

MRS M H ALLEN TRUST

KNOWN AS

THE FORCES TRUST

(As approved by the Charity Commission)

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023**

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THE FORCES TRUST

Registered Charity No. 211529

REFERENCE AND ADMINISTRATIVE INFORMATION**TRUSTEES**

Captain Andrew P.C Niekirk, R Yeo
Lieutenant Colonel William D. Niekirk, R Sigs
Lieutenant General Richard E. Nugee CB CVO CBE
Mr Brooke E.V Bowater
Mr Andrew Alderson

CORRESPONDENCE ADDRESS

Lieutenant General R E Nugee CB CVO CBE
Drews Mill
Devizes
Wiltshire SN10 5LH

BANKERS

Rathbone Investment Management Ltd
Port of Liverpool Building
Pier Head, Liverpool L3 1NW

INVESTMENT MANAGERS

Rathbone Investment Management Ltd
Port of Liverpool Building
Pier Head
Liverpool L3 1NW

INDEPENDENT EXAMINERS

Dunkley's Chartered Accountants & Statutory Auditors
Woodlands Grange
Woodlands Lane
Bradley Stoke, Bristol BS32 4JY

THE FORCES TRUST

TRUSTEES' REPORT

The Trustees present their Report and Financial Statements for year ended 5 April 2023.

REFERENCE AND ADMINISTRATIVE INFORMATION

Details are shown on page 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The governing Document is the Will of Mrs Minnie Harriet Allen dated 22 February 1918. Mrs Allen died on 5 February 1924. The Trust is a registered Charity and is exempt from income tax and capital gains tax.

Working Name

The charity is registered as 'The Mrs MH Allen Trust'; the working name of the charity is 'The Forces Trust'.

Appointment of Trustees

The power of appointing new Trustees vests in the Trustees. The chair of trustees is responsible for the induction of any new trustee which involves a briefing on a trustee's responsibilities, the governing document, administrative procedures, the history of the trust and the philosophical approach of the charity. All trustees provide their services as trustees for free.

Key Management Personnel

The trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The trustees receive no remuneration.

Related Party Transaction

There were no related party transactions during the period ending 5th April 2023 (2022 none).

Trustees Expenses

There were £310 Trustee expenses in the year (£414 in 2022).

Risk Management

The trustees have considered the risks that the Charity is likely to face in the coming year and have identified two potential areas of risk which are mitigated as indicated:

Risk: Severely reduced income

Loss in value of investments

Key mitigating controls already in place:

If required, payments to grant recipients could be reduced or suspended

Risk: Reputation

Conflicts of interests

Support to controversial causes

Charges of discrimination, unfairness or breach of trust

Failure to make awards in keeping with the ethos, values and objectives of the Trust

Key mitigating controls already in place:

Conflict of interest policy and meeting declarations by attendees

Public statement of themes and guidelines accessible via the Trust's website

THE FORCES TRUST

TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES IN THE YEAR

Under the terms of the Will the Trustees shall stand possessed of the Trust Fund upon trust to pay or distribute the capital or income for such Naval and/or Military Charities or institutions and in such proportions as they may in their absolute discretion from time to time select.

The Trustees consider possible charitable beneficiaries subject to the restrictions imposed by Mrs M.H. Allen's Will that only Naval and/or Military Charities are able to benefit from the Trust. Generally, the Trustees are more inclined, for the time being, to benefit Service Charities that assist the individual rather than those that support buildings and property.

ACHIEVEMENTS AND PERFORMANCE

The Trustees met in person in February 2023.

The funds to be distributed were agreed to a total of £40,000 and £10,000 to the Centenary Fund (expected to be distributed in 2024), will remain in cash awaiting an opportunity to invest.

PUBLIC BENEFIT

In meeting the objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and consider that all grants made meet this guidance.

FINANCIAL REVIEW

The results for the year are shown on page 7. The charitable grants listed on page 12 were allocated during the year and were paid in the year to 5 April 2023. The total grant spend in the 2022/23 accounts is £40,000. As this is in line with the agreed annual distribution of income, the Trustees remain satisfied with the state of the Trust's affairs. At 5th April 2023 the investment portfolio showed a decrease on the prior year of 7.4% (2022: Increase of 6.8%).

Reserves Policy

The Trustees have resolved that, since there was no provision made in the Will of Mrs M.H. Allen for a permanent endowment fund to be established, they are able to regard the whole of their investment portfolio together with divested Capital cash as expendable endowment for the purposes of the Trust. The Capital Fund disclosed in the Financial Statements has resulted from the original bequest together with reinvested gains and surpluses less capital costs. The Trustees usually expend the majority of the income arising year on year. The reserves policy was amended in January 2019 to increase the income available to be able to increase funds to be dispersed, to about a maximum of £50,000 a year. The unrestricted reserves held at year end is £1,562,298 (£1,710,578 in 2022).

THE FORCES TRUST

TRUSTEES' REPORT

Investment Policy

The investment policy had been reviewed and will be amended in line with a modified reserves policy and following advice from the Trust's investment managers.

Professional Advisers and Bankers

Following the appointment of Rathbones Investment Management Ltd in June 2013, Rathbones continue to act as the trust's investment managers and bankers.

FUTURE PLANS

In line with the Revised Investment Policy, the Trustees determined that if at all possible, the amounts given out to charities should remain a constant for the foreseeable future (a total of £50,000 a year), and that the funds under management should be grown as far as possible. An exception will be made in 2024 with the paying out of the Centenary Fund (estimated to be about £60,000 in 2024) as well as the intended annual £50,000.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the Trustees to prepare Financial Statements for each financial year which gives a true and fair view of the Trust's financial activities during the year and of its financial position at the end of the year. In preparing Financial Statements giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies are in accordance with applicable accounting standards;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Trust and which enable them to ensure that the Financial Statements comply with the applicable law. 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 irregularities.

R.E. Nugee
A.P C Niekirk
W. D Niekirk
B.E.V Bowater
A. Alderson

(Trustee)

(Trustee)

(Trustee)

(Trustee)

(Trustee)

Date:

12/Jan/24

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MRS M H ALLEN TRUST, OPERATION UNDER THE NAME "THE FORCES TRUST"

I report to the charity trustees on my examination of the accounts of Mrs M H Allen Trust, operating under the name 'The Forces Trust' ('the Trust') for the year ended 5 April 2023.

RESPONSIBILITIES AND BASIS OF REPORT

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

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

INDEPENDENT EXAMINER'S STATEMENT

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

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

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



Matthew Dobbins FCA
Dunkley's Chartered Accountants & Statutory Auditors
Woodlands Grange
Woodlands Lane, Bradley Stoke
Bristol, BS32 4JY

Date 15 January 2024

The Forces Trust
Statement of Financial Activities
For the year ended 5 April 2023

Income	Notes	Capital Fund		Centenary Fund		Income Fund		2023		2022	
		£	Unrestricted	£	Unrestricted	£	Unrestricted	£	19	£	34
Government Stocks		-	-	-	-	-	-	-	1,109	-	1,840
Other Fixed Interest Stocks		-	-	-	-	-	-	-	52,259	-	47,856
Equities		-	-	-	-	-	-	-	9,362	-	7,870
Unit Trusts		-	-	-	-	-	-	-	62,749	-	57,200
Deposit Interest		-	-	-	-	-	-	-	-	-	-
Total Income		-	-	-	-	-	-	-	62,749	-	57,200

Expenditure

Raising Funds from Charitable Activities

Investment Management Fees	14,417	-	-	-	-	-	-	-	14,417	-	12,229
Charitable Grants	8	-	-	-	-	-	-	-	40,000	-	40,000
Meeting Expenses	155	-	-	-	-	-	-	-	310	-	414

Other Expenditure

Accountancy and Independent Examination Fee	1,360	-	-	-	-	-	-	-	1,360	-	896
Realised (gains) on investments	2	(25,402)	-	-	-	-	-	-	(25,402)	-	(27,234)
Unrealised losses/(gains) on investments	2	178,944	-	-	-	-	-	-	178,944	-	(80,256)
Total Expenditure		163,494	-	-	-	-	-	-	211,029	-	(53,851)
Net Income		(169,494)	-	-	-	-	-	-	(148,280)	-	111,151
Transfer between funds		(745)	10,745	-	-	-	-	-	-	-	-
Funds at 6 April 2022 Brought Forward		1,554,623	49,325	106,630	1,710,578	1,599,427	1,710,578	1,599,427	1,592,298	1,710,578	1,599,427
Funds at 6 April 2023 Carried Forward		1,384,384	60,070	117,844	1,562,298	1,710,578	1,562,298	1,710,578	1,562,298	1,710,578	1,710,578

The notes on pages 9 to 12 form part of these Financial Statements

The Forces Trust
Comparative Statement of Financial Activities
For the year ended 5 April 2022

Income	Notes	Capital Fund		Centenary Fund		Income Fund		2022	
		£	Unrestricted	£	Unrestricted	£	Unrestricted	£	34
Government Stocks		-	-	-	-	-	-	-	1,840
Other Fixed Interest Stocks		-	-	-	-	-	-	-	47,856
Equities		-	-	-	-	-	-	-	7,870
Unit Trusts		-	-	-	-	-	-	-	57,200
Deposit Interest		-	-	-	-	-	-	-	-
Total Income		-	-	-	-	-	-	-	57,200

Expenditure

Charitable Activities									
Investment Management Fees	12,229	-	-	-	-	-	-	-	12,229
Charitable Grants	-	-	-	-	-	-	-	-	40,000
Meeting Expenses	207	-	-	-	-	-	-	-	414

Other Expenditure

Accountancy and Independent Examination Fee	448	-	-	-	-	-	-	-	896
Realised (gains) on investments	(27,234)	-	-	-	-	-	-	-	(27,234)
Unrealised (gains) on investments	(178,870)	-	-	-	-	-	-	-	(80,256)
Total Expenditure	(91,220)	(13,366)	40,655	(53,951)	(53,951)	(53,951)	(53,951)	(53,951)	(53,951)
Net (Expenditure)/Income	91,220	3,386	16,545	111,151	111,151	111,151	111,151	111,151	111,151
Transfer between funds	-	10,000	(10,000)	-	-	-	-	-	-
Funds at 6 April 2021 Brought Forward	1,463,403	35,939	100,065	1,599,427	1,599,427	1,599,427	1,599,427	1,599,427	1,599,427
Funds at 6 April 2022 Carried Forward	1,554,623	49,325	106,630	1,710,578	1,710,578	1,710,578	1,710,578	1,710,578	1,710,578

The notes on pages 9 to 12 form part of these Financial Statements

The Forces Trust
Balance Sheet
At 5 April 2023

	Note	Capital Fund £	Income Fund £	2023 £	2022 £
Investments	2	<u>1,370,260</u>	<u>176,229</u>	<u>1,546,489</u>	<u>1,677,817</u>
Current Assets					
Cash at Bank	3	17,326	3,396	20,722	34,111
Creditors	4	2,457	2,456	4,913 ^{sq}	1,350
Net Current Assets		<u>14,869</u>	<u>940</u>	<u>15,809</u>	<u>32,761</u>
		<u>1,385,129</u>	<u>177,169</u>	<u>1,562,298</u>	<u>1,710,578</u>
Representing:					
Capital Fund					
Investment fund		1,384,384	-	1,384,384	1,554,623
Income Funds					
Centenary		-	60,070 ^{sq}	60,070	49,325
Income		-	117,844	117,844	106,630
Fund Balances	9/10	<u>1,384,384</u>	<u>177,914</u>	<u>1,562,298</u>	<u>1,710,578</u>

All Funds are unrestricted

The notes on pages 9 to 12 form part of these Financial Statements.

Approved by the Trustees on: _____ 2024

A.P.C Niskirk

W.D Niskirk

R.E Nugae

B.E.V Bowater

A.Alderson

THE FORCES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

1. ACCOUNTING POLICIES

Accounting convention

These accounts have been prepared for the year to 5th April 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with 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) (Charities SORP FRS 102) issued in 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102. The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees to make significant judgements and estimates. The principal item in the accounts where a judgement or an estimate has been made is in respect to estimating future income and expenditure flows to enable the Trustees to assess the impact of global events on the charity's financial position and going concern (see below).

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and in light of the recent Covid-19 pandemic and subsequent global events. While the Trust's income may be impacted, the Trust is able to exercise a significant degree of control over its expenditure. The Trustees will continue to keep both income and expenditure under review.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income

All income is included on the Statement of Financial Activities when the charity is legally entitled to the income, it is probable that it will be received and the amount can be quantified with reasonable accuracy.

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. Governance and administration costs are apportioned equally between the capital and income funds, investment management fees are allocated wholly to the capital fund and grants awarded are allocated wholly to income funds. Grant expenditure - a constructive obligation for grants payable exists once it has been communicated to the recipient. Upon the obligation existing, where payment is probable and can be measured reliably, the entire grant is accounted for in the Statement of

THE FORCES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

Financial Activities, less any amounts that rely upon the recipient meeting performance-related conditions.

Taxation

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

Investments

Quoted investments have been valued at market value at the Balance Sheet date. Unrealised and realised investment gains and losses are shown net in the Statement of Financial Activities. Realised gains and losses are calculated by reference to the original cost and the sale proceeds.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

The Trustees have resolved that, since there was no provision made in the Will of Mrs M.H. Allen for a permanent endowment fund to be established, they are able to regard the whole of their investment portfolio together with divested Capital cash as expendable endowment for the purposes of the Trust. The Capital Fund disclosed in the Financial Statements has resulted from the original bequest together with reinvested gains and surpluses less capital costs. It was agreed in January 2019 that the Trust would set up a Designated Fund under the title of the Centenary Fund, to be invested and reported on as a separate part of the overall investments so that in 2024, the centenary of the death of Mrs M H Allen, a much larger than normal fund would be available to disperse.

Statement of cash flows

The financial statements do not include a statement of cash flows because the charity is exempt from the requirement to prepare such a statement under the Charities SORP FRS 102.

Notes to the Financial Statements

For the year ended 5 April 2023

2. Investments	2023		2022	
	£	£	£	£
Market Value 6 April 2022		1,677,817		1,560,893
Cost of Investments acquired	81,724		149,765	
Proceeds of Investments sold	(59,510)		(140,331)	
		<u>22,214</u>		<u>9,434</u>
Net cash invested/(disinvested)		1,700,031		1,570,327
Realised gains in the year	25,402		27,234	
Unrealised gains/(losses) in the year	(178,944)		80,256	
		<u>(153,542)</u>		<u>107,490</u>
Market Value 5 April 2023		<u>1,546,489</u>		<u>1,677,817</u>

3. Cash Balances	Capital Fund	Income Fund	2023 Total	2022
	£	£	£	£
Brokers' Accounts	17,326	3,395	20,721	34,111
	<u>17,326</u>	<u>3,395</u>	<u>20,721</u>	
Brokers' Accounts 2022	<u>31,011</u>	<u>3,100</u>	<u>34,111</u>	

4. Creditors	Capital Fund	Income Fund	2023 Total	2022
	£	£	£	£
Accountancy and Independent Examiners Fee	1,065	1,065	2,130	1,350
Investment Manager's Fees	1,392	1,392	2,784	-
	<u>2,457</u>	<u>2,457</u>	<u>4,914</u>	<u>1,350</u>
Creditors 2022	<u>675</u>	<u>675</u>	<u>1,350</u>	

5. Trustees

Trustee reimbursement for out of pocket expenses was £310 (2022 - £414)
No trustees were paid any remuneration or receive any benefit from the charity.

6. Related Party Transactions

There were no related party transactions during the period ending 5th April 2023 (2022 none).

7. Staff Remuneration

No staff were employed by the Charity during the period ending 5th April 2023 (2022 none).

The Forces Trust

Notes to the Financial Statements

For the year ended 5 April 2023

8. Charitable Grants	Charity Number	2023 £	2022 £
Blind Veterans UK	216227	-	-
Forces Wives Challenge	11976449	8,000	10,000
Wings for Warriors	1148093	-	6,000
Care for Veterans	1072334	5,000	-
Hounds for Heroes	1134359	7,000	-
Forces High Ground	0	12,000	-
Little Troopers	1149258	-	10,000
Mission Motorsport - Race, Retain, Recover	1146159	-	-
Naval Children's Charity	1160182	-	-
Walking with the wounded	1153497	-	8,000
Scotty's Little Soldiers	1170528	8,000	-
The Not Forgotten Association	1150541	-	6,000
		<u>40,000</u>	<u>40,000</u>

9. Funds	Capital Fund £	Centenary Fund £	Income Fund £	2023 Total £
Funds at 6 April 2022 Brought Forward	1,554,623	49,325	106,630	1,710,578
Income	-	-	62,749	62,749
Expenditure	(15,952)	-	(41,535)	(57,487)
Realised /Unrealised Losses on Investments	(153,542)	-	-	(153,542)
Transfer between funds	(745)	10,745	(10,000)	-
Funds at 5 April 2023 Carried Forward	<u>1,384,384</u>	<u>60,070</u>	<u>117,844</u>	<u>1,562,298</u>

10. Net Assets of the Funds	Capital Fund £	Centenary Fund £	Income Fund £	2023 Total £
Investments	1,369,515	60,070	116,904	1,546,489
Current Assets	14,869	-	940	15,809
Funds at 5 April 2023 Carried Forward	<u>1,384,384</u>	<u>60,070</u>	<u>117,844</u>	<u>1,562,298</u>

	Capital Fund £	Centenary Fund £	Income Fund £	2022 Total £
Investments	1,523,612	49,325	104,880	1,677,817
Current Assets	31,011	-	1,750	32,761
Funds at 6 April 2022 Brought Forward	<u>1,554,623</u>	<u>49,325</u>	<u>106,630</u>	<u>1,710,578</u>