

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Major General J S Kerr CBE
Brigadier M J Wharmby OBE
Lieutenant Colonel N A Smith
Lieutenant Colonel A Monk
Colonel J Fielden LVO MBE
Colonel J West ADC

Charity number

1172831

Senior Management Personnel

Lieutenant Colonel (Retired) Stephen Ahmed Yafai (Regimental Secretary)
Lieutenant Colonel (Retired) Ian Geoffrey Stark (Regimental Treasurer)

Registered address

Regimental Headquarters
The Royal Logistics Corps,
Building 204, Worthy Down Camp
Winchester
Hampshire
SO21 2RG

Auditor

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Bankers

Holt's Military Banking
Lawrie House
Victoria Road
Farnborough
Hampshire
GU14 7NR

Solicitors

Clifton Ingram LLP
11 South Street
Farnham
Surrey
GU9 7QX

Investment advisors

Armed Forces Charities Growth & Investment Fund
(Managed by Blackrock)
12 Throgmorton Avenue
London
EC2N 2DL

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Restrictions

The activities of the Charity, which was established as a Charitable Incorporated Organisation (CIO) on 22 May 2017, are restricted to the objects and must observe the other matters specified in its constitution. The Charity was appointed by the Charity Commission as the trustee of the museum collection 1 July 17, and in this regard must observe the terms of the trust deed dated 7 September 2000 (as amended).

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

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THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their third report as a CIO and the audited financial statements of the charity for the third full accounting year ended 31 December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

History and Background

The museum was established and funded initially by the Royal Logistic Corps Association Trust in 1995 and it became a separate unincorporated charity with registered number 1083009 on 7 September 2000. In preparation for redevelopment and relocation of the museum to purpose-built premises in Worthy Down, the decision was taken to establish the Charity as a CIO to take on the operation of the museum. This took place on 1 July 2017 and the Charity was also appointed by order of the Charity Commission as the trustee of the museum collection together with an Acquisition Fund derived from a donation of £100,000 from the RAOC Charitable Trust. This restricted fund is applied towards the acquisition of items for addition to the collection as well as their maintenance. A gift of £3,000,000 from the Defence Logistic Vocational Trust in 2016 was applied towards the costs of the relocation and redevelopment of the museum in its new location at Worthy Down, this fund was liquidated in year to fund the move to the museum's new premises. All other sources of funds were transferred to the newly incorporated Charity for its operational purposes.

The Royal Logistic Corps Association Trust continues to be a major source of income for the operation of the museum by the Charity.

Successful Phase 2 Registration was formally awarded on 13 December 2001 and represented a major initiative in the museum's development. As part of this process Trustees adopted a Museum Forward Plan and the Museum's Collection Management Policy and Plan. An external audit of the Museum was conducted in 2005, by a team from the Imperial War Museum, in preparation for formal Accreditation in 2008. Work towards Accreditation was completed and presented to the MLA review board in February 2009. Full Accreditation status was awarded in July 2010, again on 24 July 2014 and this was extended whilst in Deepcut. Full accreditation will take place once fully operational in Worthy Down.

A Museum Director, Secretary and a Treasurer, the latter two as part of wider roles and funded by the Ministry of Defence, carry out the day-to-day work of the Charity. A small museum team and clerical staff support them. Accommodation, some telephones and all utilities are provided from Public Funds. The director and most of the staff are private employees funded primarily through MOD (AMOT) grant-in-aid. A board of trustees directs the work of the Director, Secretary and Treasurer. The Trustees meet at least twice in each year and all major policy issues are considered by them and a consensus view taken.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

The RLC Museum Trust CIO is regulated by a Trust Deed No 1172831 dated 1 July 2017. The Charity was constituted as a CIO by the Charity Commission.

The trustees who served during the year and up to the date of signature of the financial statements were:

Major General J S Kerr CBE
Brigadier M J Wharmby OBE
Lieutenant Colonel N A Smith
Lieutenant Colonel Anthony Monk
Colonel James Fielden LVO MBE
Colonel Jonathan West ADC
Ms M A Protani

The Trustees who are non-executive, set the policy of the museum and oversee the management, direction and performance of the staff all but one of whom are employees of the charity. One staff member is an employee of the MOD.

The present Chairman of Trustees is a Colonel Commandant of The Royal Logistic Corps. Other trustees are members or former members of The RLC or predecessor Corps.

Trustees (less the Colonel RLC who is ex-officio) are on term appointments and all make a Trustee declaration of interests on appointment. Trustee training is conducted by offering vacancies on appropriate Arts Council England training days and by attendance at annual meetings of the Army Museum Ogilby Trust. Succession planning for trustees is considered periodically by the Board.

One of the primary funders of the charity is The RLC Association Trust and the two charities share a Secretary and Treasurer.

The Board of Trustees has a Charter, forward plan and action plan which cover all aspects of the charity's activities including areas of risk; it is actively reviewed and updated at every board meeting. This includes a 5 period budget plan and financial forecast. The Museum completed re-accreditation through Arts Council England in April 2014 and as a key constituent of the preparation for re-accreditation, Trustees introduced a new forward plan and action plan.

Major risks have been reviewed and systems or procedures have been established to manage those risks. To safeguard its activities and key assets the charity has the following agreements/policies in place:

- a. An emergency plan that addresses and mitigates the risk to the museum and its collections.
- b. An Internal Business Agreement with the Ministry of Defence defining the support provided by MOD (Army HQ), including the provision of utilities.
- c. A lease with the MOD Defence Infrastructure Organisation, successfully negotiated in time for relocation of the museum to Worthy Down in 2020.
- d. A regular security inspection of the museum and its collections.

Trustees review these periodically and embrace risk areas within their action plan.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities

The activities of the Charity, which was established as a Charitable Incorporated Organisation (CIO) on 22 May 2017, are restricted to the objects and must observe the other matters specified in its constitution. The Charity was appointed by the Charity Commission as the trustee of the museum collection 1 July 17, and in this regard must observe the terms of the trust deed dated 7 September 2000 (as amended).

Under clause 3 of the constitution of the Charity, the objects are to educate the public and members of the Corps in the history and military accomplishments of the Corps and the former constituent Corps and to promote military efficiency and encourage recruitment by public exhibition of the Collection in a museum or museums or such other places as the Trustees may from time to time decide and to conserve, restore, repair reconstruct and preserve objects in the Collection for the benefit of the public. There has been no change in these during the year.

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

The main activity of the Charity in 2020 was the relocation of the museum to Worthy Down and the commencement of fitting out the building in preparation for the display of exhibits. We continued to develop the Charity's policies and working practices in accordance with the objects as well as carrying out education on the history of The Royal Logistic Corps.

The main challenges facing the Charity has been preparation of the new site near Winchester. The museum closed to the public in Deepcut in December 2019 and should reopen in its new location in 2021. Trustees have established a Working Group to address these two key issues; the latter includes the development of a new museum facility and exhibition display area. Work to develop this continues to make positive progress.

The Charity staff continues the compiling of an inventory of artefacts belonging to the Charity and inherited from the Predecessor Corps. Due to the uncertainty in the valuation of these artefacts, the Trustees have not included them on the balance sheet. The Charity holds a small number of loan items all of which are formally registered and the rules for their custody and management are detailed in the Charity's Collections Development Policy. In preparation for the move the objects and archives collections are being inspected and disposal action taken where appropriate.

The Charity depends on funding from The RLC Association Trust Fund and submits an annual request to that Trust for funding for the following period. Any surpluses at the end of the financial period are taken into account when the budget for the following period is drawn up. Money accrued through underspend is invested to be used to support the development and future funding of the new museum. A reserve fund has also been set aside in The RLC Association Trust Fund to support the relocation of the museum but it has not been necessary to draw against this fund. A budget and outline plan for the Charity's short to medium term development has been agreed and forms part of the Forward Plan.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Charity has introduced a number of initiatives to raise additional income; charges for enquiries and B Vehicle Records have continued to be levied. Due to closure of the museum, it has not been possible this year to run the normal series of events and lectures for military personnel, veterans and the public. The main focus for the staff continues to be the fit out of the new museum, which has included work towards completion of the outstanding inventory compilation.

Trustees have sought formal guidance on their personal liability and indemnity and the Charity's insurance policy has been reviewed and updated accordingly. The charity has an emergency plan and has undertaken a full risk assessment. Museum security is periodically reviewed by the MOD and the necessary action, where appropriate, is taken.

The outcome of a formal tendering process leading to a contract award for the new site at Worthy Down was agreed in April 2014, final building plans for the new museum have been completed and construction of the building commenced in 2019 and completed in 2020. The lease with the MOD is now in place for the Charity to occupy the new building at Worthy Down. Trustees have concluded a formal contract tender process and a commercial contract for the exhibition design and fit out of the new museum has been awarded and is proceeding well despite the challenges of Covid-19.

The assets purchased through collections that have a monetary value are held on the Heritage Asset Register. This is maintained and updated by the curator and insurance policies are reviewed annually to meet the valuations.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

Achievements and performance

The double impact of relocation and Covid-19 meant that the Charity was unable to meet its objectives in 2020. However, the Charity is planning a series of events to announce our arrival in Worthy Down and attract visitors to the new museum, following reopening in 2021.

However, researchers have still been able to conduct on-line enquiries against digitised records, for which a small charge is levied.

Work to complete the Collection inventories has progressed well in 2020 and is in line with the Charity's objectives. The digitised Military Vehicle Records, mentioned in paragraph 22 above, are a major source of research inquiries and useful income generator.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

The Charity has two principal funding sources:

- a. MOD, which funds most of the Charity's staff plus the museum building, its lease and utilities costs. These have an estimated annual value of some £180K.
- b. An annual grant from The RLC Association Trust Fund which totalled £100,000 in 2020, part of which was to subsidise the Corps shop for the welfare benefit of members of the Corps. The RLC Association Trust has also established a reserve to support the reestablishment of the Charity at its new site which will part fund the new medal room.
- c. Additional funding comes from research inquiries, donations and charges for lectures and events. Notably a generous donation of £3M was received from the Def Log VQ Trust which has been invested to accumulate further growth towards the development of the new museum. This fund was liquidated in year to pay for the relocation and provided the cash to facilitate the in year spend resulting in a deficit of £1,384,520.
- d. An additional investment portfolio has been created for the Charity; the objective of this investment is to help towards greater self-sufficiency and to support the costs of relocation.

In 2010, the trustees of the Charitable Trust established a Funding Working Group to review its funding sources. This decision was made at that time not to charge for entry to the museum and the Charity has decided not to change that policy. The RLC Association Trust agreed in 2013 to increase its annual donation thereby giving a level of certainty over future funding and that will continue to be paid to the Charity. Support for a museum remains a major objective for The RLC Association Trust as part of the efficiency of the Corps and to maintain the Corps' heritage, and this is likely to include funding support for developing the museum on the new site.

It is the policy of the trust that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the trust's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Risk management

The Board of Trustees has a Charter, forward plan and action plan which cover all aspects of the charity's activities including areas of risk; it is actively reviewed and updated at every board meeting. This includes a 5 period budget plan and financial forecast. The Museum completed re-accreditation through Arts Council England in April 2014 and as a key constituent of the preparation for re-accreditation, Trustees introduced a new forward plan and action plan.

Major risks have been reviewed and systems or procedures have been established to manage those risks. To safeguard its activities and key assets the charity has the following agreements/policies in place:

- a. An emergency plan that addresses and mitigates the risk to the museum and its collections.
- b. An Internal Business Agreement with the Ministry of Defence defining the support provided by MOD (Army HQ), including the provision of utilities.
- c. A lease with the MOD Defence Infrastructure Organisation, successfully extended to coincide with the planned relocation of the museum in 2020.
- d. A regular security inspection of the museum and its collections.

Trustees review these periodically and embrace risk areas within their action plan.

Plans for future periods

The Trustees primary aim for the future is to develop and maintain a fully functioning, custom built, dynamic, and state of the art museum on the new site in Worthy Down.

Public Benefit

Public benefit is promoted through education, advancement of heritage and the promotion of the efficiency of The Royal Logistic Corps and the wider armed forces. The Museum will reopen to the public in 2021 and will include weekends. The Museum has normally a comprehensive outreach programme with military colleges and units, local schools, youth groups, university of the third age and other organisations and societies, but this has been on hold due to relocation and Covid-19.

Museum volunteers normally undertake between them some fifty hours per week and fundraising for projects but again there has been an impact from Covid-19. An active Museum Friends Society exists, which supplements the level of voluntary effort, and these are further supported by a group of military vehicle volunteers who restore, fund raise and care for the museum's vehicle collection.

THE ROYAL LOGISTICS CORPS MUSEUM TRUST CIO

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of responsibilities

The trustees are responsible for preparing the Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 trust and of the incoming resources and application of resources of the trust for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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; 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

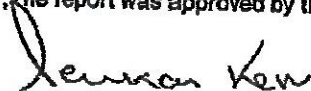
Auditor

In accordance with the company's articles, a resolution proposing that Moore (South) LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The report was approved by the Board of Trustees.



Major General J S Kerr CBE
Trustee

10 December 2021

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Opinion

We have audited the financial statements of The Royal Logistic Corps Museum Trust CIO (the 'trust') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the trust 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 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 trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Responsibilities of trustees

As explained more fully in the statement of responsibilities, 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 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 trust'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 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 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

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

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

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as income may not be recognised in accordance with the SORP and restricted and unrestricted income may not be classified correctly.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be the Charities Act 2011, the Charity SORP and UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charity complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the charity and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and dovetailed this with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and appropriate;
- reviewed sensitive nominal codes;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed the disclosures within the accounts to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work,
- reviewed third party documentation to confirm that relevant entries were reflected in the accounting records;
- reviewed closing fund balances for any misallocation of income sources and
- reviewed minutes of trustee meetings to confirm any income sources mentioned were included correctly within the accounts and identified if there were mentions of any restrictions placed on income.

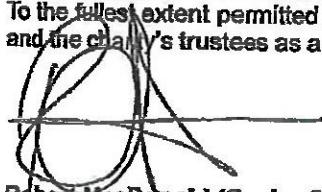
THE ROYAL LOGISTICS CORPS MUSEUM TRUST CIO

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTICS CORPS MUSEUM TRUST CIO

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Robert MacDonald (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

Chartered Accountants
Statutory Auditor

13th DECEMBER 2021

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Moore (South) LLP is eligible for appointment as auditor of the trust by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Unrestricted funds 2020 £	Restricted funds 2019 £	Total 2019 £
<u>Income from:</u>						
Donations and legacies	3	378,166	-	378,166	375,000	375,000
Other trading activities	4	20,994	-	20,994	50,267	50,267
Investments	5	88,825	2,816	91,641	157,366	160,072
Total income		487,985	2,816	490,801	582,633	585,339
<u>Expenditure on:</u>						
Raising funds	6	33,047	-	33,047	56,051	56,051
Charitable activities	7	1,449,251	-	1,449,251	849,561	849,561
Total resources expended		1,482,298	-	1,482,298	905,612	905,612
Net gains/(losses) on investments	11	(397,473)	4,450	(393,023)	493,125	503,071
Net movement in funds		(1,391,786)	7,266	(1,384,520)	170,146	182,798
Fund balances at 1 January 2020		3,558,379	103,872	3,662,251	3,388,233	3,479,453
Fund balances at 31 December 2020		2,166,593	111,138	2,277,731	3,558,379	3,662,251

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

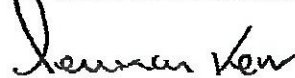
THE ROYAL LOGISTICS CORPS MUSEUM TRUST CIO

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	12		9,810		10,745
Heritage assets	13		21,080		21,080
Investments	14		1,688,424		3,459,157
			<u>1,719,314</u>		<u>3,490,982</u>
Current assets					
Stocks	16	24,975		27,420	
Debtors	17	-		946	
Cash at bank and in hand		626,856		175,937	
		<u>651,831</u>		<u>204,303</u>	
Creditors: amounts falling due within one year	18	(93,414)		(33,034)	
Net current assets			<u>558,417</u>		<u>171,269</u>
Total assets less current liabilities			<u>2,277,731</u>		<u>3,662,251</u>
Income funds					
Restricted funds	19		111,138		103,872
<u>Unrestricted funds</u>					
Designated funds	20	-		1,908,302	
General unrestricted funds		2,166,593		1,650,077	
		<u>2,166,593</u>		<u>3,558,379</u>	
			<u>2,277,731</u>		<u>3,662,251</u>

The financial statements were approved by the Trustees on 10 December 2021



Major General J S Kerr CBE
Trustee

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	23	(1,018,055)		(464,431)	
Investing activities					
Purchase of tangible fixed assets		(377)		(11,891)	
Purchase of investments		(91,525)		(159,803)	
Proceeds on disposal of investments		1,469,234		550,000	
Investment income received		91,642		160,072	
Net cash generated from investing activities		1,468,974		538,378	
Net cash used in financing activities		-		-	
Net increase in cash and cash equivalents		450,919		73,947	
Cash and cash equivalents at beginning of year		175,937		101,990	
Cash and cash equivalents at end of year		626,856		175,937	

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Royal Logistic Corps Museum Trust CIO is constituted as a CIO by the Charity Commission with registered number 1172831. The registered address is Regimental Headquarters, The Royal Logistic Corps, Building 204, Worthy Down Camp, Winchester, Hampshire, SO21 2RG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The trust is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Income

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Grants, donations, legacies and similar incoming resources are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

For legacies and donations, entitlement is the earlier of the charity being notified of an impending distribution or the legacy/donation being received.

Legacies are recognised on receipt or otherwise if the trust has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Expenditure

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

All expenditure is accounted for on an accruals basis. All expenses including governance costs are allocated or apportioned to the applicable expenditure headings. Costs of charitable activities include grants made, governance costs and an apportionment of support costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer and other equipment	5 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Heritage assets

A list of High Value Artefacts and Archives in the collection of the Royal Logistic Corps Museum is detailed below:

Archives

- Board of Ordnance Letter Books from Tipner/Malta/Sheerness - Eighteenth/Nineteenth Century Board of Ordnance letter books and various types of issues/receipts /stores books.Location - Museum Archive.
- RASC Post-War Write-Ups - Nine box collection of fifty-two books providing historical narrative of the RASC in the Second World War used as source material in creation of the official histories. Location - Museum Archive.
- B' Vehicle Record Archive - Since 2004 the cards have generated funds for the museum and continue to do so. These cards are irreplaceable.

Artifacts

The principle valuable artefacts other than medals which are stored off site and can be itemised separately are identified in the Emergency Plan:

- Rolls Royce Wraith
- Items in Napoleonic Case
 - Coatee of Royal Waggon Train
 - Miniature of Officer of the RWT
 - Army List in glazed case
 - Oil painting of Arms of the Ordnance Corps
- Oil Painting of the Marquis of Granby

1.8 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period.

Investment Income is accounted for in the year in which the Trust is entitled to receipt. It includes dividends.

1.9 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.12 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

1.13 Taxation

The Trust is exempt from UK Corporation Tax and is not VAT registered.

2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	9,979	9,894
Grants receivable for core activities	368,187	365,106
	<u>378,166</u>	<u>375,000</u>
Grants receivable for core activities		
The RLC Association Trust Fund Annual Grant	90,000	90,000
The RLC Association Fund Shop Grant	10,000	10,000
Grant in Aid - Ogilby Trust	88,828	85,747
MOD funded staff and premises costs	-	179,359
Other	179,359	-
	<u>368,187</u>	<u>365,106</u>

The grant from the MOD represents the Trustees estimated value of the salaries of the Museum Staff belonging to the Civil Service. These are currently on mark time rates of pay. It also includes an estimated value of the premises and utilities provided from public funds.

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Shop income	20,994	50,267
	<u>20,994</u>	<u>50,267</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Income from listed investments	88,709	2,816	91,525	157,097	2,706	159,803
Interest receivable	116	-	116	269	-	269
	<u>88,825</u>	<u>2,816</u>	<u>91,641</u>	<u>157,366</u>	<u>2,706</u>	<u>160,072</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
<u>Shop Expenditure</u>		
Cost of Sales	9,603	39,800
Postage	-	1,149
Other expenditure	1,360	544
Staff costs	22,084	13,283
Support costs	-	1,275
Shop Expenditure	<u>33,047</u>	<u>56,051</u>
	<u>33,047</u>	<u>56,051</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

	Charitable Expenditure Heading 1 2020 £	Charitable Expenditure Heading 1 2019 £
Staff costs	279,358	271,848
Depreciation and impairment	1,312	-
Rent, Rates and Utilities	47,764	47,764
Conservation	14,320	11,179
Maintenance	1,928	7,971
Collections	10,009	4,961
Reference	47	38
Postage	34	541
IT	17,862	378
Insurance	-	3,727
Security	-	1,367
Stationery	930	379
Telephone	1,799	1,718
Travel	1,357	3,545
Printing & Advertising	-	473
Professional Fees and Subscriptions	264	1,834
Training	240	862
Other charitable expenditure	1,061,974	478,749
	<u>1,439,198</u>	<u>837,334</u>
Share of support costs (see note 8)	-	1,584
Share of governance costs (see note 8)	10,053	10,643
	<u>1,449,251</u>	<u>849,561</u>

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Depreciation	-	-	-	1,584	-	1,584
Audit fees	-	6,800	6,800	-	8,055	8,055
Accountancy	-	3,000	3,000	-	3,000	3,000
Meetings	-	253	253	-	863	863
	-	10,053	10,053	1,584	11,918	13,502
Analysed between						
Trading	-	-	-	-	1,275	1,275
Charitable activities	-	10,053	10,053	1,584	10,643	12,227
	-	10,053	10,053	1,584	11,918	13,502

Governance costs includes payments to the auditors of £6,800 (2019- £8,055) for audit fees and £3,000 for non-audit fees (2019 - £3,000).

9 Trustees

Two Trustees have received reimbursement of expenses for attending meetings in 2020 totalling £253 (2019 - £863).

10 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Museum	5	5
Shop	1	1
Adminstration	1	1
Total	7	7

Employment costs

	2020 £	2019 £
Wages and salaries	301,442	285,131

There were no employees whose annual remuneration was more than £60,000.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Revaluation of investments	(397,473)	4,450	(393,023)	493,125	9,946	503,071

12 Tangible fixed assets

	Computer and other equipment £
Cost	
At 1 January 2020	33,018
Additions	377
At 31 December 2020	33,395
Depreciation and impairment	
At 1 January 2020	22,273
Depreciation charged in the year	1,312
At 31 December 2020	23,585
Carrying amount	
At 31 December 2020	9,810
At 31 December 2019	10,745

13 Heritage assets

	Heritage assets £
At 1 January 2020 and at 31 December 2020	21,080

The museum director continues the long task of compiling an inventory of artefacts belonging to the Trust. Due to the historic nature of these artefacts the Trustees have not yet included them on the balance sheet.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Fixed asset investments

	Listed investments: MDF M&G	Listed investments: Museum Development Fund	Listed investments: Museum	Total
	£	£	£	£
Cost or valuation				
At 1 January 2020	1,908,302	1,468,943	81,912	3,459,157
Additions	38,208	50,501	2,816	91,525
Valuation changes	(477,276)	79,802	4,450	(393,024)
Disposals	(1,469,234)	-	-	(1,469,234)
At 31 December 2020	-	1,599,246	89,178	1,688,424
Carrying amount				
At 31 December 2020	-	1,599,246	89,178	1,688,424
At 1 January 2019	1,908,302	1,468,943	81,912	3,459,157

15 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	1,688,424	3,459,157

16 Stocks

	2020 £	2019 £
Finished goods and goods for resale	24,975	27,420

17 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	-	946

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	2,253	45
Other creditors	91,161	32,989
	<u>93,414</u>	<u>33,034</u>

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2019	Incoming resources	Revaluations, gains and losses	Balance at 1 January 2020	Incoming resources	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£	£
Other restricted	91,220	2,706	9,946	103,872	2,816	4,450	111,138

The Acquisition Fund (Restricted Income Fund) was established in 2007 in the Museum Trust by a donation of £100,000 from the RAOC Charitable Trust. Following an initial spend of £50,000 acquiring artefacts the residual £50,000 was invested in 2008 into the Armed Forces Common Investment Fund (AFCIF) as a long term reserve. This fund was inherited from the Museum Trust at the point of incorporation of the CIO. The fund is solely for the purchase of new acquisitions for the museum collection. Expenditure against the fund is controlled through the Trustees.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		Movement in funds		Balance at 31 December 2020 £
	Balance at 1 January 2019 £	Incoming resources £	Revaluations, gains and losses £	Balance at 1 January 2020 £	Incoming resources £	Revaluations, gains and losses £	
Museum development fund	1,551,627	92,380	264,295	1,908,302	38,208	(1,469,234)	-
	1,551,627	92,380	264,295	1,908,302	38,208	(1,469,234)	-

The unrestricted funds are available to be spent for any of the purposes of the charity. Unrestricted funds have been split between general and museum development fund to identify the specific donations income, and expenditure on the museum development.

The Museum Development Fund benefitted in 2016 from a £3,000,000 donation from the Defence Logistic Vocational Trust specifically towards the relocation and redevelopment of The RLC Museum at a future site at the Defence College of Logistics, Policing and Administration, Worthy Down. £1,500,000 was invested into the museum development fund investment and £1,500,000 into the museum general fund investment. Both investments were made before being inherited by the CIO. The museum development fund was liquidated in year and used to furnish the museum's new building at Worthy Down.

THE ROYAL LOGISTIC CORPS MUSEUM TRUST CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

21 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:						
Tangible assets	9,810	-	9,810	10,745	-	10,745
Heritage assets	-	21,080	21,080	-	21,080	21,080
Investments	1,599,246	89,178	1,688,424	3,377,245	81,912	3,459,157
Current assets/ (liabilities)	557,537	880	558,417	170,389	880	171,269
	<u>2,166,593</u>	<u>111,138</u>	<u>2,277,731</u>	<u>3,558,379</u>	<u>103,872</u>	<u>3,662,251</u>

22 Related party transactions

Transactions with related parties

The Royal Logistics Corps Association Trust Fund shares key management and two Trustees with this Trust. During the year the Trust received a £100,000 donation and £109,650 contribution towards the medal collection from The Royal Logistics Corps Association Trust. At the year end, the Trust owed £59,856 (2019 - 20,646) to The Royal Logistics Corps Association Trust.

23 Cash generated from operations

	2020 £	2019 £
(Deficit)/surplus for the year	(1,384,520)	182,798
Adjustments for:		
Investment income recognised in statement of financial activities	(91,641)	(160,072)
Fair value gains and losses on investments	393,023	(503,071)
Depreciation and impairment of tangible fixed assets	1,312	1,584
Movements in working capital:		
Decrease in stocks	2,445	5,805
Decrease/(increase) in debtors	946	(553)
Increase in creditors	60,380	9,078
Cash absorbed by operations	<u>(1,018,055)</u>	<u>(464,431)</u>

24 Analysis of changes in net funds

The trust had no debt during the year.