

CHARITY
COMMISSION

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
FORCES CHILDREN'S TRUST

F1 CRT Limited
Flat 24 Wellingtonia Court
Laine Close
Brighton
East Sussex
BN1 6TD

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FOR THE YEAR ENDED 31 DECEMBER 2021

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FORCES CHILDREN'S TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity is devoted to working together to help children in need whose father or mother has died, or has sustained life changing injuries, whilst a serving member of the Armed Forces and such other occupations as determined from time to time by the trustees.

The Forces Children's Trust is a small, agile charity providing support and positive experiences to children who have suffered a great loss. By participating in events like theatre trips and holidays with other children in a similar situation they can create their own way of moving forward.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in the planning of future activities.

Grantmaking

When an application for financial assistance is made by or on behalf of an individual who falls within the Trust's remit, the Trust will only consider such an application in the context of its general principal of not awarding direct assistance by way of cash grants.

The Trust will first give consideration to the feasibility of providing such assistance in kind by funding the use of a recognised 3rd party or organisation. Where such an application is made to meet a debt acquired by or on behalf of the applicant such debt will be paid by the Trust to the creditor(s) once the Trust is assured of the validity and legality of such indebtedness.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During 2021 we were unable to run any FCT events due to the continued disruption and restrictions with regards to Covid.

Although it was not possible for the children to meet up at any of our events we kept in contact with their parents, offering support if needed. We ran workshops via Zoom and several children were able to partake in extra-curricular activities with the FCT contributing to the cost of the lessons. Sadly, yet again the Xmas party did not take place but the children were sent gift vouchers and these were gratefully received.

Trustee meetings were held via Zoom where we discussed the feasibility of running any events but it was agreed that it would be difficult. If families had to drop out last minute it would have left the FCT with costs for cancelling etc. There were also no guarantees that further restrictions would not be put in place at any time making planning impossible.

The Trustees were mindful of the commitment to spend funds for the benefit of the children but all felt that as the FCT was primarily a charity that provided opportunities for children in similar circumstances to meet and share experiences it just was not feasible in 2021 to do this within all the Covid boundaries.

FINANCIAL REVIEW

Financial position

Despite the ongoing problems with fundraising during the second year of the pandemic the FCT achieved a surplus of £1,178 before investment gains of £97,383. The reserves to be carried forward are £1,460,937.

Reserves policy

The FCT has a Reserves Policy in place and in the event of the dissolution of the Trust, reserves would first be used for severance payments and administrative costs.

FORCES CHILDREN'S TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

FUTURE PLANS

We have secured a week in August at the Outward Bound Howtown Centre in Penrith Lake District. Places for this were taken up very quickly as the children enjoy the challenges this offers. We also hope to send some families for a holiday to Spain in our time share apartments providing travel restrictions allow. There will be other events planned throughout the year as Covid becomes less of an issue. We hope to be organising another Adventure trip abroad in the not too distant future and are looking to increase the number of children that we can give opportunities to. Many of our children have now reached adulthood and we continue to support them until they finish full time education or reach the age of 25 years, particularly those who need support with their mental health and well being.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity was established under a Trust Deed dated 11 May 2004 as amended by resolutions dated 11 July 2007 and 27 April 2020.

Recruitment and appointment of new trustees

Trustees are appointed by the existing Trustees and are selected by personal recommendation.

Organisational structure

The Trustees meet and are in contact with each other on a regular basis to discuss the affairs of the Charity.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1104212

Principal address

65 Shawley Way
Epsom
KT18 5PD

Trustees

D Wise
Miss A L Hayes
Mrs C J Parry
Dr D Dymond

Independent Examiner

Christopher Robert Tyler FCA DChA FCIE
Institute of Chartered Accountants in England and Wales
F1 CRT Limited
Flat 24 Wellingtonia Court
Laine Close
Brighton
East Sussex
BN1 6TD

Chief Executive Officer

D Wise

Bankers

Santander UK PLC
Bridle Road
Bootle
Merseyside
L30 4GB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees 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).

FORCES CHILDREN'S TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

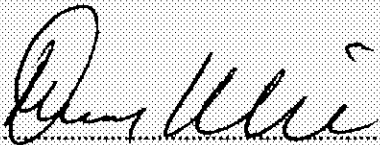
STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 21/03/2022 and signed on its behalf by:


.....

D Wise - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
FORCES CHILDREN'S TRUST**

Independent examiner's report to the trustees of Forces Children's Trust

I report to the charity trustees on my examination of the accounts of Forces Children's Trust (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Act).

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Christopher Robert Tyler FCA DChA FCIE
Institute of Chartered Accountants in England and Wales
FI CRT Limited
Flat 24 Wellingtonia Court
Laine Close
Brighton
East Sussex
BN1 6TD

Date: 23rd March 2022

FORCES CHILDREN'S TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 Unrestricted funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	19,467	31,756
Charitable activities	4		
Sales of Merchandise		33	33
Investment income	3	44,825	44,660
Other income	5	4,333	6,550
Total		68,658	82,999
 EXPENDITURE ON			
Raising funds	6	414	1,264
Charitable activities	7		
Beneficiary expenses		65,416	72,353
Support costs		1,650	1,620
Total		67,480	75,237
Net gains on investments		97,383	45,019
NET INCOME		98,561	52,781
 RECONCILIATION OF FUNDS			
Total funds brought forward		1,362,376	1,309,595
 TOTAL FUNDS CARRIED FORWARD		1,460,937	1,362,376

The notes form part of these financial statements

FORCES CHILDREN'S TRUST

BALANCE SHEET
31 DECEMBER 2021

	Notes	2021 Unrestricted funds £	2020 Total funds £
FIXED ASSETS			
Tangible assets	12	103	137
Investments	13	1,327,232	1,229,849
		<u>1,327,335</u>	<u>1,229,986</u>
CURRENT ASSETS			
Stocks	14	6,380	6,406
Debtors	15	2,675	173
Cash at bank		126,020	132,275
		<u>135,075</u>	<u>138,854</u>
CREDITORS			
Amounts falling due within one year	16	(1,473)	(6,464)
		<u>133,602</u>	<u>132,390</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,460,937</u>	<u>1,362,376</u>
NET ASSETS		<u>1,460,937</u>	<u>1,362,376</u>
FUNDS	17		
Unrestricted funds		<u>1,460,937</u>	<u>1,362,376</u>
TOTAL FUNDS		<u>1,460,937</u>	<u>1,362,376</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 21/3/2022 and were signed on its behalf by:


D Wise - Trustee

The notes form part of these financial statements

FORCES CHILDREN'S TRUST

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019)', Financial Reporting Standard FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

The trustees/directors consider that there are no material uncertainties about the company's ability to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

FORCES CHILDREN'S TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021****2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Donations	19,467	31,756

3. INVESTMENT INCOME

	2021	2020
	£	£
Unit trust income	44,815	44,455
Deposit account interest	10	205
	44,825	44,660

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Sales of merchandise	33	33

5. OTHER INCOME

	2021	2020
	£	£
Online filing incentive	4,333	3,462
Furlough grant	-	3,088
	4,333	6,550

6. RAISING FUNDS**Raising donations and legacies**

	2021	2020
	£	£
Web donation charges	216	216
Advertising & promotion	198	1,048
	414	1,264

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)
	£
Beneficiary expenses	65,416
Support costs	1,650
	67,066

FORCES CHILDREN'S TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2021**

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Events for beneficiaries	3,340	6,590
Staff costs	59,570	63,105
Office expenses	586	911
Premises expenses	494	467
Insurance	936	909
Professional fees	456	325
Depreciation	34	46
Independent examination	1,650	1,620
	<u>67,066</u>	<u>73,973</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The Chief Executive received a salary of £46,000 (2020:£44,467) during the year as permitted by the Trust Deed. No remuneration was paid to any other Trustee.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

10. STAFF COSTS

Staff costs during the year were as follows:

	2021	2020
	£	£
Gross Salaries	54,372	57,753
Social Security Costs	5,198	5,353

No employee received remuneration in excess of £60,000 (2020:None).

These costs were in respect of 1 full time and 1 part time person.

The charity considers its key management personnel to be the trustees. Details of the benefits paid to them are disclosed in note 9.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	31,756
Charitable activities	
Sales of Merchandise	33
Investment income	44,660
Other income	6,550
Total	<u>82,999</u>
EXPENDITURE ON	
Raising funds	1,264

FORCES CHILDREN'S TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 DECEMBER 2021**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £
Charitable activities	
Beneficiary expenses	72,353
Support costs	1,620
	<hr/>
Total	75,237
Net gains on investments	45,019
	<hr/>
NET INCOME	52,781

RECONCILIATION OF FUNDS

Total funds brought forward	1,309,595
	<hr/>
TOTAL FUNDS CARRIED FORWARD	1,362,376

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 January 2021 and 31 December 2021	2,797
	<hr/>
DEPRECIATION	
At 1 January 2021	2,660
Charge for year	34
	<hr/>
At 31 December 2021	2,694
	<hr/>
NET BOOK VALUE	
At 31 December 2021	103
	<hr/>
At 31 December 2020	137
	<hr/>

FORCES CHILDREN'S TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2021**

13. FIXED ASSET INVESTMENTS

The Charity has the following investments :

Unquoted

The Charity owns the entire called up share capital of £1 in FCT Trading Limited, a company incorporated in England and Wales.

FCT Trading Limited was dormant throughout the year under review and has no assets.

Quoted

The Charity acquired 1,045,281.78 units in Schroders 'The Charity Multi-Asset Fund A Distribution' during 2015 and a further 150,027.62 units during 2018, and 244,337.508 units in BlackRock 'Armed Forces Common Investment Fund Income' in 2017.

The movement during the year was as follows :

	2021	2020
	£	£
Balance brought forward	1,229,848	1,184,829
Additions	-	-
Revaluation	97,383	45,019
Balance carried forward	<u>1,327,231</u>	<u>1,229,848</u>

14. STOCKS	2021	2020
	£	£
Stocks	<u>6,380</u>	<u>6,406</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2021	2020
	£	£
Other debtors	<u>2,675</u>	<u>173</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2021	2020
	£	£
Taxation and social security	-	1,080
Other creditors	<u>1,473</u>	<u>5,384</u>
	<u>1,473</u>	<u>6,464</u>

FORCES CHILDREN'S TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021****17. MOVEMENT IN FUNDS**

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	1,223,823	100,343	1,324,166
Designated Fund - Educational Fund	138,553	(1,782)	136,771
	<u>1,362,376</u>	<u>98,561</u>	<u>1,460,937</u>
TOTAL FUNDS	<u>1,362,376</u>	<u>98,561</u>	<u>1,460,937</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	68,658	(65,698)	97,383	100,343
Designated Fund - Educational Fund	-	(1,782)	-	(1,782)
	<u>68,658</u>	<u>(67,480)</u>	<u>97,383</u>	<u>98,561</u>
TOTAL FUNDS	<u>68,658</u>	<u>(67,480)</u>	<u>97,383</u>	<u>98,561</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	1,169,114	54,709	1,223,823
Designated Fund - Educational Fund	140,481	(1,928)	138,553
	<u>1,309,595</u>	<u>52,781</u>	<u>1,362,376</u>
TOTAL FUNDS	<u>1,309,595</u>	<u>52,781</u>	<u>1,362,376</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	82,999	(73,309)	45,019	54,709
Designated Fund - Educational Fund	-	(1,928)	-	(1,928)
	<u>82,999</u>	<u>(75,237)</u>	<u>45,019</u>	<u>52,781</u>
TOTAL FUNDS	<u>82,999</u>	<u>(75,237)</u>	<u>45,019</u>	<u>52,781</u>

FORCES CHILDREN'S TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.