

THE ROYAL REGIMENT OF FUSILIERS

FUSILIERS' AID SOCIETY

REPORT AND ACCOUNTS

31 DECEMBER 2020

Registered Charity No. 259229

The Royal Regiment of Fusiliers

Fusiliers' Aid Society

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The Royal Regiment Of Fusiliers

Fusiliers' Aid Society

Legal and Administrative details
For the year ended 31 December 2020

Managing Trustees

Major (Retd) RJ Turpin - Chairman
(ex officio appointments) Colonel P Stitt
Colonel JW Taylor MBE (assumed appt 1 Oct 2020)
Colonel J Lamb MC (assumed appt 23 Apr 2020)
Brigadier M Butterwick CBE (relinquished appt 22 Apr 2020)
Colonel A Gawthorpe (assumed appt 23 Apr 2020)
Brigadier J Swift OBE
Captain (Retd) S Jubb
Major (Retd) M O'Hare
Colonel (Retd) NJP Easton QVRM TD
Major General PAE Nanson CB CBE (relinquished appt 30 Sep 2020)

Nominated Secretary to the Trustees:

Captain (Retd) A R G Harris

Address:

H.M. Tower of London
London
EC3N 4AB

Bankers:

Lloyds Bank TSB plc
72 Fenchurch Street
London
EC3P 3EH

Investment Advisors

Sarasin & Partners
Juxon House
100 St Pauls Churchyard
London
EC4M 8BU

Independent Auditor

PB Associates
Chartered Accountants
Statutory Auditors
2 Castle Business Village
Station Road
Hampton
Middlesex
TW12 2BX

The Royal Regiment of Fusiliers
Fusiliers' Aid Society

Report of The Trustees
For the year ended 31 December 2020

The Trustees take pleasure in presenting their report and audited financial statements of Fusiliers' Aid Society ("FAS") for the year ended 31 December 2020.

STATUS AND ADMINISTRATION

The Charitable Trust was founded by Trust Deed in 1969. The registered charity number is 259229.

The Managing Trustees (ex officio appointments) who have served during the year were:

Major (Retd) RJ Turpin- Chairman
Colonel P Stitt
Colonel JW Taylor MBE (assumed appt 1 Oct 2020)
Colonel J Lamb MC (assumed appt 23 Apr 2020)
Brigadier M Butterwick CBE (relinquished appt 22 Apr 2020)
Colonel A Gawthorpe (assumed appt 23 Apr 2020)
Brigadier J Swift OBE
Captain (Retd) S Jubb
Major (Retd) M O'Hare
Colonel (Retd) NJP Easton QVRM TD
Major General PAE Nanson CB CBE (relinquished appt 30 Sep 2020)

CHARITY OBJECTS

The object of the Society is to provide advice and assistance, directly or indirectly, out of capital or income, to serving and past members of the Regiment and past members of the Regiments from which it was formed, and their widows and dependants, by making grants to them when in need and towards education.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The purpose of the charity is enshrined in its objects as outlined above. The Trustees ensure that this is carried out for the public benefit by delivering a range of activities to meet its objects.

ORGANISATIONAL STRUCTURE

The Society is operated from our Regimental Headquarters at HM Tower of London. It is managed by the nine Managing Trustees, 5 of whom are ex-officio appointments.

The Assistant Regimental Secretary, Captain (Retd) A R G Harris, is the Nominated Secretary of the Charity, and he acts as the Account Holder. The accounting records are maintained by Captain (Retd) A R G Harris. Two others assist him on welfare matters.

Throughout the accounting period the Chairman of the Regimental Investment Committee has been Mr Clive Hexton. The Regimental Investment Committee continues to meet twice a year and Sarasin Fund Managers attend both meetings for a review of the investment performance.

REVIEW OF ACTIVITIES DURING THE YEAR

FAS continues to honour the obligations of the antecedent funds.

2020 has been an extraordinary year. FAS has continued to function remotely during the COVID19 pandemic restrictions. There has been no degradation of service provided by FAS as all our systems are cloud enabled.

FAS paid out grants for the benefit of individuals totalling £86,931 during the course of 2020, representing 184 cases. This is a slight decrease over previous years which is reflected by The Army Benevolent Fund The Soldiers' Charity ("ABF SC"). However, the Trustees believe there is a significant pent up demand for assistance, as the economic, social and health aspects of the COVID19 pandemic play out.

The Royal Regiment of Fusiliers
Fusiliers' Aid Society

Report of The Trustees
For the year ended 31 December 2020

FAS continues to enjoy a close working relationship with ABF SC. In the period in question, the basis of funding changed whereby ABF SC made the payments on behalf of Fusiliers' Aid Society directly to the relevant caseworking organisation. FAS made a donation of £25,000 (£20,000 in 2019) to ABF SC to allow them to continue their activities. This increase in grant was to reflect the extra support that ABF SC provided, and continues to provide, to all service charities during the COVID19 pandemic. ABF SC supported 43 charities and organisations on behalf of FAS and other service charities, awarding block grants to the value of £3.5m.

Donations made by FAS to external charities (including ABF SC) directly supporting serving and retired Fusiliers totalled £12,250. Welfare grants to our regular Battalion, reserve Battalion and Army Reserve units totalled £20,072. This sum includes a grant of £5,672 to IRRF for notebooks containing mental health (MH) information and contact points for serving soldiers and their relatives. A grant of £30,000 was made to IRRF to enable them to purchase a replacement welfare minibus. The Worshipful Company of Cordwainers also generously donated £5,000 towards this minibus.

£1,475 was paid in Christmas grants to widows and families of killed and injured Fusiliers, including in-pensioners at The Royal Hospital, Chelsea and residents of Broughton House, and Scottish Veterans Residences.

FAS supported The Fusilier Museum, Bury, with grants totalling £15,000, allowing the Museum to carry on its work supporting heritage and veterans. Grants totalling £15,000 were also paid to the Fusilier Museum Warwick to enable the Museum to continue its work supporting heritage and veterans' issues. FAS made COVID19 support grants to Fusiliers Museum Bury, Warwick and Northumberland totalling £1,528 to enable these museums to comply with COVID19 guidelines and enable them to open to visitors. A further £10,071 was spent supporting our Museums, by subsidising their insurance premiums and assisting with other costs and expenses. FAS also contributed £1000 to enable The Fusilier Warwick Museum to purchase a plaque commemorating Lucie Smith VC. The planned move of the Fusilier Museum Warwick from St Johns House to Pageant House has been delayed due to the COVID19 pandemic – it is now expected to take place in 2022.

A total of £8,751 was spent on remembrance activities in 2020. A number of activities on this area were planned, but then cancelled due to pandemic. This has resulted in less expenditure than in previous years. It is expected that remembrance and commemorative events will return to normal levels in 2021.

FAS granted a total of £13,361 to the Fusilier Association Warwick to support the commitment made to honour the obligations of the Royal Warwick Compassionate and Welfare Fund (RWCWF).

Donations into the fund for the year totalled £30,660. The FAS Lottery, launched in October 2019, produced an income of £6,236. The One Days Pay Scheme continued to be well subscribed and produced an income of £62,457.

IMPACT OF COVID19.

When the possible implications of the COVID19 pandemic, and the resultant lockdown and other economic measures, became clear in early 2020 (possible reduced capital values, possible reduced income distribution, possible increased requests for assistance, possible need for increased Regimental and Museum support amongst others), the Trustees acted on the recommendation of the Investment Committee and realised £100,000, to be kept as cash against a possible loss of future income. The Trustees also undertook a review of all FAS operations to ensure that there would be no impact on the activities of the Charity by the COVID19 restrictions (social distancing, remote working, amongst others). Adoption of these measures has ensured that FAS operations have continued, with little inconvenience to anyone.

In 2020, it turns out that there have been fewer requests for assistance. This is counterintuitive as more requests were anticipated. However, caseworking organisations had to adapt to new methods of working to ensure safe practice, and this resulted in fewer requests for assistance being made via SSAFA and RBL. The Trustees therefore ensured that relevant procedures were put in place to ensure that hardship grants could be made direct to eligible individuals if necessary, and this happened on a total of 8 occasions.

Fundraising activities were affected, but this has had minimal impact of FAS resources.

The Trustees consider that FAS still has sufficient reserves to continue to operate in this new environment and continue to review all aspects of charity operations.

FUTURE ACTIVITIES AND DEVELOPMENTS

Donations and legacies continue to be vital to FAS, and various fundraising events were planned for 2020, however due to the COVID19 pandemic, none took place.

FAS is governed by its Trust Deed signed in 1968. As such FAS is an unincorporated trust. A future development is being considered to merge FAS with the other Regimental charity (the Fusiliers Fund, currently an excepted charity), and at the same time convert to a CIO or CLG. We will ensure that there is no change to the charitable objects, nor will there be any other material change, although a name change may take place, and it is anticipated that the work of FAS will continue. However, updating the charity's legal status will future proof FAS and will give various options in the future. This work commenced in 2020 and is ongoing.

FINANCIAL RESULTS

The results are shown on pages 9 to 16 of these financial statements

GRANT MAKING POLICY

Assistance is disbursed under the authority of the Trustees to members of the Regimental Family who have fallen on hard times normally through no fault of their own. The assistance provided is usually in the form of financial grants, however in addition advice on welfare problems and other financially related problems etc. is also available and holidays are arranged through the Army Benevolent Fund.

The Fusiliers' Aid Society does not make loans other than in exceptional situations. Listed below are the circumstances where the Trustees would not usually authorise aid. There are however exceptions to the rules and all cases are treated on their merits:

- a. Assistance to pay off fines.
- b. Grants to car owners, unless medically justified, as such ownership is not considered synonymous with poverty.
- c. Payment of legal bills, private medical bills and business debts.

INVESTMENT POLICY

The investment powers of the Charity are governed by the Deed of Trust which permits the funds to be invested in any investment without the restrictions imposed by the Trustee Investment Act 1961.

The Regimental investments are managed by Sarasin and Partners LLP, and funds are held in their Alpha Fund.

RESERVES POLICY

The Trustees have examined the requirement for free reserves which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the work of the Society, and even after the decision to purchase investment property (23 Jacana Court), there are sufficient unrestricted funds to give flexibility to cover temporary timing differences for grant claims and adequate working capital for core costs.

RISK MANAGEMENT

The Trustees actively review the major risks which the Society faces on a regular basis and believe that maintaining adequate free reserves, combined with the annual review of the controls over key financial systems will be sufficient to meet adverse conditions. The Trustees have also examined other operational and business risks including additional risks due to COVID-19 and have established systems to mitigate any significant risk.

The Royal Regiment of Fusiliers
Fusiliers' Aid Society

Report of the Trustees
For the year ended 31 December 2020

TRUSTEES' RESPONSIBILITIES

Charity law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity at the period end and of its incoming resources and resources expended during that period. In preparing those financial statements, 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 applicable accounting standards and statements of recommended practice have been followed subject to any 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 business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Managing Trustees and signed on their behalf by:

Major (Retd) R J Turpin

Trustee

Date: 29 Oct 2021

The Royal Regiment of Fusiliers
Fusiliers' Aid Society

Independent Auditors' Report to the Trustees of
The Fusiliers' Aid Society

Opinion

We have audited the financial statements of The Royal Regiment of Fusiliers Fusiliers' Aid Society for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 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 income and expenditure for the year then ended;
- ☐ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ☐ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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 Trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

The Royal Regiment of Fusiliers
Fusiliers' Aid Society

Independent Auditors' Report to the Trustees of
The Fusiliers' Aid Society (continued)

Opinions on other matters prescribed by the Charities Act 2011

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

- ☐ the information given in the Trustees report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ☐ the Trustees report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- ☐ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ☐ the financial statements are not in agreement with the accounting records and returns; or
- ☐ certain disclosures of Trustees remuneration specified by law are not made; or
- ☐ we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees responsibilities statement, 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 director determines 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 director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management whether they were aware of any instances of fraud or non-compliance with laws and regulations;
- obtaining an understanding of the legal and regulatory framework within which the company operates. The main laws and regulations we considered as affecting the financial statements were the Charities Act 2011 and UK tax legislation.
- discussing amongst the engagement team how and where fraud might occur and any potential indicators of fraud. As part of this discussion we identified potential fraud risks in relation to management override of controls and grant expenditure.

Audit response to risks identified.

Our procedures to respond to the identified risks included:

- analytical review of the financial statements;
- reviewing grant applications and supporting documentation;
- examining journal entries to address the risk of fraud through management override of controls;
- review of the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available 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 Charities Trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and the regulations made within that Act. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Gareth Rees (Senior Statutory Auditor)

For and on behalf of
PB Associates
Chartered Accountants & Statutory Auditor
2 Castle Business Village
Station Road
Hampton
Middlesex TW12 2BX

**2 CASTLE BUSINESS VILLAGE
STATION ROAD, HAMPTON
MIDDLESEX TW12 2BX**

29 Oct 2021

**PB ASSOCIATES
CHARTERED ACCOUNTANTS**

The Royal Regiment Of Fusiliers
Fusiliers' Aid Society

Statement Of Financial Activities
(including the Income and Expenditure Account)
For the year ended 31 December 2020

	<u>Notes</u>	<u>Restricted</u> <u>2020</u> £	<u>Unrestricted</u> <u>2020</u> £	<u>Total</u> <u>2020</u> £	<u>Total</u> <u>2019</u> £
Incoming resources					
<i>Incoming Resources from generated funds</i>					
<i>Voluntary income:</i>					
Donations, grants and similar incoming resources	2		94,098	94,098	111,943
Investment income	3	-	227,625	227,625	228,003
Events and fundraising income					
Total incoming resources		<u>-</u>	<u>321,723</u>	<u>321,723</u>	<u>339,946</u>
Resources expended					
<i>Cost of generating funds:</i>					
Property expenses	4		8,245	8,245	16,694
Events and fundraising costs	4		647	647	1,291
Investment management charges and custodian fees	4		(10,936)	(10,936)	(10,129)
			(2,044)	(2,044)	7,856
<i>Charitable activities:</i>					
Grants & other costs payable	5		189,119	189,119	182,909
Army Benevolent Fund			-	-	3,005
Donations to charities and others	5	5,000	37,822	42,822	24,675
80% One Day's Pay to The Fusiliers Fund	14		49,966	49,966	51,660
Funeral, Casualty and Remembrance expenses			8,365	8,365	32,545
Office costs and other costs	6		12,106	12,106	15,679
Total resources expended		<u>5,000</u>	<u>295,334</u>	<u>300,334</u>	<u>318,329</u>
Net (outgoing)/incoming resources before other recognised gains		<u>(5,000)</u>	<u>26,389</u>	<u>21,389</u>	<u>16,617</u>
Other recognised gains					
Unrealised gain/(loss) on quoted investments	8	-	416,233	416,233	982,322
Unrealised gain/(loss) on investment property	15	-	-	-	-
Net movement in funds for the year		<u>(5,000)</u>	<u>439,702</u>	<u>437,622</u>	<u>1,003,939</u>
Reconciliation of total funds					
Total funds brought forward		11,892	8,780,980	8,792,872	7,788,933
Fund balances carried forward		<u>6,892</u>	<u>9,223,494</u>	<u>9,230,494</u>	<u>8,792,872</u>

The Charity had no recognised gains and losses other than those included above. All the above results are derived from continuing activities.

The Royal Regiment of Fusiliers
Fusiliers' Aid Society

Balance Sheet as at 31 December 2020

	<u>Notes</u>	<u>2020</u> £	<u>2019</u> £
Fixed assets			
Tangible Assets	9	823	1,357
Investment Property	15	1,350,000	1,350,000
Quoted Investments	8	<u>7,670,833</u>	<u>7,359,053</u>
		<u>9,021,656</u>	<u>8,710,410</u>
Current assets			
Debtors	10	15,978	41,146
Cash at bank and in hand	11	<u>204,084</u>	<u>59,555</u>
		220,062	100,701
Creditors – Amounts falling due within one year	12	<u>(11,224)</u>	<u>(18,239)</u>
Net currents assets		<u>208,838</u>	<u>93,343</u>
Net Assets		<u>9,227,574</u>	<u>8,792,872</u>
Represented by:-			
Restricted funds	16	6,892	11,892
Unrestricted funds		<u>9,223,602</u>	<u>8,780,980</u>
		<u>9,230,494</u>	<u>8,792,872</u>

The financial statements were approved by the Board of Trustees on

and signed on its behalf by:

Major (Retd) R J Turpin

Trustee

29 Oct 2021

The Royal Regiment Of Fusiliers
Fusiliers' Aid Society

Notes to the Financial Statements
For the year ended 31 December 2020

1. Accounting policies

(a) Accounting basis

The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at fair value and in accordance with Financial Reporting Standard 102 ("FRS 102") – The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 as revised in 2019 ("the SORP") together with the Charities Act 2011.

Having reviewed the activities and performance of the charity and taking into account the impact of COVID-19 the trustees have reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly they have adopted the going concern basis in the preparation of these financial statements as outlined in the Statement of Trustees' Responsibilities.

(b) Unrestricted funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

(c) Restricted funds

Restricted funds are those to be used for specified purposes as laid down by the donor.

(d) Tangible fixed assets and depreciation

Tangible fixed assets for use by the Charity are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful life on the following basis:

Computer software & equipment	-	4 years straight line basis
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(e) Income

Voluntary income and donations are accounted for on a receivable basis by the charity. The value of services provided by volunteers has not been included. Legacies are accounted for on a receivable basis when there is adequate certainty of receipt and value.

(f) Gift Aid Income

Income receivable under gift aid is included in the financial statements after including recoverable taxation.

(g) Grant income

Grant income is recognised on a receivable basis when the granting organisation is committed to payment.

(h) Resources Expended

Expenditure is included on an accruals basis.

Costs of generating funds comprise those costs directly attributable to managing the investment portfolio and raising investment income as well as cost of sales of Christmas Cards.

Grants payable are charged in the period when the offer is conveyed to the recipient 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 period end are noted as a commitment, but not accrued as expenditure.

Office costs comprise costs for processing grants and applications, including support to actual and potential applicants.

Governance costs include those associated with meeting the constitutional and statutory requirements of the charity.

(i) Stock

Stock is valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

(j) Financial Instruments

Quoted Investments are financial instruments stated at market value. Realised and unrealised gains and losses are dealt with in the Statement of Financial Activities. Investment income plus associated tax recoverable is credited to income on an accruals basis.

The Royal Regiment of Fusiliers
Fusiliers' Aid Society

Notes to the Financial Statements
For the year ended 31 December 2020

	<u>2020</u>	<u>2019</u>
	£	£
2. Donations, grants and similar incoming resources		
Subscriptions	62,457	64,600
Donations	31,641	44,653
Grants		
Grants received from ABF The Soldiers' Charity	—	<u>2,690</u>
	<u>94,098</u>	<u>111,943</u>

Donation in Kind

There was no charge for administration and other services provided by the Assistant Regimental Secretary and his 2 assistants. The estimated value of this donation in kind during the year was £12,000 (2019 - £7,500).

	<u>2020</u>	<u>2019</u>
	£	£
3. Investment income		
Bank deposit interest	13	22
Interest on Fund Manager's deposits	386	647
Investment income from quoted investments	<u>227,226</u>	<u>227,334</u>
	<u>227,625</u>	<u>228,003</u>

The Royal Regiment of Fusiliers
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Notes to the Financial Statements
For the year ended 31 December 2020

	<u>2020</u> £	<u>2019</u> £
4. Cost of generating funds		
Property expenses	8,245	16,694
Fundraising event costs	647	1,291
Fund management charges	<u>(10,936)</u>	<u>(10,129)</u>
	<u>(2,044)</u>	<u>7,856</u>
Christmas Cards and other income and expenditure:		
Sales	<u>Nil</u>	<u>Nil</u>
Ms		
Net (loss)/profit on sales	<u>Nil</u>	<u>Nil</u>
5. Charitable Activities- Grants and other costs		
Grants payable to individuals & others	189,119	182,909
Donations to charities and others	42,822	24,675
All grants payable during the year were to members of the Regimental family to relieve hardship.		
6. Office costs		
	<u>2020</u> £	<u>2019</u>
Governance costs (Note 7)	1,500	1,500
Accountancy fees	1,650	1,650
Legal fees	966	-
Depreciation	1,046	3,503
Bank charges	76	150
Travelling	4,575	5,892
Entertaining	-	107
IT support	854	800
Insurance	2,625	2,077
Other	<u>(1,186)</u>	<u>3,150</u>
	<u>12,106</u>	<u>15,679</u>

The Royal Regiment of Fusiliers
Fusiliers' Aid Society

Notes to the Financial Statements
For the year ended 31 December 2020

7. Governance Costs

	<u>2020</u>	<u>2019</u>
	£	£
Audit fees	<u>1,500</u>	<u>1,500</u>

8. Fixed asset investments

	<u>2020</u>	<u>2019</u>
	£	£
Market value at beginning of year	7,265,014	6,282,692
Net cost of acquisition	6,000	-
Disposals in year	(160,000)	-
Realised gain	59,407	-
Unrealised gain	<u>356,825</u>	<u>982,322</u>
Market value at end of year of financial assets measured at fair value through the Income and Expenditure account	7,527,246	7,265,014
Cash held by fund manager	<u>143,587</u>	<u>94,039</u>
	<u>7,670,833</u>	<u>7,359,053</u>
Historic cost of investments	<u>4,239,756</u>	<u>4,284,802</u>
The investments held at 31 December 2020 were as follows:-		
Alpha CIF for Endowments Income - 6,309,510 units		
market value	<u>7,527,246</u>	<u>7,265,014</u>

9. Tangible fixed assets

	<u>Computer Software & Equipment</u>
Cost:	
At 1 January 2020	£14,013
Additions in year	<u>512</u>
At 31 December 2020	<u>£14,525</u>
Depreciation:	
At 1 January 2020	£12,656
Charge for year	<u>1,046</u>
At 31 December 2020	<u>£13,702</u>
Net Book Value:	
At 31 December 2020	<u>£ 823</u>
At 31 December 2019	<u>£1,357</u>

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10. Debtors

	<u>2020</u>	<u>2019</u>
	£	£
Taxation reclaimable on gift aid income	981	1,913
Other debtors	<u>14,997</u>	<u>39,233</u>
	<u>15,978</u>	<u>41,146</u>

11 Cash at bank and in hand

	<u>2020</u>	<u>2019</u>
	£	£
Bank deposit, current accounts and cash in hand	<u>204,084</u>	<u>59,555</u>

12. Creditors: amounts falling due within one year

	<u>2020</u>	<u>2019</u>
	£	£
Accruals	4,236	3,150
Other creditors	<u>6,988</u>	<u>15,089</u>
	<u>11,224</u>	<u>18,239</u>

13. Trustees' remuneration

No Trustees received remuneration or reimbursement of expenses during the year (2019 -Nil).

14. Related party transactions

During the year 80% of the One Day Pay donations receivable have been donated to the Fusiliers' Fund, a total of £ 49,966 (2019 -£51,660)

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15. **Investment Property**

The Charity purchased the long leasehold on 23 Jacana Court, The City Quay, St Katherine Docks, London E1 in June 2006. The total purchase cost amounted to £648,997.

In the opinion of the Trustees and on the basis of similar properties currently marketed in the area the estimated market value of the property at 31 December 2020 amounted to £1,350,000 (2019- £1,350,000).

16. Restricted Funds	<u>2020</u>	<u>2019</u>
	£	£
<u>RRF Memorial at The National Arboretum</u>		
Balance at beginning of year	6,892	6,892
Donations received during year	-	-
Payments during year	-	-
Balance at end of year	<u>6,892</u>	<u>6,892</u>

The £6,892 will be used as a maintenance fund for the RRF Memorial at The National Arboretum.

<u>The Worshipful Company of Cordwainers (Minibus)</u>		
Balance at beginning of the year	5,000	-
Donations received during year	-	5,000
Payments during year	<u>(5,000)</u>	-
Balance at end of year	<u>-</u>	<u>5,000</u>
 Total Restricted Funds	 <u>6,892</u>	 <u>11,892</u>