Cost of Raising Funds 2019 £	Charitable Activities 2019 £	Governance 2019 £	Total Allocated 2019 £	Basis
Staff costs	585,507	657,426	68,216	1,311,449	Usage
Office and administration costs	143,927	143,689	71,844	359,460	Usage
Fundraising expenses	1,189,466	-	-	1,189,466	Usage
Investment management fees	102,508	-	-	102,508	Usage
	<u>2,021,708</u>	<u>801,115</u>	<u>140,060</u>	<u>2,962,883</u>	
Direct governance costs (see note 9)	-	-	187,332	187,332	
	<u>2,021,708</u>	<u>801,115</u>	<u>327,392</u>	<u>3,150,215</u>	
Allocation of governance support costs	163,696	163,696	(327,392)	-	
	<u>2,185,404</u>	<u>964,811</u>	<u>-</u>	<u>3,150,215</u>	

**11. STAFF COSTS**

	2020 £	2019 £
Salaries and wages	1,319,362	1,123,877
Social security costs	139,091	116,640
Pension costs	90,533	65,058
Temporary staff	-	5,864
	<u>1,548,986</u>	<u>1,311,449</u>

Three employees earned £60,000-£70,000 in the year (2019: none).

One employee earned £80,000-£90,000 in the year (2019: One employee).

No trustee received emoluments (2019: none). Six trustees (2019: 12) received reimbursed travel and subsistence expenses totalling £2,439 (2019: £9,403).

Included in the above costs are termination payments of £nil paid to no individuals (2019: £nil).

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**STAFF NUMBERS**

The average number of staff employed was 34 (2019: 28 staff) and the average number of full-time equivalent employees (including casual and part time staff) during the year was as follows:

	2020 Number	2019 Number
Support	32	33

**12. MOVEMENT IN NET FUNDS FOR THE PERIOD**

	2020 £	2019 £
Movement in net funds is stated after charging/(crediting):		
Auditor's remuneration (excluding irrecoverable VAT):		
- Statutory audit (current year)	18,295	19,515
- Taxation	500	654
- Other	4,405	10,715
Depreciation – owned assets	32,491	13,283

**13. TRUSTEES AND KEY MANAGEMENT PERSONNEL**

Key management personnel include the Trustees, Chief Executive (and senior staff reporting directly to the chief executive). The total employee benefits of the charity's key management personnel were £535,204 (2019: £428,112).

**14. TAXATION**

The company is a registered charity and no provision is considered necessary for taxation.

**15. INTANGIBLE FIXED ASSETS (Charity and Group)**

	Software £	Total £
<b>Cost or valuation</b>		
As at 1 January 2020	-	-
Additions	107,762	107,762
As at 31 December 2020	107,762	107,762
<b>Amortisation</b>		
As at 1 January 2020	-	-
Charge for the year	-	-
As at 31 December 2020	-	-
<b>Net book value</b>		
As at 31 December 2020	107,762	107,762
As at 31 December 2019	-	-

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**16. TANGIBLE FIXED ASSETS (Group)**

	Leasehold improvements	Freehold property	Office and computer equipment	Total
Cost or valuation	£	£	£	£
As at 1 January 2020	1,838,953	550,000	105,723	2,494,676
Additions	911,253	-	6,398	917,651
Disposal- MOD Grant	(2,740,335)	-	-	(2,740,335)
As at 31 December 2020	9,871	550,000	112,121	671,992
<b>Depreciation</b>				
As at 1 January 2020	-	-	82,199	82,199
Charge for the year	-	20,484	12,007	32,491
As at 31 December 2020	-	20,484	94,206	114,690
<b>Net book value</b>				
As at 31 December 2020	9,871	529,516	17,915	557,302
As at 31 December 2019	1,838,953	550,000	23,524	2,412,477

**TANGIBLE FIXED ASSETS (Charity)**

	Leasehold improvements	Freehold property	Office and computer equipment	Total
Cost or valuation	£	£	£	£
As at 1 January 2020	1,838,953	550,000	103,681	2,492,634
Additions	911,253	-	3,520	914,773
Disposal- MOD Grant	(2,740,335)	-	-	(2,740,335)
As at 31 December 2020	9,871	550,000	107,201	667,072
<b>Depreciation</b>				
As at 1 January 2020	-	-	82,199	82,199
Charge for the year	-	20,484	10,423	30,907
As at 31 December 2020	-	20,484	92,622	113,106
<b>Net book value</b>				
As at 31 December 2020	9,871	529,516	14,579	553,966
As at 31 December 2019	1,838,953	550,000	21,482	2,410,435

During the year the charity granted a 30 year lease to the Ministry of Defence (MOD) in respect of the Gordon Messenger Centre. At the end of the lease control of the property reverts to the MOD. This has been treated as a disposal and charitable grant to the MOD.



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**17. FIXED ASSET INVESTMENTS**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Movements in fixed asset investments				
Market value brought forward	13,081,101	10,403,490	13,081,201	10,403,490
Additions at cost	2,894,265	3,671,768	2,894,265	3,671,868
Disposals at carrying value	(4,227,223)	(1,960,923)	(4,227,223)	(1,960,923)
Net gain/(loss) on revaluation	(662,050)	966,766	(662,050)	966,766
Market value carried forward	<u>11,086,093</u>	<u>13,081,101</u>	<u>11,086,193</u>	<u>13,081,201</u>

Analysis of market value of investments by type:

Unlisted – RM Shop Limited	-	-	100	100
Equities	7,031,969	8,036,549	7,031,969	8,036,549
Bonds	828,410	956,717	828,410	956,717
Alternative investments	2,971,433	3,417,448	2,971,433	3,417,448
Cash	254,281	670,387	254,281	670,387
	<u>11,086,093</u>	<u>13,081,101</u>	<u>11,086,193</u>	<u>13,081,201</u>

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

Within the United Kingdom	5,686,079	11,908,938	5,686,179	11,909,038
Outside the United Kingdom	5,400,014	1,172,163	5,400,014	1,172,163
	<u>11,086,093</u>	<u>13,081,101</u>	<u>11,086,193</u>	<u>13,081,201</u>

**18. STOCK**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Wine and ports	65,715	62,690	60,071	62,690
Armada dishes	580	4,895	580	4,895
Merchandise	128,708	118,000	-	-
	<u>195,003</u>	<u>185,585</u>	<u>60,651</u>	<u>67,585</u>

**19. DEBTORS**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Other debtors	92,798	65,661	86,358	51,784
Prepayments and accrued income	165,571	213,856	141,386	213,856
Due from parent charity	56,500	115,530	56,500	115,530
	<u>314,869</u>	<u>395,047</u>	<u>284,424</u>	<u>381,170</u>

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**20. CREDITORS:**

**AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Loan	5,000	-	-	-
Grants payable	169,803	250,315	169,803	237,884
Almonised grants payable	5,346	6,625	5,346	6,625
Trade creditors	120,792	125,841	41,895	82,076
Taxation and social security	55,692	57,218	35,922	35,310
Accruals	340,496	301,087	114,939	143,441
Other creditors	137,608	164,729	140,450	163,850
Due to group entities	-	-	164,318	85,898
	<u>834,737</u>	<u>905,815</u>	<u>672,673</u>	<u>755,084</u>

**Custodian funds**

The RMA-TRMC holds custodian funds on behalf of RMA Branches and other RM Trusts. These amounts are included within creditors above.

Entity	Principal Object	Held	2020 £	2019 £
Fisher House	Residue of fundraising for sponsorship bedroom suite in Fisher House	Cash	£ 563	£ 564
Commando Cops	Now called the RM Club which is in process of becoming a branch	Cash	£ 2,937	£ 2,936
Frankton Memorial	Maintenance of memorial at Eastney	Cash	£ 2,390	£ 2,390
45 Woodlands Trust	Maintenance of a Memorial Garden	Cash	£ 20,066	£ 35,066
Adam's Hoofing Hut	Beach Hut at Christchurch	Cash	£ 17,886	£ 24,107
42 Commando Memorial Garden	Maintenance of a Memorial Garden	Cash	£ 11,842	£ 11,842
Help4Heroes Training	Held for training and business set-up for former marines	Cash	£ 15,078	£ 15,077
RMA Rugby Branch	Virtual branch of RMA-TRMC	Cash	£ 9,571	£ 14,046
RMA Landing Craft Branch	Virtual branch of RMA-TRMC	Cash	£ -	£ 1,025
RMA Concert Band	Virtual branch of RMA-TRMC	Cash	£ 55,447	£ 53,586
Local Branch Donations	Monies collected centrally for RMA-TRMC branches	Cash	£ 1,050	£ 566
RM Gig Club	Virtual branch of RMA-TRMC	Cash	£ 350	£ -
Ocean Wave – RM Sailing Association	Corps yacht running costs fund	Cash	(£ 1,139)	£ -
RMA Concert Band Ensembles	Moneys collected from virtual branch activity	Cash	(£ 747)	£ -
Homeport Magazine	Funds to be used to pay for RMA entries in Naval Families Federation Magazine	Cash	£ 3,662	£ 3,920

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**21. CREDITORS:**

**AMOUNTS FALLING DUE IN MORE THAN ONE YEAR**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loan	45,000	-	-	-
	<u>45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

During the year the subsidiary company, TRMC Enterprises Limited, obtained a bank loan from Lloyds Bank plc under the Governments Coronavirus Bounce Back Loan scheme. Interest is payable at 2.5% from July 2021 and the loan is repayable by June 2026. The amount due in more than five years is £5,000.

**22. ANALYSIS OF CHARITABLE FUNDS**

**Analysis of unrestricted fund movements**

	Balance at 01.01.2020 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2020 £
TRMC general funds	6,671,688	1,667,179	(4,098,203)	1,486,670	(280,238)	5,447,096
LIBOR Fund	537,423	-	-	(527,423)	-	-
RMA Investment Fund	1,815,694	173,584	(381,044)	(3,313)	(48,146)	1,556,775
National Museum of the Royal Navy	1,000,000	-	-	-	-	1,000,000
<b>Charity total</b>	<u>10,024,805</u>	<u>1,840,763</u>	<u>(4,479,247)</u>	<u>945,934</u>	<u>(328,384)</u>	<u>8,003,871</u>
<b>Subsidiaries</b>						
Royal Marines Shop Limited	139,376	460,499	(419,770)	-	-	180,105
TRMC Enterprises Limited	-	-	(1,505)	-	-	(1,505)
<b>Group Total</b>	<u>10,164,181</u>	<u>2,301,262</u>	<u>(4,900,522)</u>	<u>945,934</u>	<u>(328,384)</u>	<u>8,182,471</u>

The LIBOR Fund was designated by the trustees in 2014 following a grant award from HM Treasury, without any restrictions. The Trustees designated this for use in projects supporting childcare. It was applied to a number of projects from 2015, culminating in the construction of the Gordon Messenger Centre, which includes a dedicated creche space. The fund is now exhausted.

The RMA Fund represents the historic investments reserve of the Royal Marines Association, which became part of RMA-TRMC in 2019, of which £500,000 is designated for membership use, the remainder unrestricted following a decision by the Membership sub-committee of the Board in March 2020

The National Museum of the Royal Navy Fund has been designated by the Trustees towards the cost of the new Royal Marines Museum.

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**22. ANALYSIS OF CHARITABLE FUNDS (continued)**

**Analysis of restricted fund movements**

	Balance at 01.01.2020 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2020 £
<b>Charity</b>						
RM Benevolent Fund	2,376,874	501,499	(1,169,618)	-	(171,145)	1,537,610
RM Cadet Fund	132,844	2,859	(833)	-	(5,977)	128,893
RM Officers' Trust Fund	1,069,470	148,173	(33,834)	(11,782)	(50,911)	1,121,116
RM Central Sergeants' Mess Fund	938,315	161,178	(107,863)	(29,455)	(47,772)	914,403
RM Central Unit Institute Fund	1,291,056	291,192	(97,337)	(155,132)	(57,861)	1,271,918
CTCFC	832,705	113,018	(3,477)	(942,246)	-	-
Homeport Magazine	3,687	-	-	(3,687)	-	-
RMSA	-	6,024	(109,101)	263,970	-	160,893
The Armed forces Covenant Fund Trust -Positive Pathways	-	33,250	-	-	-	33,250
The Armed forces Covenant Fund Trust -FFC	-	19,000	-	-	-	19,000
	<u>6,644,951</u>	<u>1,276,193</u>	<u>(1,522,063)</u>	<u>(878,332)</u>	<u>(333,666)</u>	<u>5,187,083</u>
<b>Subsidiaries</b>						
Royal Marines Sports Association	67,602	-	-	(67,602)	-	-
<b>Group Total</b>	<u>6,712,553</u>	<u>1,276,193</u>	<u>(1,522,063)</u>	<u>(945,934)</u>	<u>(333,666)</u>	<u>13,530,465</u>

RM Benevolent Fund is a restricted fund amalgamated from a range from Royal Marines specific funds designed to support Serving, Veterans and their dependants.

RM Cadet Fund is a restricted fund which generates a small amount of investment income to support RM Cadets with various amenity bids.

RM Officers' Trust Fund is a restricted fund to support Royal Marines Officers in providing grants for Sports, Functions and Amenity bids.

RM Central Sergeants' Mess Fund is a restricted fund to support Royal Marines Seniors in providing grants for Sports, Functions and Amenity bids.

RM Central Unit Institute' Fund is a restricted fund to support Royal Marines Juniors in providing grants for Sports, Functions and Amenity bids.

RM Support Network is the rebranded TRiM4Veterans fund which is a restricted fund to support the RMA Welfare team in providing volunteer support to Serving and Veteran Royal Marines through signposting and other support services.

CTCFC Commando Training Centre Family Centre is a restricted fund for donations collected to support the building of a capital project at CTCRM, Lympstone. In the year the building was disposed of to the MOD under a 30 year lease. See note 16.

Magazine is a restricted fund for the inclusion of RMA news in the Naval Families Federation's Homeport magazine. This is no longer undertaken.

The AFCFT Positive Pathways is a restricted fund provided to enable a group respite trip to Norway for injured beneficiaries and their immediate families.

The AFCFT Force For Change is a restricted fund provided to fund the expenses of volunteer welfare assistant from branches in the Northern Region of RMA supporting beneficiaries in the north of England.

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**22. ANALYSIS OF CHARITABLE FUNDS (continued)**

**Analysis of fund movements- prior year**

**Analysis of unrestricted fund movements**

	Balance at 01.01.2019 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2019 £
TRMC general funds	5,580,154	3,657,316	(1,915,462)	(1,000,000)	349,860	6,671,688
LIBOR Fund	536,084	1,339	-	-	-	537,423
RMA	-	2,437,104	(677,477)	-	146,067	1,815,694
National Museum of the Royal Navy	-	-	-	1,000,000	-	1,000,000
<b>Charity total</b>	<b>6,116,238</b>	<b>6,005,759</b>	<b>(2,592,939)</b>	<b>-</b>	<b>495,747</b>	<b>10,024,805</b>
<b>Subsidiaries</b>						
Royal Marines Shop Limited	-	562,168	(422,792)	-	-	139,376
TRMC Enterprises Limited	-	-	-	-	-	-
<b>Group Total</b>	<b>6,116,238</b>	<b>6,567,927</b>	<b>(3,015,731)</b>	<b>279,983</b>	<b>495,747</b>	<b>10,164,181</b>

**Analysis of restricted fund movements**

	Balance at 01.01.2019 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2019 £
<b>Charity</b>						
RM Benevolence Fund	3,354,992	372,403	(1,589,807)	-	239,286	2,376,874
RM Cadet Fund	121,442	4,066	(1,217)	-	8,553	132,844
RM Officers' Trust Fund	997,720	158,647	(159,740)	-	72,843	1,069,470
RM Central Sergeants' Mess Fund	872,552	174,171	(175,957)	-	67,549	938,315
RM Central Unit Institute Fund	1,146,979	302,555	(167,058)	(74,208)	82,788	1,291,056
CTCFC	757,440	109,099	(33,834)	-	-	832,705
RMA Magazine	-	3,687	-	-	-	3,687
	<b>7,251,125</b>	<b>1,124,628</b>	<b>(2,127,613)</b>	<b>(74,208)</b>	<b>471,019</b>	<b>6,644,951</b>
<b>Subsidiaries</b>						
Royal Marines Sports Association	443,256	213,280	(663,142)	74,208	-	67,602
<b>Group Total</b>	<b>7,694,381</b>	<b>1,337,908</b>	<b>(2,790,755)</b>	<b>-</b>	<b>471,019</b>	<b>6,712,553</b>

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**23. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total 2020 £
Intangible fixed assets	107,762	-	107,762
Tangible fixed assets	557,302	-	557,302
Fixed asset investments	6,537,168	4,548,925	11,086,093
Cash at bank and in hand	1,206,095	782,167	1,988,262
Other net current assets/(liabilities)	(180,856)	(144,009)	(324,865)
Other net current assets/(liabilities)	(45,000)	-	(45,000)
	<u>8,182,471</u>	<u>5,187,083</u>	<u>13,369,554</u>

**23. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £
Tangible fixed assets	751,741	1,660,736	2,412,477
Fixed asset investments	7,400,491	5,680,610	13,081,101
Cash at bank and in hand	1,998,337	(289,998)	1,708,339
Other net current assets/(liabilities)	13,612	(338,795)	(325,183)
	<u>10,164,181</u>	<u>6,712,553</u>	<u>16,876,734</u>

**24. ULTIMATE CONTROLLING PARTY**

During the year the charitable company and group was under the control of Royal Navy and Royal Marines Charity (a registered charity incorporated in England and Wales, registered company number 6047294, registered charity number 1117794 and also a registered charity in Scotland, charity number SC041898).

The ultimate controlling party is also the Royal Navy and Royal Marines Charity. Copies of the Royal Navy and Royal Marines Charity consolidated financial can be obtained from Building 29, HMS Excellent, Whale Island, Portsmouth, PO2 8ER.

**25. RELATED PARTY TRANSACTIONS**

During the year trustees donated £22,500 (2019: £44,316) to the charity. The charity also received a £27,000 (2019: £80,000) donation from the Globe and Laurel magazine, an organisation with common trustees.

During the year the charity made a grant to its now de-registered subsidiary, The Royal Marines Sports Association, of £nil (2019: £74,208).

During the year The Royal Navy and Royal Marines Charity, the ultimate controlling party, charged the charity £nil (2019: £50,000) in respect of management and administration services.

The charity received grants from The Royal Navy and Royal Marines Charity of £160,157, (2019: £230,225).

During the year the charity purchased merchandise totalling £nil (2019: £15,542) from Royal Marines Shop Limited and also paid the company for fulfilment charges for the sale of gin totalling £nil (2019: £8,993).

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**26. SUBSIDIARIES- Royal Marines Shop Limited**

The charity became the sole shareholder of Royal Marines Shop Limited on 1 April 2019 and accordingly on that date the company became a subsidiary of the group.

The following is an extract of the financial statements of Royal Marines Shop Limited for the year ended 31 December 2020:

	2020 £	2019 £
Income	441,200	594,331
Expenditure	(382,513)	(557,548)
Net movement in funds	<u>58,687</u>	<u>36,783</u>
	2020 £	2019 £
Fixed assets	3,336	2,042
Current assets	259,659	179,130
Liabilities	(82,890)	(59,754)
Net assets	<u>180,105</u>	<u>121,418</u>

**26. SUBSIDIARIES - TRMCE**

The following is an extract of the financial statements of TRMC Enterprises Limited for the period ended 31 December 2020:

	2020 £	2019 £
Income	739,544	1,484,605
Expenditure	(741,050)	(1,484,605)
Net movement in funds	<u>(1,506)</u>	<u>-</u>
	2020 £	2019 £
Current assets	291,748	160,509
Liabilities	(293,253)	(160,508)
Net assets	<u>(1,505)</u>	<u>1</u>
Net assets	<u>(1,505)</u>	<u>1</u>

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**27. NET DEBT**

	1 January 2020 £	Cash flows 2020 £	31 December 2020 £
Cash at bank	1,708,339	279,924	1,988,263
Bank loan	-	(45,000)	(45,000)
	<u>1,708,339</u>	<u>234,924</u>	<u>1,943,263</u>

**28. CAPITAL COMMITMENTS**

At the balance sheet date the group and charity had capital commitments of £nil (2019: £480,780)