

Company no. 10036700
Charity no. 1165868

The REME Charity
Report and Audited Financial Statements
31 December 2025



The REME Charity

Reference and administrative details

For the year ended 31 December 2025

Company number 10036700

Charity number 1165868

Registered office and operational address The REME Charity
Regimental Headquarters REME
MoD Lyneham
Lyneham
Chippenham
SN15 4XX

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Brig C P Phillips CBE	Chair
Cdr M Ashton RN	
Lt Col A Brown	
Capt H Burns	
J Foster	
Col (Retd) R Fram MC	
Maj P C D Hembury	
Mr T Hirst MSc CEng	
Col D G Scott ADC	(retired 15 April 2025)
Maj A Shand CEng	
P Tumim	

Chief executive officer and company secretary Mrs Barbel Harris

Bankers Holt's Military Banking
The Royal Bank of Scotland Plc
200 Fowler Avenue
Fowler Business Park
Farnborough
GU14 7JP

Sparkasse
Berliner Sparkasse
Alexanderplatz 2
10178 Berlin

Lloyds Bank Plc
25 Gresham Street
London
EC2V 7HN

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For the year ended 31 December 2025

Solicitors	Wilsons Solicitors LLP Alexandra House St Johns Street Salisbury Wilts SP1 2SB
Investment advisor and nominee company	Sarasin and Partners LLP Juxton House 100 St Paul's Churchyard London EC4M 8BU
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

The REME Charity

Report of the Trustees

For the year ended 31 December 2025

The trustees present their report along with the financial statements of the charity for the year ended 31 December 2025. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Articles of Association, the Charities Act 2011, the Companies Act 2006, the Charities (Accounts and Reports) Regulations, and the Charities Statement of Recommended Practice (FRS102) effective 1 January 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is governed by the Articles of Association of The REME Charity dated 2 March 2016. The trustees reviewed and amended the organisations Charity Governance Manual in 2025. The Corps of Royal Electrical and Mechanical Engineers (REME) has been supported by a charity since 1945. The REME inaugural charities were the REME Benevolent Fund and REME Scholarship funds. Over the years, these charities have been linked, closed and joined by others. Today, The REME Charity is the headline charity which has the REME Central Charitable Trust (1165868-1), the REME Benevolent Fund (1165868-2) and the REME Sports Association (1165868-4) linked to it. The REME Museum (272740) is included in these group accounts, as it is governed by the same Trustee Board and is administered by the REME Charity. The REME Trading Company is incorporated and is controlled by the Charity.

The REME Charity closely monitors the Corps' military operational activities and any additional support REME personnel, past or present, may require. Every spring, the Board revisits the Charity's strategy and mid-term objectives to ensure our activities meet those emerging needs and that we protect our long-term viability. To that end we regularly examine our impact metrics and administer surveys to remain relevant to our beneficiaries.

We strive to increase our reach and impact and good two-way communication with the REME Family. In 2025 we visited most of our 9 Battalions in their respective homes and attended Family Days and Health Fairs and also attended various Veteran gatherings across the UK. This increased our visibility and offered insights into how we can be most supportive of our beneficiaries.

Recruitment and appointment of Trustees

Board members newly recruited in 2024 have now firmly bedded in. Succession and further diversification remain an agenda item for our meetings and more work is planned to better reflect and represent the diversity amongst our beneficiaries.

New Trustees are offered training, access to newsletters and relevant literature and are supplied with pertinent information by the CEO, to keep up to date with current regulatory, reporting and compliance related matters, thereby enabling them to fulfil their obligations.

Organisational structure and governance

The Board of Trustees is an independent decision-making governing body which meets at least three times a year. The board is led by a Chair. Trustees are given responsibility for different areas of the business and chair separate sub-committees to monitor performance and exercise governance. The Finance and Investment Committee meets quarterly. The execution of the day to day running of the business is delegated to the Chief Executive Officer, with delegated spending powers defined in the Governance Manual.

The REME Charity

Report of the Trustees

For the year ended 31 December 2025

Risk management

The Charity maintains a risk register which is reviewed biannually by a sub-committee. Risks are categorised in five main areas: Impact, Financial Sustainability, Compliance, Operational, and Hazards and Reputation. A reduction in income, both from the supporter base within the Corps through the Day's Pay Scheme (payroll giving), and a reduction in investment income due to volatile markets, poses the biggest risk to the Charity.

OBJECTS AND ACTIVITIES

Public benefit

We provide public benefit by assisting REME regular and reserve personnel to more effectively perform their roles and duties within the British Army. We support serving personnel's families and the retired veteran community and their families by enhancing esprit de corps through promoting the concept of support to the REME family for life. We do this by providing funding for benevolence, welfare, communications, activities, social gatherings and events. Our assistance enables Service personnel to face the challenges and dangers associated with military service by developing and maintaining teamwork, skills, fitness, mental wellbeing and morale.

We promote the efficiency of the armed forces of the Crown by enhancing the British Army's capability to undertake the roles demanded of it, including the defence of the United Kingdom and its interests. By supporting the wider REME family, we assist the Government in fulfilling its promise in the Armed Forces Covenant to treat serving personnel, veterans and their families fairly.

Through our support to the REME Museum, we preserve the heritage of the Corps of REME through collecting and conserving appropriate artefacts, memorabilia and memories for future generations and communicate the story of REME and the people who served in the Corps to the visiting public and to a wider audience on-line.

Objects

The REME Charity is independent of military authorities. It undertakes a crucial function as the needs and ambitions of the REME family go beyond the bounds of the resources and policies of the Army and MOD. The three pillars of our support to the Family are:

- 1) To promote the efficiency of REME and foster esprit de corps;
- 2) To relieve either generally or individually necessitous persons being members or former members of REME or their dependants (beneficiaries); and
- 3) To support charitable purposes for the benefit of beneficiaries.

These objects allow the charity to provide support to REME regular, reserve and retired personnel and their families. This is done through the provision of grants to groups or individuals and through fostering connections which promote REME efficiency, ethos and comradeship, giving members a sense of belonging to the REME Family.

STRATEGY

The Board of Trustees articulated the REME Charity Strategy 2022 – 2025, which details how the Charity aims to interpret and fulfil its objectives, prioritise resources and ensure capabilities for the next 3 years. It forms the basis of the workplan, recruitment and associated activities for the executive. The Strategy will be reviewed in 2026.

The REME Charity

Report of the Trustees

For the year ended 31 December 2025

2025 charitable objectives, themes and activities

Welfare

The number of welfare cases we financially supported reduced somewhat in 2025 to 426 from 461 in 2024. Most applicants attributed their reason for contacting us to unemployment (33.5%) and related benefit issues, followed by Mental Health issues (11.25%) and other disability issues (8.7%). Most notable is the increase of financial support the Charity has been lending to international flights for our overseas serving personnel (10%). Furthermore, we saw an increased need to support families in obtaining private diagnoses (37 in 2025) for conditions such as ADHD or Autism, as waiting lists in schools are long and a parent's operational postings can significantly extend that waiting period. Overall, the proportion of serving personnel requiring the Charity's support is steadily increasing, amounting to a third of applications in 2025.

Our total welfare case expenditure amounted to £388,954 (£386,743 in 2024; £408,695 in 2023; £227,632 in 2022), with average grants of £913 (£655 in 2024; £718 in 2023; £605 in 2022). The Board of Trustees recognises the immense contribution the Army Benevolent Fund makes to our welfare cases and in 2025 renewed our commitment to donate £85,000 in support of their welfare work.

In 2025, 20 of our over 180 REME Responders were actively engaged in the support of REME Family members. The Responders form part of our flagship initiative 'Lifting the Decks.' Founded in 2022, REME Responders stand ready to support their comrades, with good geographical coverage, able to spring into action, wherever support is needed. This can come in the shape of comrade visits, practical help with chores or transport, or result in a referral to specialist services, often preventing escalation and crises. The vast majority of volunteers are DBS checked and Safeguarding trained. The Responders also have a closed social media group, a regular newsletter and are offered training opportunities.

'Lifting the Decks' has become an institution since its inception in 2021 and attracts major fundraising events, such as the 'Virtual 10k' in May (for the first time a proper, in-person race in Lyneham) and the 'Lifting the Decks Challenge' in October. Those events are led by serving REME soldiers and have raised £60,553 this year, a massive increase to 2024 (£33,141). Those events are well supported by the Corps and help to spread our message of support more widely. The programme offers counselling access, respite breaks, comrade visits and signposting to professional support, designed to tackle problems timely and presenting choice to the service user. In addition, the Corps Welfare Officer undertakes comrade visits, supporting REME Family members, and connects the REME Charity to the serving community.

Esprit de Corps

Corps wide events are imperative for Esprit de Corps. The Charity strives to facilitate gathering of discrete groups as well as offering occasions for both serving and retired personnel. We support serving REME soldiers' team sports, Adventurous Training and Enterprise, veteran reunions, Female REME Conferences, mess events and other gatherings to celebrate important dates, such as St Eligius Day, promote cohesion and instil a sense of belonging.

36 sports teams were allocated £374,660 an increase of £16,225 from 2024. The annual grassroots skiing event EXERCISE SUPREME GLACIER took place once again in December and resulted in a record number of REME skiers qualifying for the Army Championships. The Charity was also happy to financially support 100 Snowboarders, offering many a first experience on alpine slopes.

The REME Charity

Report of the Trustees

For the year ended 31 December 2025

The REME Association gathered for seven centrally organised events in 2025. We had a great turnout for the annual Reunion at the beautiful Walton Hall in Warwickshire and the sun shone on serving and reserve personnel, veterans and family members at the Corps Memorial event at the National Memorial Arboretum in late September.

22 bereaved families were supplied with coffin drapes, 20 Buglers, 15 Standard Bearers, berets, flags etc. at veteran's funerals. Coffin drapes have been entrusted to the Scotland and the Northern Ireland branches of the REME Association to be supplied to funerals in their region. Buglers and Standard Bearers are volunteers who give up their time to honour their comrades. The service is coordinated by the Welfare team and is highly rated by bereaved families.

The REME Association Job Agency (RAJA) once again held two job fairs in 2025, one in the South (Lyneham) and one in the North (Catterick) of the UK. The events attracted over 106 companies and were attended by nearly 200 soldiers in their career transition period. The service supported 601 service leavers throughout the year.

The REME Association, the REME Institution, the REME Messes as well as the REME Museum receive annual grants from the Charity. Any unused funds return to the Charity.

'The Craftsman' magazine continued to be distributed to a 4,500 strong readership.

ACHIEVEMENTS AND PERFORMANCE

Income generation

The Charity continued to successfully promote subscriptions to the Day's Pay Scheme, with contributions of over 86% from regular soldiers and 96% from officers. Reservists' participation continued to increase. The income from the scheme constituted 45% of the overall income in 2025. The Charity is diversifying income streams and thus actively mitigating associated risks.

In 2025 the Charity was remembered in the wills of two REME veterans, amounting to legacy income of £202,173. This includes funds received in memory of Cfn Pearce, a dedicated REME Reservist. The Cfn Pearce Fund was instated for the benefit of our Reserve Battalions, with disbursement starting in 2026.

The Charity, together with the Halsden Centre, has embarked on a four year research project into Service Charities Equality Insights Project (SCEIP), sponsored by the Armed Forces Covenant Fund Trust. During 2025, we received £96,962 to finance the project.

The Charity holds an account portfolio with Sarasin & Partners. At 31 December 2025 the Sarasin main portfolio stood at: £15,991,499 (2024: £15,570,335), resulting in an income of over £400k in 2025, which constitutes IRO 20% of our annual income.

In January 2025, The REME Trading Co took on the direct management of Crowns Café, situated in the REME Museum, and hitherto managed by a third party. Staff was subject to TUPE and transferred into the REME Charity. This resulted in the cost of raising funds rising from 11.4% to 15.2%, staff headcount increased to 40 and trading income (note 6) has increased by 71%.

The REME Charity

Report of the Trustees

For the year ended 31 December 2025

FINANCIAL REVIEW

Income

The total income of the REME Charity for the year ended 31 December 2025 was £3,071,624 (2024: £2,831,837) which, in addition to income generation channels and activities mentioned above includes £201,393 of services and facilities donated by the MoD.

Expenditure

Expenditure for the year was £2,969,981 and comprised £1,133,352 in direct esprit de corps activity, £600,941 in grants, £569,441 on the museum, £253,573 on support costs and £412,674 on income generation cost.

Reserves policy

The Trustees review the reserves policy and quantum of related investments during the annual budgetary cycle in the autumn of each year. The aim is to ensure the amount held in reserves and investments is adequate to mitigate against potential financial threats and to provide a secure base to meet future requirements and fulfil the objectives of the Charity over the long term.

The Charity identified a number of risks potentially impacting current income streams:

- The Charity continues to be dependent on current members of the Corps supporting the Day's Pay Giving Scheme (46% of total income). Any major change in the structure or strength of the Corps could impact the levels of future support available to Corps members;
- The Charity is reliant on the MoD administering the Day's Pay Giving Scheme and for the provision of infrastructure, utilities, IT systems, office supplies and a proportion of staff costs. If these MoD donated services were to be withdrawn, the Charity would suffer a strategic shock for which adequate reserve provision should be made; and
- The performance of the Charity's investment portfolio is subject to global market movements. While the present value of the portfolio produces (generally) IRO 20% of total required income, the value and/or dividend income can fluctuate, potentially markedly, due to market volatility.

To mitigate the identified financial risks, adequate reserves are required to meet the Charity's objectives. Reserves should be able to meet potential strategic shocks and increases in demands whilst also enabling the Trustees to deliver the Charity's objectives. The Charity's commitment is to support the REME Family now and particularly in the future.

Therefore, the Trustees have assessed the level of reserves and related investments required to meet these contingencies and mitigate against the current risk profile, to be in the range of £18 million.

The Charity's reserves are composed of designated funds to secure long term support of the charitable objectives: Welfare & Benevolence (32.5%), Promoting the efficiency of the Armed Forces (10%), Sports and Adventurous Training (37%) and Esprit de Corps (13.5%). A further 7% is designated to cover future governance and administrative cost. These designations are based on historic demand levels.

Funds in deficit

The Charity has no deficits.

The REME Charity

Report of the Trustees

For the year ended 31 December 2025

Financial position

The trustees consider that the assets held by the charity enable the fund to meet its foreseen future obligations. Given the charity's current level of reserves, including investment assets of over £16M, the trustees are convinced that the charity will continue as a going concern at current spending levels for a period of at least 10 years from the date on which these financial statements are approved. The trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1(c) to the financial statements.

Dependency on donors

The viability of the Charity is highly dependent on the goodwill and donations of REME serving soldiers and veterans, with their contribution making up over half of the Charity's income.

The Charity's targeted marketing campaigns and increased communications in 2025 and 2024 have led to increased support through payroll-giving, with an almost 100% sign-up rate from new recruits. The diversification of income streams through increased fundraising activity has further mitigated potential risk. Our plans for 2026 include a legacy and in-memoriam campaign.

Fundraising

Fundraising for the REME Charity is undertaken by our supporters. They participate in runs, challenges or hold fundraising events, generating much appreciated, additional income. To support those activities, the Charity subscribes to 'Enthuse', a fundraising platform, where individual fundraisers can align their efforts to the objectives of the Charity. The REME Charity does not host fundraising events but we are always happy to attend events created by our beneficiaries and to support their efforts through social media. We do not engage a designated fundraiser nor external, commercial fundraisers, and have received no complaints in relation to our fundraising practices in

Funds held as custodian trustee

No funds are held as custodian trustee.

PLANS FOR FUTURE PERIODS

The Board of Trustees devised the REME Charity Strategy 2022-2025 during a workshop in early 2022 and thoroughly reviewed its impact annually. In 2026, this strategy will be revisited and adapted to the wants and needs of our beneficiaries and the challenges this might pose to the organisation.

The Executive Implementation plan is derived from the strategic objectives and is monitored and its impact measured, in regular reviews. Especially the communication efforts detailed in the Strategic Plan have exceeded targets and have contributed to increased uptake of the Charity's support offer to its beneficiaries as well as regular giving. In 2026 we will move our digital communications to the Military App, which will further blend the Charity's communications with those of the wider Corps, ensuring that messages are clearly and timely disseminated to the entire REME Family.

The Charity's vision:

"Our vision is to be the source of support, belonging and connection to the REME Family, now and always".

The REME Charity

Report of the Trustees

For the year ended 31 December 2025

A series of strategic objectives, whose fulfilment, taken together, will realise the Charity's vision, are expressed as an end state for the charity at the conclusion of the plan. The end state will be a charity that:

- Is known, relevant and trusted by the whole REME Family and other organisations;
- Balances its outputs today with financial resilience tomorrow;
- Exists to enhance the wellbeing of the many and of the one;
- Promotes and enhances the reputation and legacy of the Corps; and
- Presents and promotes Corps heritage to engender a sense of belonging and identity.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. 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 Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

The REME Charity

Report of the Trustees

For the year ended 31 December 2025

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

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

Approved by the trustees on 26 May 2026 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'C.P.P.' followed by a flourish.

Brigadier Clare Phillips CBE - Chair

Independent auditors' report

To the members of

The REME Charity

Opinion

We have audited the financial statements of The REME Charity (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the consolidated statement of financial activities, consolidated and parent charity balance sheets, consolidated statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 December 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 group and parent 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 the provisions available for small entities, in the circumstances set out in note 9 to the financial statements, 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity 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.

Independent auditors' report

To the members of

The REME Charity

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.

Opinion 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charity and their 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 by the parent charity, or returns adequate for our audit have not been received from branches not visited by us;
- the parent charity financial statements are not in agreement with the accounting records and returns;
- 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 of the parent charity 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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.

Independent auditors' report

To the members of

The REME Charity

Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- testing the appropriateness of journal entries;
- assessing judgements and accounting estimates for potential bias;
- reviewing related party transactions; and
- testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

The REME Charity

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 auditor's report.

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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dougal Howard

Date: 26 May 2026

Dougal Howard ACA

(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The REME Charity

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2025

		Restricted	Unrestricted	2025 Total	Restated 2024 Total
	Note	£	£	£	£
Income from:					
Donations and legacies	3	610,935	1,440,386	2,051,321	1,983,224
Charitable activities	5	-	107,495	107,495	108,811
Other trading activities	6	124,494	366,190	490,684	312,087
Investments	7	-	422,124	422,124	427,715
Total income		<u>735,429</u>	<u>2,336,195</u>	<u>3,071,624</u>	<u>2,831,837</u>
Expenditure on:					
Raising funds		-	451,197	451,197	305,774
Charitable activities:					
Benevolence grants		36,585	620,454	657,039	582,679
Esprit de corps		492,262	746,886	1,239,148	1,214,118
Museum		-	622,597	622,597	569,417
Total expenditure	8	<u>528,847</u>	<u>2,441,134</u>	<u>2,969,981</u>	<u>2,671,988</u>
Net income / (expenditure) before investment gains / (losses)		206,582	(104,939)	101,643	159,849
Net gains on investments	16	<u>9,779</u>	<u>403,889</u>	<u>413,668</u>	<u>1,226,604</u>
Net income		216,361	298,950	515,311	1,386,453
Transfers between funds		<u>(32,310)</u>	<u>32,310</u>	<u>-</u>	<u>-</u>
Net movement in funds	9	184,051	331,260	515,311	1,386,453
Reconciliation of funds:					
Total funds brought forward		<u>509,711</u>	<u>18,685,568</u>	<u>19,195,279</u>	<u>17,808,826</u>
Total funds carried forward		<u><u>693,762</u></u>	<u><u>19,016,828</u></u>	<u><u>19,710,590</u></u>	<u><u>19,195,279</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 22 to the accounts.

The prior period statement of financial activities has been restated due to a change in accounting policy as described in note 28 to the financial statements.

The REME Charity

Consolidated balance sheets

As at 31 December 2025

	Note	The group 2025 £	Restated The group 2024 £	The charity 2025 £	Restated The charity 2024 £
Fixed assets					
Tangible assets	13	875,652	865,813	627,542	616,667
Heritage assets	14	2,114,459	2,114,459	747,361	747,361
Mixed motive investments	15	41,354	41,354	41,354	41,354
Fixed asset investments	16	15,991,499	15,570,335	15,991,499	15,570,335
		<u>19,022,964</u>	<u>18,591,961</u>	<u>17,407,756</u>	<u>16,975,717</u>
Current assets					
Stock	17	248,998	241,629	172,695	166,134
Debtors	18	137,146	122,471	194,765	161,822
Cash at bank and in hand		547,911	360,522	452,904	233,970
		<u>934,055</u>	<u>724,622</u>	<u>820,364</u>	<u>561,926</u>
Liabilities					
Creditors due within 1 year	19	(233,325)	(108,200)	(558,397)	(430,536)
Net current assets		<u>700,730</u>	<u>616,422</u>	<u>261,967</u>	<u>131,390</u>
Total assets less current liabilities		<u>19,723,694</u>	<u>19,208,383</u>	<u>17,669,723</u>	<u>17,107,107</u>
Creditors due after more than 1 year	19	(13,104)	(13,104)	(13,104)	(13,104)
Net assets	21	<u>19,710,590</u>	<u>19,195,279</u>	<u>17,656,619</u>	<u>17,094,003</u>
Funds	22				
Restricted funds		693,762	509,711	691,437	507,386
Unrestricted funds					
Designated funds		1,901,646	2,098,947	-	150,000
General funds		17,115,182	16,586,621	16,965,182	16,436,617
Total charity funds		<u>19,710,590</u>	<u>19,195,279</u>	<u>17,656,619</u>	<u>17,094,003</u>

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

Approved by the trustees on 26 May 2026 and signed on their behalf by



Brigadier Clare Phillips CBE - Chair

The REME Charity

Consolidated statement of cash flows

For the year ended 31 December 2025

	2025 £	Restated 2024 £
Cash flows from operating activities:		
Net movement in funds	515,311	1,386,453
Adjustments for:		
Depreciation charges	91,503	86,344
Gains on investments	(413,668)	(1,226,604)
Dividends, interest and rents from investments	(422,124)	(427,715)
Increase in stock	(7,369)	(8,767)
(Increase) / decrease in debtors	(14,675)	33,174
Increase in creditors	125,125	14,251
Net cash used in operating activities	(125,897)	(142,864)
Cash flows from investing activities:		
Dividends, interest and rents from investments	422,124	427,715
Purchase of tangible fixed assets	(101,342)	(17,985)
Purchase of heritage assets	-	(188,685)
Purchase of investments	(27,200)	(259,429)
Disposal proceeds on sale of fixed asset investments	19,704	263,018
Net cash provided by investing activities	313,286	224,634
Increase in cash and cash equivalents in the year	187,389	81,770
Cash and cash equivalents at the beginning of the year	360,522	278,752
Cash and cash equivalents at the end of the year	547,911	360,522

Analysis of changes in net debt

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

1. Accounting policies

a) Basis of preparation

The REME Charity is a charitable company limited by guarantee registered in England and Wales. The registered office address is:

The REME Charity
Regimental Headquarters REME
MoD Lyneham
Lyneham
Chippenham
SN15 4XX

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The REME Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policies.

b) Group accounts

These financial statements consolidate the results of the charitable company and its wholly-controlled subsidiaries, The Corps of Royal Electrical and Mechanical Engineers Museum (charity registration number 272740) and The REME Trading Company Limited (company number 10258502) on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the parent and its subsidiaries are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In accordance with Charity Commission guidance, all linked charities per a Scheme dated 28 October 2016 are required to be reported as restricted funds. The linked charities comprise:

- Royal Electrical and Mechanical Engineers Central Charitable Trust (charity no. 1165868-1);
- The Royal Electrical and Mechanical Engineers' Benevolent Fund (charity no. 1165868-2);
- Royal Electrical and Mechanical Engineers' Hotel Fund (charity no. 1165868-3 - now closed and removed from the register); and
- The General Fund of the Royal Electrical and Mechanical Engineers Sports Association (charity no. 1165868-4).

c) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity and group is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

1. Accounting policies (continued)

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received for advertising in advance of publication is deferred until criteria for income recognition are met.

e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

g) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

1. Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities based on the proportion of direct costs, as follows:

	2025	2024
Raising funds	15.2%	11.4%
Charitable activities:		
Benevolence grants	22.1%	21.9%
Esprit de corps	41.7%	45.4%
Museum	21.0%	21.3%

j) Grants payable

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

k) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Yachts	10 years straight line to residual value of £70,000
Furniture and motor vehicles	3 - 10 years straight line basis
Corps items	Not depreciated

Items of equipment are capitalised where the purchase price exceeds £2,000.

The REME Collection ("Corps items"), which has been built up over many years, reflects the wide range of artefacts ranging from wooden carvings, paintings, silver pieces, furniture and many trinkets and items of an ornamental nature. Corps items are considered to have indeterminate lives and the trustees therefore do not consider it appropriate to charge depreciation. Items are recorded at cost when an acquisition has been made by purchase, or fair value if obtained via donation, which is subsequently treated as the deemed cost.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

1. Accounting policies (continued)

l) Heritage assets

The REME Charity has gained a wide and varied collection of assets since its formation in 1942. These are held within the Messes, the Church, and the Headquarters and have either been donated by individuals or units, or gifted by the MoD.

Where these assets are held primarily for their contribution to our nation's culture and knowledge, they are classified as 'heritage assets'.

Heritage assets are held at historic cost. This represents a change in accounting policy from the prior year; see note 28 for full details of the impact, and below for further details.

The assets are considered to have indeterminate lives and the trustees therefore do not consider it appropriate to charge depreciation. All heritage assets are reviewed for impairment annually and any charge taken to the SoFA.

Only items valued at more than £3,000 are capitalised as heritage assets on acquisition.

Change in accounting policy

During the year, the trustees reviewed the appropriateness of the measurement basis for heritage assets and concluded that a cost-based approach provides more reliable and relevant information to the users of the financial statements.

Given the scale and diversity of the collection (in excess of 130,000 items), obtaining regular, comprehensive valuations would involve disproportionate cost and effort. In addition, many items are unique and lack active markets, resulting in valuations that are inherently subjective and of limited reliability. The assets are held for their service potential in furtherance of the charity's objectives and are not held for sale; accordingly, current value information is of limited relevance to users of the financial statements.

The change has therefore been made in accordance with FRS 102 Section 10 on the basis that it results in more reliable and relevant information. The change in policy has been applied retrospectively; the carrying value of heritage assets at the date of transition to the current accounting framework (y/e 31 December 2014) has been treated as deemed cost, with later additions included at purchase price or fair value at the date of acquisition.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

1. Accounting policies (continued)

m) Mixed motive investments

Mixed motive investments represent the charity's collection of fine art, held by the charity primarily to contribute to the esprit de corps activities of the messes, but which is also held for its potential investment growth. Fine art is held at fair value.

n) Fixed asset investments

Listed investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposal throughout the year.

o) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

p) Debtors

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

q) Cash at bank and in hand

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

r) Creditors

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

s) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

t) Pension costs

The charitable company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

u) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

1. Accounting policies (continued)

v) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

As described in note 1k to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

2. Prior period comparatives: statement of financial activities (restated)

	Restricted £	Unrestricted £	2024 Total £
Income from:			
Donations and legacies	559,683	1,423,541	1,983,224
Charitable activities	-	108,811	108,811
Other trading activities	77,617	234,470	312,087
Investments	-	427,715	427,715
Total income	637,300	2,194,537	2,831,837
Expenditure on:			
Raising funds	2,419	303,355	305,774
Charitable activities:			
Benevolence grants	62,113	520,566	582,679
Esprit de corps	393,447	820,671	1,214,118
Museum	92,422	476,995	569,417
Total expenditure	550,401	2,121,587	2,671,988
Net income / (expenditure) before investment gains	86,899	72,950	159,849
Net gains on investments	28,692	1,197,912	1,226,604
Net income	115,591	1,270,862	1,386,453
Transfers between funds	(148,605)	148,605	-
Net movement in funds	(33,014)	1,419,467	1,386,453

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

3. Income from donations and legacies

	Restricted £	Unrestricted £	2025 Total £
Subscriptions - retired officers	8,217	-	8,217
Subscriptions - serving officers	137,027	137,027	274,054
Subscriptions - museum (gold card)	-	84,249	84,249
Subscriptions - other ranks	51,767	739,059	790,826
Sports association grants	13,055	-	13,055
MOD grant in aid	-	205,314	205,314
Other donations	198,696	63,730	262,426
Legacies	202,173	-	202,173
Donated investment management services	-	9,614	9,614
Donated services and facilities *	-	201,393	201,393
Total income from donations and legacies	610,935	1,440,386	2,051,321

Prior period comparative

	Restricted £	Unrestricted £	2024 Total £
Subscriptions - retired officers	8,736	-	8,736
Subscriptions - serving officers	137,620	137,620	275,240
Subscriptions - museum (gold card)	-	84,522	84,522
Subscriptions - other ranks	51,409	662,071	713,480
Sports association grants	48,220	-	48,220
MOD grant in aid	-	197,753	197,753
Other donations	306,519	91,252	397,771
Legacies	7,179	-	7,179
Donated investment management services	-	35,640	35,640
Donated services and facilities *	-	214,683	214,683
Total income from donations and legacies	559,683	1,423,541	1,983,224

* Donated services and facilities consists of:

	2025 £	2024 £
Donated staff time	158,963	186,006
Donated facilities - office premises, equipment and utilities	42,430	28,677
	201,393	214,683

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

4. Government grants

The charity receives government grants, defined as funding from the Ministry of Defence, the National Lottery Heritage Fund, and Arts Council England (via the Victoria and Albert Museum) to fund charitable activities. The total value of such grants in the period ending 31 December 2025 was £346,105 (2024: £356,785). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

5. Income from charitable activities

	Restricted £	Unrestricted £	2025 Total £
Museum admission	-	99,939	99,939
Children's activities	-	6,228	6,228
Museum research	-	1,328	1,328
Total income from charitable activities	-	107,495	107,495

Prior period comparative

	Restricted £	Unrestricted £	2024 Total £
Museum admission	-	99,254	99,254
Children's activities	-	8,023	8,023
Museum research	-	1,534	1,534
Total income from charitable activities	-	108,811	108,811

6. Income from other trading activities

	Restricted £	Unrestricted £	2025 Total £
REME trading income	-	321,692	321,692
Sponsorship	119,464	500	119,964
Other fundraising	5,030	43,998	49,028
Total income from other trading activities	124,494	366,190	490,684

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

6. Income from other trading activities (continued)

Prior period comparative:

	Restricted £	Unrestricted £	2024 Total £
REME trading income	-	188,396	188,396
Sponsorship	61,300	1,000	62,300
Other fundraising	16,317	45,074	61,391
Total income from other trading activities	77,617	234,470	312,087

7. Income from investments

	Restricted £	Unrestricted £	2025 Total £
Income from listed investments	-	414,557	414,557
Bank interest	-	7,567	7,567
Total income from investments	-	422,124	422,124

Prior period comparative:

	Restricted £	Unrestricted £	2024 Total £
Income from listed investments	-	422,500	422,500
Bank interest	-	5,215	5,215
Total income from investments	-	427,715	427,715

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

8. Total expenditure

	Raising funds £	Charitable activities: grants £	Charitable activities: esprit de corps £	Charitable activities: museum £	Support and governance costs £	2025 Total £
REME Museum	-	-	-	49,800	-	49,800
REME Institution	-	-	1,000	-	-	1,000
REME Trading	175,690	-	-	-	-	175,690
Officers Mess functions and costs	-	-	15,143	-	-	15,143
Grants payable (note 12)	-	504,873	750,345	-	-	1,255,218
REME Sports	-	-	618	-	-	618
Association events and costs	-	-	59,369	-	-	59,369
Office expenses	-	-	26,794	5,942	97,325	130,061
Repairs and maintenance	-	-	-	-	1,891	1,891
Depreciation	-	-	-	61,378	30,125	91,503
Fundraising costs	1,205	-	-	-	-	1,205
Publication costs	-	-	68,180	-	-	68,180
Staff costs (note 10)	235,779	96,068	211,903	452,321	29,055	1,025,126
Insurance	-	-	-	-	21,579	21,579
Trustee expenses	-	-	-	-	682	682
Donated facilities	-	-	-	-	42,430	42,430
Legal and professional	-	-	-	-	30,486	30,486
Sub-total	412,674	600,941	1,133,352	569,441	253,573	2,969,981
Allocation of support and governance costs	38,523	56,098	105,796	53,156	(253,573)	-
Total expenditure	451,197	657,039	1,239,148	622,597	-	2,969,981

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

8. Total expenditure - prior period comparative

	Raising funds £	Charitable activities: grants £	Charitable activities: esprit de corps £	Charitable activities: museum £	Support and governance costs £	2024 Total £
REME Museum	-	-	-	34,335	-	34,335
REME Trading	145,643	-	-	-	-	145,643
Officers Mess functions and costs	-	-	10,180	-	-	10,180
Grants payable (note 12)	-	434,973	710,991	-	-	1,145,964
REME Sports	-	-	28,141	-	-	28,141
Association events and costs	-	-	48,736	-	-	48,736
Office expenses	-	-	26,363	3,184	105,167	134,714
Repairs and maintenance	-	-	-	-	12,296	12,296
Depreciation	-	-	-	62,987	23,357	86,344
Fundraising costs	658	-	-	-	-	658
Publication costs	-	-	67,178	-	-	67,178
Staff costs (note 10)	130,447	92,393	207,275	414,858	30,910	875,883
Insurance	-	-	-	-	18,121	18,121
Trustee expenses	-	-	-	-	8,949	8,949
Donated facilities	-	-	-	-	28,677	28,677
Legal and professional	-	-	-	-	26,169	26,169
Sub-total	276,748	527,366	1,098,864	515,364	253,646	2,671,988
Allocation of support and governance costs	29,026	55,313	115,254	54,053	(253,646)	-
Total expenditure	305,774	582,679	1,214,118	569,417	-	2,671,988

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

9. Net movement in funds

This is stated after charging:

	2025 £	2024 £
Depreciation	91,503	87,430
Loss on disposal of assets	-	25,770
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	682	4,354
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	22,500	20,000
▪ Consultancy	-	253
▪ Corporation tax return	350	350

Trustees' reimbursed expenses comprise travel, subsistence and accommodation costs relating to 1 trustee (2024: 4 trustees).

Total governance costs were £25,642 (2024: £27,154).

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements and to prepare and submit returns to the tax authorities.

10. Staff costs and numbers

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	760,298	609,747
Social security costs	75,560	51,030
Pension costs	15,793	14,098
Donated salaries	158,963	186,006
Freelance staff	14,512	15,002
	<u>1,025,126</u>	<u>875,883</u>

One employee earned between £60,000 and £70,000 during the year (2024: one employee).

The key management personnel of the charitable company comprise the CEO and Museum Director. The total employee benefits of the key management personnel paid by the charity were £134,878 (2024: £129,786).

	2025 No.	2024 No.
Average number of employees (head count):	<u>40</u>	<u>29</u>

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

11. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Grants payable

	Individuals £	Institutions £	Total 2025 £
Benevolence	291,345	111,523	402,868
REME Sports	-	449,634	449,634
Discretionary grants	-	153,562	153,562
Adventurous and enterprising activities	-	98,279	98,279
REME Corps Sergeants' Mess	-	27,494	27,494
Officers Mess	-	21,661	21,661
Service Charities Equality Insights Programme	-	100,481	100,481
REME Reservists	-	1,239	1,239
	<u>291,345</u>	<u>963,873</u>	<u>1,255,218</u>

Prior period comparative

	Individuals £	Institutions £	Total 2024 £
Benevolence	286,441	97,603	384,044
REME Sports	-	357,145	357,145
Discretionary grants	-	200,156	200,156
Adventurous and enterprising activities	-	86,116	86,116
REME Corps Sergeants' Mess	-	42,530	42,530
Officers Mess	-	25,044	25,044
Service Charities Equality Insights Programme	-	50,929	50,929
	<u>286,441</u>	<u>859,523</u>	<u>1,145,964</u>

The charity's grant making activities are characterised by large numbers of small grants, paid to support serving and retired soldiers and officers of the REME Corps. The total grants made to individuals in the current year was 427 (2024: 524). Individual grants are rarely made direct to the individual beneficiary. Grants are usually processed via a third party organisation such as the Army Benevolent Fund; the Soldiers' Charity (ABF), The Sailors, Soldiers and Air Force Institution (SSAFA), or the Royal British Legion (RBL). If the beneficiary is a serving soldier, a grant is processed through the unit welfare organisation.

The trustees consider all grants paid to institutions over £50,000, which require trustee board approval, to be material in the context of the accounts. There were no grants paid over this amount in 2025 or 2024. There were no other committed grants at 31 December 2025. No support costs have been allocated to the grants disclosed above although staff costs are allocated to general grant making activities per note 8 to the accounts.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

13. Tangible fixed assets

Group	Yachts £	Furniture £	Motor Vehicles £	Restated Corps items £	Total £
Cost					
At 1 January 2025	280,000	907,047	-	375,821	1,562,868
Additions in year	-	60,342	37,500	3,500	101,342
At 31 December 2025	280,000	967,389	37,500	379,321	1,664,210
Depreciation					
At 1 January 2025	111,000	586,055	-	-	697,055
Charge for the year	9,500	74,972	7,031	-	91,503
At 31 December 2025	120,500	661,027	7,031	-	788,558
Net book value					
At 31 December 2025	159,500	306,362	30,469	379,321	875,652
At 31 December 2024	169,000	320,992	-	375,821	865,813
Charity					
Cost					
At 1 January 2025	280,000	137,252	-	375,821	793,073
Additions in year	-	-	37,500	3,500	41,000
At 31 December 2025	280,000	137,252	37,500	379,321	834,073
Depreciation					
At 1 January 2025	111,000	65,406	-	-	176,406
Charge for the year	9,500	13,594	7,031	-	30,125
At 31 December 2025	120,500	79,000	7,031	-	206,531
Net book value					
At 31 December 2025	159,500	58,252	30,469	379,321	627,542
At 31 December 2024	169,000	71,846	-	375,821	616,667

Assets which are of significance to the Corps but do not meet the definition of heritage assets are held as non-depreciable tangible fixed assets. The value of Corps items at 1 January 2025 has been restated to reflect a reclassification of assets between heritage assets and Corps as described in note 28 to the accounts.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

14. Heritage assets

	The group		The charity	
	2025	Restated 2024	2025	Restated 2024
	£	£	£	£
At 1 January 2025	2,114,459	1,925,774	747,361	708,676
Additions	-	188,685	-	38,685
At 31 December 2025	<u>2,114,459</u>	<u>2,114,459</u>	<u>747,361</u>	<u>747,361</u>

All heritage assets are deemed to be measured at historic cost. This is a change in accounting policy in the current period, and has been applied retrospectively to the opening cost of heritage assets in the prior period. The majority of heritage assets are donated items which are recognised on receipt at deemed cost at acquisition. In addition, there was a material reclassification of assets held by the charity from tangible fixed assets (Corps Items) into heritage assets, which has also been applied to the opening cost in the prior period. Both changes are described in full at note 28.

Five year summary of heritage asset transactions:

	2025	Restated 2024	Restated 2023	2022	Restated 2021
	£	£	£	£	£
Additions:					
Purchases	-	188,685	11,140	24,000	10,800
Donations	-	-	-	33,000	68,190
Total additions	<u>-</u>	<u>188,685</u>	<u>11,140</u>	<u>57,000</u>	<u>78,990</u>
Disposals:					
Carrying value	-	(5,250)	(815,558)	(184,180)	
Proceeds	-	-	-	-	-

During 2022, the REME Charity and the REME Museum de-recognised all heritage assets with a value less than £3,000 and this resulted in an extraordinary disposal of heritage assets during the year ended 31 December 2022. This was a one-time occurrence and no assets were sold or scrapped. It does not reflect any reduction in the overall value or ownership of the organisation's assets or its financial health.

The REME Charity heritage assets

The REME Charity has gained a wide and varied collection of assets since its formation in 1942. These are held within the Messes, the Church, and the Headquarters and have either been donated by individuals or units, or gifted by the MoD.

Where these assets are held primarily for their contribution to our nation's culture and knowledge, they are classified as 'heritage assets'. Other assets are of significance to the Corps but are not held as heritage assets. These items are held as non-depreciable tangible fixed assets.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

14. Heritage assets (continued)

The REME Museum heritage assets

The REME Museum of Technology was established in 1958 to house and preserve the heritage of the Corps of Royal Electrical and Mechanical Engineers. The Museum aims to promote a broader understanding of the functions of the Corps, its interaction with society and its role in providing equipment engineering support to the Army. It also provides an information resource for members of the Corps, researchers, educationalists and general public.

The collection which has been built up over many years reflects the wide range of equipment for which the Corps is responsible including tanks, weapons, helicopters and electronic equipment. The Museum also houses and maintains a comprehensive collection of medals, uniforms, documents and pictorial records covering the many activities of the Corps since its formation in October 1942.

The Museum follows a strict acquisition policy and only accepts items which either relate to the heritage of the Corps or clearly illustrate the changes in engineering and repair techniques associated with equipment responsibilities. Most of the items held are either donated to the Museum or gifted by the Ministry of Defence.

A full inventory is maintained of all items accessioned into the collection including valuations on the Museum's collection management database. Information provided includes the provenance and acquisition source of each item.

The charity's collections comprise over 130,000 items, this includes accessioned items and items held as E numbers yet to be accessioned. Items are held at historic cost and capitalised where the cost or deemed cost on acquisition is at least £3,000.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

15. Mixed motive investments

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
At 1 January 2025	41,354	41,354	41,354	41,354
Revaluations	-	-	-	-
Disposals	-	-	-	-
At 31 December 2025	<u>41,354</u>	<u>41,354</u>	<u>41,354</u>	<u>41,354</u>

Mixed motive investments represent the charity's collection of fine art, held by the charity primarily to contribute to the esprit de corps activities of the messes, but which is also held for its potential investment growth. The fine art collection is held at fair value and will be revalued every 5 years.

16. Fixed asset investments (group and charity)

	2025	2024
	£	£
Blackrock Armed Forces Growth and Income Fund - unlisted		
Market value at 1 January 2025	-	263,208
Disposals	-	(263,018)
Net gains	-	(190)
As at 31 December 2025	<u>-</u>	<u>-</u>
Sarasin Funds - listed		
Market value at 1 January 2025	15,570,335	14,084,112
Additions	15,933,832	259,429
Disposals	(15,926,336)	-
Net gains	<u>413,668</u>	<u>1,226,794</u>
As at 31 December 2025	<u>15,991,499</u>	<u>15,570,335</u>

All investments were listed investments at 31 December 2024 and 31 December 2025.

Included within investments are amounts held for the benefit of other REME organisations, as follows:

	2025	2024	Market value	
	%	%	2025	2024
			£	£
REME Museum	2.3226%	2.3226%	<u>371,418</u>	<u>361,639</u>

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

17. Stock

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
REME Trading stock for resale	76,303	75,495	-	-
Finished goods including wine	172,695	166,134	172,695	166,134
	<u>248,998</u>	<u>241,629</u>	<u>172,695</u>	<u>166,134</u>

18. Debtors

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	9,487	7,866	7,567	7,866
Prepayments and accrued income	122,406	112,362	100,796	91,713
Other debtors	5,253	185	5,253	185
Funds held as an agent (note 20)	-	2,058	-	2,058
Amounts owed by subsidiary undertakings	-	-	81,149	60,000
	<u>137,146</u>	<u>122,471</u>	<u>194,765</u>	<u>161,822</u>

Included in amounts owed by subsidiary undertakings is £60,000 due in more than 1 year (2024: £60,000).

19. Creditors

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Due in less than 1 year:				
Trade creditors	56,169	37,591	52,973	37,591
Social security and other taxes	16,423	14,138	16,423	12,154
Accruals	48,559	35,159	26,221	21,806
Other creditors	23,239	14,046	9,930	13,914
Deferred income	53,975	7,266	53,975	7,266
Funds held as an agent (note 20)	34,960	-	34,960	-
Amounts due to subsidiary undertakings	-	-	363,915	337,805
	<u>233,325</u>	<u>108,200</u>	<u>558,397</u>	<u>430,536</u>
Due in more than 1 year:				
Other creditors	13,104	13,104	13,104	13,104

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

20. Funds held as an agent

During the year, the charity acted as custodian trustee for funds received by some of the sports clubs and Messes' linked to the REME Charity. An analysis of the funds received and paid by the charity is given below, and these fund balances are included in creditors (note 19).

	Funds held at 1 January 2025 £	Funds received £	Funds paid £	Funds held at 31 December 2025 £
REME sports	(6,100)	25,750	(153)	19,497
REME Institution	420	6,914	(7,334)	-
REME Officers' Mess	1,995	2,720	(2,083)	2,632
Other organisations	1,627	5,420	(6,345)	702
REME Yacht Club	-	13,129	(1,000)	12,129
At 31 December 2025	<u>(2,058)</u>	<u>40,804</u>	<u>(16,915)</u>	<u>34,960</u>

21. Analysis of group net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	248,111	627,541	875,652
Heritage assets	-	1,367,098	747,361	2,114,459
Mixed motive investments	-	-	41,354	41,354
Fixed asset investments	371,418	-	15,620,081	15,991,499
Current assets	322,344	286,437	325,274	934,055
Current liabilities	-	-	(233,325)	(233,325)
Creditors due after more than 1 year	-	-	(13,104)	(13,104)
Net assets at 31 December 2025	<u>693,762</u>	<u>1,901,646</u>	<u>17,115,182</u>	<u>19,710,590</u>

Prior year comparative - restated

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	249,145	910,078	865,813
Heritage assets	-	1,217,098	897,361	2,114,459
Mixed motive investments	-	-	41,354	41,354
Fixed asset investments	361,639	-	15,208,696	15,570,335
Current assets	148,072	482,703	253,696	724,622
Current liabilities	-	-	(108,200)	(108,200)
Creditors due after more than 1 year	-	-	(13,104)	(13,104)
Net assets at 31 December 2024	<u>509,711</u>	<u>2,098,947</u>	<u>16,586,621</u>	<u>19,195,279</u>

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

22. Movements in funds

	At 1 January 2025 £	Income £	Expenditure £	Gains / (losses) £	Transfers between funds £	At 31 December 2025 £
Restricted funds						
<i>CCT:</i>						
Aliquot Shares	361,639	-	-	9,779	-	371,418
Service Charities Equality Insights Programme	10,503	96,962	(103,390)	-	-	4,075
Minibus	-	32,310	-	-	(32,310)	-
Pearce Fund	-	203,629	(1,105)	-	-	202,524
<i>Linked entities:</i>						
REME Benevolent Fund	-	32,609	(32,609)	-	-	-
HQ Officers Mess	35,497	82,876	(103,134)	-	-	15,239
REME Sports Association	-	168,590	(168,590)	-	-	-
REME Institution	85,678	66,197	(68,604)	-	-	83,271
REME Sergeants' Mess	14,069	52,256	(51,415)	-	-	14,910
<i>REME Museum:</i>						
British Museum Project	2,325	-	-	-	-	2,325
Total restricted funds	509,711	735,429	(528,847)	9,779	(32,310)	693,762

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

22. Movements in funds (continued)

	At 1 January 2025 £	Income £	Expenditure £	Gains / (losses) £	Transfers between funds £	At 31 December 2025 £
Total restricted funds	509,711	735,429	(528,847)	9,779	(32,310)	693,762
Unrestricted funds						
<i>Designated funds:</i>						
Museum - general	1,487,785	336,322	(453,365)	-	139,850	1,510,592
Museum - development	429,934	90,932	(136,411)	-	-	384,455
REME Trading	31,228	321,692	(383,299)	-	36,978	6,599
REME Yacht Club Hulls	150,000	-	-	-	(150,000)	-
<i>Total designated funds</i>	<u>2,098,947</u>	<u>748,946</u>	<u>(973,075)</u>	<u>-</u>	<u>26,828</u>	<u>1,901,646</u>
General funds	16,586,621	1,587,249	(1,468,059)	403,889	5,482	17,115,182
Total unrestricted funds	<u>18,685,568</u>	<u>2,336,195</u>	<u>(2,441,134)</u>	<u>403,889</u>	<u>32,310</u>	<u>19,016,828</u>
Total funds	<u><u>19,195,279</u></u>	<u><u>3,071,624</u></u>	<u><u>(2,969,981)</u></u>	<u><u>413,668</u></u>	<u><u>-</u></u>	<u><u>19,710,590</u></u>

Transfers between funds represent the movement of group reserves between entities resulting from inter-group transactions and the release of the REME Hulls fund into general funds.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

22. Movements in funds (continued)

Purposes of restricted funds

Aliquot Shares

The REME Charity's investment portfolio was first created in 1985 from donations from a number of entities including the REME Museum. The Museum's percentage holding in the investment portfolio is expressed as an aliquot share holding.

Service Charities Equality Insights Programme

The Service Charities Equality Insights Programme (SCEIP) uses inclusive and intersectional lived data to reduce inequalities and diversify the outreach and impact of Service Charity programmes, enabling them to provide culturally-responsive support to all who have served, and establishing them as exemplars of diversity, equity, and inclusion.

Linked entities

The REME Charity was formed from the REME Charities in 2016. The antecedent charities are linked via a Charity Commission Scheme and are; The REME Central Charitable Trust (1165868-1) and the REME Benevolent Fund (1165868-2). The REME Sports Association charity (1165868-4) was linked to the REME Benevolent Fund, but it now linked to the REME Charity under the same scheme. Income in these funds represents donations specifically restricted to each area of the charity. Where total expenditure exceeds income available, expenditure is limited to the available restricted funds.

British Museum Project

This fund represents grant funding received from Money & Medals Network to fund training for the Museum Assistant Curator.

Purposes of designated funds

Museum - general

The REME Museum is given an operating budget each year from the REME Charity.

Museum - development

The REME Development fund is to provide funding to develop the Museum. It is not to be spent on administration, but purely on developing exhibits, attracting visitors and generally improving the visitor experience.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

22. Movements in funds (continued)	At 1 January 2024 £	Income £	Expenditure £	Gains / (losses) £	Transfers between funds £	At 31 December 2024 £
Prior period comparative (restated)						
Restricted funds						
<i>CCT:</i>						
Aliquot Shares	331,552	-	-	28,692	1,395	361,639
Service Charities Equality Insights Programme	-	63,332	(52,829)	-	-	10,503
<i>Linked entities:</i>						
REME Benevolent Fund	-	43,000	(43,000)	-	-	-
HQ Officers Mess	35,722	82,290	(82,515)	-	-	35,497
REME Sports Association	-	170,607	(170,607)	-	-	-
REME Institution	146,523	66,984	(127,829)	-	-	85,678
REME Sergeants' Mess	26,603	52,055	(64,589)	-	-	14,069
<i>REME Museum:</i>						
British Museum Project	2,325	-	-	-	-	2,325
Conspicuous Gallantry Cross	-	159,032	(9,032)	-	(150,000)	-
Total restricted funds	542,725	637,300	(550,401)	28,692	(148,605)	509,711

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

22. Movements in funds (continued)
Prior period comparative (restated)

	At 1 January 2024 £	Income £	Expenditure £	Gains / (losses) £	Transfers between funds £	At 31 December 2024 £
Total restricted funds	499,208	637,300	(550,401)	28,692	(148,605)	509,711
Unrestricted funds						
<i>Designated funds:</i>						
Museum - general	1,419,704	329,811	(411,192)	-	149,462	1,487,785
Museum - development	467,544	89,056	(126,666)	-	-	429,934
REME Trading	40,604	188,396	(236,174)	-	38,402	31,228
REME Yacht Club Hulls	130,000	-	-	-	20,000	150,000
<i>Total designated funds</i>	<u>2,057,852</u>	<u>607,263</u>	<u>(774,032)</u>	<u>-</u>	<u>207,864</u>	<u>2,098,947</u>
General funds	15,208,249	1,587,274	(1,347,555)	1,197,912	(59,259)	16,586,621
Total unrestricted funds	<u>17,266,101</u>	<u>2,194,537</u>	<u>(2,121,587)</u>	<u>1,197,912</u>	<u>148,605</u>	<u>18,685,568</u>
Total funds	<u><u>17,808,826</u></u>	<u><u>2,831,837</u></u>	<u><u>(2,671,988)</u></u>	<u><u>1,226,604</u></u>	<u><u>-</u></u>	<u><u>19,195,279</u></u>

The prior period opening funds and gains have been restated to reflect a change in accounting policy, as set out in note 28 to the accounts.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

23. Financial instruments at fair value

	The group		The charity	
	2025	2024	2025	2024
	£	£	£	£
Financial assets measured at fair value	<u>15,991,499</u>	<u>15,570,335</u>	<u>15,991,499</u>	<u>15,570,335</u>

Financial assets measured at fair value comprise fixed asset investments.

24. Operating lease commitments

The charity held no operating lease commitments in the current or prior period.

25. Related party transactions

The REME Charity is the sole corporate trustee and parent charity of the Corps of Royal Electrical and Mechanical Engineers Museum (charity registration no. 272740). During the year the REME Charity paid donations totalling £139,850 (2024: £149,426) to the REME Museum. The REME Charity operates payroll and manages transactions on behalf of the Museum. At the year end £363,915 was due to the REME Museum (2024: £337,805).

The REME Charity also has control of the REME Trading Company Limited (company registration no. 10258502). One employee and two of the trustees of the REME Charity make up the board of directors of the REME Trading Company. Amounts owed to the REME Charity at 31 December 2025 were £81,149 (2024: £54,889). In the prior year, The REME Charity provided a loan of £60,000 to the REME Trading Company. The REME Trading Company made sales of goods from the shop totalling £36,978 (2024: £38,402) to the REME Charity during the year.

26. Subsidiary undertakings

The Corps of Royal Electrical and Mechanical Engineers Museum

The consolidated financial statements include the results of The Corps of Royal Electrical and Mechanical Engineers Museum (the REME Museum), charity number 272740. The REME Charity is deemed to have control over the REME Museum by having sole corporate trusteeship. The REME Museum contributes to the esprit de corps objects of The REME Charity.

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

26. Subsidiary undertakings (continued)

Results for the period

	2025 £	Restated 2024 £
Gross income	567,104	727,362
Expenditure	<u>(589,777)</u>	<u>(546,890)</u>
Results for the year (excluding gains / losses)	<u>(22,673)</u>	<u>180,472</u>

Net assets

	2025 £	Restated 2024 £
Assets	2,063,222	2,862,254
Liabilities	<u>(15,850)</u>	<u>(14,982)</u>
Total museum funds	<u>2,047,372</u>	<u>2,847,272</u>

The REME Trading Company Limited

The consolidated financial statements include the results of The REME Trading Company Limited (REME Trading), company number 10258502. REME Trading was incorporated to operate the cafe and shop situated within the REME museum. The REME Charity is deemed to have control over REME Trading, the directors of REME Trading being key management personnel of The REME Charity.

Results for the period

	2025 £	2024 £
Turnover	358,670	226,798
Cost of sales	<u>(193,970)</u>	<u>(145,643)</u>
Gross profit	164,700	81,155
Administrative expenses	<u>(186,629)</u>	<u>(90,240)</u>
Operating profit / (loss)	(21,929)	(9,085)
Interest payable and similar charges	(2,700)	(630)
Tax on profit / (loss)	-	-
Profit for financial year	<u>(24,629)</u>	<u>(9,715)</u>

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

26. Subsidiary undertakings (continued)

The aggregate of the assets, liabilities and funds was:

	2025 £	2024 £
Assets	110,740	96,821
Liabilities	<u>(104,141)</u>	<u>(65,593)</u>
Total reserves	<u>6,599</u>	<u>31,228</u>

27. Parent charity

The parent charity's gross income and the results for the year are:

	2025 £	2024 £
Gross income	2,322,680	2,065,540
Surplus / (deficit) for the year (excluding gains / losses)	<u>148,947</u>	<u>(10,907)</u>

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

28. Prior period adjustment

Prior period comparatives have been restated to account for the following change in accounting policy: heritage assets previously held under the revaluation model have been restated to be held under the historic cost model. This impacts the value of heritage assets at 31 December 2024, the value of funds brought forward at 1 January 2024 and carried forward at 31 December 2024, and gains / losses recognised in the year ended 31 December 2024. In addition, there was a material reclassification of assets held by the charity from tangible fixed assets (Corps Items) into heritage assets. This impacts the balances of both tangible fixed assets and heritage assets at 31 December 2024.

The effect of the restatements are set out below:

Group fund balances

	Restricted funds £	Designated funds £	General funds £	Total funds £
As originally stated at 1 January 2024	542,725	2,813,579	15,155,825	18,512,129
Change of accounting policy	-	(755,727)	52,424	(703,303)
Restated at 1 January 2024	<u>542,725</u>	<u>2,057,852</u>	<u>15,208,249</u>	<u>17,808,826</u>
As originally stated at 31 December 2024	509,711	2,876,174	16,534,197	19,920,082
Change of accounting policy	-	(777,227)	52,424	(724,803)
Restated at 31 December 2024	<u>509,711</u>	<u>2,098,947</u>	<u>16,586,621</u>	<u>19,195,279</u>

All adjustments impacting designated funds are made to the fund: *Museum - general*.

Charity fund balances

	Restricted funds £	Designated funds £	General funds £	Total funds £
As originally stated at 31 December 2024	507,386	150,000	16,384,193	17,041,579
Change of accounting policy	-	-	52,424	52,424
Restated at 31 December 2024	<u>507,386</u>	<u>150,000</u>	<u>16,436,617</u>	<u>17,094,003</u>

The REME Charity

Notes to the financial statements

For the year ended 31 December 2025

28. Prior period adjustment (continued)

Asset valuations at 31 December 2024

	The group		The charity	
	Heritage assets £	Corps items £	Heritage assets £	Corps items £
As originally stated at 31 December 2024	2,545,852	669,231	401,526	669,232
Change of accounting policy	(724,803)	-	52,424	-
Reclassification of assets	<u>293,410</u>	<u>(293,410)</u>	<u>293,411</u>	<u>(293,411)</u>
Restated at 31 December 2024	<u><u>2,114,459</u></u>	<u><u>375,821</u></u>	<u><u>747,361</u></u>	<u><u>375,821</u></u>

Prior period group gains / losses

	Restricted funds £	Designated funds £	General funds £	Total funds £
As originally stated for the year to 31 December 2024	28,692	21,500	1,197,912	1,248,104
Reverse gains on revaluation of assets previously within 2024	<u>-</u>	<u>(21,500)</u>	<u>-</u>	<u>(21,500)</u>
Restated for year to 31 December 2024	<u><u>28,692</u></u>	<u><u>-</u></u>	<u><u>1,197,912</u></u>	<u><u>1,226,604</u></u>

All adjustments impacting designated funds are made to the fund: *Museum - general*.