

# **THE ROYAL SIGNALS CHARITY**

## **Trustees' Report and Financial Statements**

**Year Ended 31 December 2022**

**Charity No : 284923**

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## THE ROYAL SIGNALS CHARITY

### REFERENCE AND ADMINISTRATIVE INFORMATION

**Registered name:** The Royal Signals Charity

**Charity registration number:** 284923

**Address of the principal office:** Regimental Headquarters Royal Signals  
Griffin House, Blandford Camp  
Blandford Forum, Dorset, DT11 8RH

#### Trustees

Corporate Trustee:  
The Royal Signals Trustee Limited (RSTL)

Acting as Directors of RSTL, as if Trustees:

Major General TG Inshaw CB  
Major General D McDowall CBE  
Brigadier EM Flint  
Brigadier TJP Watts OBE  
Colonel EA Mortimore  
Captain MC Fitton

appointed:

Colonel KJ Bruce-Smith TD	from 1 June 2022
Lieutenant Colonel P Wright	from 11 January 2023
Warrant Officer 2 D Roserie	from 11 January 2023

retired:

Major General J Stokoe CB CBE	to 11 January 2023
Brigadier RJ Carter	to 31 March 2022
Colonel MC Brookes ADC	to 22 March 2023
Lieutenant Colonel JM Picton QC	to 31 May 2022
Staff Sergeant JM Fatiaki	to 11 January 2023

#### Secretary

Colonel DA Craft

#### Independent Auditor

Crowe U.K. LLP  
St James House, St James Square  
Cheltenham, Gloucestershire, GL50 3PR

#### Bankers

Lloyds Bank plc, Cox and Kings Branch  
PO Box 1000, BX1 1LT

CCLA Investment Management Limited  
1 Angle Lane, London, EC4R 3AB

#### Solicitors

Wilsons Solicitors LLP  
Alexandra House, St Johns Street  
Salisbury, Wiltshire, SP1 2SB

#### Investment Advisers

Alvarium Investment Advisors (UK) Limited  
10 Old Burlington Street, London, W1S 3AG

#### Investment Managers

BlackRock Investment Management (UK) Limited  
12 Throgmorton Avenue, London, EC2N 2DL  
  
Troy Asset Management Limited  
33 Davies Street, London, W1K 4BP

## THE ROYAL SIGNALS CHARITY

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and the financial statements of the Charity for the year ended 31 December 2022. 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 Charity's Trust Deed, 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 Standards applicable in the UK and Republic of Ireland (FRS102).

#### Governance

The Royal Signals Charity (RSC) changed its name from The Royal Corps of Signals Benevolent Fund (RSBF) on 16 January 2020.

The Royal Signals Charity is a registered charity constituted under a Trust Deed; registration number 284923 dated 13 May 1982. The Charity Commission scheme was amended on 8 May 2012 and The Royal Signals Trustee Limited (RSTL), a non-charitable company limited by shares, became the Corporate Trustee of the Charity replacing all the previous Trustees of the Charity.

The Royal Signals Association (RSA) was a separate unregistered charity, whose objectives and activities were carried out by RSC (formerly RSBF). This arrangement was formalised during 2015 with the constitution of RSA being adopted on 14 March 2015 and RSA was registered with the Charity Commission with RSTL as its Corporate Trustee. The Charity Commission issued a Uniting Direction in November 2015 linking RSA to RSC (formerly RSBF).

The Directors of RSTL effectively act as if they were the Trustees of the Charity, and they are referred to as "The Trustees" in this report and the accompanying financial statements. They are appointed by the Master of Signals (Chairman of the Corps Council).

The Trustees are familiar with the work of the Charity through their service in the Royal Corps of Signals. Additionally an induction pack comprising the governing documents, statement of accounts and a copy of the Charity Commission's guidance "The Essential Trustee: What You Need to Know" and other such documents are given to new Trustees, and they are encouraged to attend relevant seminars.

The Trustees aim to follow charity sector best practice and have familiarised themselves with the updated version of the Charity Governance Code (the "Code"). They consider that the Charity's governance framework aligns with much of the Code. The Trustees have been briefed on the Confederation of British Services and Ex-Services Organisations (Cobseo) Aide Memoire approach and the charity participated in initial trials of their self-reporting tool. The board have agreed to adopt this approach, so that they fully comply.

#### Structure and Management

The Royal Signals Charity is the amalgamation of the Royal Signals Association Fund, the Royal Signals Officers Fund and the Royal Signals Corps Fund which were separate Charitable Trusts. Under the above mentioned Trust Deed they are managed as one organisation, with financial differentiation as restricted funds.

The Trustees are served by a number of committees that are governed by terms of reference and are charged with discrete objectives as follows:

- The RSA Central Committee considers branch and veteran matters.
- The Royal Signals Institution Council maintains strong, professional and social links between the Royal Corps of Signals, professional bodies and other relevant areas of defence, in order to foster the professional well being of the Corps and to contribute to the development of the delivery of Information and Communications Services within Defence and Security.
- The Royal Signals Games Club and The Royal Signals Yacht Club promote sporting and adventurous activities.
- There are also management and finance committees for the Headquarters Officers' Mess, Warrant Officers and Sergeants' Messes, Corps Music and Corps Heritage.

The Trustees agree the strategy for the Charity including grant making, investment, reserves, risk management and approval of budgets. Grant making within the approved budget is delegated to the chairs of the committees.

The Royal Signals Museum is an independent charity which is related as a result of complementary objectives and activities. The Trustees have agreed to support the Museum financially, see note 14 to the financial statements.

The Charity is a member of Cobseo and has close working relationships with other charities; the Army Benevolent Fund (ABF), the Soldiers, Sailors, Airmen and Families Association - Forces Help (SSAFA-FH) and The Royal British Legion (TRBL). SSAFA-FH and TRBL undertake welfare casework on behalf of the Charity.

## **THE ROYAL SIGNALS CHARITY**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Structure and Management (continued)**

The day to day management of the Charity is delegated to Colonel DA Craft (Corps Secretary) who can be contacted at Regimental Headquarters Royal Signals, Griffin House, Blandford Camp, Blandford Forum, Dorset, DT11 8RH. He is assisted by the Senior Management Team: Lieutenant Colonel S Lockwood (Assistant Corps Secretary), Colonel AE Percival (RSI Director) and Mr MJ Fisher (Corps Accountant). The first two are Ministry of Defence Civil Servants and the last two are employees of the Charity, whose remuneration is set by reference to equivalent Civil Service Grades and market rates of pay.

#### **Objectives and Activities**

The objectives of the Charity set out in the governing scheme are:

- To promote and maintain the physical efficiency and morale of The Royal Corps of Signals.
- To relieve either generally or individually by way of donation, grant, or loan, the following who are in conditions of need, hardship or distress;
  - past and present Signallers and their families and dependants; and
  - the families and dependants of deceased Signallers.
- The payment of donations, subscriptions or grants to charitable organisations concerned with the employment or welfare of Signallers and their dependants.

The aims of the Charity are:

- To fund the activities of the serving and retired members of Royal Signals, that attract no or only partial funding from the Ministry of Defence, in order to foster effectiveness, morale, teamwork, fitness, professional development, comradeship and esprit de corps.
- To provide grants for deserving welfare cases that are within the objects of the Charity.

The activities for the year result from demands within these aims to support the activities of the serving members of the Corps, to foster comradeship and to meet benevolence requirements.

#### **Grant Making Policy**

Applications for welfare grants are judged on their merits, with need being the most significant factor. There is no limit set on the amount spent on benevolence within any year. Grants up to £1,500 are considered electronically using Cobseo's Case Management System.

Grants in support of other activities that fall outside the delegated budgets are submitted by the relevant committee to the Corps Secretary or the Trustees for their consideration, depending on a range of factors which allow some delegation of authority. If the submission is particularly significant or would involve a major change in policy it could be referred to the Corps Council.

Budgets are set for all expenditure other than welfare, no specific targets are set beyond these budgets, they can be exceeded if suitable cases can be made.

#### **Achievements and Performance**

##### **Activities**

There is a continuing requirement to fund adventurous training expeditions, sport, social and recreational events and professional development, all of which contribute to the efficiency, effectiveness and morale of the Corps. It is equally important to advertise the availability of financial assistance for those who are eligible and grant making to deserving welfare cases.

The Royal Corps of Signals was formed in 1920 and many special events and activities were planned for 2020 to celebrate the Centenary. The restrictions resulting from the Coronavirus Covid-19 pandemic prevented most of these, some were postponed to 2021 and more were completed in 2022. No more "Centenary" events or activities will take place beyond 2022.

The costs of cancelled events and activities were initially written off in the financial statements for the year ended 31 December 2020, assuming that they could not be recovered or carried forward for future use. The sponsorship, grants and personal contributions attracted for these were carried forward to 2021 and again to 2022 on the basis that they could have to be repaid. A few of these events and activities took place in 2021 and in 2022, a few costs were reimbursed and a few grants were repaid. Assurances have been obtained that refunds will not now be needed, so the unused sponsorship grants have not been carried forward to 2023 and released to income in the 2022 financial year.

## THE ROYAL SIGNALS CHARITY

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

#### Activities (continued)

Adventure training, yacht club and sports activities have started to return to "pre-Covid-19" levels, including postponed Centenary trips overseas, resulting in combined costs of £382K compared to the combined cost of £229K in 2021 and £318K in 2020.

The Royal Signals Institution (RSI) continued to promote professional development of the Officers and Soldiers of the Royal Signals, serving and retired. A full programme of events (lectures, workshops, etc) took place, though the annual seminar and London lecture/dinner had to be postponed till 2023, due to a rail strike. The RSI continued to recognise the academic, professional, engineering and operational excellence of the Corps by presenting a significant number of awards in the year.

#### Benevolence

The total cost of benevolent welfare was £336K (2021:£285K & 2020:£339K) including overheads directly attributable to welfare. Within that figure £35K (2021 & 2020:£42K) was paid to other charities with similar objectives, for their support of signallers. The number of welfare grants (excluding Christmas grants) in 2022 was 353 (2021:299 & 2020:376). The earlier figures were relatively low, mainly due to the Covid-19 "lockdown" when caseworkers were making fewer visits in support of applications.

Major grants (grants of £801 up to the max of £1,500) from the Charity assisted with the provision of electric scooters, level access showers, grants to replace household items such as carpets or white goods, grants to carry out urgent repairs to houses, grants for priority debts such as rent and utilities, grants for mobility aids such as riser chairs, stair lifts, grants to assist with re-training and grants for removals and rental bonds.

The Trustees are most grateful to the honorary Welfare Officers in branches of the Royal Signals Association and the caseworkers of Soldiers, Sailors, Airmen and Families Association-Forces Help (SSAFA-FH) and the Royal British Legion (RBL) for the enormous contribution that they make towards the welfare of serving and retired Signallers and their dependants.

#### Material Investments - Policy and Performance

Alvarium Investment Advisors (UK) Limited (independent investment advisers) help develop the overall strategy of the portfolio and advise on individual transactions and circumstances. The investment policy continues to be to maximise return at medium risk over the long term.

64% of the invested portfolio remained within the Armed Forces Charities Growth & Income Fund managed by BlackRock Investment Management (UK) Limited, the remaining 36% was held in Trojan 'S' shares fund of Troy Asset Management Limited.

Total dividend income amounted to £270K (2021:£260K), £8K (2021:£6K) arose from accumulating units and so was automatically re-invested, and from the income units £262K (2021:£254) arose in cash. Total losses of £1,274K (2021:£1,131 gains) arose from the investments in the year.

## THE ROYAL SIGNALS CHARITY

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

#### Financial Review

Total income amounted to £1,457K (2021:£1,308K). Subscription income increased to £744K in 2022 from £735K in 2021. Donations amounted to £75K (2021:£80K) and Legacies were less than £1K (2021:£6K). Income from Charitable Activities included £123K where confirmation was received that unused Centenary income did not need to be returned to the donor.

The principal funding source continued to be the voluntary subscriptions of 110% of a day's pay a year from the members of the serving Corps. Officers subscribe a further 80% of a day's pay which is used specifically for officer's activities, and Warrant Officers and Senior Non-Commissioned Officers subscribe a further 30% of a day's pay which is used to fund improvements to Sergeants' Messes and their social activities. The Trustees are most grateful to the serving Corps for their continued support.

Total expenditure amounted to £1,618K (2021:£1,313K). The increase of £305K is largely due to the relaxation from the Covid-19 pandemic restrictions in 2020 and 2021.

The cost of Welfare grants increased by £51K from £285K in 2021 to £336K in 2022.

The total cost of Sporting activities, including Sailing, was £304K in 2022 (2021:£219K), of which £137K (2021:£86K) was funded by external Sponsorships and Grants, the unfunded amount was £166K (2021:£134K).

Adventure Training grants cost £78K (2021:£10K), of which £7K (2021:Nil) was funded by external grants.

Messes, Heritage and History combined with Other Assistance to the serving Corps amounted to £331K (2021:£248K). The increase of £83K included £47K additional support to Warrant Officers and Sergeants Messes from their Restricted Fund, an extra £15K grant to the Museum (2022:£125K, 2021:£110K), and £12K grants to units for the Queen's Platinum Jubilee celebrations in 2022.

The cost of Raising Funds in 2022 was £45K (2021:£11K), which included a provision against the stock of unsold 2020 Centenary memorabilia.

Before the revaluation of investments the deficit for the year was £161K (2021:£5K deficit). After the investment losses of £1,274K (2021:£1,131K gains) the total of the fund balances was £11,512K (2021:£12,947K).

At the end of the year the unrestricted Corps Funds amounted to £3,781K (2021:£4,300K) and the total of restricted funds was £7,732K (2021:£8,647K).

The Charity benefits from staff costs and building running costs paid for by the Ministry of Defence, as part of their contribution to esprit de corps. These cannot be meaningfully quantified or evaluated.

#### Fundraising

All fundraising activities for the charity are carried out by volunteers with assistance from charity staff. The charity does not use professional fundraisers or have any commercial participators.

The Royal Signals Charity treats its responsibility towards supporters in vulnerable circumstances with the utmost importance and our fundraisers are provided with guidance and support to help them respond appropriately to any individual they consider this might apply to.

No complaints relating to fundraising activities have been received by the charity during this financial period.

However, the charity has in place procedures that would be followed in the event of a complaint being received with the initial response being the responsibility of the Corps Secretary. Any continuing issues would then be passed to the Trustees to determine what further action might be required.

#### Public Benefit

The Trustees have paid due regard to the Charity Commissioner's guidance on public benefit in deciding what activities the Charity should support or undertake. The Charity provides public benefit by enhancing the morale and efficiency of serving service personnel to more effectively perform their role within the Royal Corps of Signals, supporting comradeship within the wider Corps family (regular, reserves and retired), and providing benevolence to individuals and their families where there is need.

Taking the Charity Commission's guidance into consideration, the Trustees are satisfied that the public benefit requirements have been met.

## THE ROYAL SIGNALS CHARITY

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

#### Risk Management

The Trustees have examined the operational and business risks and confirm that systems have been established to manage these risks. A risk management plan has been established and is reviewed regularly. There are measures in place to prevent fraud and theft, to ensure the physical security of data and buildings and to maintain business continuity. The management of risk on investments in relation to the market is carried out by RSTL and is explained in more detail later in this report.

The Trustees have identified strategic risks that could have a severe impact on both income and/or expenditure, as follows:

- amalgamation of the serving Corps with another so that most of the income is lost,
- further reduction in the size of the Corps under future Strategic Defence and Security Reviews,
- reduction in support of the Charity by removal of the personnel, premises and infrastructure provided by the Ministry of Defence,
- and, permanent reduction in investment values and income earning capacity.

These risks can be mitigated by maintaining sufficient Reserves to enable the Charity's activities to continue (see Reserves Policy below).

The Trustees do not believe that there is a significant risk to the Charity as a Going Concern.

#### Reserves Policy

At current levels of activity the Charity needs an investment return (income plus gains) of about £590K to meet its costs. At an average rate of return of about 5% this suggests the need for an investment portfolio of around £12M, at a rate of return of 4% the portfolio would need to be nearly £15M.

As mentioned above, the Trustees have identified strategic risks that can only be mitigated by holding reserves. They have calculated that an amount of over £2M in addition to that mentioned above would be needed to cover these risks enabling ongoing commitments to be fulfilled. This gives an investment target of between £14M and £17M. At 31 December 2022 the market value of the investment portfolio was £10.8M.

The Free Reserves (unrestricted and undesignated) amounted to £3,679K (2021:£4,198K), which would be sufficient to meet the short term results of the identified risks, see Note 13. The Designated Funds amounted to £102K (2021:£102K), and the Restricted Funds totalled £7,732K (2021:£8,647K), see Notes 12 and 13.

The Reserves Policy is therefore, to allow funds to continue to accumulate, when surplus investment return arises. In the event that any strategic risks arise before sufficient reserves have been accumulated, it has been accepted that the charity would reduce the support it gives to Morale and Efficiency (but not Welfare).

#### Plans for Future Periods

The Trustees plan to continue support for the activities outlined above in the coming years and look forward to being able to support future expenditure plans while continuing to monitor closely both the need for benevolence and the performance of investments.

The Trustees have conducted a strategic review into all aspects of the Charity, its activities and procedures. They are implementing many of the recommendations in pursuit of greater efficiency and improved exposure of the Charity and its potential grant giving. The Trustees will work closely with the head of the serving Corps to maintain or improve the level of voluntary subscription income from officers and soldiers.

## THE ROYAL SIGNALS CHARITY

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

#### Statement of Trustees' Responsibilities


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

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 Charity and of the incoming resources and application of resources of the Charity for that period. 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;
- 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 adequate accounting records that are sufficient to show and explain the Charity's transactions, 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, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. 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 Trustees and signed on their behalf by:



Major General TG Inshaw CB  
Chairman of The Royal Signals Trustee Limited

Date: **30 March 2023**



## Opinion

We have audited the financial statements of The Royal Signals Charity ('the Charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and 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 Financial Reporting Standard 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 2022 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

## Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## Matters on which we are required to report by exception

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

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

## Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 7, 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

## THE ROYAL SIGNALS CHARITY

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

#### 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 Acts 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011, together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charity for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

#### 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 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.



Crowe U.K. LLP, Statutory Auditor  
St James House, St James Square, Cheltenham, GL50 3PR



2023

Crowe U.K. LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**THE ROYAL SIGNALS CHARITY**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022**


	Note	2022			2021		
		Unrestricted	Restricted	Total Funds	Unrestricted	Restricted	Total Funds
		£	£	£	£	£	£
<b>INCOME FROM</b>							
Donations and legacies	2	351,045	468,560	819,605	348,683	472,393	821,076
Other trading activities		547	-	547	20,561	-	20,561
Investments	3	91,838	178,047	269,885	89,515	170,550	260,065
Charitable activities	4	135,340	231,218	366,558	17,762	188,337	206,099
<b>TOTAL INCOME</b>		<b>578,770</b>	<b>877,825</b>	<b>1,456,595</b>	<b>476,521</b>	<b>831,280</b>	<b>1,307,801</b>
<b>EXPENDITURE ON</b>							
Raising funds		40,536	4,498	45,034	8,965	1,896	10,861
Charitable activities	5	624,342	948,381	1,572,723	522,614	779,624	1,302,238
<b>TOTAL EXPENDITURE</b>		<b>664,878</b>	<b>952,879</b>	<b>1,617,757</b>	<b>531,579</b>	<b>781,520</b>	<b>1,313,099</b>
Operating surplus / (deficit)		(86,108)	(75,054)	(161,162)	(55,058)	49,760	(5,298)
Net gains / (losses) on investment assets	8	(433,392)	(840,271)	(1,273,663)	389,237	741,620	1,130,857
Transfer between funds		-	-	-	-	-	-
<b>NET INCOME / (EXPENDITURE) AND NET MOVEMENT IN FUNDS</b>		<b>(519,500)</b>	<b>(915,325)</b>	<b>(1,434,825)</b>	<b>334,179</b>	<b>791,380</b>	<b>1,125,559</b>
Fund balances at 1 January		4,300,325	8,646,841	12,947,166	3,966,146	7,855,461	11,821,607
<b>FUND BALANCES AT 31 DECEMBER</b>		<b>3,780,825</b>	<b>7,731,516</b>	<b>11,512,341</b>	<b>4,300,325</b>	<b>8,646,841</b>	<b>12,947,166</b>
		Note 13	Note 12				

All activities in the year are continuing.  
The Charity had no recognised gains or losses other than those included in the Statement of Financial Activities.  
The notes on pages 13 to 21 form part of these financial statements.

**THE ROYAL SIGNALS CHARITY**  
**BALANCE SHEET AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible Fixed Assets	7	726,308	714,079
Listed Investments	8	10,769,615	12,035,519
		<u>11,495,923</u>	<u>12,749,598</u>
<b>CURRENT ASSETS</b>			
Stock of Goods for Resale		-	37,309
Debtors	9	153,421	107,119
Cash at Bank and in Hand		313,526	604,976
		<u>466,947</u>	<u>749,404</u>
<b>CREDITORS: amounts falling due within one year</b>	10	(355,733)	(470,389)
<b>NET CURRENT ASSETS</b>		<u>111,214</u>	<u>279,015</u>
Provision for Liabilities and Charges	11	(94,796)	(81,447)
<b>NET ASSETS</b>		<u><u>11,512,341</u></u>	<u><u>12,947,166</u></u>
<b>FUNDS</b>			
<b>Unrestricted:</b>			
Designated Funds		102,226	102,226
General Funds		3,678,599	4,198,099
	13	<u>3,780,825</u>	<u>4,300,325</u>
<b>Restricted Funds</b>	12	7,731,516	8,646,841
		<u><u>11,512,341</u></u>	<u><u>12,947,166</u></u>

The financial statements were approved and authorised for issue by the Board of Trustees on **30 March 2023** and signed on its behalf by:

  
.....  
**Major General TG Inshaw CB**  
Chairman of The Royal Signals Trustee Limited

and

  
.....  
**Colonel DA Craft**  
Secretary of The Royal Signals Trustee Limited

The notes on pages 13 to 21 form part of these financial statements.

**THE ROYAL SIGNALS CHARITY**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022**

	<u>2022</u>	<u>2021</u>
	£	£
<b>Operating activities</b>		
Net income / (deficit) for the reporting period	(1,434,825)	1,125,559
Adjustments for:		
Depreciation charges	5,771	8,892
(Gain) / Loss on disposal of fixed assets	-	(2,555)
Dividends and interest from investments	(269,885)	(260,065)
(Gains) / Losses on investments	1,273,663	(1,130,857)
Decrease in stock of goods for resale	37,309	36,727
Decrease / (Increase) in debtors	(46,302)	158,160
Increase / (Decrease) in creditors and provisions	(101,307)	2,334
<b>Net cash used in operating activities</b>	<u>(535,576)</u>	<u>(61,805)</u>
<b>Cash flows from investing activities</b>		
Interest and dividends	269,885	260,065
Accumulating dividends	(7,759)	(6,127)
Cash from investment income	<u>262,126</u>	<u>253,938</u>
Purchase of fixed assets	(18,000)	(6,448)
Proceeds of disposal of fixed assets	-	2,555
Proceeds from sale of investments	-	-
<b>Net cash provided by investing activities</b>	<u>244,126</u>	<u>250,045</u>
<b>Change in cash and cash equivalents in the year</b>	(291,450)	188,240
Cash and cash equivalents brought forward	604,976	416,736
<b>Cash and cash equivalents carried forward</b>	<u><u>313,526</u></u>	<u><u>604,976</u></u>

The notes on pages 13 to 21 form part of these financial statements.

**THE ROYAL SIGNALS CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. ACCOUNTING POLICIES**

**a. Basis of Preparation**

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and Charities Act 2011. They have been prepared under the historical cost convention with the exception of investments which are included at market value. The Royal Signals Charity meets the definition of a public benefit entity under FRS 102.

The Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements (see Risk Management in the Trustees' Report, page 6).

**b. Tangible Fixed Assets and Depreciation**

Headquarters Officers Mess assets were revalued at 1 January 2015; this was deemed to be historic cost on transition and therefore assumed not revalued going forward. All other assets costing more than £500 are capitalised at cost. As explained in note 7, historic assets owned prior to 1 January 1994 have not been capitalised.

Depreciation is applied on a straight line basis calculated to write off each asset over its estimated useful life and potential impairments are kept under review. The annual rates of depreciation are as follows:

Headquarters Officers Mess	1%
Bands	15%
Regimental Headquarters fixtures and fittings	33%
Yacht Club - small boats and dinghies	15%

Depreciation is not charged in the year of acquisition. Depreciation is not charged on historic assets as the residual value is considered to be higher than the carrying value. Assets are continuously reviewed for potential impairment.

**c. Investments, Investment Income and Gains**

Investments are held in the BlackRock, Armed Forces Charities Growth & Income Fund and Troy Asset Management, Trojan 'S' shares. They are valued at the bid price prevailing at the Balance Sheet date. Investment historic cost is the average cost per unit purchased or the market value when donated or transferred.

Dividends, other investment income and income from cash deposits are accounted for when the Charity is entitled to them. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

**d. Taxation**

The entity is a registered Charity and, as such, claims tax exemptions from all its United Kingdom income and gains, properly applied for its charitable purposes. Income tax recoverable represents tax which is recoverable in respect of tax credits from dividends receivable during the year and from gift aid subscriptions on which tax has been paid by the subscriber during the year.

**e. Funds**

Restricted funds are amounts which have been earmarked by the donors for specific purposes. Unrestricted funds are expendable at the discretion of the Trustees. Designated funds are unrestricted funds set aside by the Trustees for specific purposes, but they remain at their discretion (see notes 12 and 13).

**f. Income**

Income from donations, fundraising and events are accounted for on a receipts basis unless the income will be received and its value can be measured with sufficient reliability. Those funds provided for a specific purpose are taken to a restricted fund.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution.

Subscriptions represent voluntary contributions received monthly from serving members and annually from retired officers of the Corps and are accounted for when they are receivable.

**g. Grants Payable and Direct Charitable Expenditure**

Grants paid and direct expenditure are accounted for when paid or when the liability is established with the third party. They are allocated to the particular activity where the cost relates directly to that activity and in accordance with the objectives of the Charity.

**THE ROYAL SIGNALS CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. ACCOUNTING POLICIES (Continued)**

**h. Support and Shared Costs**

Support and Shared Costs comprise expenditure incurred directly in support of charitable objectives and are attributable to the Charity's activities. Governance costs represent professional and statutory fees and other costs incurred in running the Charity. They are allocated to activities in proportion to their utilisation.

**i. Stock of Goods for Resale**

Stock of goods for resale are valued at the lower of cost and net realisable value.

**i. Debtors**

Legacies receivable, subscriptions, loans and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

**j. Creditors**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Provisions are not discounted to net present value as the difference would be immaterial to the financial statements.

**k. Financial Instruments**

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

**l. Critical accounting judgements and key sources of estimation uncertainty**

Preparation of the financial statements requires management to consider making any significant judgements and estimates where necessary. Apart from depreciation, there are no items in the financial statements where significant judgements and estimations have been made.

**2. INCOME FROM DONATIONS AND LEGACIES**

	2022 £	2021 £
<b>Unrestricted Funds</b>		
Donations	37,359	39,831
Subscriptions - One Day's Pay	313,419	308,177
Legacies	267	675
	<u>351,045</u>	<u>348,683</u>
<b>Restricted Funds</b>		
Donations	37,357	39,830
Subscriptions - One Day's Pay	425,793	418,805
Subscriptions - Retired Officers	5,143	8,083
Legacies	267	5,675
	<u>468,560</u>	<u>472,393</u>
<b>Total Funds</b>		
Donations	74,716	79,661
Subscriptions - One Day's Pay	739,212	726,982
Subscriptions - Retired Officers	5,143	8,083
Legacies	534	6,350
	<u>819,605</u>	<u>821,076</u>

Subscriptions from serving members of the Corps are collected under the "One Day's Pay" Payroll Giving Scheme. These are donated entirely voluntarily by the serving members of the Corps. Under Queen's Regulations (QR 5.613) the first 50% must be applied to Welfare purposes.

Soldiers' subscriptions are 110%. Warrant Officers and Senior Non-Commissioned Officers (SNCOs) subscribe at 140% of a days basic pay per annum of which 30% is used specifically for Sergeants' Messes. Officers' subscriptions are 190% of a days basic pay per annum of which 80% is used specifically in support of Officers' activities.

Retired Officers' subscriptions are voluntary and currently at a minimum of £10 a year.

Legacies are accrued for if they were notified as being receivable before the end of the year, either at the value actually received or estimated from the details of the estate provided by the executors.

**THE ROYAL SIGNALS CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**3. INCOME FROM INVESTMENTS**

	2022	2021
	£	£
Unrestricted Funds		
Gross Dividends	91,761	89,493
Interest on Deposit Accounts	77	22
	<u>91,838</u>	<u>89,515</u>
Restricted Funds		
Gross Dividends	177,908	170,511
Interest on Deposit Accounts	139	39
	<u>178,047</u>	<u>170,550</u>
Total Funds		
Gross Dividends	269,669	260,004
Interest on Deposit Accounts	216	61
	<u>269,885</u>	<u>260,065</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	2022	2021
	£	£
Unrestricted Funds		
Grants from Other Organisations	123,360	-
RSI Events and Advertisements	11,980	15,207
RSYC Charter Income	-	-
RSYC Profit on Disposals	-	2,555
	<u>135,340</u>	<u>17,762</u>
Restricted		
Grants from Other Organisations	146,100	87,893
Disposal of Redundant Corps Silverware	240	343
RSI Events and Advertisements	76,029	94,097
Wire Magazine subscriptions	8,849	6,004
	<u>231,218</u>	<u>188,337</u>
Total Funds	<u>366,558</u>	<u>206,099</u>

**5. EXPENDITURE ON CHARITABLE ACTIVITIES**

	2022	2021
	£	£
Unrestricted Funds		
Grants Payable and Expenditure		
Sporting	147,239	107,768
Sailing	19,045	26,409
Adventure Training	70,975	9,711
Messes, Heritage and History	125,000	110,024
Other Assistance to the serving Corps	64,557	58,648
Bands	8,141	11,365
Events and Activities		
Corps Property maintenance and control	15,355	14,348
RSI events, awards and publishing	40,892	50,517
Wire Magazine	49,822	50,175
Reunions and other costs	-	-
Support and Shared costs		
Corps Activities	66,088	66,228
Governance	17,228	17,421
	<u>624,342</u>	<u>522,614</u>



**THE ROYAL SIGNALS CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**5. EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

	2022 £	2021 £
<b>Restricted Funds</b>		
Grants Payable and Expenditure		
Welfare	336,021	285,068
Sporting	134,650	78,000
Sailing	2,850	7,393
Adventure Training	7,000	-
Messes, Heritage and History	110,151	62,085
Other Assistance to the serving Corps	31,404	16,897
Events and Activities		
Corps Property maintenance and control	24,471	20,592
RSI events, awards and publishing	62,240	130,208
Officers' Dinner & Social	15,213	5,168
Wire Magazine	8,849	6,004
Reunions and other costs	93,755	46,879
Support and Shared costs		
Welfare	23,984	23,800
Veterans	31,978	31,733
Officer Activities	39,973	39,667
Governance	25,842	26,130
	<u>948,381</u>	<u>779,624</u>
<b>Total Funds</b>		
Grants Payable and Expenditure		
Welfare	336,021	285,068
Sporting	281,889	185,768
Sailing	21,895	33,802
Adventure Training	77,975	9,711
Messes, Heritage and History	235,151	172,109
Other Assistance to the serving Corps	95,961	75,545
Bands and Display Team	8,141	11,365
Events and Activities		
Corps Property maintenance and control	39,826	34,940
RSI events, awards and publishing	103,132	180,725
Officers' Dinner & Social	15,213	5,168
Wire Magazine	58,671	56,179
Reunions and other costs	93,755	46,879
Support and Shared costs		
Welfare	23,984	23,800
Veterans	31,978	31,733
Corps and Officer Activities	106,061	105,895
Governance	43,070	43,551
	<u>1,572,723</u>	<u>1,302,238</u>

All welfare grants are to third party organisations and made for the benefit of both serving and retired members of the Corps (Regulars and Reserves) and their families.

The Royal Signals Institution (RSI) fosters professional development amongst the serving Corps, the retired Corps and their close colleagues in Defence and Industry.

Welfare Grants includes payments to other charities for the furtherance of the Charity's objectives:

	2022 £	2021 £
Army Benevolent Fund	35,000	35,000
various nursing homes with ex Royal Signals residents	-	7,250
	<u>35,000</u>	<u>42,250</u>

THE ROYAL SIGNALS CHARITY  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. EXPENDITURE DISCLOSURES

	2022 £	2021 £
<b>Shared Support Costs</b>		
Unrestricted Funds		
Accounts & Management Salaries Shared	52,968	49,970
IT Support and Equipment Costs	5,733	8,869
Postage	630	625
Bank Charges	1,066	468
Depreciation	361	361
<b>Total Shared Support Costs</b>	<b>60,758</b>	<b>60,293</b>
Direct Corps Administration	2,132	2,761
	<b>62,890</b>	<b>63,054</b>
Restricted Funds		
Accounts & Management Salaries Shared	86,421	81,529
IT Support and Equipment Costs	9,353	14,470
Postage	1,029	1,021
Bank Charges	1,740	764
Depreciation	590	590
	<b>99,133</b>	<b>98,374</b>
<b>Total Funds</b>		
Accounts & Management Salaries Shared	139,389	131,499
IT Support and Equipment Costs	15,086	23,339
Postage	1,659	1,646
Bank Charges	2,806	1,232
Depreciation	951	951
<b>Total Shared Support Costs</b>	<b>159,891</b>	<b>158,667</b>
Direct Corps Administration	2,132	2,761
	<b>162,023</b>	<b>161,428</b>
Attributed to:		
Unrestricted Funds		
Corps Fund	62,890	63,054
Restricted Funds		
Officers Fund	47,967	47,600
Welfare	9,593	9,520
Veterans	41,573	41,254
	<b>162,023</b>	<b>161,428</b>
<b>Total Expenditure</b> included the following costs		
Unrestricted Funds		
<b>Staff Costs</b> Wages and Salaries	84,600	82,212
Social Security Costs	9,585	7,384
Pension Scheme Costs	2,836	2,738
	<b>97,021</b>	<b>92,333</b>
<b>Depreciation Charges for the Year</b>	<b>1,600</b>	<b>4,721</b>
Restricted Funds		
<b>Staff Costs</b> Wages and Salaries	208,013	193,618
Social Security Costs	17,363	15,014
Pension Scheme Costs	6,189	5,076
	<b>231,565</b>	<b>213,708</b>
<b>Depreciation Charges for the Year</b>	<b>4,171</b>	<b>4,171</b>
<b>Total Funds</b>		
<b>Staff Costs</b> Wages and Salaries	292,613	275,829
Social Security Costs	26,948	22,398
Pension Scheme Costs	9,025	7,814
	<b>328,586</b>	<b>306,041</b>
<b>Depreciation Charges for the Year</b>	<b>5,771</b>	<b>8,892</b>

**THE ROYAL SIGNALS CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**6. EXPENDITURE DISCLOSURES (continued)**

One employee earned £60,000 or more (2021: one employee).

The average number of employees in the year was 5 full time (2021: 4) and 3 part time = 2 full-time equivalents (2021: 4 = 2.5 full-time equivalents).

The Charity benefits from staff costs, administration and building running costs paid for by the Ministry of Defence, contributing to esprit de corps. It is not practical to quantify such costs with any certainty.

	2022 £	2021 £
<b>Governance Costs</b> included the following		
Unrestricted Funds		
Audit	7,111	6,408
Legal Fees	-	911
Investment Advice	7,822	8,418
Trustee Expenses	1,149	590
Trustee Meetings	520	190
Trustee Liability Insurance	626	904
	<u>17,228</u>	<u>17,421</u>
Restricted Funds		
Audit	10,667	9,612
Legal Fees	-	1,366
Investment Advice	11,733	12,626
Trustee Expenses	1,724	884
Trustee Meetings	780	286
Trustee Liability Insurance	938	1,356
	<u>25,842</u>	<u>26,130</u>
Total Funds		
Audit	17,778	16,020
Legal Fees	-	2,277
Investment Advice	19,555	21,044
Trustee Expenses	2,873	1,474
Trustee Meetings	1,300	476
Trustee Liability Insurance	1,564	2,260
	<u>43,070</u>	<u>43,551</u>

3 Trustees (2021: 2) received the above reimbursements of expenses (travel, subsistence and accommodation) none of which were paid to third parties.

**Key Personnel**

No Trustee (2021: None) received any remuneration or benefit from the Fund or any Related Parties.

The Regimental Secretary and the Assistant Regimental Secretary are employees of the Ministry of Defence.

Honorariums were paid at a total cost to the Charity of £20,281 (2021: £20,281).

The Corps Accountant and RSI Director are employees of the Charity at a total cost of £130,002 (2021: £126,862).

<b>7. TANGIBLE FIXED ASSETS</b>	HQ Officers Mess £	Historic Assets £	Regimental HQ £	Yacht Club £	Bands £	Total £
<b>2022</b>						
Cost / Deemed cost						
At 1 January 2022	360,000	370,111	7,718	35,267	15,347	788,443
Additions	-	11,000	-	-	7,000	18,000
Cost of Disposals	-	-	-	-	-	-
At 31 December 2022	<u>360,000</u>	<u>381,111</u>	<u>7,718</u>	<u>35,267</u>	<u>22,347</u>	<u>806,443</u>
Accumulated Depreciation						
At 1 January 2022	24,316	-	5,815	35,267	8,966	74,364
Charge for Year	3,600	-	951	-	1,220	5,771
Eliminated on Disposals	-	-	-	-	-	-
At 31 December 2022	<u>27,916</u>	<u>-</u>	<u>6,766</u>	<u>35,267</u>	<u>10,186</u>	<u>80,135</u>
Net Book Values						
At 31 December 2022	332,084	381,111	952	-	12,161	726,308
At 31 December 2021	<u>335,684</u>	<u>370,111</u>	<u>1,903</u>	<u>-</u>	<u>6,381</u>	<u>714,079</u>

**THE ROYAL SIGNALS CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**7. TANGIBLE FIXED ASSETS (continued)**

	HQ Officers Mess £	Historic Assets £	Regimental HQ £	Yacht Club £	Bands £	Total £
<b>2021</b>						
Cost / Deemed cost						
At 1 January 2021	360,000	368,875	7,718	69,658	10,135	816,386
Additions	-	1,236	-	-	5,212	6,448
Cost of Disposals	-	-	-	(34,391)	-	(34,391)
At 31 December 2021	<u>360,000</u>	<u>370,111</u>	<u>7,718</u>	<u>35,267</u>	<u>15,347</u>	<u>788,443</u>
Accumulated Depreciation						
At 1 January 2021	20,716	-	4,864	66,470	7,813	99,863
Charge for Year	3,600	-	951	3,188	1,153	8,892
Eliminated on Disposals	-	-	-	(34,391)	-	(34,391)
At 31 December 2021	<u>24,316</u>	<u>-</u>	<u>5,815</u>	<u>35,267</u>	<u>8,966</u>	<u>74,364</u>
Net Book Values						
At 31 December 2021	<u>335,684</u>	<u>370,111</u>	<u>1,903</u>	<u>-</u>	<u>6,381</u>	<u>714,079</u>

The assets above relate directly to charitable purposes.

The assets are kept continuously under review for potential impairment.

**Headquarters Officers Mess**

A professional valuation in 2014 of the furniture in the Headquarters Officers Mess totalled £360,000, all of which are assets for which the risks and rewards belong to the Charity. This was deemed to be historic cost on transition and therefore assumed not revalued going forward.

**Historic Assets**

Reliable cost information is not available for historic assets acquired prior to 1 January 1994 which have not been capitalised. Recent valuations of silverware and paintings in the Headquarters Officers Mess totalled over £1.25 million and other locations were assessed in the year.

Since 1 January 1994 historic assets have been acquired for the Blandford Garrison Church £22,365, the National Arboretum Memorial £22,185 and Silver and Artworks £336,561 (2021: £325,561). Depreciation is not charged on historic assets as their residual value is considered to be higher than their carrying value.

**8. INVESTMENTS - LISTED**

	2022 £	2021 £
Market Value at 1 January	12,035,519	10,898,535
Additions	7,759	6,127
Disposal Proceeds	-	-
(Losses) / Gains in year	(1,273,663)	1,130,857
Market Value at 31 December	<u>10,769,615</u>	<u>12,035,519</u>
Historic Cost	<u>9,417,356</u>	<u>9,409,597</u>
Held in:-		
BlackRock, Armed Forces Charities Growth & Income Fund	6,932,890	8,056,585
Troy Asset Management, Trojan 'S' shares		
Accumulation Units	3,836,725	3,978,934
	<u>10,769,615</u>	<u>12,035,519</u>

**9. DEBTORS**

	2022 £	2021 £
Subscriptions	61,588	60,016
Loans	1,002	1,080
Other Debtors	10,534	10,009
Prepayments	80,297	36,014
	<u>153,421</u>	<u>107,119</u>

Debtors do not include any amounts due in more than one year, apart from Loans.

**THE ROYAL SIGNALS CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. CREDITORS: amounts falling due within one year**

	2022 £	2021 £
Balance with Related Entities	105,335	151,731
Social Security and Other Taxes	8,737	7,884
Balances held as Agent (see note 15)	60,619	24,493
Other Creditors	43,457	31,805
Accruals	22,478	32,420
Deferred Income and Provisions		
Brought forward from prior year	222,056	240,180
Used or repaid in year	(218,452)	(90,445)
Arising in the year	111,503	72,321
Carried forward	115,107	222,056
	<u>355,733</u>	<u>470,389</u>

Deferred Income arises when receipts relate to activities planned for the future.

**11. PROVISIONS FOR LIABILITIES AND CHARGES**

	2022 £	2021 £
Employees' Retirement Provision	94,796	81,447

Provision for the amounts due to employees upon their retirement in accordance with their employment contract.

**12. RESTRICTED FUNDS**

	1 January £	Income £	Expenditure £	Investment Gains £	31 December £
<b>2022</b>					
Welfare & Veterans Fund	5,722,537	421,372	(489,631)	(605,497)	5,048,781
Officers' Activities Fund	2,262,793	238,499	(178,675)	(164,770)	2,157,847
Sergeants' Messes Fund	173,601	53,673	(90,282)	(18,370)	118,622
Disbanded Units - PRI Fund	371,948	8,485	(40,943)	(40,073)	299,417
Disbanded Units - Officers Messes Fund	85,090	1,801	-	(8,508)	78,383
Disbanded Units - Sergeants Messes Fund	30,871	646	-	(3,053)	28,464
Other Corps Activity Income received and expended in year for specific purposes	-	153,349	(153,349)	-	-
	<u>8,646,840</u>	<u>877,825</u>	<u>(952,880)</u>	<u>(840,271)</u>	<u>7,731,514</u>
<b>2021</b>					
Welfare & Veterans Fund	5,163,511	420,870	(397,621)	535,778	5,722,537
Officers' Activities Fund	2,090,729	254,015	(225,410)	143,459	2,262,793
Sergeants' Messes Fund	147,298	54,170	(43,149)	15,282	173,601
Disbanded Units - PRI Fund	350,931	8,404	(23,943)	36,556	371,948
Disbanded Units - Officers Messes Fund	75,546	1,784	-	7,760	85,090
Disbanded Units - Sergeants Messes Fund	27,446	640	-	2,785	30,871
Other Corps Activity Income received and expended in year for specific purposes	-	91,397	(91,397)	-	-
	<u>7,855,461</u>	<u>831,280</u>	<u>(781,520)</u>	<u>741,620</u>	<u>8,646,840</u>

Restricted Funds arise from income received for specified purposes and are held separately until expended.

**Welfare & Veterans Fund** - This Restricted Fund serves members of the Corps, fostering comradeship and providing welfare support to those in need. It receives donations, legacies, and other voluntary income that have been canvassed for welfare purposes. It receives grants from the Army Benevolent Fund to augment, on a case-by-case basis, the welfare grants made. Welfare grants and costs are initially funded by "One Day's Pay" Subscriptions as described in Note 2.

**Officers' Activities Fund** - This Fund receives part of Subscriptions, described in note 2, for Officers' purposes, such as dinners, Officers' Messes and other costs specifically for the benefit of Officers.

**Sergeants' Messes Fund** - This Fund receives part of Subscriptions, described in note 2, for Sergeants' Messes' improvements and other costs specifically for the benefit of Warrant Officers and SNCOs.

**Disbanded Units Funds** - These Funds arise from disbanded units and are held to assist with the formation of new units and for morale and efficiency purposes similar to the main objects of the Charity. They may not however be used for welfare.

**THE ROYAL SIGNALS CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. UNRESTRICTED FUNDS**

	1 January £	Transfers £	Transactions £	31 December £
<b>2022</b>				
Designated Funds				
Yacht Club, vessel replacements and expeditions	101,597	-	-	101,597
Corps - Yacht Club Offshore Account	629	-	-	629
Total Designated Funds	102,226	-	-	102,226
Corps - General Fund	4,198,099	-	(519,500)	3,678,599
	<u>4,300,325</u>	<u>-</u>	<u>(519,500)</u>	<u>3,780,825</u>
<b>2021</b>				
Designated Funds				
Yacht Club, vessel replacements and expeditions	101,597	-	-	101,597
Corps - Yacht Club Offshore Account	7,415	(6,786)	-	629
Total Designated Funds	109,012	(6,786)	-	102,226
Corps - General Fund	3,857,134	6,786	334,179	4,198,099
	<u>3,966,146</u>	<u>-</u>	<u>334,179</u>	<u>4,300,325</u>

Designated Funds are Unrestricted Funds that have been set aside at the discretion of the Trustees. The Yacht Club Expedition Fund is an unexpended grant that has been allowed to be carried forward and the Yacht Club Offshore Account accumulated charter fees for the use of the yachts, and is used for offshore races and events.

The transactions of the "Corps - General Fund" are as shown on page 10, Statement of Financial Activities, Unrestricted Funds.

**14. RELATED PARTY TRANSACTIONS**

The Charity is related to The Royal Signals Museum (an incorporated charity) and its subsidiary The Royal Signals Museum Trading Company Limited due to their related objectives and activities.

In the year grants were made to The Royal Signals Museum of £125,000 (2021: £110,000).

At the end of the year the debts with The Royal Signals Museum and its subsidiary company amounted to £105,335 payable (2021: £151,731 payable).

**15. AGENCY TRANSACTIONS**

The Charity acts as agent for activities related to its Morale and Efficiency Objectives; the larger funds being:-

The **Royal Signals Officers Domestic Fund** purchases wines, etc for the HQ Officers' Mess and maintains the wine cellar, its income arises from the consumption of wines at special events. It also operates a second hand uniform sales and rental facility. At 31 December 2022 the balance held amounted to £31,308 (2021: £17,834).

The **Royal Signals Rugby Club** sells tickets for national rugby matches (Army v Navy and Army v RAF) and applies the profits to boost the finances of the Corps' rugby season. At 31 December 2022 the balance held amounted to £67,195 (2021: £57,925), of which £41,683 was held in a specific bank account..

**16. ALLOCATION OF NET ASSETS**

	Unrestricted £	Restricted £	Total £
<b>2022</b>			
Tangible Fixed Assets	67,662	658,646	726,308
Investments	3,696,745	7,072,870	10,769,615
Current Assets less Current Liabilities and Provisions	16,418	-	16,418
	<u>3,780,825</u>	<u>7,731,516</u>	<u>11,512,341</u>
<b>2021</b>			
Tangible Fixed Assets	51,833	662,246	714,079
Investments	4,050,924	7,984,595	12,035,519
Current Assets less Current Liabilities and Provisions	197,568	-	197,568
	<u>4,300,325</u>	<u>8,646,841</u>	<u>12,947,166</u>