

Company Registration Number: 07142012 (England & Wales)
Registered Charity Number in England & Wales: 1134205
Registered Charity Number in Scotland: SC048185

ROYAL MARINES ASSOCIATION - THE ROYAL MARINES CHARITY
(A Company Limited by Guarantee)

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

RMA THE ROYAL MARINES CHARITY
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FOR THE YEAR ENDED 31 DECEMBER 2018

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RMA THE ROYAL MARINES CHARITY

REPORT OF THE TRUSTEES

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period ended 31 December 2018. The Trustees have adopted the provisions of the 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 issued in July 2014.

LEGAL AND ADMINISTRATIVE INFORMATION

Honorary President

Major General RA Magowan CBE (Resigned 19.01.2018)
Major General CR Stickland OBE (Appointed 19.01.2018)

Trustees and Directors

Mr D Cox (Chairman)

Brigadier HJ White ADC (Vice Chairman)

Mr R Bell JP (Appointed 01.04.2019)

Mr KM Breslauer

Brigadier P Denning OBE

Mr R Nast (Appointed 01.04.2019)

Mrs K Richardson OBE (Appointed 16.10.2018)

WO1(CRSM) D Mason RM (Appointed 19.04.2018)

Mrs S Reed (Appointed 15.11.2018)

Mr W Stocks BEM

Mr R Weaver

Mr J Zuppinger

WO1(CRSM) PS Gilby MBE RM (Resigned 19.04.2018)

Lieutenant Colonel IW Grant RM (Retired) (Resigned 01.04.2019)

Member

The Royal Navy and Royal Marines Charity

Company Secretary

Mr J Ball (Resigned 01.04.2019)
Lieutenant Colonel AC Wilson (Retired) (Appointed 01.04.2019)

Chief Executive

Mr J Ball

RMA THE ROYAL MARINES CHARITY**REPORT OF THE TRUSTEES****Company Registration Number**

07142012 (England and Wales)

Registered Charity Number

1134205 (England and Wales)

SC048185 (Scotland)

Registered Office

Building 72
Commando Training Centre Royal Marines
Lypstone
Exmouth
Devon
EX8 5AR

Auditor

Kingston Smith LLP, Chartered Accountants
Devonshire House, 60 Goswell Road, London EC1M 7AD

Investment Managers

Cazenove Capital Management
1 London Wall Place
London EC2Y 4AU

Banker

Lloyds Bank PLC
2 – 4 Palmerston Road
Southsea
Hampshire
PO5 3HQ

RMA THE ROYAL MARINES CHARITY

REPORT OF THE TRUSTEES

STRUCTURE GOVERNANCE AND MANAGEMENT

The Charity was incorporated on 1 February 2010 and registered as a charity on 1 April 2010 and is structured as follows:

- a. There is one restricted fund with the status of a subsidiary Charity:

The Royal Marines Benevolent Fund (Reg. Charity No. 1134205-1). This fund was formed from the amalgamation of the old Royal Marines Benevolent Fund (Reg Charity No. 1069059) and the Royal Marines Reserve 50th Anniversary Relief Fund (Reg Charity No. 1069629).
- b. There are two subsidiary Charitable Companies limited by guarantee:

The Royal Marines Sports Association (Company No. 07987097) (Reg Charity No. 1134205-3).

The Royal Marines Association Limited (Company No 09932494)
- c. There are 3 restricted day's pay giving funds:
 - (1) The RM Officers Trust Fund.
 - (2) The RM Central Sergeants Mess Fund.
 - (3) The RM Central Unit Institute Fund.
- d. There are two other restricted funds:
 - (1) The RM Cadet Fund.
 - (2) Royal Marines Family Support Hub Fund.
- e. There is one designated fund:
 - (1) The "LIBOR" fines Fund
- f. There are two wholly owned trading companies, TRMC Enterprises Ltd (Company No. 10020682) established to enable building projects and Royal Marines Shop Ltd (Company No 08015901) established as a merchandise outlet (acquired on 1 April 2019 on merger with the Royal Marines Association).

Governance

The Charity is a subsidiary of the [Royal Navy and Royal Marines Charity](#) which is incorporated in the United Kingdom (Company No.6047294) (Reg Charity No. 1117794) and Scotland (SC041898). The RNRMC is the Sole Member of RMA-The Royal Marines Charity and its Board has the right to nominate one of its Trustees to the Board, currently Mr William Stocks BEM.

The charity is governed by its Articles of Association last amended on 26 January 2016, and is subject to the requirements and the protection of both charity and company law.

The Board of Trustees comprises two serving Royal Marines in an ex-officio status: the Deputy Commandant General Royal Marines and the Corps Regimental Sergeant Major, alongside retired Royal Marines (one nominated by RNRMC), two trustees appointed by the membership and other elected Trustees recruited for their competencies. They serve for a term of three years, and may be elected to serve two further consecutive terms.

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The Commandant General Royal Marines is ex-officio Honorary President, currently Major General CR Stickland OBE.

Four Board meetings were held during 2018. The Trustees agree the strategy and areas of activity for the Charity, including grant making and the provision of support, investments, reserves, risk management, fundraising and marketing.

In line with the RNRMC Group structure, the Board has members on the two main Group sub-committees comprising trustees of both the RNRMC parent and the Charity, which are:

- The Investment Committee (IC), meeting twice a year with the fund managers (member Mr K Breslauer).
- The Finance, Risk and Audit Committee (FRAC), meeting quarterly (member Mr R Weaver).

Both committees have delegated authority to scrutinise their respective areas and to make recommendations to the Board, particularly concerning the annual budget.

Five other sub-committees exist to ensure appropriate oversight over Charity functions: Fundraising, Marketing and Communications; Health and Well being; Membership; Amenities; and People (HR, remuneration, nominations and grievance/discipline). There are separate Boards for the subsidiary charities RMSA and RMA, and the two subsidiary companies TRMCE and RM Shop.

Trustees are selected through interview by a Nominations sub-committee consisting of the Vice-Chair and a further two Trustees, which then makes recommendations to the full Board. The induction process for any newly appointed Trustee is to meet with the CEO and other charity staff as appropriate to explain the Charity's strategy, policies, outputs (including grant making process and procedures), followed by meetings with the Chairman and external induction training. The new Trustee receives copies of the Articles of Association and are expected to be fully conversant with the Charity's aims and objectives, along with the responsibilities of a Trustee as identified by the Charity Commission, and will receive briefing and training to that effect.

The Charity does not remunerate its Trustees, but refunds travel and incidental expenses if claimed. The serving military members of the Board undertake their duties as volunteers in addition to their normal line duties.

Management and Administration

As of 1 April 2019 on merger with RMA, the Charity employed 31 full- and part-time staff principally based in two locations: the Commando Training Centre Royal Marines, Exmouth, and HMS Excellent, Whale Island, Portsmouth, alongside RNRMC staff. There is also a part-time relationships manager based in Scotland; and an alcohol education adviser with a transition support officer based at Royal Marines Stonehouse, Plymouth, close to the majority of Royal Marines units. The day-to-day control and administration of the Charity is delegated to the Chief Executive (CE). Hierarchy is kept to the minimum to be effective and as a consequence the charity has a pay ratio of 3.7:1 between the CE's salary and the lowest paid charity employee. The sector average for a medium sized charity is 5:1.

The Trustees are responsible for setting the remuneration of the charity's staff. Remuneration is set in the context of the Charity's purposes, aims and values and to reflect the skills, experience and competences required for particular roles. In setting remuneration, the Trustees also consider a number of additional factors including an individual's contribution, affordability and the remuneration offered by grant making charities of a similar size.

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BACKGROUND

Our Vision

Providing a lifetime of support to the Corps Family – once a Royal Marine, always a Royal Marine.

- The Charity is the central pillar of the Royal Marines Family, drawing together those who aspire to join, those who serve, those who have served and those who support and enable us.
- We are the instinctive first place to which the Corps Family turns for support and camaraderie wherever they may be.
- We deliver through life support serving the needs of our Family.

Our Ethos

We embrace the Commando Values - Excellence, Integrity, Self Discipline and Humility, and the Commando Spirit – Courage, Determination, Unselfishness and Cheerfulness, in order to enable the Commando Mindset – first to understand, first to adapt and respond, first to overcome.

Our Mission

- To provide support, advice and friendship to serving and retired Royal Marines, their families, those who aspire to join and those with close links to our Corps.
- To sustain and promote our traditions and esprit de corps.
- To generate funds, non-financial benefits and access to employment in order to provide the best possible through life charitable support.

Our Beneficiaries

Despite the main UK withdrawal from Afghanistan the [Royal Marines](#) remain deployed on duty serving the nation around the globe 365 days a year. Though they form only 4% of the UK Armed Forces, Royal Marines constitute 47% of UK Special Forces.

This service comes at a cost – though numbering only 4% of UK armed forces, the Royal Marines suffered 13% of the deaths and 16% of the very seriously wounded during the operations in Afghanistan from 2001-13. Currently there are 155 disabled Royal Marines, including 30 amputees and two tetraplegics who require through-life care. 256 Royal Marines have suffered life changing injuries and had their service cut short as a result, 180 of whom have exhibited signs of post-traumatic stress.

In short, a small and outstanding fighting force of 6,600 has suffered disproportionate loss, and a disproportionate number of Marines continue to fight their challenges, a disproportionate number of families are coming to terms with the death or injury of a loved one, while the Corps still remains exposed to disproportionate risk.

Our case for support

We are the Royal Marines' own Charity and are uniquely placed to understand, respond and react, enabling Marines and their families to overcome their challenges.

We can target support across a wide range of needs to ensure no one is left behind. We seek to strengthen the Commando Mindset in every beneficiary.

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Objectives and activities

The Memorandum and Articles of Association of RMA – The Royal Marines Charity specify the following objects:

- a. To maintain and increase the efficiency of the Royal Marines, and to promote and preserve the esprit de corps, heritage, ethos and traditions of the Corps;
- b. To assist or benefit persons serving in or who have served in the Royal Marines or of such dependants, spouses, civil partners, widows, widowers, children (including adopted children) or immediate close family of such persons as may for the time being be in need of charitable assistance or benefit;
- c. To commemorate and remember those members of the Royal Marines who have lost their lives or suffered injury, or put themselves at risk of loss of life or injury, in service of the Crown and to encourage public recognition of their service and sacrifice;
- d. To support the Royal Marines, the Royal Marines Cadet Section of the Sea Cadet Corps, the Royal Marines Cadet Section of the Combined Cadet Force, the Royal Marines Volunteer Cadet Corps by any other charitable means as the Trustees shall from time to time permit.

Public Benefit

The Charity exists to provide through life support for the Royal Marines Family - the serving Corps (General Service, Band Service and RMs within the Special Boat Service), reservists, cadets, veterans, widows and dependants - by providing membership activities and appropriate charitable assistance when public funding is unavailable.

By improving morale and esprit de corps amongst members of the Corps Family, the Charity directly contributes to the quality of the Royal Marines as a key component of the nation's Armed Forces, and thereby to the defence of the nation.

Through its grant making and support to individual serving and veteran Royal Marines and dependants the Charity demonstrates its support of the Military Covenant between the Nation and its Armed Forces.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Grant making policy

During Trustees' meetings, Trustees consider bids to the funds exceeding £10,000 and decide which fit the Charity's criteria, making grants where appropriate within the agreed funds budget limits for the current year. The CEO and DCEO hold delegated authority to make grants of up to £10,000 within pre-set budgets agreed by Trustees; the Director of Welfare and Head of Grants RNRMC hold delegated authority to make grants of up to £5,000 from within approved pre-set budgets, with authority to seek to almonise (share) grants with funds from RNRMC and other agreed sources; Transition and Welfare staff (administering RM Benevolent Fund grants) each have a delegation of £2,500. Any extraordinary or urgent bids exceeding £10,000 falling outside these parameters may be considered by a quorum of at least three Trustees as and when they are received, out of committee.

Trustees have indicated that they wish the General Purpose Fund to be used primarily for welfare and well being, to ensure that need arising from the Wounded, Injured and Sick is met first, followed by

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welfare grants which directly benefit serving individuals and their dependants or serving communities. It is intended that the Day's Pay Giving Funds serve primarily as the source for amenity grants for which funds raised from the General Public would not be appropriate.

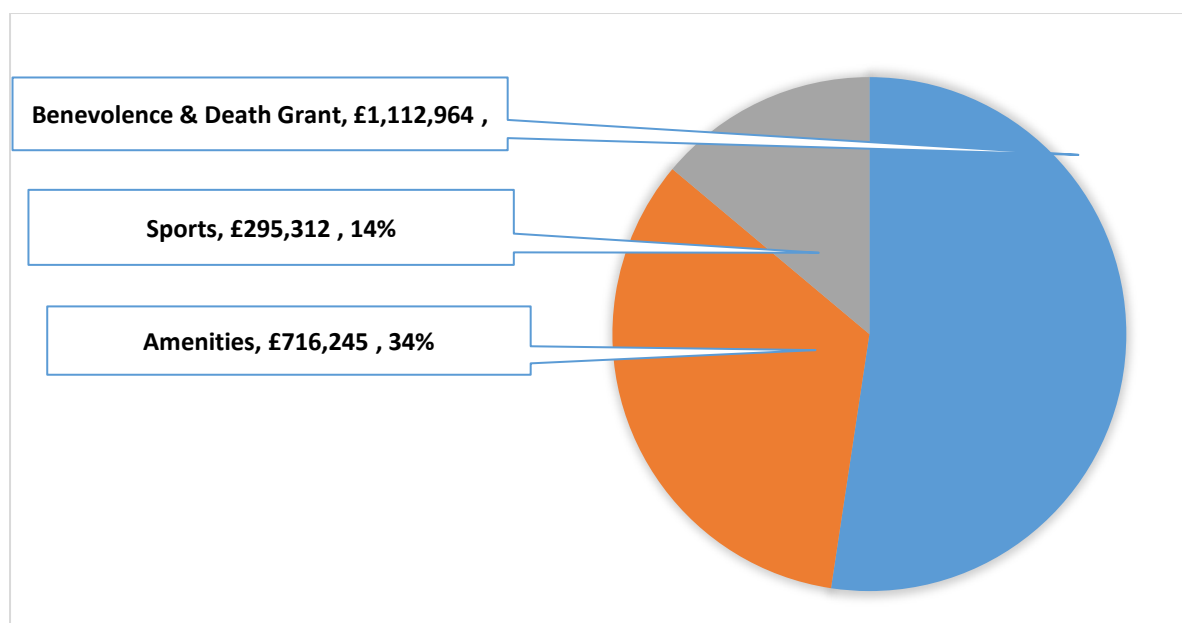
Fundraising policy

Our approach to fundraising rests on positive supporter engagement in order to enable us to attract, steward and maintain support, but also to protect our reputation. A key element is the segmentation of supporters through our 'Donor Strategy' Customer Relationship Management database, so that supporters receive communications at appropriate frequencies. The Charity only fundraises and promotes support to the Charity from individuals and companies following explicit written ('opt in') consent from potential donors. Trustees and staff are aware of the need to protect the public, and especially vulnerable people, hence no cold call, telephone or street fundraising is carried out, and no bonuses or inducements are made to staff or volunteers. No professional fundraisers or commercial participators carried out any fundraising activities on behalf of the Charity.

The Charity is registered with the Fundraising Regulator (FR), and contributes to the FR levy on fundraising charities according to its income, adhering to the FR Code of Practice and to Charity Commission guidelines, particularly CC20 (Charity fundraising: a guide to trustee duties). Trustees are aware of the Commission's six fundraising principles and ensure adherence by charity staff: effective planning; supervision of fundraisers; protection of charity reputation, money and other assets; ensuring compliance with laws and regulations; following recognised standards; openness and accountability. Fundraising practices are monitored through a designated trustee engaging in weekly oversight of the Charity's Director of Fundraising, Marketing and Communications, formal quarterly reporting to the Board, and oversight of volunteers by the Community Fundraising Manager. Failures to comply will be reported to the FR if they occur, as will complaints, for which there is a process to follow if received; there have been none of either in the last financial year or since the FR was introduced. Policies and processes are in place to ensure the Charity's compliance with the General Data Protection Regulation (GDPR), particularly with regard to the use of personal data for fundraising purposes.

ACHIEVEMENTS AND PERFORMANCE 2018

The Charity achieved expenditure in 2018 on grants and support payable of over £2.12m (see note 8).



The Amenities grants include £108.6k of £300k allocated for the Royal Marines Exercise Virginia Gauntlet II major sports tour in April 2019.

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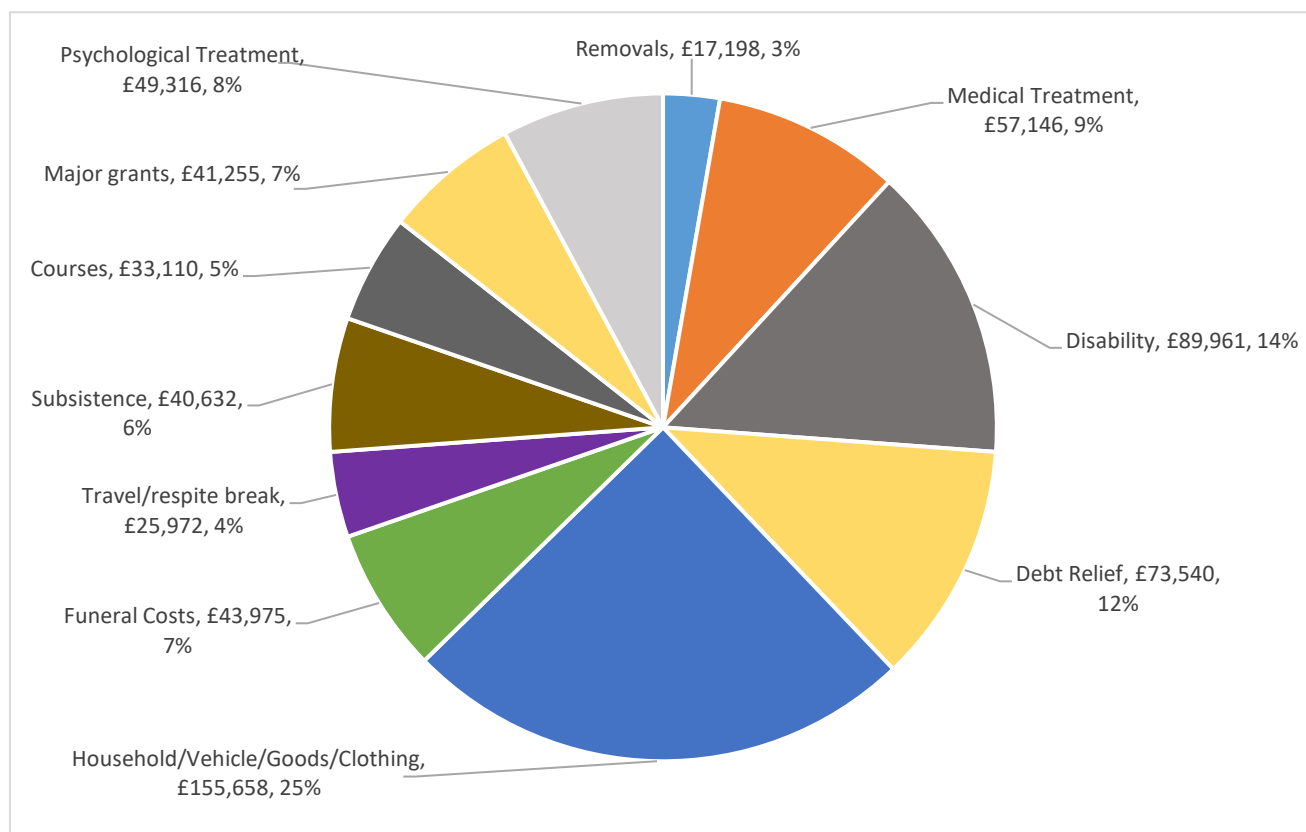
REPORT OF THE TRUSTEES

Charitable expenditure and support has been directed towards three pathways:

1. Benevolence

- a. **Grants to those in recovery:** directly supporting those still serving who have been wounded on operations or who otherwise suffer from sickness or injury, physical or mental. The intent of grants made is not only to provide for needs where public funds are unavailable, but to restore normality as far as possible, and to assist those who can recommence paid employment to use and further develop their skills, and once more to become contributory taxpayers to the nation. Expenditure amounted to £14k to 25 individuals, just under 1% of grants made in 2018, and a further reduction on 2017's expenditure of £16k due to the reduced numbers of serving ranks entering the Recovery Centre. Of the £14k, a significant amount was towards advocacy costs arising from appeals to the Armed Forces Compensation Scheme.
- b. **Grants to individuals and families in need:** Expenditure amounted to £590k, 26% of grants made in 2018, a 30% increase on 2017 expenditure. 445 veterans were supported with £453K (as against 354 in 2017 with £306K and 285 in 2016 with £190K), whilst 100 serving RMs were aided with £134K (as against 76 with £100K in 2017 and 52 with £44K in 2016). Principal needs supported were household and vehicle goods and clothing, disability aids, travel and respite breaks, debt relief (in conjunction with debt counselling), medical (including psychological treatment), subsistence, funeral costs and courses. Grant applications are administered through the Welfare Office which ensures that those in need are linked in to the Support Network, in order to identify non-monetary support where possible.

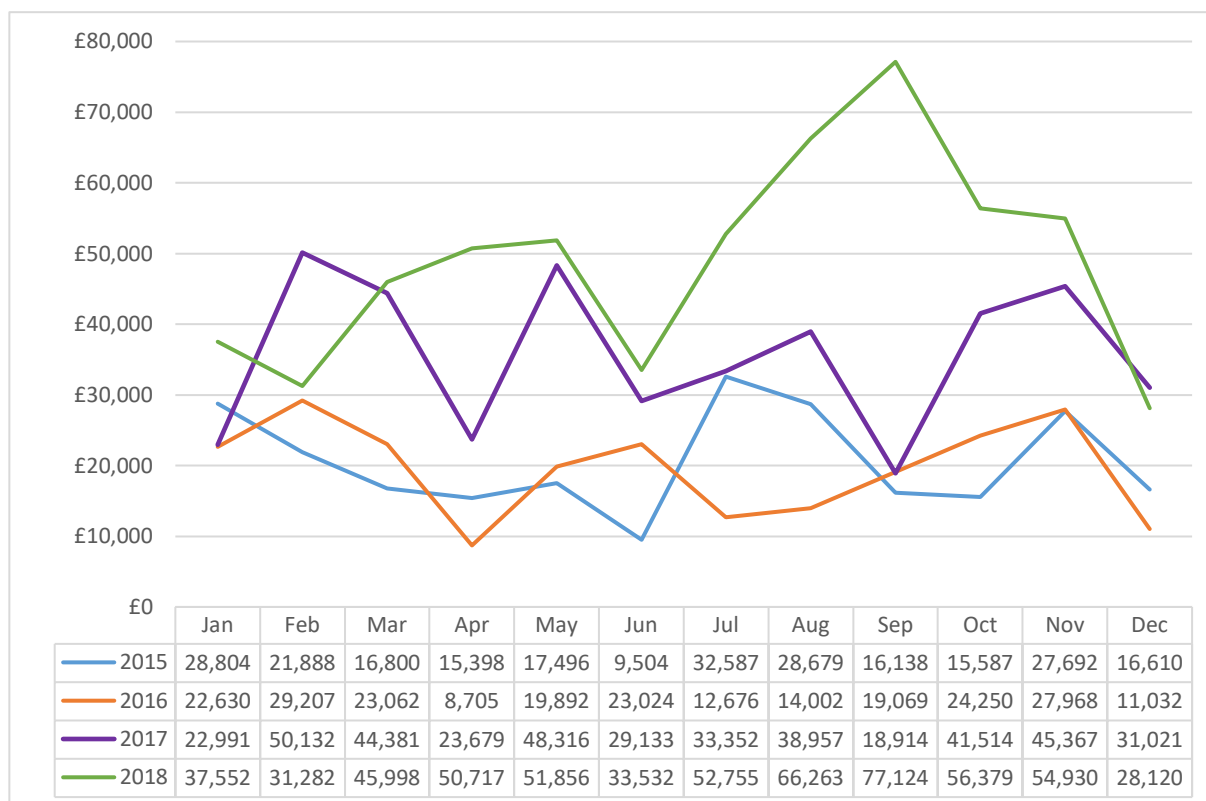
Grants to Individuals by Category



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Annual Comparison 2015, 2016, 2017 and 2018



- c. **Support to those in transition:** A bespoke service is offered to those facing medical discharge from the Corps due to injury or illness, with access to funded support where MOD or pro bono provision is not available.

The range of services available include:

- Career Advice (including CV & Interview tips, sector advice and market trends)
- Job site and access to suitable vacancies
- Careers/networking events
- Contacts in specialist sectors
- Work trials & casual introductions
- Business start up workshops
- Mentoring
- Buddying with those who have already taken the same path
- Funding for courses
- Expert advice in a variety of areas from commercial companies to legal & financial advice in business, equipment advice etc.
- Charity contacts & referral

Personnel are able to engage with any, or all of the services provided, and frequently use the charity's transition support in concert with other opportunities. The RMC transition service is fully integrated with MOD provided resettlement, and carefully governed to ensure all activity is focused on achieving successful outcomes. In 2018 £121K was given out in individual grants for 55 RMs in the medical discharge process (as against £58K for 19 in 2017). 143 were supported directly, whilst 119 Marines leaving the Corps via non-medical discharge means were also advised (though cannot be funded).

There is a continuing trend of companies who wish to engage and support the charity with transition, but who lack the ability or desire to support the charity in fundraising terms. They

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represent a wide range of sectors: construction, civil engineering, consultancy, banking and finance, Civil service (Border Force, Maritime Coastguard), defence, project management, superyachts, transport, utilities, training/coaching, manufacturing and retail.

A quarterly newsletter has been launched featuring employers and open vacancies, advertising a new annual Careers Fair, success stories, and giving CV and interview tips.

- d. **Funding of major benevolence grants:** £182K was granted in 2017, £47K to support Individuals. £135K was granted to Rock to Recovery, an organisation of former RM supporting those who are suicidal or battling post-traumatic stress; 142 serving and former RMs and dependants received coaching support in 2018.
- e. **Funding of welfare support through the Royal Marines Association (RMA):** The RMA consists of 12,800 members in 77 branches across the UK and 14 across the world. In addition to a grant of £51K for key [Royal Marines Association](#) (RMA) events which enhance comradeship through drawing members together, the Charity fully funded RMA Central Office welfare delivery; this support totalled £163K in 2018.

Full funding is also provided for the [RM Support Network](#), costing £51K in 2018. The Network is now in its fifth operating year, with a nationwide network of 97 trained support officers undertaking significant support work to 117 new cases in 2018.

Through the Veterans' Referral Programme (through which individuals requiring psychiatric support are referred to specialists for programmes of treatment, 79 cases were supported in 2018 as against 26 in 2017.

In August 2017 a new initiative was launched to enable proactive follow up care of the medically discharged who have been identified as particularly vulnerable through a Transition Support Officer based at the Naval Service Recovery Centre (HMS Drake, Devonport), and at RM Barracks Stonehouse. 62 individuals were supported in 2018.

97 individuals were supported in preparing appeals to the Armed Forces Compensation Scheme through the Tribunals Officer, resulting in very significant uplifts in discharge compensation worth £447k per annum.

- 2. **Amenities:** Despite the withdrawal from Afghanistan, Royal Marines remain deployed around the world, with a higher proportion at a high state of readiness than any other service; this brings significant pressures in itself on those serving and their dependants, whilst the taxpayer cannot fund all the reasonable needs of the serving Corps. These improved amenities and facilities are both for Marines and their dependants. Such charitable activity is intended to improve recruitment, morale, team cohesion and retention, and thereby enhance military efficiency. Expenditure amounted to £716K, 34% of grants made and is 74% funded from the Days' Pay Giving schemes and sports subscriptions paid into by serving Marines and investment income from those funds.
- 3. **Sports:** grants to the 31 sports clubs and associations forming the Royal Marines Sports Association were met in their entirety from the days' pay subscription funds into which 87% of Royal Marines pay voluntarily (as of December 2018). Expenditure amounted to £295K, 14% of grants made in 2018.

ADDED SOCIAL VALUE

Through 2018, the Charity has been meeting with a NFP organisation the [Social Value Portal](#), to work out appropriate metrics using government approved Themes, Outcomes and Measures including calculations of added social value. Having agreed 65 metrics to capture from 2019 on, data from 2018 operations was uploaded.

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Areas where extra value was added were as follows:

- a. Family members supported through Association events;
- b. Veterans attending parades;
- c. Discharged RM assisted into full time employment;
- d. Hours dedicated to supporting RMs into work by providing career mentoring, including mock interviews, CV advice, and careers guidance;
- e. Unpaid work experience provided by employer partnerships;
- f. Time dedicated to supporting divorcing families;
- g. Increase in lump sum and pension won following the tribunal and pension advice service.

Information captured demonstrated that in addition to the £2.12M distributed in grants, an extra £1.38M in social value was delivered. Hence the total value of services and grants made in 2018 was £3.5M.

FINANCIAL REVIEW

The Trustees consider that expenditure has been within the Objects of the Charity during the reporting period. They consider that the Charity remains healthy and thus able to meet its future charitable obligations.

The Charity is reliant on income from donations, fundraising events and investments. Highlights include:

- Total Net voluntary income for the group (including grants received and after cost of raising funds) was £869k ahead of target at £4.5m
- Income generation is diversified across a number of strands: major events (mostly dinners), major donor and corporate gifts, regular giving and one-off donations, trusts and foundations, grants, community fundraising (either Charity-organised initiatives or individuals undertaking their own initiatives) and legacies.
- Major Events delivered ahead of budget by £437k at £1.44m. Fundraising costs were £57k over budget at £611k, notably due to the nature of the high end London-based Guildhall and USMC Boxing dinners.
- £533k was received in legacies.
- Investment income was £29k ahead of budget at £391k, more than covering Charity salaries (though not all overheads).
- Overheads rose in 2018 to £242k, £46k over budget and £95k more than 2017 due to professional adviser and necessary legal costs associated with the merger with RMA.
- The whole fund value of the group rose to £13.8m which included unrealised investment losses of £445k. The Investment Portfolio stood at £10.4m at the end of 2018.

Investment policy and performance

The Articles of Association authorise Trustees to make and hold investments using the funds of the Charity within current rules and regulations. The Charity's investment managers from Cazenove Capital Management are currently instructed to invest in a portfolio which will generate an agreed level of income (currently CPI plus 3%) whilst growing capital with a medium risk portfolio; they have ensured that income has been maintained and realised significantly beyond budget despite volatile markets in 2018, whilst exposing the Fund to significantly less risk. The overall fund value has decreased from £10.9m at the end of 2017 to £10.4m at the end of 2018. The instruction to the fund managers is subject to annual review in accordance with projected need to draw on investment income.

The oversight of the management of the Charity's investments lies with a nominated trustee (Mr K Breslauer), and also with the Investment Committee (IC) of RNRMC, which is responsible for monitoring the performance of the investment managers in line with the investment strategy approved by the Boards alongside RNRMC.

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Reserves Policy

- a. The reserves of the Charity have to be flexible to meet the changing demands and calls on the Charity's funds, which are held and applied for many different activities in line with its charitable objectives and strategic plans.
- b. Because of the frequent and changing operational deployment pattern of serving Royal Marines, which inevitably increases the chances of casualties and potential future calls on reserves, along with the increasing needs of veterans, it is the policy of the Trustees to review the reserves holding regularly. Indeed, in the event of a major operation, the Trustees may find that they must draw on a substantial amount of capital to assist the Corps family at a time of need; hence reserves must be readily accessible.
- c. The agreed RNRMC Group Reserves policy has been followed in calculating the free reserves of The Royal Marines Charity. Whilst the total value of the Fund at 31 December 2018 was £13.37m (excluding RMSA and TRMCE),
 - £7.25m is held in restricted funds to be applied in specific circumstances. These funds are principally held in investments to ensure that there is a balance of income to meet the needs of current beneficiaries, but also growing capital to ensure that the needs of future beneficiaries are met, in order that TRMC remains a sustainable resource for the Corps for future generations.
 - £0.54m is held in designated funds, for a planned project, the construction of a community facility at the Commando Training Centre.
 - £5.58m is left as unrestricted funds, however £4.13m is held in investments in order to generate income which covers overheads.
- d. Therefore the free reserves of the charity are £1.45m, which equates to just over 4 months of expenditure to provide for charitable grants and the administration of the Charity. The Trustees' reserves policy is to hold 3 months of free reserves.

RISK MANAGEMENT

The Charity Trustees have considered the major risks to which the Charity is exposed and review those risks and the established systems and procedures to manage those risks through oversight of a risk register at each Trustee meeting. This register is directly linked to the delivery programme in order to ensure that risks which cannot be removed are mitigated against through the operations of the Charity's staff. A three-stage line of defence assurance system is in place, based on the regular checks of staff, the oversight of trustees, and the annual interrogation of the appointed auditor.

Principal risks identified as at 31 December 2018 are:

Risk	Mitigation
<p>Financial which includes:</p> <ul style="list-style-type: none"> • Not meeting our Voluntary Income targets • Constraining Corporate and Major Donors • Loss or reduction of funding streams <p>These risks would reduce our capacity to deliver our strategy.</p>	<ul style="list-style-type: none"> • We are continuing to grow our fundraising capability to diversify our income opportunities as much as possible, focusing particularly on strengthening the support of major individual and corporate donors. • We are further developing measurement of whole social value to demonstrate impact to donors, and our marketing function in order better to promote case studies. • We have a systematic approach to budget setting and financial planning with detailed monthly sequencing and monitoring during the year, with quarterly forecasts used to

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	<p>mitigate any budget/income pressures that arise during the year.</p> <p>We regularly review our investment strategy and its performance managed by appointed external fund managers.</p>
<p>Governance which includes:</p> <ul style="list-style-type: none"> • Lack of compliance with legal and regulatory requirements • Breach of data and/or IT breach by external agents • Lack of impact/outcome evidence may lead to sub-optimal block grant making <p>These risks will impact our operational delivery and increase regulatory scrutiny, both of which will impact our ability to deliver our objectives.</p>	<ul style="list-style-type: none"> • We have developed and implemented a consent to contact campaign and are registered with the Fundraising Regulator to evidence our compliance with the Charities Act 2016. • We benefit through being hosted on the RNRMC server from the cyber protection provided. • We have a whistle-blowing policy that is known to employees. There is a robust process for any issues arising from a disclosure to be dealt with promptly and properly. • We have developed improved methods of monitoring the impact of grants made to individuals and organisations, including ensuring safeguarding protocols are in place with those we fund.
<p>Reputational which includes:</p> <ul style="list-style-type: none"> • Adverse publicity of RM may affect public's perception of the charity's need for support and funds • Lack of control of funded organisations' activities • Lack of control of membership branches and individual members. <p>These risks would impact our reputation which is absolutely essential to keep key stakeholders, funders and beneficiaries positively engaged in assisting us delivering our outcomes.</p>	<ul style="list-style-type: none"> • We are developing a PR function which will give the capability to respond to reputational challenge, with direct links into Navy Media. • We have expect quarterly reports to the Board of Trustees from through year funded organisations. • We have revised terms and conditions for those outside organisations. • We have revised branch and membership bye-laws with close oversight from a Membership Committee.
<p>Post-merger Reputational and Delivery which includes:</p> <ul style="list-style-type: none"> • Effective merger between RMA and RMC not being fully implemented leading to failure to deliver envisaged benefits. • Merger implementation obstructing 'business as usual' leading to negative impact on outputs. <p>These risks would impact our reputation and operational delivery, which is absolutely essential to keep key stakeholders, funders and beneficiaries positively engaged in assisting us delivering our outcomes.</p>	<ul style="list-style-type: none"> • We will ensure prompt enactment of Board directions in collaboration with RNRMC, and deconfliction of merger implementation tasks from normal business. • We will ensure continuous focus on the envisaged benefits and their delivery: <ul style="list-style-type: none"> • Unified brand with significant profile; • Reduced overheads, economies of scale, value for money; • Improved synergies across all outputs; • Stronger engagement with stakeholders; • Improved engagement and convergence with other Corps-focused charities; • Reduced bureaucracy; • Improved income generation.
<p>People Risk which includes:</p> <ul style="list-style-type: none"> • Inability to recruit and retain people with the required skills and expertise • Loss of staff who are alienated by the RMA-TRMC merger 	<ul style="list-style-type: none"> • We have reviewed and agreed a new salary structure for the merged charity, alongside revised role descriptions and improved means of regular whole staff communication to improve retention and enhance retention.

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<p>These risks would reduce our effectiveness to deliver our objectives, reducing our impact.</p>	<ul style="list-style-type: none"> We have introduced a new Performance and Development Report to improve our performance and focus on learning and development. <p>We have sourced Plymouth and London offices to enable easier access to office working for remote staff.</p>
--	--

The Trustees consider by reviewing accounts at each Board meeting that they are able to manage income over expenditure effectively, whilst they are also able to seek advice on investments and dividends through the support of the RNRMC IC and FRAC, which have a depth of relevant experience.

FUTURE PLANS

Royal Marines charities convergence

Trustees from the boards of the Corps' own charitable organisations committed in 2014 to improving the service to the Royal Marines Family through a "root and branch" transformation of the existing model, to create a single, unified Royal Marines charity that will harness the unique brand of the Royal Marines and truly replicate its ethos. They adopted the following vision:

'To create a single Royal Marines Charity serving the needs of the whole Corps family through enhanced delivery of comradeship, heritage, transition, benevolence and amenities'.

This vision was realised with the merger of the Royal Marines Charitable Trust Fund with The C Group in 2016 to form The Royal Marines Charity, and the merger of The Royal Marines Charity with the Royal Marines Association on 1 April 2019. Progress towards this second merger was systematic, involving due diligence work to quantify and mitigate against identified risks, overseen by a Merger Steering Group comprising trustees from RMA, RNRMC and the RMC.

Envisaged benefits will be:

- The new charity will be the hub of the whole Royal Marines family
- Creation of a Royal Marines charity fit for purpose to support the future needs of the Royal Marines family
- A platform for increased membership of the RMA
- A unified brand and improved profile
- Greater unity of purpose and synergy
- Removal of duplication
- Economies of scale
- Reduced bureaucracy
- Reduced overheads
- More focused fundraising
- More effective grant making and service provision
- Stronger engagement with the whole Corps family
- Improved engagement with other service charities
- Coherent messaging and communications
- Stronger governance
- Greater value for money
- Promotes further consolidation of RM charities

RMA THE ROYAL MARINES CHARITY

REPORT OF THE TRUSTEES

2019 Strategy and Programme

Objectives set by the Board for 2019 are a shared common programme with the Royal Marines Association, with which the Charity will merge in April. They focus on proactive/preventative as well as reactive support:

Strategic

1. Enable those we serve to live by the Commando Mindset (restoring, maintaining and enhancing independence, dignity and responsibility) through financial and non-monetary support.
2. Promote and sustain the Royal Marines brand and esprit de corps.
3. Increase and achieve a representative membership mix of Corps Family and supporters, in order that the Charity and Association become the heart of the Corps Family.

Enabling

4. Achieve financial sustainability.
5. Achieve membership sustainability.

A Delivery Programme to enable these objectives to be carried out has been approved by the Board. This programme will ensure that the Charity is proactive and bold, differentiated, sustainable, owned by the Corps Family, recognised by the wider community, and effective – efficient, cost-effective and achieving maximum impact.

In the context of the merger, the Board is reviewing its Health and Well being, Employment and Education, and Marketing and Communications strategies, all expected to be implemented by Q3 2019. The oversight and direction of outputs will be delegated to formal Board sub-committees: Membership, Corps Amenities, Fundraising, Marketing and Communications, and Health and Well being. The Board intends to ensure that the Charity continues to offer a USP in providing solutions to genuine recognised need either not available through other state provision or third sector organisations; or solutions delivered more effectively and cost-efficiently through the Charity.

Income generation

Since it is the intention of the Trustees to continue meeting the current need for charitable grants and support, which will normally be £2.3M (plus £2.5M in 2019 for a capital project to construct a Corps Family Support Hub at the Commando Training Centre), the Trustees have agreed to continue implementing the following key objectives:

- Maintain Momentum
 - Further professionalisation of fundraising processes
 - Replace CRM database to assist control of data and segmentation
 - Create a PR function within the current marketing and communications team so as to improve marketing of impact building and thereby strengthen income generation.
- Diversify Income Streams
 - Appointment of a Director of Development to focus on major donor and corporate income generation
 - Further consolidate the foundation in community and events fundraising
 - Review and develop the Royal Marines Shop, which will be acquired through merger with RMA, in order to improve profitability.
- Sustainability
 - Base fundraising on identified future need
 - Identify long term projects requiring support within the Corps and Corps Family

RMA THE ROYAL MARINES CHARITY

REPORT OF THE TRUSTEES

Building of business network

The Board will continue to identify and grow appropriate corporate and business contacts and develop effective and enduring relationships in order to enhance monetary and non-monetary income generation, particularly through the Development Committee involving non-trustee supporters bringing business networks with them, through the West Country 100 group of South-West based businesspeople, and through the establishment of a Scottish Businesspersons network, alongside improved marketing and stewardship of relationships.

Acknowledgements

The Board wishes to place on record its gratitude to all those who have contributed to the fundraising progress of the Charity and to the effectiveness of support given in 2018, in particular:

- our corporate partner Patron Capital Advisers LLP which has given significant donations enabling the generation of further income and brought in substantial support from other corporates, alongside support to individual Royal Marines seeking employment or training, and to families in need, and the frequent provision of meeting space.
- Larchpoint Capital LLP, Sterling Square Capital Partners, Olympian Homes and Mundy Group, which have provided significant sponsorship to events and projects.
- The other individuals are too numerous to mention in full, but particular thanks must go to supporting organisations - the Royal Marines Band Service, the Royal Marines Sports Association, Commando Training Centre Royal Marines, the Corps Colonel's Department, and all regular and reserve units of the Corps.

The Board wishes to thank the RNRMC for its substantial back office support particularly during the run up to merger with RMA, and other established and independent charities with which it works closely: SSAFA, the Royal Naval Benevolent Trust, Greenwich Hospital, Help for Heroes, the Special Boat Service Association, Devon Air Ambulance Trust, the Royal Navy and Royal Marines Children's Fund, the Royal Navy Officers' Charity, the Not Forgotten Association, Aggie Weston's and Blesma – the Limbless Veterans.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of RMA-The Royal Marines Charity for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

RMA THE ROYAL MARINES CHARITY**REPORT OF THE TRUSTEES**

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The charitable company has taken advantage of the small companies exemption.

This report was approved by the Trustees on 16 APRIL 2014..... and signed on their behalf by



Mr D Cox
(Chairman)



Brigadier HJ White ADC
(Vice Chairman)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBER OF RMA THE ROYAL MARINES CHARITY

Opinion

We have audited the financial statements of The Royal Marines Charity for the year ended 31 December 2018 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2018 and of the group's incoming resources and application of resources, including 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 financial statements section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBER OF RMA THE ROYAL MARINES CHARITY

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15 the trustees (who are also the directors of the charitable company for the purposes of company law) 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 group and parent charitable company'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 group or parent charitable company or 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBER OF RMA THE ROYAL MARINES CHARITY

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBER OF RMA THE ROYAL MARINES CHARITY

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.



Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP
Chartered Accountants
Statutory Auditors
Devonshire House
60 Goswell Road
London
EC1M 7AD

Date: ...11 June 2014

Kingston Smith LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

RMA THE ROYAL MARINES CHARITY
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
INCOME & ENDOWMENTS					
Donations and legacies	4	2,944,800	1,143,355	4,088,155	2,864,106
Investment income	5	143,702	247,890	391,592	423,972
Charitable activities	6	3,088,502 118,251	1,391,245 303,871	4,479,747 422,122	3,288,078 204,084
Total operating income		<u>3,206,753</u>	<u>1,695,116</u>	<u>4,901,869</u>	<u>3,492,162</u>
EXPENDITURE					
Raising funds					
Investment management fees		23,388	41,348	64,736	34,770
Fundraising costs		1,197,582	2,663	1,200,245	853,723
Total cost of raising funds		<u>1,220,970</u>	<u>44,011</u>	<u>1,264,981</u>	<u>888,493</u>
Charitable activities					
Benevolence	7	641,423	680,457	1,321,880	1,016,255
Amenities		330,302	562,379	892,680	827,628
Sports		88,217	295,312	383,529	248,468
Death grant		-	6,140	6,140	15,140
Total charitable expenditure		<u>1,059,942</u>	<u>1,544,288</u>	<u>2,604,229</u>	<u>2,107,491</u>
Total operating expenditure		<u>2,280,911</u>	<u>1,588,299</u>	<u>3,869,210</u>	<u>2,995,984</u>
Net operating income		925,842	106,817	1,032,659	496,178
Net (losses)/gains on investment assets	16	(162,704)	(282,056)	(444,760)	346,803
Net income/(expenditure)		763,138	(175,239)	587,899	842,981
Gross transfers between funds		(279,983)	279,983	-	-
Net movement in funds		483,155	104,744	587,899	842,981
Total funds brought forward		5,633,083	7,589,637	13,222,720	12,379,739
Total funds carried forward		<u>6,116,238</u>	<u>7,694,381</u>	<u>13,810,619</u>	<u>13,222,720</u>

The charity has no recognised gains or losses for the year other than as detailed above.

The net movements in the charity's funds for the year arise from the charity's continuing activities.

The notes on pages 25 to 38 form part of these accounts.

**RMA THE ROYAL MARINES CHARITY
BALANCE SHEET- GROUP AND CHARITY
AS AT 31 DECEMBER 2018**

	Note	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Fixed assets					
Tangible assets	15	13,682	20,431	13,682	20,431
Investments	16	10,403,490	10,877,205	10,403,490	10,877,205
		<u>10,417,172</u>	<u>10,897,636</u>	<u>10,417,172</u>	<u>10,897,636</u>
Current assets					
Stock	17	58,818	54,356	58,818	54,356
Debtors	18	580,392	291,642	576,236	263,899
Cash at bank and in hand		2,973,838	2,153,174	2,846,639	1,961,356
		<u>3,613,048</u>	<u>2,499,172</u>	<u>3,481,693</u>	<u>2,279,611</u>
Liabilities					
Creditors falling due within one year	19	(219,601)	(174,088)	(531,502)	(138,831)
Net current assets		<u>3,393,447</u>	<u>2,325,084</u>	<u>2,950,191</u>	<u>2,140,780</u>
Net assets		<u>13,810,619</u>	<u>13,222,720</u>	<u>13,367,363</u>	<u>13,038,416</u>
Accumulated funds					
Restricted funds	20	7,694,381	7,589,637	7,251,125	7,405,333
Unrestricted funds	20	6,116,238	5,633,083	6,116,238	5,633,083
Total accumulated funds		<u>13,810,619</u>	<u>13,222,720</u>	<u>13,367,363</u>	<u>13,038,416</u>

Company registration number: 07142012

The charitable company has taken advantage of the small companies exemption.

The financial statements on pages 22 to 38 were approved by the trustees on ^{16 APRIL 2019} and signed on their behalf by:



Mr D Cox
(Chairman)



Brigadier HJ White ADC
(Vice Chairman)

**RMA THE ROYAL MARINES CHARITY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	£	£
Cash flow/(outflow) from operating activities		
Net cash provided by/(used in) operating activities	409,205	(101,190)
Cash flows from investing activities		
Investment income and interest received	391,592	423,972
Proceeds from disposal of fixed asset investments excluding endowment funds	2,256,040	932,179
Acquisition of fixed asset investments excluding endowment funds	(2,227,085)	(896,331)
Payments to acquire tangible fixed assets	(9,088)	(2,958)
	<u>411,459</u>	<u>456,862</u>
Net increase in cash and cash equivalents	820,664	355,672
Cash and cash equivalents at beginning of year	2,153,174	1,797,502
Cash and cash equivalents at end of year	<u>2,973,838</u>	<u>2,153,174</u>

Reconciliation of net income/ (expenditure) to net cash flow from operating activities

	2018	2017
	£	£
Net income	587,898	842,981
Adjustments for:		
Depreciation charges	15,837	19,209
Net losses on investments	444,760	(346,803)
Investment income	(391,592)	(423,972)
(Increase)/decrease in stock	(4,462)	3,959
(Increase)/decrease in debtors	(288,750)	15,383
Increase/(decrease) in creditors	45,514	(211,947)
Net cash provided by/ (used in) operating activities	<u>409,205</u>	<u>(101,190)</u>

**RMA THE ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. ACCOUNTING POLICIES

a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and its subsidiaries are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

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

The principal accounting policies adopted in the preparation of the financial statements are set out below.

b) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

c) Group financial statements

These financial statements consolidate the results of the Charity and TRMC Enterprises Limited, its wholly owned trading subsidiary, and the Royal Marines Charity as the Charity is the sole member, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account are not presented for the Charity itself as the Charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

d) Income

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

Income is deferred when the donor attaches conditions outside the charity's own control or specifies that the resources are to be used in a future accounting period.

Investment income is received net of investment management fees but is grossed up in the accounts for investment management fees.

e) Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements.

**RMA THE ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Where services are provided to the charity as a donation that would normally be purchased, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

f) Expenditure

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. Unconditional grant offers are accrued once the recipient has been notified of the grant award and its payment is probable. Grant awards that are subject to the recipient fulfilling performance or other conditions are accrued when the recipient has been notified of the grant and either the performance condition is met or any remaining unfulfilled condition attaching to the grant is outside of the control of the Charity.

g) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

h) Allocation of overhead and support costs

Overhead and support costs have been allocated first between cost of generating funds, charitable activities and governance. Overhead and support costs relating to charitable activities have been apportioned between activities.

i) Cost of raising funds

The cost of raising funds consists of investment management fees and fundraising costs including an apportionment of overhead and support costs.

j) Charitable activities

Costs of charitable activities include grants payable and other costs directly associated with providing sports, amenities, prizes and awards, dependants grants or benevolence to beneficiaries and an apportionment of overhead and support costs.

k) Governance costs

Governance costs comprise all costs involving the public accountability and running of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit, legal fees and trustee meeting expenses together with an apportionment of overhead and support costs.

l) Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

m) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the charity 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.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 18 and 19 for the debtor and creditor notes.

**RMA THE ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

n) Stock

Stock is stated at the lower of cost and net realisable value.

o) Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful economic lives as follows:

Computer and office equipment - over 3 years straight line

p) Investments

Investments are stated at market value inclusive of accrued income as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

q) Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

r) Heritage assets

The Charity is the owner of a collection of Paintings, Silverware and other items. Many precious works are contained within messes across the Corps, which is housed and managed on behalf of the Charity by Serving Royal Marines within the Corps Secretariat. The collection is considered irreplaceable and as such it is not possible to attribute a reliable cost or value to it. It is additionally considered that the process of obtaining valuations of the collection would be disproportionate to any public benefit that might be derived and that it is impractical to apply conventional valuation techniques to the collection, due to the uniqueness of its nature.

s) Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The sole member of the Charity is The Royal Navy and Royal Marines Charity. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**RMA THE ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

3. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the consolidated statement includes those of TRMC and its wholly owned trading subsidiary TRMC Enterprises Limited; RMSA a charitable company of which the TRMC is the sole member.

A summary of the financial activities undertaken by the TRMC is set out below:

		2018	2017
		£	£
Total income		4,710,323	3,406,326
Expenditure on charitable activities		(2,673,823)	(2,105,422)
Expenditure on raising funds		(1,262,797)	(886,434)
		<u>773,703</u>	<u>414,470</u>
Net investment (losses)/gains	16	(444,760)	346,803
Net income		328,943	761,273
Total funds brought forward		13,038,420	12,277,143
Total funds carried forward		<u><u>13,367,363</u></u>	<u><u>13,038,416</u></u>
Represented by:			
Restricted funds	21	7,251,125	7,405,333
Unrestricted funds	21	6,116,238	5,633,083
		<u><u>13,367,363</u></u>	<u><u>13,038,416</u></u>

4. VOLUNTARY INCOME

	Unrestricted Funds 2018	Restricted Funds 2018	Total Funds 2018
	£	£	£
Donations	2,411,772	605,547	3,017,319
Subscriptions	-	537,808	537,808
Legacies	533,028	-	533,028
	<u>2,944,800</u>	<u>1,143,355</u>	<u>4,088,155</u>
	<u><u>2,944,800</u></u>	<u><u>1,143,355</u></u>	<u><u>4,088,155</u></u>
	Unrestricted Funds 2017	Restricted Funds 2017	Total Funds 2017
	£	£	£
Donations	1,852,706	90,990	1,943,696
Subscriptions	-	543,015	543,015
Legacies	321,400	-	321,400
Other Voluntary Income	51,151	4,844	55,995
	<u>2,225,257</u>	<u>638,849</u>	<u>2,864,106</u>
	<u><u>2,225,257</u></u>	<u><u>638,849</u></u>	<u><u>2,864,106</u></u>

RMA THE ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. INVESTMENT INCOME

	Unrestricted Funds 2018	Restricted Funds 2018	Total Funds 2018
	£	£	£
Dividends – United Kingdom equities	60,025	108,446	168,471
Property Fund	26,678	46,795	73,473
Unit Trust	54,342	99,908	154,250
Interest on cash deposits	273	449	722
Other	2,384	(7,708)	(5,324)
	<u>143,702</u>	<u>247,890</u>	<u>391,592</u>

	Unrestricted Funds 2017	Restricted Funds 2017	Total Funds 2017
	£	£	£
Dividends – United Kingdom equities	88,263	165,265	253,528
Property Fund	23,029	43,122	66,151
Unit Trust	34,890	65,327	100,217
Other	6,606	(2,530)	4,076
	<u>152,788</u>	<u>271,184</u>	<u>423,972</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2018	Restricted Funds 2018	Total Funds 2018
	£	£	£
Other grants received	118,251	303,871	422,122
	<u>118,251</u>	<u>303,871</u>	<u>422,122</u>

	Unrestricted Funds 2017	Restricted Funds 2017	Total Funds 2017
	£	£	£
Other grants received	136,542	67,542	204,084
	<u>136,542</u>	<u>67,542</u>	<u>204,084</u>

7. ANALYSIS OF CHARITABLE EXPENDITURE

	Grants Payable	Other Direct Costs	Support Costs (see note 10)	Total 2018
	£	£	£	£
Sports	295,312	-	88,218	383,530
Amenities	716,245	-	176,436	892,681
Benevolence	1,106,824	38,620	176,436	1,321,880
Death Grant	6,140	-	-	6,140
	<u>2,124,521</u>	<u>38,620</u>	<u>441,090</u>	<u>2,604,231</u>

RMA THE ROYAL MARINES CHARITY
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	Grants Payable	Other Direct Costs	Support Costs (see note 10)	Total 2017
	£	£	£	£
Sports	175,814	11	72,643	248,468
Amenities	682,343	-	145,285	827,628
Benevolence	841,516	29,454	145,285	1,016,255
Death Grant	15,140	-	-	15,140
	<u>1,714,813</u>	<u>29,465</u>	<u>363,213</u>	<u>2,107,491</u>

8. ANALYSIS OF GRANTS PAYABLE

	Grants to institutions	Grants to individuals	Total 2018	Total 2017
	£	£	£	£
Sports	295,312	-	295,312	175,814
Amenities	364,856	351,389	716,245	682,343
Benevolence	354,226	752,598	1,106,824	841,516
Death grant	-	6,140	6,140	15,140
Total	<u>1,227,258</u>	<u>897,263</u>	<u>2,124,521</u>	<u>1,714,813</u>

Analysis of institutions receiving grants:

	2018 £
Sports	
Royal Marines Sports Associations	295,312
	<u>295,312</u>
Amenities	
Globe & Laurel	87,112
Royal Marines Association	71,476
40 Commando Royal Marines	39,319
45 Commando Royal Marines	31,976
Commando Training Centre Royal Marines	32,758
Other less than £5,000	102,205
	<u>364,856</u>
Benevolence	
Rock to Recovery	163,412
Aggies	134,700
Turn to Starboard	19,859
Royal Marines Sports Associations	21,255
Royal Navy & Navy Marines Childrens Fund	15,000
	<u>354,226</u>

RMA THE ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9. ANALYSIS OF DIRECT GOVERNANCE COSTS

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Auditor's remuneration	13,590	4,242	17,832
Legal fees	136,706	8,400	145,106
Trustees' expenses	3,413	-	3,413
Meeting expenses	3,047	-	3,047
Bad debts	565	-	565
Other governance costs	8,285	134	8,419
	<u>165,606</u>	<u>12,776</u>	<u>178,382</u>
	<u>£</u>	<u>£</u>	<u>£</u>
	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £
Auditor's remuneration	11,940	4,116	16,056
Legal fees	78,910	-	78,910
Trustees' expenses	1,962	-	1,962
Meeting expenses	1,871	-	1,871
Bad debts	8,429	-	8,429
Other governance costs	40,367	-	40,367
	<u>143,479</u>	<u>4,116</u>	<u>147,595</u>

10. ALLOCATION OF SUPPORT COSTS AND OVERHEADS

Cost type	Cost of Raising Funds 2018 £	Charitable Activities 2018 £	Governance 2018 £	Total Allocated 2018 £	Basis
Staff costs	312,394	183,159	56,357	551,910	Usage
Office and administration costs	112,449	112,449	56,224	281,122	Usage
Fundraising expenses	629,920	-	-	629,920	Usage
Investment management fees	64,736	-	-	64,736	Usage
	<u>1,119,499</u>	<u>295,608</u>	<u>112,581</u>	<u>1,527,688</u>	
Direct governance costs (see note 9)	-	-	178,382	178,382	
	<u>1,119,499</u>	<u>295,608</u>	<u>290,963</u>	<u>1,706,070</u>	
Allocation of governance support costs	145,482	145,482	(290,963)	-	
	<u>1,264,981</u>	<u>441,090</u>	<u>-</u>	<u>1,706,070</u>	

**RMA THE ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. ALLOCATION OF SUPPORT COSTS AND OVERHEADS (continued)

Cost type	Cost of Raising Funds 2017 £	Charitable Activities 2017 £	Governance 2017 £	Total Allocated 2017 £	Basis
Staff costs	248,356	148,842	53,015	450,213	Usage
Office and administration costs	91,253	91,253	45,626	228,132	Usage
Fundraising expenses	390,996	-	-	390,996	Usage
Investment management fees	34,770	-	-	34,770	Usage
	<u>765,375</u>	<u>240,095</u>	<u>98,641</u>	<u>1,104,111</u>	
Direct governance costs (see note 9)	-	-	147,595	147,595	
	<u>765,375</u>	<u>240,095</u>	<u>246,236</u>	<u>1,251,706</u>	
Allocation of governance support costs	123,118	123,118	(246,236)	-	
	<u>888,493</u>	<u>363,213</u>	<u>-</u>	<u>1,251,706</u>	

11. STAFF COSTS

	2018 £	2017 £
Salaries and wages	464,709	385,165
Social security costs	48,778	37,554
Pension costs	28,346	22,047
Temporary staff	10,077	5,447
	<u>551,910</u>	<u>450,213</u>

No employees earned £60,000-£70,000 in the year (2017: One employee).

One employee earned £70,000-£80,000 in the year (2017: No employees).

No trustee received emoluments (2017: none). 6 trustees (2017: 3) received reimbursed travel and subsistence expenses totalling £3,413 (2017: £1,961).

Included in the above costs are termination payments of £nil paid to no individuals (2017: £23,250, 1 individual).

STAFF NUMBERS

The average number of staff employed was 14 (2017: 11 staff) and the average number of full-time equivalent employees (including casual and part time staff) during the year was as follows:

	2018 Number	2017 Number
Support	14	11
	<u>14</u>	<u>11</u>

12. MOVEMENT IN NET FUNDS FOR THE PERIOD

	2018 £	2017 £
Movement in net funds is stated after charging/(crediting):		
Auditor's remuneration (excluding irrecoverable VAT):		
- Statutory audit (current year)	17,832	16,825
- Taxation	936	825
- Other	7,128	10,706
Depreciation – owned assets	15,836	19,209
	<u>15,836</u>	<u>19,209</u>

**RMA THE ROYAL MARINES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. TRUSTEES AND KEY MANAGEMENT PERSONNEL

Key management personnel include the Trustees, Chief Executive (and senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £166,051 (2017: £118,042).

14. TAXATION

The company is a registered charity and no provision is considered necessary for taxation.

15. TANGIBLE FIXED ASSETS (Group and Charity)

	Office Equipment £	Computer Equipment £	Total £
Cost:			
As at 1 January 2018	42,830	30,680	73,510
Additions	9,088	-	9,088
Disposals	-	-	-
	<u>51,918</u>	<u>30,680</u>	<u>82,598</u>
Depreciation:			
As at 1 January 2018	36,861	16,218	53,079
Charge for the period	5,856	9,981	15,837
Eliminated on disposal	-	-	-
	<u>42,717</u>	<u>26,199</u>	<u>68,916</u>
Net book value:			
As at 31 December 2018	<u>9,201</u>	<u>4,481</u>	<u>13,682</u>
Net book value:			
As at 31 December 2017	<u>5,968</u>	<u>14,462</u>	<u>20,431</u>

16. FIXED ASSET INVESTMENTS (Group and Charity)

Movements in fixed asset investments	2018 £	2017 £
Market value brought forward	10,877,205	10,566,250
Additions at cost	2,227,085	896,330
Disposals at carrying value	(2,256,040)	(932,179)
Net gain/(loss) on revaluation	(444,760)	346,803
	<u>10,403,490</u>	<u>10,877,205</u>
Market value carried forward	<u>10,403,490</u>	<u>10,877,205</u>
Analysis of market value of investments by type:		
Equities	7,057,498	7,819,877
Bonds	1,139,199	962,821
Alternative investments	1,399,171	1,589,719
Cash	807,622	504,788
	<u>10,403,490</u>	<u>10,877,205</u>

Analysis of market value of investments between those held within and outside the United Kingdom:

Within the United Kingdom	7,449,533	8,742,232
Outside the United Kingdom	2,953,957	2,134,973
	<u>10,403,490</u>	<u>10,877,205</u>

**RMA THE ROYAL MARINES CHARITY
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17. STOCK (Group and Charity)		2018	2017
		£	£
Wine and ports stock for messes		53,923	53,456
Leaving gifts for officers		4,895	900
		<u>58,818</u>	<u>54,356</u>

18. DEBTORS	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Other debtors	55,856	72,403	51,700	44,660
Prepayments and accrued income	351,188	170,606	351,188	170,606
Due from parent charity	173,348	48,633	173,348	48,683
	<u>580,392</u>	<u>291,642</u>	<u>576,236</u>	<u>263,899</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Grants payable	95,673	89,133	78,002	87,357
Almonised grants payable	495	3,519	495	3,519
Trade creditors	28,959	30,122	28,959	8,562
Taxation and social security	22,583	10,500	22,583	10,500
Accruals	71,891	40,814	71,629	28,893
Due to subsidiaries	-	-	329,834	-
	<u>219,601</u>	<u>174,088</u>	<u>531,502</u>	<u>138,831</u>

20. ANALYSIS OF CHARITABLE FUNDS

Analysis of unrestricted fund movements

	Balance at	Incoming	Resources	Transfers	Investment	Balance at
	01.01.2018	resources	expended	£	gains/(losses)	31.12.2018
	£	£	£	£	£	£
TRMC general funds	5,052,015	3,203,905	(2,233,079)	(279,983)	(162,704)	5,580,154
LIBOR Fund	581,068	2,848	(47,832)	-	-	536,084
	<u>5,633,083</u>	<u>3,206,753</u>	<u>(2,281,911)</u>	<u>(279,983)</u>	<u>(162,704)</u>	<u>6,116,238</u>

The LIBOR Fund was designated by the trustees in 2014 following a grant award from HM Treasury, without any restrictions. The Trustees have designated this for specific projects with a view to spending all of the funds within the next few years depending on the project timelines.

RMA THE ROYAL MARINES CHARITY
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Analysis of restricted fund movements (continued)

	Balance at 01.01.2018 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2018 £
Charity						
RM Benevolence Fund 3,354,992	4,045,127	141,206	(674,546)	-	(156,795)	
RM Cadet Fund	123,903	4,017	(1,849)	-	(4,629)	121,442
RM Officers' Trust Fund	1,045,016	156,350	(154,291)	(10,035)	(39,320)	997,720
RM Central Sergeants' Mess Fund	930,809	177,862	(165,493)	(34,118)	(36,508)	872,552
RM Central Unit Institute Fund	1,205,986	308,595	(166,257)	(156,541)	(44,804)	1,146,979
RM Support Network	4,193	-	(4,193)	-	-	-
CTCFC	50,299	715,541	(8,400)	-	-	757,440
	<u>7,405,333</u>	<u>1,503,571</u>	<u>(1,175,029)</u>	<u>(200,694)</u>	<u>(282,056)</u>	<u>7,251,125</u>
Subsidiaries						
Royal Marines Sports Association	184,304	191,545	(408,400)	475,807	-	443,256
TRMC Enterprises Limited	-	-	(4,870)	4,870	-	-
Group Total	<u><u>7,589,637</u></u>	<u><u>1,695,116</u></u>	<u><u>(1,588,299)</u></u>	<u><u>279,983</u></u>	<u><u>(282,056)</u></u>	<u><u>7,694,381</u></u>

Analysis of restricted fund movements- prior year

	Balance at 01.01.2017 £	Incoming resources £	Resources expended £	Transfers £	Investment gains/(losses) £	Balance at 31.12.2017 £
Charity						
RM Benevolence Fund	4,197,708	175,122	(455,626)	-	127,922	4,045,127
RM Cadet Fund	116,479	4,355	(551)	-	3,620	123,903
RM Officers' Trust Fund	1,009,373	158,704	(143,142)	(10,773)	30,854	1,045,016
RM Central Sergeants' Mess Fund	909,847	181,499	(152,511)	(36,627)	28,601	930,809
RM Central Unit Institute Fund	1,136,870	322,060	(119,923)	(168,054)	35,033	1,205,986
RM Support Network	43,884	-	(39,692)	-	-	4,193
CTCFC	299	50,000	-	-	-	50,299
	<u>7,414,461</u>	<u>891,740</u>	<u>(911,444)</u>	<u>(215,454)</u>	<u>226,030</u>	<u>7,405,333</u>
Subsidiaries						
Royal Marines Sports Association	102,596	85,835	(219,580)	215,454	-	184,304
TRMC Enterprises Limited	-	-	(152,913)	152,913	-	-
Group Total	<u><u>7,517,057</u></u>	<u><u>977,575</u></u>	<u><u>(1,283,938)</u></u>	<u><u>152,913</u></u>	<u><u>226,030</u></u>	<u><u>7,589,637</u></u>

RM Benevolence Fund is a restricted fund amalgamated from a range from Royal Marines specific funds designed to support Serving, Veterans and their dependants.

RM Cadet Fund is a restricted fund which generates a small amount of investment income to support RM Cadets with various amenity bids.

RM Officers' Trust Fund is a restricted fund to support Royal Marines Officers in providing grants for Sports, Functions and Amenity bids.

RM Central Sergeants' Mess Fund is a restricted fund to support Royal Marines Seniors in providing grants for Sports, Functions and Amenity bids.

RM Central Unit' Mess Fund is a restricted fund to support Royal Marines Juniors in providing grants for Sports, Functions and Amenity bids.

**RMA THE ROYAL MARINES CHARITY
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RM Support Network is the rebranded TRiM4Veterans fund which is a restricted fund to support the RMA Welfare team in providing volunteer support to Serving and Veteran Royal Marines through signposting and other support services.

CTCFC Commando Training Centre Support Hub is a restricted fund for donations collected to support the building of a capital project at CTCRM, Lympstone.

21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
Tangible fixed assets	13,682	-	13,682
Fixed asset investments	4,125,610	6,277,880	10,403,490
Cash at bank and in hand	1,992,054	981,784	2,973,838
Other net current assets/(liabilities)	(15,108)	434,717	419,609
	<u>6,116,238</u>	<u>7,694,381</u>	<u>13,810,619</u>
	<u>6,116,238</u>	<u>7,694,381</u>	<u>13,810,619</u>

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total 2017 £
Tangible fixed assets	20,431	-	20,431
Fixed asset investments	3,788,025	7,089,180	10,877,205
Cash at bank and in hand	1,750,468	402,708	2,153,176
Other net current assets	74,162	97,748	171,910
	<u>5,633,086</u>	<u>7,589,636</u>	<u>13,222,722</u>
	<u>5,633,086</u>	<u>7,589,636</u>	<u>13,222,722</u>

22. ULTIMATE CONTROLLING PARTY

During the year the charitable company and group was under the control of Royal Navy and Royal Marines Charity (a registered charity incorporated in England and Wales, registered company number 6047294, registered charity number 1117794 and also a registered charity in Scotland, charity number SC041898).

The ultimate controlling party is also the Royal Navy and Royal Marines Charity. Copies of the Royal Navy and Royal Marines Charity consolidated financial can be obtained from Building 29, HMS Excellent, Whale Island, Portsmouth, PO2 8ER.

23. RELATED PARTY TRANSACTIONS

During the year trustees donated £82,050 (2017: £64,060) to the charity. The charity also received a £80,000 (2017: £150,000) donation from the Globe and Laurel magazine, an organisation with common trustees.

During the year The Royal Marines Charity made a grant to its subsidiary, The Royal Marines Sports Association, of £499,708 (2017: £215,454).

During the year The Royal Navy and Royal Marines Charity, the ultimate controlling party, charged The Royal Marines Charity £143,789 (2017: £47,133) in respect of management and administration services.

The Royal Marines Charity received a grant from The Royal Navy and Royal Marines Charity of £346,413, in relation to the Commando Centre.

**RMA THE ROYAL MARINES CHARITY
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FOR THE YEAR ENDED 31 DECEMBER 2018**

24. SUBSIDIARIES

The following is an extract of the financial statements of The Royal Marines Sports Association for the year ended 31 December 2018:

	2018 £	2017 £
Income	667,240	301,289
Expenditure	(408,289)	(219,581)
Net movement in funds	<u>258,951</u>	<u>81,708</u>
	2018 £	2017 £
Current assets	460,926	186,080
Liabilities	(17,671)	(1,776)
Net assets	<u>443,255</u>	<u>184,304</u>
Unrestricted funds	<u>443,255</u>	<u>184,304</u>

24. SUBSIDIARIES

The following is an extract of the financial statements of TRMC Enterprises Limited for the period ended 31 December 2018:

	2018 £	2017 £
Income	4,870	152,913
Expenditure	(4,870)	(152,913)
Net movement in funds	<u>-</u>	<u>-</u>
	2018 £	2017 £
Current assets	169	33,482
Liabilities	(168)	(33,481)
Net assets	<u>1</u>	<u>1</u>
Unrestricted funds	<u>1</u>	<u>1</u>

25. POST BALANCE SHEET EVENT

On 1st April 2019 the charity completed its merger with Royal Marines Association (RMA) and is registered under the revised name, Royal Marines Association – The Royal Marines Charity (with the working name RMA The Royal Marines Charity).