

The RAMC Charity
Company Limited by Guarantee
Financial Statements
31 December 2020

The RAMC Charity
Company Limited by Guarantee
Financial Statements
Year ended 31 December 2020

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The RAMC Charity
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2020.

Chair's report

Another accounting period has passed and we remain bound by government and MOD guidance in dealing with Covid 19. The outlook is of course more optimistic and I am pleased to report that all meetings whether sub-Committee, Cols Comdt, Trustees and AGMs have continued by Zoom or Microsoft Teams and there have been no breaks in service.

We are in touch with our serving and retired population and have supported our serving soldiers and Officers deployed in support of the NHS. Our investments with AFCIF have remained stable and at present we have not seen any major economic downturns, our investments being low risk with growth and safety. We are proud of how our Corps has risen to this challenge both those running the Charity and those deployed.

In Arduis Fidelis.

The RAMC Charity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Reference and administrative details

Registered charity name The RAMC Charity
Charity registration number 1129091
Company registration number 06782587
Principal office and registered office Regimental Headquarters
Royal Army Medical Corps
Slim Road
Camberley
GU15 4NP

The trustees

Maj Gen A Hawley CBE
Maj Gen P Cain
Brig A Macmillan
Brig H Williams (Served from 1 January 2020 to 23 November 2020)
(Appointed 1 January 2021)
Brig M Nadin
Brig R Simpson
Colonel S Mellor
Colonel M Pemberton (Resigned 31 December 2020)
Major M Ellis
WO J Jolley (Resigned 30 March 2020)
WO1 M Bowley (Served from 30 September 2020 to 1 April 2021)
WO2 R Meville (Appointed 1 April 2021)

Auditor TTCA Ltd
Chartered accountants & statutory auditor
269 Farnborough Road
Farnborough
Hampshire
GU14 7LY

Bankers Holt's
Lawrie House
Victoria Road
Farnborough Brach
GU14 7NR

Solicitors Wilsons Solicitors
Alexandra House
St Johns Street
Salisbury
SP1 2SB

The RAMC Charity
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 December 2020

Structure, governance and management

The methods used to recruit and appoint new charity trustees

As agreed in the Memorandum of Articles Trustees of the Charity are all either serving or retired members of the RAMC. The Board is also made up of 'ex-officio' Trustees who hold certain offices, ie, The Regimental Secretary.

The policies and procedures for the induction and training of trustees

Trustees are given an induction on assuming their role. They are provided with a Trustees guide supplied by the Charity Commission and they are also advised to follow guidance for Trustees on the Charity Commission website.

The charity's organisation structure

The Board of Trustees meets at least twice a year and the following matters require board approval:

The annual budget

Reserves policy

Investment policy

Risk Assessment

Annual financial statements

How the charity makes decisions and how decisions are delegated

The RAMC Charity has a Benevolence committee which meets once a month to consider benevolence requests. The committee has Terms of Reference and a set of guidelines approved by the Board of Trustees.

The RAMC Charity

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Objectives and activities

The purposes of the charity as set out in its governing document.

The objectives of the charity are:

To promote the efficiency of the Army and in particular the Royal Army Medical Corps (RAMC) in such charitable ways as the Trustees think fit, including;

Maintaining contact between past and present members of the Corp through social gatherings and other means;

Fostering esprit de Corps, comradeship and welfare;

Perpetuating the deeds and preserving the traditions of the RAMC;

Promoting medical research and undertaking the dissemination of the results thereof through the publication of the RAMC journal and other means;

Providing prizes and rewards;

Educating the public and service personnel about the history, deeds, traditions and role of the RAMC.

The principal objective for the year ended 31 December 2020 and for the future is to continue to provide assistance for those in need through the RAMC benevolence.

The main activities undertaken in relation to those purposes in the year

The aim of the Charity is to continue to support those soldiers either serving or retired, and those financially dependent on them, through the delivery of Benevolence in committee and in support to the Veteran community through our association.

Review and award grants to Units and formations, sponsor team and individual sports including adventurous training.

Continue to support the work of the 31 Association Branches and raise awareness of this support network via the website including ease of membership application and by offering friendship and moral support to those shielding or housebound. Review and award grants in support of medical research and study for the benefit of the Medical Services and raise the profile and circulation of the Medic Magazine.

Continue to support individual grants for training, to contribute financially to new memorials and upkeep of those in place.

To support and promote the relocation of The Museum of Military Medicine.

The RAMC Charity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Objectives and activities *(continued)*

The main activities undertaken during the year to further the charity's purpose for the public benefit

The Trustees confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity. Members of the public benefit from the activities of the charity if they are directly connected with the RAMC by virtue of being a serving or ex-serving member of the RAMC or are a dependant of such a person. Such benefit is provided/promoted by maintaining contact with and between past and present members and their families of the Corps through social gatherings.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

Achievements and performance

The main achievements and performance of the charity during the year

Throughout the year the Charity has processed 522 benevolence cases and made grants to approximately 400; increased its contact with Association branches, although major events were cancelled virtual events/commemorations did take place to mark key dates. The Drummond Committee has continued to award prizes and support grants for Medical research. The Medic Magazine has been revamped and has increased its distribution to every soldier enrolled in the Payroll Giving Scheme (PGS). Reservists are now able to contribute to the PGS.

The difference the charity's performance during the year has made to the beneficiaries of the charity

Offering assistance to those in need through the delivery of benevolence has improved people's lives both young and old in a variety of ways e.g., their mobility and support/adaptations in the home, home decoration, rehousing, food vouchers, payment of travel costs for hospital visits, respite care for terminally ill, debt relief orders and funeral costs. It has helped serving single parents and relatives of those who have died in service or killed in action. We have seen an increase in requests from serving soldiers and have worked closely with the Chain of Command and our partner organisations TRBL, ABF, OA, and SSAFA. We have not yet seen any Covid related cases although we have dealt with one or two Brexit related for expats.

RAMC Charity and the Chelsea Flower Show

The allocation of funds last year to provide a memorial RAMC Garden, originally designed to first being shown at the Chelsea Flower Show 2020 before moving to a final home, was put on hold as the Flower Show was cancelled due to Covid-19 restrictions. The Directors of the Charity took stock after this and decided not to pursue the option of showing at the 2021 Flower Show, itself now being delayed for the same reason. Instead, it was decided to progress straightaway to the permanent home of the Garden, and this is beside the Infirmary at the Royal Hospital Chelsea. This can be achieved at no extra cost to the funds allocated to the original project. The Garden will be completed during the next financial year.

The RAMC Charity

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Achievements and performance *(continued)*

The degree to which the achievements and performance during the year have benefited wider society

The RAMC Charity is pleased to offer financial support to the initial work required to prepare the Museum of Military Medicine (MMM) for the future. The MMM has both national and international recognition and in addition to its heritage for the four Corps of the AMS in terms of history and artifacts it also has a world-class archive. MMM is both a military museum and a centre for military medical research. We believe that in its future location it will be showcased in the way that it should be to gain maximum benefit and will have a far greater footfall and will enter into collaborative partnering arrangements to achieve long term sustainability as a successful business. In this way too, MMM will be able to clearly demonstrate how military medicine has influenced civilian medical practice and continues to do so today.

The RAMC has continued to take a close interest as part of our heritage responsibilities and we will be looking at ways to continue to offer our COs and RSMs detailed Corps history education through Staff Rides and Battlefield Tours, we are working with our historian in putting together these events.

Financial review

Financial review of the position at the reporting date, 31 December 2020

The trustees consider the financial performance by the charity during the year to have been satisfactory and are keen to ensure that the long term financial security of the Charity and its beneficiaries are maintained. The principle funding sources of charity come from donations and legacies largely from current and former army personnel, and returns on investments held by the charity,

The financial position on the charity at 31 December 2020 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as

	2020	2019
	£	£
Net movement in funds	891,398	1,819,956
Unrestricted Revenue funds available for the general purpose of the charity	18,634,882	17,743,484

Policies on reserves

The Trustees have examined the requirement for free reserves, which are unrestricted funds which not represented by tangible fixed assets and which are not designed for specific purposes or otherwise committed. The Trustees have affirmed that, having regard to the nature of the activities of the RAMC charity, the level of free reserves should be approximately £250,000 which is broadly equivalent to 12 months ordinary expenditure. The Trustees are of the opinion that this would provide sufficient flexibility to cover fluctuations in income flows and in meeting the costs of the other contingencies.

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the charity's assets in each fund are available and adequate.

The RAMC Charity
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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 December 2020

Financial review *(continued)*

Accreditation

The RAMC Charity is compliant with GDPR (DPA17) and has gained full accreditation.

Trustees' responsibilities statement

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The RAMC Charity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

The trustees' annual report was approved on 23 April 2021 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, appearing to read 'Maj M Ellis', written in a cursive style.

Maj M Ellis
Trustee

The RAMC Charity
Company Limited by Guarantee
Independent Auditor's Report to the Members of The RAMC Charity
Year ended 31 December 2020

Opinion

We have audited the financial statements of The RAMC Charity (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

The RAMC Charity

Company Limited by Guarantee

Independent Auditor's Report to the Members of The RAMC Charity *(continued)*

Year ended 31 December 2020

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

The RAMC Charity

Company Limited by Guarantee

Independent Auditor's Report to the Members of The RAMC Charity *(continued)*

Year ended 31 December 2020

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

Irregularities- ability to detect

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general auditing and accounting experience and through discussion with the trustees and other management (as required by auditing standards), the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charity legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statement, for instance through the imposition of fines or litigation. We indemnified areas as those most likely to have such an effect such as anti bribery and certain aspects of company and charity legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

The RAMC Charity

Company Limited by Guarantee

Independent Auditor's Report to the Members of The RAMC Charity *(continued)*

Year ended 31 December 2020

As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 purpose of expressing an opinion on the effectiveness of the internal control.
- 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 charity'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 charity 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.

The RAMC Charity

Company Limited by Guarantee

Independent Auditor's Report to the Members of The RAMC Charity *(continued)*

Year ended 31 December 2020

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 our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas William McManners BSC ACA ACMI
(Senior Statutory Auditor)

For and on behalf of
TTCA Ltd
Chartered accountants & statutory auditor
269 Farnborough Road
Farnborough
Hampshire
GU14 7LY

23 April 2021

The RAMC Charity
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 December 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	422,020	422,020	478,152
Investment income	6	115,008	115,008	112,557
Total income		<u>537,028</u>	<u>537,028</u>	<u>590,709</u>
Expenditure				
Expenditure on charitable activities	7,8	(758,054)	(758,054)	(904,348)
Net gains on investments	11	1,112,424	1,112,424	2,133,595
Net income and net movement in funds		<u>891,398</u>	<u>891,398</u>	<u>1,819,956</u>
Reconciliation of funds				
Total funds brought forward		17,743,484	17,743,484	15,923,528
Total funds carried forward		<u>18,634,882</u>	<u>18,634,882</u>	<u>17,743,484</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 16 to 24 form part of these financial statements.

The RAMC Charity
Company Limited by Guarantee
Statement of Financial Position
31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Heritage assets	15	3,043,574	3,037,374
Investments	16	15,019,032	14,306,608
		18,062,606	17,343,982
Current assets			
Cash at bank and in hand		575,516	474,502
Creditors: amounts falling due within one year	17	(3,240)	(75,000)
Net current assets		572,276	399,502
Total assets less current liabilities		18,634,882	17,743,484
Net assets		18,634,882	17,743,484
Funds of the charity			
Unrestricted funds		18,634,882	17,743,484
Total charity funds	19	18,634,882	17,743,484

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 23 April 2021, and are signed on behalf of the board by:



Maj M Ellis
Trustee

The notes on pages 16 to 24 form part of these financial statements.

The RAMC Charity
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Regimental Headquarters, Royal Army Medical Corps, Slim Road, Camberley, GU15 4NP.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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 (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year have been considered by the trustees. The main material uncertainty is over the valuation of the heritage assets held by the charity. The trustees consider that the current valuation represents a fair recognition of the assets held.

The RAMC Charity

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

The RAMC Charity
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Heritage assets

Heritage assets measured under the revaluation model are recorded at fair value less any accumulated impairment losses.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

The RAMC Charity

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The charity is under the control of its legal members.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Small donations individually less than £1,000	2,321	2,321	5,415	5,415
Donations over £1,000	13,703	13,703	4,000	4,000
Legacies				
Audrey Smith	—	—	50,000	50,000
Subscriptions				
Membership subscriptions as donations	403,111	403,111	404,111	404,111
Other donations and legacies				
Sale of regimental magazines	2,885	2,885	14,626	14,626
	<u>422,020</u>	<u>422,020</u>	<u>478,152</u>	<u>478,152</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from listed investments	114,764	114,764	111,821	111,821
Bank interest receivable	244	244	736	736
	<u>115,008</u>	<u>115,008</u>	<u>112,557</u>	<u>112,557</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Charity Activity	670,139	670,139	767,005	767,005
Support costs	87,915	87,915	137,343	137,343
	<u>758,054</u>	<u>758,054</u>	<u>904,348</u>	<u>904,348</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2020 £	Total fund 2019 £
Charity Activity	415,811	254,328	82,207	752,346	864,589
Governance costs	—	—	5,708	5,708	39,759
	<u>415,811</u>	<u>254,328</u>	<u>87,915</u>	<u>758,054</u>	<u>904,348</u>

9. Analysis of support costs

	Total 2020 £	Total 2019 £
Staff costs	35,231	22,436
Communications and IT	8,176	14,186
Support staff provided	13,286	38,826
Bank charges	1,151	918
Insurance	10,741	10,932
Telephone/broadband	1,264	1,171
Office expenses and postage	7,125	6,925
Association secretarial costs	5,234	2,190
Audit of financial statements	3,240	3,000
Trustees and travel expenses	1,920	13,536
Legal and other professional	547	23,223
	<u>87,915</u>	<u>137,343</u>

10. Analysis of grants

	2020 £	2019 £
Grants to institutions		
Grants to army personnel and institutions	99,487	68,182
Grants to individuals		
Grants made to Individuals	154,841	166,124
Total grants	<u>254,328</u>	<u>234,306</u>

The RAMC Charity

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

10. Analysis of grants *(continued)*

The charity makes benevolent grants to ex-army personnel and their families to assist them in life outside of the army. Many Ex-servicemen and women require help for medical reasons and assistance in civilian life. Help is also provided for funeral needs and costs. Grants are also provided to current service personnel for assistance for the good and benefit of current RAMC soldiers and officers.

11. Net gains/losses on investments and assets

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gains on listed investments	<u>1,112,424</u>	<u>1,112,424</u>	<u>2,133,595</u>	<u>2,133,595</u>

12. Net income

Net income is stated after charging/(crediting):

	2020 £	2019 £
Fees payable for the audit of the financial statements	<u>3,240</u>	<u>3,000</u>

13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	34,651	22,000
Employer contributions to pension plans	580	437
	<u>35,231</u>	<u>22,437</u>

The average head count of employees during the year was 2 (2019: 1).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

During the year, £1,882 of expenses relating to travel and misc office expenditure were paid to nine trustees.

The RAMC Charity

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

15. Heritage assets

Heritage assets are defined as tangible property with historical, artistic, scientific, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture. The RAMC considers its inalienable properties and other properties and chattels held for preservation to fall within this definition.

	Heritage assets £
Cost or valuation	
At 1 January 2020	3,037,374
Additions	6,200
At 31 December 2020	3,043,574
Accumulated depreciation	
At 1 January 2020 and 31 December 2020	—
Carrying amount	
At 31 December 2020	3,043,574
At 31 December 2019	3,037,374

The RAMC holds collections of silver, painting and medals, including 23 Victoria Crosses. An internal valuation of the collection was carried out during 2015. This provided an estimate of the value of the collection on to the balance sheet in line with FRS102 and SORP 2015. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

Summary of transactions

	2020 £	2019 £	2018 £	2017 £	2016 £
Included in the statement of financial position					
Purchases	6,200	—	21,374	—	16,000
Total additions	6,200	—	21,374	—	16,000
Carrying amount of disposals	—	—	1,000,000	—	—
Proceeds from disposals	—	—	1,000,000	—	—

The RAMC Charity
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

16. Investments

	Other investments £
Cost or valuation	
At 1 January 2020	14,306,608
Additions	—
Disposals	(400,000)
Fair value movements	1,112,424
At 31 December 2020	15,019,032
Impairment	
At 1 January 2020 and 31 December 2020	—
Carrying amount	
At 31 December 2020	15,019,032
At 31 December 2019	14,306,608

All investments shown above are held at valuation undertaken by the fund managers.

17. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	—	72,000
Accruals and deferred income	3,240	3,000
	3,240	75,000

18. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £580 (2019: £437).

The RAMC Charity

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

19. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020 £	Income £	Expenditure £	Gains and losses £	At 31 December 2020 £
General funds	<u>17,743,484</u>	<u>537,028</u>	<u>(758,054)</u>	<u>1,112,424</u>	<u>18,634,882</u>

	At 1 January 2019 £	Income £	Expenditure £	Gains and losses £	At 31 December 2019 £
General funds	<u>15,923,528</u>	<u>590,709</u>	<u>(904,348)</u>	<u>2,133,595</u>	<u>17,743,484</u>

20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Heritage assets	3,043,574	3,043,574
Investments	15,019,032	15,019,032
Current assets	575,516	575,516
Creditors less than 1 year	(3,240)	(3,240)
Net assets	<u>18,634,882</u>	<u>18,634,882</u>

	Unrestricted Funds £	Total Funds 2019 £
Heritage assets	3,037,374	3,037,374
Investments	14,306,608	14,306,608
Current assets	474,502	474,502
Creditors less than 1 year	(75,000)	(75,000)
Net assets	<u>17,743,484</u>	<u>17,743,484</u>