

Charity Registrtion number 1024036

**THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Managing Trustees (Ex Officio)

Major General Simon Hutchings OBE (Appointed 1 January 2022)

(The Master General of Logistics)

Brigadier Michael Edward George Caldicott CBE (Resigned 28 October 2022)

(Commandant Defence College of Logistics, Policing and Administration)

Brigadier Lee Daley (Appointed 28 October 2022)

(Commandant Defence College of Logistics, Policing and Administration)

Colonel Jonathan Christopher West ADC (Resigned 27 January 2022)

(Colonel The Royal Logistic Corps)

Colonel Pat A Allen ADC (Appointed 27 January 2022)

(Colonel The Royal Logistic Corps)

Colonel Michael James Charles Dempsey

(Assistant Director Operations Combat Service Support Army Headquarters)

Colonel Gillian Wilkinson QVRM VR (Resigned 25 May 2022)

(The Royal Logistic Corps Reserves Colonel)

Colonel Philip Stone (Appointed 25 May 2022)

(The Royal Logistic Corps Reserves Colonel)

Warrant Officer Class One (Corps Sergeant Major) Christopher Sutherland

(The Royal Logistic Corps Sergeant Major)

Warrant Officer Class One (Regimental Sergeant Major) T Rennie

(Regimental Sergeant Major 25 Regiment RLC)

Managing Trustees (Co-opted)

Brigadier Christopher John Murray CBE

(Chairman of The Royal Logistic Corps Benevolent Committee)

Brigadier Richard Edward Parkinson

(Chairman of The Royal Logistic Corps and Forming Corps Association Committee)

Major General John Seumas Kerr CBE

(Chairman of The Royal Logistic Corps Museum Trust CIO & Heritage Committee)

Brigadier Anna Clare Luedicke OBE (Appointed 5 April 2022)

(Chairman of The Royal Logistic Corps Finance Committee)

Major General Angus Stuart James Fay (Appointed 12 March 2022)

(Chairman of The Royal Logistic Corps Foundation)

Brigadier Paul Anthony Dennis Evans OBE

(President of the Royal Army Service Corps & Royal Corps of Transport Council)

Major General Malcom David Wood CBE

(President of the Royal Army Ordnance Corps Council)

Brigadier David Stewart Clouston MBE

(Chairman of the Royal Pioneer Corps Association)

Lieutenant Colonel Nigel Ramsay Shepherd

(Chairman of the Army Catering Corps Association)

Senior Management Personnel

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

Charity number

1024036

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

LEGAL AND ADMINISTRATIVE INFORMATION

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

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

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

Investment advisors Armed Forces Charity Growth and Income Fund managed through:

BlackRock
12 Throgmorton Avenue
London
EC2N 2DL

Restrictions

The operational activities of the Trust are restricted to the terms of the declaration of Trust dated 23 June 1993 and subsequent deeds of variation dated 6 January 1997, 17 November 2005, 16 November 2006 and 4 April 2012.

Investment Powers

The Trust has invested its reserves in the Armed Forces Charity Growth & Income Fund, a CAIF, which is managed by BlackRock and overseen by an Advisory Board (Armed Forces Charities Advisory Company (ACAC)) which is appointed by the Ministry of Defence. The Advisory Board comprises of City and Service Charities Representatives.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

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THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

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

The Trustees continue to remain confident that the objectives of the Trust, namely, welfare and benevolence support for its past and present members and the efficiency of the Corps, are being adhered to; also that their plans for the Trust are sound and well placed to meet the current and future needs of the Royal Logistic Corps (The RLC). Trustees strive to ensure that Trust activities include public benefit and community engagement wherever possible.

Objectives and activities

Objects of the Trust

The primary objects of the RLC Association Trust are:

- To promote the efficiency of the Corps in such charitable ways as the Trustees may decide including the advancement of education of members of the Corps and the preservation of the traditions of the Corps and Forming Corps.
- The relief of persons who are in need by virtue of financial hardship or sickness and are serving or former members of the RLC and Predecessor Corps or the dependents of such persons.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and setting the grant making policy for the year

The Trust supports the activities of The RLC, the largest Corps in the Army totaling some 10,500 Regular and 4,000 Reserve soldiers. It also funds and manages the fraternal activities of the Associations of The RLC and its Predecessor Corps with 80 branches. Trustees set a budget of £2.518M in 2022 to provide support across the following key areas to meet the Trust's objects: benevolence, sport and adventurous training, heritage, bands, and the headquarters messes, plus a range of regimental and association activities to promote the efficiency of the Corps. All those Regular personnel who serve or have served in The RLC and any of its Predecessor Corps are eligible for benevolence support from the Trust.

The main activity of the Trust was the continuing promotion of efficiency of The RLC and the provision of welfare and benevolence support to its dependencies. 2022 is the twenty ninth full 12-month accounting period since formation of the Trust, and the pattern of income and expenditure continues in line with our current plan. However, expenditure has increased to meet the growing commitment to the benevolence and fraternity funding requirements of the enlarged Corps Associations.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Grant making policy

The Trust has established its grant making policy to achieve its objectives for the public benefit. The Trust's aim is to support the activities of The RLC and its members, past and present and the Forming Corps. The Trust awards grants direct to individuals in need, for collective sports related activities and to units to promote the efficiency of the Corps. The Trust also supports core welfare activities by making grants to other Charities who support The RLC's current and former members.

The grant making strategy is:

- To Fund grants from income
- Benevolence grants are 'need led' and thus any deserving case will be supported
- Support unit level activities to promote the efficiency of the Corps
- Provide financial support for Corps support to promote the ethos of the Corps
- Leverage maximum welfare and benevolence support for members by making annual awards to the Army Benevolent Fund and SSAFA.
- Consider supporting major projects from capital.
- Assisting with funding fraternal activity of the Forming Corps Associations.

Public Benefit

Trustees are conscious that, whilst the charity predominantly supports the Service and Ex-Service community, they also have a responsibility to support the wider community. This is achieved through benevolence support, communications, fraternal activity, the museum, and other heritage, but in compliance with the Objects of the Trust. Our Colonel-in-Chief, HRH The Princess Royal, and our Deputy Colonels-in-Chief, HRH The Duke of Gloucester and The Duchess of Kent, continue to support the Corps.

In 2022 the Corps again held an annual Open Day, hosted by 29 Regiment RLC at their barracks in South Cerney, to which the public and local community were encouraged to attend at no charge. In addition, the Corps funded Freedom Parades, Bands and Corps of Drums performances at a wide range of public events. These activities, many of which involve the wider civilian community, provide closer ties with society in general.

The RLC Museum, having opened in 1995, became a separate Charitable Trust on 7 September 2000 and converted to a CIO in 2017. It received a grant of £100K in 2022 from The RLC Association Trust Fund. Furthermore, long-term financial support has been committed to the operation and further development of the museum, should it be required. The level of annual support remains under review.

The RLC Foundation was established in April 2015 to promote professional excellence within the Corps and to foster relations with related Industry and academia. Funding from the Trust supported the Foundation up to 2017. In 2018 it managed to be financially self-supporting but since 2019 financial underpinning from the RLC Association was agreed to ensure financial viability for future years.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

Efficiency of the Corps

Bands. Now that The RLC no longer has an affiliated Army Regular Band, The Trust has prioritised its financial support to The RLC Corps of Drums as well as The RLC Reserve Band and Corps of Pipes and Drums. Funds were expended on ceremonial uniform for the Corps of Drums and part payment for new drums for them and 157 Regiment RLC. The bands play an increasing role in community engagement and perform at many charitable and public events.

Messes. The Central Sergeants' Mess saw a post Covid19 increase in activity and received a grant of £33.3k and continues to attract support from the Trustees in recognition of mess members' length of service and contribution to Corps funds and specifically to support the efficiency and morale of this mess. The Headquarters Officers' Mess Subscription Fund, to which officers pay some 50% of a Day's Pay, generated income of £98,000 from The RLC Association Trust Fund in 2022, expending £106k from accrued Restricted funds on events, grants in aid, appointment grants and refurbishment of mess property over the course of the year.

Community Engagement. Grants continue to be made to assist units and formations in maintaining RLC traditions and heritage and fostering community engagement.

Sports and Adventure Training. Sport and adventure training are essential contributors to fitness, training and teamwork for the Army and it therefore remains a major item of Trust expenditure with direct benefit to our soldiers and promoting the efficiency of The RLC. Grants totaling some £448k were made to support recreation, Corps sport and adventurous training activities. The continued shared use of the Corps adventurous training lodge, the Low Gillerthwaite Field Centre in Cumbria, funded under an MOU at a cost of £51k per annum with a rolling life of 10 years continues to provide adventurous training opportunities and the intent is to continue to fund this at the present time.

Worthy Down. The relocation of the Home of the Corps to Worthy Down commenced in December 2019 with the move of the Regimental Headquarters being completed by late January 2020 and the new RLC Museum opening in May 2021. Trustees have budgeted £150k to offset the anticipated costs of gaining the freedom of Winchester and marking the 30th anniversary of the formation of The RLC in 2023. This will further establish Worthy Down as the spiritual home of the Corps.

RCT Medal Collection. The RCT Medal Collection was gifted to The RLC Association Trust in 2011 with a dedicated £300K restricted fund to support it. The aim is to retain the capital and use the income to maintain and enhance this nationally important collection. A substantial legacy further enhanced the Medal Collection fund in 2013. The collection is newly homed in a purpose-built display room in the RLC Museum allowing greater public access. The Medal fund currently has reserves of £650k.

Communications. All serving members of the Corps and those retired members of The RLC Association are kept in touch with the many aspects of Corps activities through the medium of the Corps journal 'The Sustainer', now published four times a year and which launched an online version in 2021. An annual professional 'RLC Foundation Review' is also published on behalf of The RLC Foundation. This communication serves to provide closer links with industry, academia, and the public. A total of 10 Newsletter Editions are also published for The RLC Association and our Forming Corps Associations. Total cost of Corps publications and distribution amounts to £92k. Trustees continue to review ways to improve communications with both the serving and the veteran communities. In addition to the journals and newsletters, The RLC Website, which underwent a major refresh in 2019, provides a wealth of information on service prospects within the RLC and acts as a focus for RLC sport and Forming Corps Association fraternity matters.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Benevolence and welfare

Benevolence Grants. Support to Benevolence represents the greatest single financial outlay of the Trust and is delivered by funds coming from The RLC Day's Pay Scheme augmented by the RASC & RCT (Restricted) Benevolent Fund. The RLC has assumed total responsibility for all serving soldier and more recently officer benevolence from its Forming Corps. Following Convergence, The RLC provides benevolence to the Veterans of the Forming Corps, although the RCT are funded by a separate restricted fund. The number of cases increased considerably in 2018 and this trend continued throughout 2019. However, the challenges of case management across the service charity sector during a pandemic saw a reduction in cases for 2020 and again in 2021. Case numbers rose considerably in 2022 and this remains a likely trend for the future given the current cost of living situation. In 2022 benevolent or welfare grants were awarded totaling £843k funded by RLC (£398,580) and RCT (£445,062). There were over 1000 personnel supported, and just under 50% of the support was given to serving RLC personnel, the rest being those from the Forming Corps. Support to volunteer reservists saw a rise, with 38 personnel being offered financial support. The main avenues of support were regarding mobility, housing and wellbeing.

Hardship Grant Scheme. The Trustees set in place a scheme to provide rapid support to RLC officers and soldiers facing hardship due to the cost of living. RLC Commanding Officers were empowered and given welfare funds to manage within their unit accounts and the diaspora of RLC personnel serving Army wide were covered by the RLC Secretariat Benevolence staff. A total of 55 grants were made. RLC and predecessor Corps veterans were catered for through a highly successful partnering with The Veteran's Charity assisting to date 92 RLC and Forming Corps veterans.

Respite Holiday Scheme. Cognisant that some RLC soldier's families would not get a break away due to the cost of living hitting family budgets the Trust funded at £25k a holiday scheme based on two holiday parks, one North and one South. In total 40 families benefitted from the scheme. Due to its success the scheme will be run again in 2023.

Grants to the Army Benevolent Fund. The RLC Association Trust also agreed grants to The Army Benevolent Fund totaling £100K (£50K from The RLC and £50K from the RCT (Restricted) Benevolent fund, such grants being in accord with the Day's Pay Scheme philosophy and to help the wider Army community which is in line with its objectives.

Benefits of the RLC Day's Pay Scheme. All Regular Army members of The RLC contributing to the Day's Pay Scheme continue to be covered for accidental death or injury whilst off duty. Cover for this transitioned from commercial insurance, to being taken at risk under a scheme self-funded by the Trust. The amount payable for acceptable death or injury cases is to a maximum of £5K per accident. There were three payments during the year. An additional benefit to a Day's Pay Scheme subscriber is the Medical Discharge Grant Scheme, now in its seventeenth year. In 2022, £47,420 was paid to 97 eligible medically discharged soldiers to assist with their enforced return to civilian life; grants are based on £80 per year of service to a maximum of 10 years. Positive internal marketing of the DPS is resulting in a gradually increasing membership despite the negative impact of the current cost of living.

RLC Reserves. The RLC places a strong emphasis on ensuring its Reserve forces are supported, insofar as is possible, in the same areas as the regular component of the Corps. A formalised Reserves Day's Pay Scheme comparable to that of the Regular component, was introduced in 2015. The 4,000 members of The RLC Reserves continue to benefit from benevolent grants, financial support for adventure training and sport, grants for Corps activities and the Corps journal. Trustees agreed a relaxation of the qualifying criteria for benevolence support for the Reserves effective from 2014 to embrace all those who complete initial Reserve training.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial review

Financial Strategy

The financial strategy is that the Trust disperses grants to a level such that expenditure should not exceed income. The Charity has three main sources of income; the DPS, investment income and charitable donations. DPS income remains fairly stable at around £1M per annum, despite the downturn in the size of the RLC. Investment income has increased steadily from around £1.233M a year in 2016 to £1.436M this year. Charitable donations vary considerably. In line with current grant strategy, the Board's broad aim is to match income and expenditure. Shares are drawn down on if necessary, noting that Benevolence cases are 'need led' and thus should not be constrained within reason. Performance this year indicates that this strategy is appropriate. A formal review is normally conducted every two or so years; the last one being a full capital reserves review in April 2018 to coincide with the 25th Anniversary of the establishment of the Trust. Due to COVID, and the current volatility of the stock markets, the scheduled review has been displaced to a later date. The Trust's finances remain healthy despite fluctuations in growth of long-term investments and a reduction in donations from the Day's Pay Scheme resultant from a downsizing of The RLC as a consequence of Army restructuring. It is unusual for the Trust to sponsor major capital projects but will do so as the need arises; such support will be considered in the routine annual budget process. Trustees are satisfied that the Trust's funds remain sufficient to continue to support the objectives appropriately and without detriment to Corps efficiency or support to those in need. Expenditure continues to be well managed and delivered within budget.

Income and expenditure

The Trust this year experienced an excess of expenditure over income of £3,887 which is well within tolerance.

Day's Pay Scheme. The Trust depends on income from the Day's Pay Scheme - a Payroll Giving Scheme. In December 2015 this scheme was extended to include the Army Reserve. This voluntary scheme has strong support within The RLC with 70% of eligible Regular personnel and a growing number of Reservists subscribing in 2022. Officers pay a proportion of the Day's Pay Scheme as a subscription towards operating the RLC Headquarters Officers' Mess. The drawdown of the Army, the significant reduction in the strength of The RLC and subsequent reduced income from the Day's Pay Scheme has been factored into the Finance strategy.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Investment Policy and Performance

Investment capital. The four Forming Corps donated the Trust's initial capital: the Royal Corps of Transport; Royal Army Ordnance Corps; Royal Pioneer Corps; and the Army Catering Corps and the Royal Engineers (Postal and Courier Service). In addition, the Army Central Fund made a loan to start up the Trust which has been paid back. The Trustees' original 10-year plan, approved by the Charity Commissioners, was to build-up capital investments of £1M by the year 2000. This was achieved. However, this was substantially changed by the decision of the Forming Corps (RCT, RAOC, RPC and ACC) to hand over their funds with certain safeguarding provisos that varied from corps to corps, to The RLC. In 2006 RPC and ACC Associations transferred £1.6M and £1.4M respectively; the RAOC Association transferred £3.5M in 2007 and the RASC & RCT Institution, RASC & RCT Association and RASC & RCT Benevolent Fund followed in 2011 donating £0.7M, £1.6M and £11.2M respectively. The RASC & RCT Benevolent Fund had more limited objectives than the other funds; the Charity Commission therefore directed that the capital of this fund be held in a restricted fund within the main Trust Fund. This merger, finally completed on 9 July 2011, substantially increased reserves and the current position is such that the value of the overall investments within the RLC is £40.12M.

Investments - Black Rock. All of the Trust's investments are held in the Armed Forces Charity Growth & Income Fund (AFCG&IF), a CAIF, which replaced The Armed Forces Common Investment Fund (AFCIF) in November 2019 and which is currently managed by BlackRock Investment Management (UK). A Finance sub-committee oversees the Trust's finances and investments and the Chair is also a director of AFCG&IF Advisory Committee. A review of AFCG&IF and BlackRock to improve management and performance took place in 2011 and a further review of the Trust's Reserves and Funding Strategies was completed in March 2012 and again in November 2015. A further review is planned for late 2023/early 2024 when the markets should have settled.

Investment strategy. The requirement is that the Trust's investments produce a good level of return and growth. Any surplus income generated above annual expenditure should where practicable be reinvested for future growth. The RLC Association Trust Fund share holdings in AFCG&IF are currently set at 60% distribution and 40% accumulation. RCT Restricted holdings are predominantly distribution shares but in a concerted effort to reduce excess of income annual underspend is gradually being placed into accumulation shares. The Trustees have assessed the major risks to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. Trustees continue to review future investment targets and regularly consider long-term investment, reserves, and funding strategies.

Investment performance

The fund struggled due to World events not least the impact of the war in Ukraine with a £6.3M reduction to the value of investments over the year. However, when considered over the longer term, the fund is performing sufficiently well to enable our objectives to be met. Trustees are confident that in the long term the Investment strategy will see a recovery.

Financial Reserves Policy

The priorities set for the Trust reserves are that; they provide sufficient income to meet Association expenditure in addition to the Day's Pay Scheme donations, and that they act as a resource to support major capital investment by the Association Trust when such a deliberate decision is made. The last capital investment decision was taken to support the relocation of the Home of the RLC comprising the RHQ, the HQ Officers' Mess and the Central Sergeants' Mess. Additionally, there was part funding of the new RLC museum which has now concluded, and which came in under budget. No other capital project is currently planned but if the reserves are significantly above the level required to sustain annual grants and financial markets are considered to be stable, consideration could be given in the future to release funds for additional capital projects.

Plans for future periods

The Board maintains its strategy of endeavoring to ensure that expenditure equals income. Whilst the Board is open to considering further major grants from capital, such as that approved for the move of the home of the RLC to Worthy Down, this is balanced by concerns about the long-term strength of the economy and the potential impact of inflation or market corrections on the value of investments. The Charity's financial priority is to ensure it can sustain its core benevolence funding in the event of significant investment losses or reduced income, and not be wholly reliant on the income from the DPS (significant though this is). Retaining substantial investment capital and reserves protects the RLC Association Trust's financial position.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

Governance. The Royal Logistic Corps Association Trust, constituted under Trust Deed No 1024036 dated 23 June 1993, was established during the period immediately prior to the formation of The Royal Logistic Corps on 5 April 1993. The objects of the Trust are the promotion of the efficiency of The Royal Logistic Corps (RLC) and the relief of need for eligible personnel in such ways as the Managing Trustees may decide. In June 2009 HM The Queen agreed the appointment of The Master General of Logistics (MGL) as the titular Head of Corps. MGL oversees the development of the Regimental Association and chairs the RLC Association Trust Fund, as well as the MGL Executive Committee to which the following non-Trust committees report:

- The RLC Professional Development Committee
- The RLC and Forming Corps Association Committee
- The RLC Regimental Affairs Committee
- The Cadet Development Committee

RLC Association Trust Trustees meet at least twice each year as a Committee but they have delegated aspects of Corps' activity to subordinate standing sub-committees comprising:

- RLC Heritage Committee (and linked to The RLC Museum Trust CIO)
- RLC Regimental Bands Committee
- RLC Benevolent Committee
- RLC Central Sports Committee
- Headquarters RLC Officers' Mess Committee
- The RLC and Forming Corps Association Committee
- RLC Finance Committee
- The RLC Foundation

All sub-committees are chaired by a Trustee. Membership of these sub-committees is generally limited to serving members of The RLC or ex-members of any of the Forming Corps or those who are co-opted to them for a specific purpose. All major issues are discussed by Trustees and a consensus view / decision taken and recorded in the minutes.

In 2022 a Remuneration Committee was established to consider the Terms and Conditions of Employment and salaries and allowances of the privately employed staff and certain Civil Servants. It is chaired by a Managing Trustee with equal representation from the Forming Corps, Secretariat, Foundation and the RLC Museum. It routinely sits in the Autumn.

Trustees have sought guidance on their personal liability and indemnity and the Trust's insurance policy has been reviewed and updated accordingly. Training of Trustees is undertaken by the Trust on an ad hoc basis but at the least makes use of Charity Commission online resources.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees. Trustees of the RLC Association Trust are appointed largely on an ex-officio basis to be representative of officers and soldiers of the serving Corps, RLC Veteran community and four predecessor Corps (Royal Army Service Corps & Royal Corps of Transport, Royal Army Ordnance Corps, Royal Pioneer Corps and Army Catering Corps) embedded within the Trust. The Chair of all the Trust's sub-committees are also Trustees. Trustees are issued with a link to 'The Essential Trustee: What you need to know' on appointment and are also given a copy of the Trust Deeds and 'Rules of The Royal Logistic Corps Association Trust'. There is a requirement for each Trustee to complete a Trustee Declaration on appointment, which is updated annually, detailing other charitable trust or potentially conflicting interests along with details of any charity training attended. Declarations of interest are raised at each meeting.

Secretariat support. A Secretary and a Treasurer, both Ministry of Defence employees, carry out the Trust's day-to-day work supported by a small clerical team. Accommodation, some communications, and all utilities are provided from Public Funds. The Board of Trustees directs the work of the Secretary and Treasurer. The Trust's daily activity is overseen by the Colonel RLC, who is also a Trustee.

Risk Management. The Trust has adopted a Risk Matrix, to review major risks, which is viewed as a standing agenda item at each meeting. The key challenges for the Trust are to maintain income levels to support the full range of Trust responsibilities against a continuing backdrop of a reducing military strength and therefore income from the Day's Pay Scheme (DPS). The Army 2020, Army 2020 (Revised) and Future Reserves 20 reviews have all recently shaped the size and structures of The RLC.

Financial Governance. The Trust's standing sub-committees submit separate budget proposals to Trustees to meet the various needs of benevolence, welfare, sports and adventure training, heritage, bands and Corps activity for the following year. Each of these standing Committees must remain in budget and report periodically to the Trustees.

The trustees' report was approved by the Board of Trustees.



Major General Simon Hutchings OBE (The Master General of Logistics)
Chairman of Trustees

Date: 25 May 23

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources of the trust for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

Opinion

We have audited the financial statements of The Royal Logistic Corps Association Trust Fund (the 'trust') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the 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 incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be the Charities Act 2011, the Charity SORP and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the company is complying with these frameworks by making enquiries of those charged with governance. We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, and the inherent difficulty in detecting irregularities by holding discussions with management and those charged with responsibility for ensuring legal and regulatory compliance is adhered to and considered the internal controls in place to mitigate identified risks. As a result, a fraud risk was identified relating to management override.
- In addition to the possibility of management override of controls, areas considered higher risk relating to the presentation of information in the financial statements included the recognition of revenue and identification and appropriate disclosure of related party transactions.
- We assessed the control environment, documenting the systems, controls and processes adopted and undertook an assessment of risk identified in designing our audit approach which incorporates a combination of controls testing, where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and those charged with governance and we obtained additional corroborative evidence as required.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and correctly allocated in the nominal ledger, and;
- reviewed restricted expenditure to ensure funds were spent in line with the terms of the applied restriction.

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

- completed analytical work to evaluate inconsistencies and significant variances in income streams;
- reviewed third party documentation to confirm that relevant entries were reflected in the accounting records;
- reviewed transactions before and after the year end to ensure they had been allocated to the correct period, and;
- reviewed fund balances for any misallocation of income sources.

In response to the risk of irregularities with regards to non-disclosure of related parties we:

- reviewed trustee's declaration of interests for mention of possible related parties;
- performed searches of public registers for any related parties associated with trustees;
- agreed disclosures to source records, including approval; and
- reviewed minutes of meetings for mention of any potential related party.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

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.



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

18 July 2023

Chartered Accountants
Statutory Auditor

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

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

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
Income from:					
Donations and legacies	3	1,446,587	84,923	1,531,510	1,354,502
Other trading activities	4	50,000	-	50,000	50,000
Investments	5	818,627	617,485	1,436,112	1,315,561
Material other income	6	12,000	-	12,000	22,850
Total income		2,327,214	702,408	3,029,622	2,742,913
Expenditure on:					
Charitable activities	7	2,553,858	479,543	3,033,401	2,331,767
Other	12	108	-	108	-
Total expenditure		2,553,966	479,543	3,033,509	2,331,767
Net gains/(losses) on investments	13	(3,656,653)	(2,724,462)	(6,381,115)	4,142,140
Net (outgoing)/incoming resources before transfers		(3,883,405)	(2,501,597)	(6,385,002)	4,553,286
Gross transfers between funds		125,983	(125,983)	-	-
Net movement in funds		(3,757,422)	(2,627,580)	(6,385,002)	4,553,286
Fund balances at 1 January 2022		26,137,773	21,082,670	47,220,443	42,667,157
Fund balances at 31 December 2022		22,380,351	18,455,090	40,835,441	47,220,443

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

All income and expenditure derive from continuing activities.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
Income from:				
Donations and legacies	3	1,250,143	104,359	1,354,502
Other trading activities	4	50,000	-	50,000
Investments	5	743,084	572,477	1,315,561
Material other income	6	22,850	-	22,850
Total income		2,066,077	676,836	2,742,913
Expenditure on:				
Charitable activities	7	1,830,799	500,968	2,331,767
Total expenditure		1,830,799	500,968	2,331,767
Net gains/(losses) on investments	13	2,355,083	1,787,057	4,142,140
Net (outgoing)/incoming resources before transfers		2,590,361	1,962,925	4,553,286
Gross transfers between funds		(136,397)	136,397	-
Net movement in funds		2,453,964	2,099,322	4,553,286
Fund balances at 1 January 2021		23,683,809	18,983,348	42,667,157
Fund balances at 31 December 2021		26,137,773	21,082,670	47,220,443

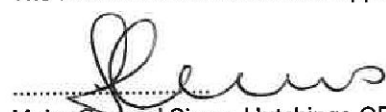
THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	15		17,109		8,882
Investments	17		40,120,006		45,974,946
			<u>40,137,115</u>		<u>45,983,828</u>
Current assets					
Debtors	19	177,442		121,198	
Cash at bank and in hand		571,456		1,126,917	
		<u>748,898</u>		<u>1,248,115</u>	
Creditors: amounts falling due within one year					
Other creditors	20	50,572		11,500	
		<u>50,572</u>		<u>11,500</u>	
Net current assets			698,326		1,236,615
Total assets less current liabilities			<u>40,835,441</u>		<u>47,220,443</u>
			<u><u>40,835,441</u></u>		<u><u>47,220,443</u></u>
Income funds					
Restricted funds	21		18,455,090		21,082,670
<u>Unrestricted funds</u>					
Designated funds	22	74,260		59,760	
General unrestricted funds		22,306,091		26,078,013	
		<u>22,380,351</u>		<u>26,137,773</u>	
			<u>40,835,441</u>		<u>47,220,443</u>
			<u><u>40,835,441</u></u>		<u><u>47,220,443</u></u>

The financial statements were approved by the Trustees on 23 May 23



Major General Simon Hutchings OBE (The Master General of Logistics)
Trustee

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	25		(1,451,969)		(660,382)
Investing activities					
Purchase of tangible fixed assets		(13,428)		(2,599)	
Dividend income re-invested		(526,176)		(434,743)	
Investment income received		1,436,112		1,315,561	
Net cash generated from investing activities			896,508		878,219
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(555,461)		217,837
Cash and cash equivalents at beginning of year			1,126,917		909,080
Cash and cash equivalents at end of year			571,456		1,126,917

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Royal Logistic Corps Association Trust Fund is an unincorporated charity. The registered address is: Regimental Headquarter, The Royal Logistics Corps, Building 204, Worthy Down Camp, Winchester, Hampshire, SO21 2RG.

1.1 Accounting convention

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

Income is also recognised in relation to the services provided by the MoD, being staff and premises. These are treated as donated services and so are recognised at the value of the gift to the charity, being the open market value based on the alternative services that would be incurred if not paid for by the MoD. Income is recognised at the year-end in the period which the services are consumed. An equivalent amount is recognised as expenditure in the SoFA.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants award that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

1.6 Tangible fixed assets

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

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

Plant and equipment	20% Straight Line
Computers	20% Straight Line

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

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

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

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

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

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

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	55,629	84,923	140,552	11,136	104,359	115,495
MOD - Staff etc	307,271	-	307,271	149,780	-	149,780
Day's Pay Scheme	1,083,687	-	1,083,687	1,089,227	-	1,089,227
	<u>1,446,587</u>	<u>84,923</u>	<u>1,531,510</u>	<u>1,250,143</u>	<u>104,359</u>	<u>1,354,502</u>
Donations and gifts						
Donations	3,045	-	3,045	9,542	-	9,542
Forming Corps						
Donations	130	20,743	20,873	1,594	-	1,594
RLC Foundation	-	57,037	57,037	-	84,653	84,653
RAOC Association	-	3,633	3,633	-	17,308	17,308
RAOC Officers Club	-	3,510	3,510	-	2,398	2,398
Benevolence Refunds	52,454	-	52,454	-	-	-
	<u>55,629</u>	<u>84,923</u>	<u>140,552</u>	<u>11,136</u>	<u>104,359</u>	<u>115,495</u>

The grant from the MoD represents the trustees' estimated value of the salaries of the RHQ staff (on mark time rates of pay). It also includes an estimated value of the premises and utilities provided from public funds.

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Sponsorships and social lotteries	<u>50,000</u>	<u>50,000</u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

5 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Income from listed investments	817,688	617,086	1,434,774	743,012	572,459	1,315,471
Interest receivable	939	399	1,338	72	18	90
	<u>818,627</u>	<u>617,485</u>	<u>1,436,112</u>	<u>743,084</u>	<u>572,477</u>	<u>1,315,561</u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Material other income

In the year, an additional £12,000 was received for the repair of the yachts hull, this is owned by the Corps Yacht Club.

7 Charitable activities

	Corps Expenses 2022 £	Corps Expenses 2021 £
Staff costs	533,195	356,774
Corps Activities	288,256	132,813
Corps Weekend	50,473	-
CRLO/Recruiting Expenses	42,296	34,881
Insurance	14,477	7,060
Property Refurbishment	19,705	381
Wreaths/Other	1,240	851
RLC Journals/Publications	92,156	76,900
Memorials	17,476	7,045
Office Accommodation	39,000	35,450
Professional Development	17,487	21,017
Contractors	33,861	25,512
RLC Branding	34,082	25,201
Marketing and Advertising	1,080	5,787
RAOC Officers Club	-	13,853
Other charitable expenditure	1,242	150
	<u>1,186,026</u>	<u>743,675</u>
Grant funding of activities (see note 8)	1,791,765	1,474,499
Share of support costs (see note 9)	35,683	89,447
Share of governance costs (see note 9)	19,927	24,146
	<u>3,033,401</u>	<u>2,331,767</u>
Analysis by fund		
Unrestricted funds	2,553,858	1,830,799
Restricted funds	479,543	500,968
	<u>3,033,401</u>	<u>2,331,767</u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Grants payable

	Corps Expenses 2022 £	Corps Expenses 2021 £
Grants to institutions:		
ABF The Soldiers Charity	100,000	200,000
Museum	100,000	100,000
Unit Grants	36,155	40,688
Expenses RLC Band	22,868	7,049
HQ Officers' Mess	89,932	66,544
HG Sgts' Mess	29,617	14,799
Adventure Training / LGFC	70,219	67,283
	<u>448,791</u>	<u>496,363</u>
Grants to individuals:		
Sports	428,949	327,567
Coaching	11,577	4,570
Benevolence	855,028	600,811
Medical Discharges	47,420	44,660
	<u>1,342,974</u>	<u>977,608</u>
Total Grant Expenditure	<u><u>1,791,765</u></u>	<u><u>1,474,499</u></u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Depreciation	5,094	-	5,094	3,332	-	3,332
Postage	6,108	-	6,108	14,630	-	14,630
Stationery	2,219	-	2,219	1,389	-	1,389
Travel	1,758	-	1,758	1,387	-	1,387
Computer Software/IT	18,540	-	18,540	31,390	-	31,390
Bank Charges	1,964	-	1,964	1,859	-	1,859
Medal Fund Expenditure	-	-	-	2,542	-	2,542
Repairs and maintenance	-	-	-	32,918	-	32,918
Audit fees	-	13,660	13,660	-	13,842	13,842
Accountancy	-	6,160	6,160	-	9,970	9,970
Management Committee	-	107	107	-	334	334
	<u>35,683</u>	<u>19,927</u>	<u>55,610</u>	<u>89,447</u>	<u>24,146</u>	<u>113,593</u>
Analysed between Charitable activities	<u>35,683</u>	<u>19,927</u>	<u>55,610</u>	<u>89,447</u>	<u>24,146</u>	<u>113,593</u>

Governance costs includes payments to the auditors of £13,660 (2021- £13,842) for audit fees.

10 Trustees

One (2021:4) Trustee received reimbursement of expenses during the year, totalling £1,152 (2021: £1,845).

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Corps expenses	<u>7</u>	<u>7</u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11	Employees	(Continued)	
	Employment costs	2022	2021
		£	£
	Wages and salaries	533,195	356,774

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

12	Other	Unrestricted funds	Total
		2022	2021
		£	£
	Net loss on disposal of tangible fixed assets	108	-
		108	-

13	Net gains/(losses) on investments	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
		2022	2022	2022	2021	2021
		£	£	£	£	£
	Revaluation of investments	(3,656,653)	(2,724,462)	(6,381,115)	2,355,083	1,787,057
						4,142,140

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Tangible fixed assets

	Plant and equipment £	Computers £	Total £
Cost			
At 1 January 2022	57,404	8,899	66,303
Additions	8,634	4,794	13,428
Disposals	(7,831)	-	(7,831)
	<u>58,207</u>	<u>13,693</u>	<u>71,900</u>
At 31 December 2022			
Depreciation and impairment			
At 1 January 2022	54,380	3,040	57,420
Depreciation charged in the year	2,782	2,312	5,094
Eliminated in respect of disposals	(7,723)	-	(7,723)
	<u>49,439</u>	<u>5,352</u>	<u>54,791</u>
At 31 December 2022			
Carrying amount			
At 31 December 2022	<u>8,768</u>	<u>8,341</u>	<u>17,109</u>
At 31 December 2021	<u>3,023</u>	<u>5,859</u>	<u>8,882</u>

Central Property

The Trust has purchased items of sundry Corps property which is loaned for long term use by units. In common with Army accepted accounting practise it is shown as an expense by the Trust in the year of acquisition and is placed on the central property register for control purposes. Although these items remain the property of the Trust they do not form part of the property carried on the balance sheet.

RLC and Forming Corps Property

The Royal Logistic Corps Association Trust has property and Corps items from its forming Corps. In 2008 the RASC & RCT Institution gifted their paintings and Silver, less twelve memorial pieces, to the RLC Association Trust. The RAOC, RPC and ACC donated their property prior to convergence in 2007. The RASC & RCT Institution gifted the RCT Medal Collection and Memorial Silver to the RLC Association Trust in 2011. The RLC now owns and is responsible for the safe keeping and maintenance of all RLC and Forming Corps heritage items.

As part of the transfer agreements the Trust is responsible for insuring the property and for carrying out valuations every five years.

Register

The Trustees consider that the items held on the Central Property Register are adequately controlled under current military and auditing procedures.

16 Heritage assets

Due to the historic nature of the medal collection and that it is not a realisable asset; obtaining a valuation of the medals would not be practicable and therefore is not included in the balance sheet. This complies with FRS102 and the Charities SORP.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Fixed asset investments

	Listed investments: Unrestricted £	Listed investments: Restricted £	Total £
Cost or valuation			
At 1 January 2022	26,364,815	19,610,131	45,974,946
Valuation changes	(3,656,653)	(2,724,462)	(6,381,115)
Income Re-invested	346,583	179,592	526,175
	<u>23,054,745</u>	<u>17,065,261</u>	<u>40,120,006</u>
At 31 December 2022			
Carrying amount			
At 31 December 2022	<u>23,054,745</u>	<u>17,065,261</u>	<u>40,120,006</u>
At 31 December 2021	<u>26,364,815</u>	<u>19,610,131</u>	<u>45,974,946</u>

	2022 £	2021 £
Investments at fair value comprise:		
Armed Forces Common Investment Fund - Accumulation Units	18,372,350	18,025,767
Armed Forces Common Investment Fund - Income Units	<u>21,747,656</u>	<u>27,949,179</u>
	<u>40,120,006</u>	<u>45,974,946</u>

18 Legacy - Medal Fund

Includes a legacy (on the sale of property) of £136,198.13 in 2013 which was used to off-set the deficiency in this account. Of this sum a total of £100K was invested in the AFCIF Medal Collection account and the balance to the Restricted Medals fund.

19 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	94,826	119,075
Prepayments and accrued income	<u>82,616</u>	<u>2,123</u>
	<u>177,442</u>	<u>121,198</u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Other creditors falling due within one year

	2022	2021
	£	£
Trade creditors	37,732	-
Accruals and deferred income	12,840	11,500
	<u>50,572</u>	<u>11,500</u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Restricted funds

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

	Balance at 1 January 2021	Incoming resources	Movement in funds			Balance at 1 January 2022	Incoming resources	Movement in funds			Balance at 31 December 2022
	£	£	Resources expended	Transfers	Revaluations, gains and losses	£	£	Resources expended	Transfers	Revaluations, gains and losses	£
<u>Restricted Funds - General</u>											
RASC & RCT Benevolent Funds	1,024,077	404,444	(305,901)	(60,000)	-	1,062,620	417,243	(268,631)	(223,983)	-	987,249
RCT Medal Fund	33,550	19,630	(2,542)	-	-	50,638	20,251	(3,298)	-	-	67,591
RLC Foundation	148,582	86,647	(125,981)	(17,180)	-	92,068	57,037	(100,980)	-	-	48,125
HQ Officers' Mess Subscription Fund	(90,492)	-	(66,544)	242,982	-	85,946	-	(106,634)	98,000	-	77,312
RAOC Officers' Club	163,498	17,729	-	40	-	181,267	28,285	-	-	-	209,552
<u>Restricted Funds - Investments</u>											
RASC & RCT Benevolent Funds - Investments	17,087,146	147,054	-	(29,445)	1,727,216	18,931,971	177,980	-	-	(2,629,971)	16,479,980
RCT Medal Fund - Investments	616,987	1,332	-	-	59,841	678,160	1,612	-	-	(94,491)	585,281
	<u>18,983,348</u>	<u>676,836</u>	<u>(500,968)</u>	<u>136,397</u>	<u>1,787,057</u>	<u>21,082,670</u>	<u>702,408</u>	<u>(479,543)</u>	<u>(125,983)</u>	<u>(2,724,462)</u>	<u>18,455,090</u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

21 Restricted funds

(Continued)

The Headquarters Officers' Mess Subscription Fund (HQOMSF), formerly a separate fund, was incorporated into the RLC Association Trust Fund on 30th June 2007. In 2006 the fund transferred £50,000 across to the RLC Association and at time of incorporation had net assets worth £25,381.21. Since then expenditure has been managed within the Trust's annual budget. However, within the RLC Day's Pay Scheme, Officers specifically gift an additional half day's pay towards the HQ Officers' Mess and from 2018, with relocation from Deepcut to Worthy Down in mind; the HQOMSF is now reflected as a Restricted fund in the accounts. Where previously any underspend has largely been absorbed to the greater benefit of The RLC Association as a whole, in 2016 & 2017 underspend was placed into designated funds towards refurbishment and a RLC 25th anniversary commemorative piece. In future the complete movement of mess funds will be captured against the HQOMSF Restricted Fund.

Restricted funds are available solely for the specific purpose for which they were established. Under Forming Corps convergence the RASC & RCT fund was gifted strictly for benevolence support. The RCT Medal Collection came with its own fund for maintenance and development of the collection. Whereas the Def Log VQ Trust made regular grants to the RLC Association towards the professional development of serving members of the Corps; since April 2015 it has also financially underpinned the RLC Foundation. Support to the RLC Foundation from Def Log VQ Trust residual funds ceased on 31 Dec 17.

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Designated funds

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

	Balance at 1 January 2021	Transfers	Balance at 1 January 2022	Transfers	Balance at 31 December 2022
	£	£	£	£	£
Heritage (Portraits)	13,000	-	13,000	-	13,000
Heritage – Coach Refurbishment	760	5,000	5,760	2,500	8,260
RLC Yacht Purchase Fund	29,000	12,000	41,000	12,000	53,000
Relocation - Central Sergeants' Mess	50,000	(50,000)	-	-	-
Relocation - HQ RLC Officers' Mess	200,000	(200,000)	-	-	-
Relocation - Home of the Corps (Heritage)	612,353	(612,353)	-	-	-
	<u>905,113</u>	<u>(845,353)</u>	<u>59,760</u>	<u>14,500</u>	<u>74,260</u>

This represents the total amount the Trustees are currently committed to paying towards the cost of moving the Corps, including the HQ Officers' and Sergeants' Messes, due to MOD plans to close Deepcut by 2020.

23 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:					
Tangible assets	17,109	-	17,109	8,882	8,882
Investments	23,054,745	17,065,261	40,120,006	26,364,815	45,974,946
Current assets/(liabilities)	(691,503)	1,389,829	698,326	(295,924)	1,236,615
	<u>22,380,351</u>	<u>18,455,090</u>	<u>40,835,441</u>	<u>21,142,670</u>	<u>47,220,443</u>

THE ROYAL LOGISTIC CORPS ASSOCIATION TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Related party transactions

Transactions with related parties

The Royal Logistics Corps Museum Trust CIO shares key management and two Trustees with this charity. During the year the charity made one grant of £100,000 (2021: one grant totalling £100,000) to The Royal Logistics Corps Museum Trust CIO. At the year end, The Royal Logistics Corps Museum Trust CIO owed £37,772 (2021: £29,046) to the charity.

ABF The Soldiers' charity has one common Trustee with this charity. During the year, the charity made four grants totalling £105,769 (2021: 12 grants totalling £213,624) to ABF The Soldiers' Charity. At the year end, no balances were owed between the charities.

During the year, honoraria were paid to related parties; Regimental Secretary, Lieutenant Colonel (retired) S A Yafai, £5,000 (2021: £4,750) and to the Regimental Treasurer, Lieutenant Colonel (retired) I G Stark, £3,750 (2021: £3,750).

No appointment grants were issued to the trustees of the charity (2021: £500) under the Trust's constitution.

25 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(6,385,002)	4,553,286
Adjustments for:		
Investment income recognised in statement of financial activities	(1,436,112)	(1,315,561)
Loss on disposal of tangible fixed assets	108	-
Fair value gains and losses on investments	6,381,115	(4,142,140)
Depreciation and impairment of tangible fixed assets	5,094	3,332
Movements in working capital:		
(Increase)/decrease in debtors	(56,244)	248,691
Increase/(decrease) in creditors	39,072	(7,990)
Cash absorbed by operations	(1,451,969)	(660,382)

26 Analysis of changes in net funds

The trust had no debt during the year.

