

REGISTERED COMPANY NUMBER: 07192349 (England and Wales)
REGISTERED CHARITY NUMBER: 1157531/SCO46146

FORCES SUPPORT LIMITED.
REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Mercer Lewin Ltd
Chartered Accountants and Registered Auditors
41 Cornmarket Street
Oxford
OX1 3HA

FORCES SUPPORT LIMITED

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FORCES SUPPORT LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees have pleasure in presenting their report and the financial statement of Forces Support Limited for the year ended 31 March 2021. 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 year ended 31st March 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 the Republic of Ireland (FRS 102) (effective 1st January 2015).

CHARITABLE STATUS AND TRANSFER OF UNDERTAKING

Forces Support Limited is a charity registered in England & Wales, registration number: 1157531 and Scotland, registration number: SC046146.

OBJECTIVES AND ACTIVITIES

Aims and objectives

AIMS

The aims of charity are firstly, to provide the relief and support of families of service personnel killed whilst serving the Armed Forces and, secondly, to work with existing housing providers which enables the charity to support vulnerable ex-service personnel access specialist housing support and their families who are in need through financial hardship.

OBJECTIVES

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees consider how planned activities will contribute to the aims and objectives they have set.

Objective 1

Improving the lives of the bereaved - the charity continues to provide practical home and garden maintenance services and remembrance and play areas, easing the burden on bereaved families. We also provide remembrance benches, and fire pits as well as treasured memory books which bring a long-term emotional benefit to the families we support.

Objective 2

The second charitable objective is to work alongside existing veteran housing & veteran bereavement providers which enables the charity to support vulnerable ex-servicemen, women, and children in need. This also allows us to gain access to specialist veteran housing & veteran family bereavement support and targeted assistance supplied by other specialist charities.

Forces Support is now in partnership with 7 veteran housing & 1 bereavement charity as follows:

Haig Housing Trust is a leading provider of housing for ex-military personnel across the UK. Their foundation has been running for 100 years. Forces Support and Haig Housing have been partners for a number of years and continue to fund projects in line with our charitable objectives when required.

Broughton House is based in Manchester; its original building was 100 years old and in need of refurbishment for which fundraising continues to take place. Forces Support has been in partnership with Broughton House for a number of years, providing funding for "A veteran 'hub' that offers a diagnostic service and support for families and children of service personnel. Where needed, ex service personnel will be offered one to one support to adjust to civilian life, including helping them to manage their financial affairs.

AT & V Launchpad has two locations, one in Liverpool and the other in Newcastle.

- Liverpool's largest veterans' accommodation facility providing safe, secure en-suite bedsits and flats for up to 48 veterans to help them stabilise their lives and make a successful transition from military to civilian life. Forces Support have been partners with Launchpad Liverpool for a number of years and continues to provide funding for projects when required. In 2020/2021 Forces Support approved funding of £1,705 for the conversion of office into two veteran bedrooms.

FORCES SUPPORT LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Aims and objectives

- Newcastle - Has 33 furnished flats - which house veteran couples and their pets allowing them a max stay 24 months. Forces Support has approved to fund two projects in the forthcoming financial year: Project one is to replace furniture packs in 21 flats at a cost of £39,690. Project two approved is provide funding for six veteran who live in house to be trained in painting and decorating and upon completion of the course they will receive a level one qualification which we hope will enable them to secure employment. the cost of this project is £4,027.

Sir Oswald Stoll Foundation is the largest provider of supported housing to vulnerable veterans in the country. Stoll provide affordable, high-quality housing and support services to enable vulnerable and disabled veterans to lead fulfilling, independent lives. They have been providing housing and support services to vulnerable veterans since 1916. The organisation has 300 affordable homes for vulnerable Veterans to rent. They currently operate four schemes in West London and opened an award-winning scheme in the garrison town of Aldershot in 2018. Due to the covid pandemic works funded last year to Stoll have had to be reviewed due to excessive increases in project costings.

Forces Support has approved an additional £65,000 to allow Stoll to complete the replacement of all the fire doors located in Stoll Mansions. Forces Support will continue to review projects received by Stoll Housing in the coming years.

Alabare Christian Care & Support is a charity set up in 1991 to support vulnerable, homeless, and marginalised people. It has homes for veterans across Wales and the South-West of England, providing homes bespoke to the needs of ex-Armed Forces personnel. The charity helps people transform their lives, providing accommodation and helping them gain the skills, confidence, and opportunities to live a fulfilled life. Forces Support granted £35,500 last year and has paid £21,500 to date to assist with a veteran property based in Colwyn Bay, Wales. These funds will be used to replace the external walkway and stairs, replace boilers, painting and decorating throughout and provide a new kitchen for veteran to be able to eat and socialise together. The remaining approved funding of £14,000 should be made this financial year now the COVID restrictions have been lifted.

Scotties Little Soldiers - (SLS) is dedicated to supporting children who have lost a parent who served in the British Armed Forces. Army Widow, Nikki Scott set up the charity in August 2010 to help the children of fallen heroes after her husband Corporal Lee Scott was sadly killed in Afghanistan-leaving behind their two young daughters.

Forces Support received a proposal from SLS asking for assistance for 198 family supported respite break assistance for 2021. Forces Support approved funding for a four-year period, commencing 2020-21. Year 1 would be the whole cost for the period £136,517. Years Two, Three & four would be 50% funded awarding an annual award of £69,000 each year. Forces Support also approved to fund the purchase of a new lodge for bereaved families to use at a total cost of £120,000. The details of this project are yet to be confirmed.

Walking With the Wounded - Founded in 2010 WWTW has helped 8,664 veterans receive training, employment support and mental health treatment. Ten years of helping those who are struggling to transition back into civilian life regain their independence. WWTW approached Forces Support to ask if we would be able through sponsorship support a new WWTW Veterans Support Hub at The Walker Building, North Shields, NE29 6LL. This sponsorship request is for the period of 3 years valued at £30,000 per year from September 2021 till September 2024. This proposal was approved by Forces Support's Board of Trustee's and funding will commence in 2021 onwards.

We continue to build our reserves - with the aim of providing financial support to specialist military housing & family bereavement providers as described above and ad hoc projects which fall within the charity's aims and objectives.

FORCES SUPPORT LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

This year our family requests have reduced again dramatically, we have directly supported a small number of families who have suffered military-related bereavement. Work has been carried out in their homes and gardens with maintenance projects including decorating, children's play areas and family remembrance areas. The work continues to have a positive impact on the lives of the families concerned.

In light of the above the charity has been concentrating its efforts on getting suitable housing associations & bereavement partners where funding is required to assist veterans and families in need - in 2020-21 we have successfully engaged in a partnership with AT & V Launchpad - Newcastle, Scotties Little Soldiers, & Walking with the Wounded.

Forces Support continues to fund Sir Oswald Stoll Foundation, Alabare Christian Care & Support, AT & V Launchpad - Liverpool & Haig Housing Trust. We continue to seek suitable partners so we can continue funding projects that will assist our veterans and families in need, now and in the future.

Forces Support remains a full member of Cobseo which we hope will continue to enhance our current successes to date.

The charity relies on the contribution of volunteers in all shops to enable the outlets to trade successfully. The trustees are very grateful to all such volunteers.

Fundraising activities

Income has decreased massively this year due to the COVID 19 pandemic; we had 28 stores selling donated goods and we continue to assess other fundraising methods to assist with the return in income growth in the future.

Financial review

Financial position

The gross income of the charity in 2010-21 was £2,536,576 (2019-20: £2,508,553) The main reason for the reduction in sales income was due to the COVID 19 pandemic, which took hold in March 2020 and ended in April 2021.

Total expenditure in the year 2020-21 as £1,763,762 (2019-20: £2,254,570) giving a surplus overall of £772,814 in 2020-21. (2019-20: £253,983).

The increase in surplus this year was due to government grants and an insurance reclaim received during the COVID 19 pandemic. As all stores were closed for a considerable amount of the financial year 2020-2021, operational costs were also reduced accordingly.

The financial implication of the COVID-19 pandemic

All stores closed on 21 March 2020, which resulted in the complete loss of income during the pandemic period 21 March 2020 - 15 June 2020. As we are a national charity, there were different rules and regulations which we had to follow in England, Scotland & Wales which resulted in stores being closed on and off from June 2020 to Dec 2020. In January 2021 all stores were closed nationally again and were not allowed to reopen until April 2021.

The financial impact has been huge in terms of sales income, we generated £961,513 in sales for 2020-2021 which was a loss of £1,431,793 on the previous year's sales.

During the pandemic of 2020, grants were made available from local authorities to business and charities, and we were able to claim at total of £1,172,229 in total for the periods we were unable to trade. Donation income was reduced too, we received £41,758 in 2020-21 (2019-2021 £93,447). We pursued a claim with our insurance provider to recoup some of the losses we incurred and were awarded £351,160 against a potential loss of £635,683 which only covered the first lockdown period which was 21st Mar 2020 to 15th June 2020.

FORCES SUPPORT LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Financial review

The financial implication of the COVID-19 pandemic

All store employees were furloughed during the pandemic lockdown period, and we were able to take advantage of the governments furlough scheme which resulted in all staff receiving 80% of their salaries during the closure.

Negotiations had to take place with suppliers and contractors to ascertain if we could reduce costs during the closures, which in most part we were able to do.

Overall, 2020-2021 was an extremely stressful and unsettling year for all concerned, and it is only due to the dedication of our CEO and her small HQ team being efficient and showing due diligence at sourcing and applying for all available funds from the local authorities and other bodies, that has led our reserves income to remain in a good position for 2021-2022. Without their efforts, Forces Support's reserves would have been heavily reduced, which has enabled us to survive in the marketplace.

Reserves policy

At the end of the reporting period, the charity held unrestricted reserves of £2,051,694.

The charity holds reserves in order to ensure it is well placed to meet challenges that may arise in the future.

It is the policy of the charity that unrestricted reserves should be maintained at a level equivalent to at least six months' running cost of the charity with the object of being able to ensure that the charity is able to continue with its activities for the duration of any temporary fall in funding.

Principal risks and uncertainties

Trustees place a high priority on risk management. Risks identified are categorised as follows:

- Strategic and Governance
- Management and staff
- Operational and
- Financial

It is the policy of the trustees to review all risks at each Board meeting. Each review seeks to establish that all risks are documented and that steps to mitigate such risks are established and executed. As a result of this process, the trustees are satisfied that residual risks are minimal.

Future plans

Improving the lives of the bereaved

We will continue to offer practical support to families in need.

Improving the supply of housing for service veterans

Our second charitable objective is to work with existing veteran housing & bereavement providers which will enable the charity to support vulnerable ex-servicemen, women & children to gain access to specialist housing support and targeted assistance supplied by specialist military & bereavement charities.

Income growth

The retail industry is fragile following the COVID pandemic outbreak, but we will continue to improve income from our network of shops selling donated goods throughout the UK, with the ultimate aim to become a well-known national brand.

FORCES SUPPORT LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Forces Support ('the Charity') is a private registered company limited by guarantee, with no share capital, and is governed by Articles of Association. It is also a registered charity whose activities are intended to be for the public benefit.

Governance and management

The policies and general management of the affairs of Forces Support are directed by the Trustees.

Day to day management is carried out by the Chief Executive Officer under the terms of delegated authority from the board of trustees who also set the remuneration of the management team. Carol Reynolds is the current CEO. Trustees are responsible for the overall strategy of the organisation and the appointment of the CEO.

Recruitment appointment and training of new trustees

Trustees are recruited with a view to diversity, sound experience in a related field, or professional expertise in a relevant area.

Candidates are given first-hand experience of the work of the charity, interviewed by an existing Trustee and, if appropriate, are invited to a Trustees' meeting. Appointment is then conditional on the approval of the trustees generally.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07192349 (England and Wales)

Registered Charity number

1157531/SCO46146

Registered office

Unit 2
Two Rivers Industrial Estate
Station Lane
Witney
Oxfordshire
OX28 4BH

Trustees

R W Barton (resigned 11/2/2021)
R Booth
C Locke
G Mathews Deputy Chair
D Simpson
R N Spurs Chair of Trustees
B J Kay Managing Director (appointed 21/5/2020)
N A Macrae MBE, JP District Councillor (appointed 21/5/2020)
T Morris Management Chartered Management Accountant (appointed 21/5/2020)

Company Secretary

C E Reynolds

FORCES SUPPORT LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Mercer Lewin Ltd
Chartered Accountants and Registered Auditors
41 Cornmarket Street
Oxford
OX1 3HA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Forces Support Limited 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 year which 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;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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. 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.

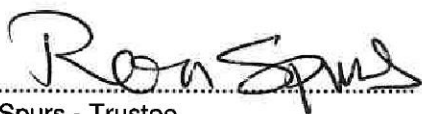
In so far as the trustees are aware:

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

AUDITORS

The auditors, Mercer Lewin Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23 September 2021 and signed on the board's behalf by:



R N Spurs - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF FORCES SUPPORT LIMITED

Opinion

We have audited the financial statements of Forces Support Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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).

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act, and Regulation 10 of the Charities Accounts (Scotland) Regulations 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.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 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 Charities Act 2011, the Charities and
- Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Auditors' responsibilities for the audit of the 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF FORCES SUPPORT LIMITED

Other information – continued

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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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:

We discussed the framework in which the company operates with senior management and in conjunction with our experience of the industry in which the company operates, sought to identify laws and regulations which are critical to the company's business. As a registered charity, the company is obliged to comply with regulations issued by The Charity Commission of England and Wales and the Office of the Scottish Charity Regulator. Compliance with those regulations, including the need to make reports to the commission/regulator, was reviewed.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF FORCES SUPPORT LIMITED

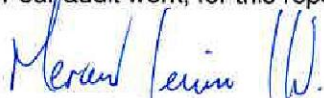
Our responsibilities for the audit of the financial statements – continued

- As part of routine audit procedures, the possibility of non-compliance with general laws (e.g., employment law, health and safety regulations) were considered, in response to the assessed risks in relation to these laws and regulations.
- The risks of fraud were discussed with senior management, including details of any known instances. Our records of the company's systems and procedures was reviewed by the audit team (including the audit engagement partner) to identify possible areas where fraud might occur.
- The above procedures were undertaken by the audit team as a whole, led by the audit engagement partner. In this way the audit engagement partner was able to obtain assurance the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations and the possibility of irregularities arising from fraud.
- To address the risk of fraud through management bias and override of controls, we:
 - performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify unusual transactions;
 - assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
 - investigated the rationale behind significant or unusual transactions.
- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
 - agreeing financial statement disclosures to underlying supporting documentation;
 - reading the minutes of meetings of those charged with governance; and
 - enquiring of management as to actual and potential litigation and claims.
- There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.
- Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Management Committee and other management and the inspection of regulatory and legal correspondence, if any.
- Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of Mercer Lewin Ltd

Chartered Accountants and Registered Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

41 Cornmarket Street

Oxford

OX1 3HA

Date: 23rd September 2021

FORCES SUPPORT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	41,758	93,447
Other trading activities	3	2,484,902	2,408,859
Other income		<u>9,916</u>	<u>6,247</u>
Total		2,536,576	2,508,553
 EXPENDITURE ON			
Raising funds	4	1,204,874	1,666,973
Charitable activities	5		
Charitable activity		558,888	587,597
Total		<u>1,763,762</u>	<u>2,254,570</u>
 NET INCOME		772,814	253,983
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>1,278,880</u>	<u>1,024,897</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>2,051,694</u></u>	<u><u>1,278,880</u></u>

The notes form part of these financial statements

FORCES SUPPORT LIMITED

BALANCE SHEET 31 MARCH 2021

	Notes	2021 Total funds £	2020 Total funds £
FIXED ASSETS			
Tangible assets	11	10,563	13,568
CURRENT ASSETS			
Debtors	12	73,170	62,635
Cash at bank and in hand		163,147	160,902
Cash at bank for future funds		<u>2,099,513</u>	<u>1,174,352</u>
		2,335,830	1,397,889
CREDITORS			
Amounts falling due within one year	13	(294,699)	(132,577)
NET CURRENT ASSETS		<u>2,041,131</u>	<u>1,265,312</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,051,694	1,278,880
NET ASSETS		<u>2,051,694</u>	<u>1,278,880</u>
FUNDS	15		
Unrestricted funds		<u>2,051,694</u>	<u>1,278,880</u>
TOTAL FUNDS		<u>2,051,694</u>	<u>1,278,880</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

FORCES SUPPORT LIMITED

BALANCE SHEET - continued
31 MARCH 2021

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements were approved by the Board of Trustees and authorised for issue on 23 September 2021 and were signed on its behalf by:


R N Spurs - Trustee

FORCES SUPPORT LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>922,862</u>	<u>258,316</u>
Net cash provided by operating activities		<u>922,862</u>	<u>258,316</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,957)	(16,990)
Sale of tangible fixed assets		<u>6,501</u>	<u>10,428</u>
Net cash provided by/(used in) investing activities		<u>4,544</u>	<u>(6,562)</u>
Cash flows from financing activities			
Capital repayments in year		-	<u>(7,765)</u>
Net cash provided by/(used in) financing activities		-	<u>(7,765)</u>
Change in cash and cash equivalents in the reporting period		927,406	243,989
Cash and cash equivalents at the beginning of the reporting period		<u>1,335,254</u>	<u>1,091,265</u>
Cash and cash equivalents at the end of the reporting period		<u>2,262,660</u>	<u>1,335,254</u>

The notes form part of these financial statements

FORCES SUPPORT LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	772,814	253,983
Adjustments for:		
Depreciation charges	10,665	12,190
Profit on disposal of fixed assets	(6,501)	(2,875)
Write back of tangible fixed assets	(5,703)	-
Decrease in stocks	-	1,028
(Increase)/decrease in debtors	(10,535)	21,096
Increase/(decrease) in creditors	162,122	(27,106)
Net cash provided by operations	<u>922,862</u>	<u>258,316</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	<u>1,335,254</u>	<u>927,406</u>	<u>2,262,660</u>
	<u>1,335,254</u>	<u>927,406</u>	<u>2,262,660</u>
Total	<u>1,335,254</u>	<u>927,406</u>	<u>2,262,660</u>

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 '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 and Charities and Trustees Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

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.

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.

INCOMING RESOURCES

All income is included in the statement of financial activities net of VAT where applicable and 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 time they are sold. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured except operating leases. 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.

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.

ALLOCATION AND APPORTIONMENT OF COSTS

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.

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

1. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

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

Office equipment	- 25% on cost
Motor vehicles	- 25% on cost

TAXATION

The charity is exempt from corporation tax on its charitable activities.

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.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

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

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.

FINANCE LEASES AND HIRE PURCHASE CONTRACTS

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

OPERATING LEASES

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis. The charity often takes out leases for locations at rates potentially below prevailing market rates. Those payments are included within rental expenditure based on the actual cost incurred as it would be impracticable to measure any fair value on a shop by shop basis.

FINANCIAL INSTRUMENTS

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

FORCES SUPPORT LIMITED

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

1. ACCOUNTING POLICIES - continued

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

LIMITED BY GUARANTEE

The company is Limited by Guarantee and does not have a share capital. The members undertake to contribute a sum, not exceeding £1 each, to the assets of the company in the event of it being wound up.

2. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	<u>41,758</u>	<u>93,447</u>

3. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Shops - sale of donated goods	961,513	2,393,306
Sale of brought-in goods	-	131
Government grants	1,172,229	15,422
Insurance funds received	<u>351,160</u>	<u>-</u>
	<u>2,484,902</u>	<u>2,408,859</u>

4. RAISING FUNDS

OTHER TRADING ACTIVITIES

	2021 £	2020 £
Opening stock	-	1,028
Staff costs	802,149	875,828
Rent, rates and water	130,050	197,307
Light and heat	80,993	154,395
Repairs and maintenance	22,726	12,493
Insurance	10,479	8,139
Other establishment costs	14,619	39,513
Motor expenses	4,666	20,719
Travel and subsistence	4,435	4,828
Telephone and internet	12,241	40,960
Sundry expenses	1,047	-
Collection of donated goods	106,537	290,621
Credit card charges	<u>14,932</u>	<u>21,142</u>
	<u>1,204,874</u>	<u>1,666,973</u>

FORCES SUPPORT LIMITED

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

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activity	<u>418,803</u>	<u>140,085</u>	<u>558,888</u>

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Charitable activity	<u>133,835</u>	<u>6,250</u>	<u>140,085</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	6,250	6,100
Depreciation - owned assets	10,665	12,190
Surplus on disposal of fixed assets	<u>(6,501)</u>	<u>(2,875)</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

TRUSTEES' EXPENSES

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

9. STAFF COSTS

	2021 £	2020 £
Wages and salaries	858,692	1,030,534
Social security costs	43,898	58,750
Other pension costs	<u>34,259</u>	<u>28,891</u>
	<u>936,849</u>	<u>1,118,175</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Charitable projects	1	1
Shops and fundraising	56	58
Management and administration	<u>11</u>	<u>14</u>
	<u>68</u>	<u>73</u>

FORCES SUPPORT LIMITED

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

9. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£90,001 - £100,000	<u>1</u>	<u>1</u>

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	93,447
Other trading activities	2,408,859
Other income	<u>6,247</u>
Total	2,508,553
EXPENDITURE ON	
Raising funds	1,666,973
Charitable activities	
Charitable activity	<u>587,597</u>
Total	2,254,570
NET INCOME	<u>253,983</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	<u>1,024,897</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,278,880</u></u>

FORCES SUPPORT LIMITED

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

11. TANGIBLE FIXED ASSETS

	Office equipment £	Motor vehicles £	Totals £
COST			
At 1 April 2020	1,197	16,989	18,186
Additions	1,957	-	1,957
Reclassification	-	47,713	47,713
At 31 March 2021	<u>3,154</u>	<u>64,702</u>	<u>67,856</u>
DEPRECIATION			
At 1 April 2020	373	4,245	4,618
Charge for year	714	9,951	10,665
Reclassification/transfer	-	42,010	42,010
At 31 March 2021	<u>1,087</u>	<u>56,206</u>	<u>57,293</u>
NET BOOK VALUE			
At 31 March 2021	<u>2,067</u>	<u>8,496</u>	<u>10,563</u>
At 31 March 2020	<u>824</u>	<u>12,744</u>	<u>13,568</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	55,039	18,520
VAT	6,813	19,137
Prepayments	<u>11,318</u>	<u>24,978</u>
	<u>73,170</u>	<u>62,635</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	276,605	55,204
Social security and other taxes	3,201	18,003
Pensions	2,771	5,435
Accruals	<u>12,122</u>	<u>53,935</u>
	<u>294,699</u>	<u>132,577</u>

FORCES SUPPORT LIMITED

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

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	93,078	170,703
Between one and five years	<u>175,005</u>	<u>265,617</u>
	<u>268,083</u>	<u>436,320</u>

15. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	1,278,880	772,814	2,051,694
TOTAL FUNDS	<u>1,278,880</u>	<u>772,814</u>	<u>2,051,694</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,536,576	(1,763,762)	772,814
TOTAL FUNDS	<u>2,536,576</u>	<u>(1,763,762)</u>	<u>772,814</u>

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	1,024,897	253,983	1,278,880
TOTAL FUNDS	<u>1,024,897</u>	<u>253,983</u>	<u>1,278,880</u>

FORCES SUPPORT LIMITED

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

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,508,553	(2,254,570)	253,983
TOTAL FUNDS	<u>2,508,553</u>	<u>(2,254,570)</u>	<u>253,983</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/19 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	1,024,897	1,026,797	2,051,694
TOTAL FUNDS	<u>1,024,897</u>	<u>1,026,797</u>	<u>2,051,694</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,045,129	(4,018,332)	1,026,797
TOTAL FUNDS	<u>5,045,129</u>	<u>(4,018,332)</u>	<u>1,026,797</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	15,996	15,996	16,320
Investments	-	-	1
Current assets	1,397,889	1,397,889	1,176,024
Creditors less than 1 year	(132,578)	(132,578)	(167,448)
	<u>1,281,307</u>	<u>1,281,307</u>	<u>1,024,897</u>

FORCES SUPPORT LIMITED

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

16. RELATED PARTY DISCLOSURES

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