

Charity number: 1145688

# Forces in Mind Trust

Report and financial statements  
For the year ended 31 December 2020

# Forces in Mind Trust

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### For the year ended 31 December 2020

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## Forces in Mind Trust

### Reference and administrative details

For the year ended 31 December 2020

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**Charity number** 1145688

**Registered office** Alexandra House  
St Johns Street  
Salisbury  
SP1 2SB

**Operational address** Mountbarrow House  
6-20 Elizabeth Street  
London  
SW1W 9RB

**Country of registration** England and Wales

**Trustee** FIM Trustee Ltd

<b>Principal staff</b>	Ray Lock CBE	Chief Executive
	Tom McBarnet	Director of Programmes
	Caroline Cooke	Head of Policy
	Rodrigo Voss	Operations Manager
	Kirsteen Waller	Health Programme Manager
Clare Crookenden	Grants Manager	

**Bankers** Barclays Bank UK PLC  
1st Floor  
27 Soho Square  
London  
W1D 3QR

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

## Forces in Mind Trust

### Reference and administrative details

For the year ended 31 December 2020

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**Auditor** Sayer Vincent LLP  
Chartered Accountants and Statutory Auditor  
Invicta House  
108-114 Golden Lane  
LONDON  
EC1Y 0TL

**Investment Managers** Cazenove Capital Management Limited  
1 London Wall Place  
London  
EC2Y 5AU

Sarasin and Partners  
Juxon House  
100 St. Paul's Churchyard  
London  
EC4M 8BU

**The Forces in Mind Trust has a single corporate Trustee, FIM Trustee Limited.**

The Directors of FIM Trustee Limited during the period 1 January 2020 to 8 June 2021 were:

Chair	H J R Pung	Chair of the Board
Director	A Bell	Member of the Finance and Investment Committee
Director	I Brown	Chair of the Programmes Committee (until 10 March 2020). Resigned 10 March 2020
Director	R S Campbell FCA	Chair of the Finance and Investment Committee
Director	Professor N Greenberg	Member of the Programmes Committee Resigned 30 May 2020
Director	R P Harries	Chair of the Programmes Committee (from 11 March 2020)
Director	General Retd Sir John C McColl KCB CBE DSO	Member of the Governance Committee
Director	D Mills	Member of the Programmes Committee
Director	Professor D Murphy	Member of the Programmes Committee (from 6 November 2020)

## Forces in Mind Trust

### Reference and administrative details

#### For the year ended 31 December 2020

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Director	Air Vice–Marshal Retd The Hon D P Murray CVO OBE	Member of the Programmes Committee Resigned 10 March 2020
Director	A S D Reding	Member of the Programmes Committee
Director and Deputy Chair	N J Roberts	Member of the Governance Committee and Deputy Chair of Board
Director	Major General Retd M J Rutledge CB OBE	Member of the Finance and Investment Committee
Director	A C Ward	Chair of the Governance Committee

The Trust's Patron is Admiral of the Fleet Lord Boyce KG GCB OBE DL.

The Trust's Honorary President is Air Vice–Marshal Retd A J Stables CBE.

As we began 2020, few of us would have anticipated the turbulence that lay ahead: a global Covid-19 pandemic which continues to cause devastating personal, social, and economic consequences; acts of racial injustice which highlighted inequalities and societal tensions; and political tumult in elections around the globe as well as uncertainty in UK-EU trade negotiations. The cumulative negative effect of these has highlighted the important role that charities, such as the Forces in Mind Trust, play in both supporting the vulnerable in the midst of the storm and setting the conditions to build back better once things stabilise.

And while FiMT does not provide direct services to those in need, I am very appreciative of the part that the Trust was able to play to quantify the scale of the challenge to the Armed Forces charitable sector through a series of surveys conducted by the Directory of Social Change and then deploy resources to help our partners in the Confederation of Service Charities (Cobseo) identify priority areas for assistance and make the case to Government for support. Cobseo's efforts resulted in £6 million of impact funding that, although insufficient to fully meet demand, helped a number of charities continue to help those most in need. In addition, the Trust also worked with our current grant holders impacted by the pandemic to support the delivery of already-commissioned projects.

Our evolution into an impact-oriented charity also continued during this period. We accelerated our spend profile, directed through our seven programme areas, in an effort to achieve greater impact and meet urgent needs. Our programmes team also continued to refine the policy objectives of each of these so that we could better measure this impact. And this approach was validated as the Trust was shortlisted in the Increasing Impact category for the 2020 Charity Governance Awards.

And we saw evidence of this increasing impact in 2020. The Trust's support to the Independent Review of Families in the Armed Forces helped magnify its profile and we anticipate that the Ministry of Defence will accept many of the report's recommendations. And we have seen recommendations from previous Trust-funded research and influencing also achieving impact: MoD jointly working with the Home Office to grant wider flexibility to non-UK Service leavers and a one-year government relief of national insurance contributions for employing ex-Service personnel are examples of this.

2020 also heralded transition in our executive and board leadership. Founding Director Isobel Brown departed after serving the board with nine years of sterling service. Professor Neil Greenberg concluded his second term on the board, while Professor Dominic Murphy replaces him both on the board and on our programmes committee. David Murray left having served as a Cobseo-nominated Director for nearly four years. Additionally, after nine years of leading the Trust as our Chief Executive, Ray Lock announced that he would be stepping down in the summer of 2021. I cannot emphasise enough Ray's contributions to the impactful organisation that FiMT has grown into and the pleasure that it has been to work with him in my time as Chair. And as much as the Trust will miss Ray's commitment and leadership, we are delighted to welcome Mike

## Forces in Mind Trust

### Chair's introductory report

#### For the year ended 31 December 2020

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Ellicock as our new incoming Chief Executive. Mike comes to us from the wider Third Sector and has very relevant experience in driving change through evidence and engagement.

In addition to Isobel, Neil, David and Ray, I would also like to extend my thanks and appreciation to the rest of the Trust's staff team, protector, and board directors for their continued dedication to fulfil our mission. Running and governing an organisation as dynamic as FiMT is not easy even in the best of times, and the entire FiMT team have been outstanding in continuing to carry out their socially-distanced responsibilities in the midst of the pandemic. And I look forward to seeing them in person again this year, as circumstances allow.

As we look forward in 2021, there is no shortage of opportunities for the Trust to help improve transition outcomes for our ex-Service members and their families. We have accelerated our spending profile to focus on driving impact in our seven programmatic focus areas but particularly with a renewed appreciation for diversity, equality, and inclusion considerations as well as an awareness of the continued effects of the Covid-19 pandemic on our beneficiaries and the wonderful charities that support them. And I have no doubt that the Forces in Mind Trust, working with our wider stakeholder community, will rise to the challenge to help ex-Service members and their families make successful and sustainable transitions from the Armed Forces.

H J R Pung

Chair, Forces in Mind Trust

## Introduction

The Directors of the Trustee (FIM Trustee Limited) present their Report, together with the audited financial statements of Forces in Mind Trust for the year ended 31 December 2020.

Reference and administrative information set out on pages 1 to 3 forms part of this report. The financial statements comply with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The Directors would like to express their gratitude for the continued and considerable support and engagement of our Patron, Lord Boyce, and Protector, Simon Martin, whose insightful report we address subsequently.

## Comment on Protector's Report

The Protector was appointed in November 2011 by the Big Lottery Fund; his role and responsibilities are fully described in his Report.

The Directors welcome the comments contained in the Protector's Report. The Protector's attendance at Board and a selection of Committee meetings contributes positively to the Trust's development, and his considered advice complements the institutional memory he retains.

Ensuring that the Board remains engaged in the Trust's most impactful work was uppermost in Directors' minds when commissioning and implementing the paper described later on 'Positioning for a More Strategic Approach', and we recognize the imperative for non-Programmes Committee Directors to maintain contact through quarterly 'Deep Dives'.

Work on the re-let of the FiMT Research Centre contract is ongoing, and we shall report on its outcome next year.

## Objectives and activities

### Purposes and aims

Forces in Mind Trust (FiMT, or the Trust) is a registered charity which has as its charitable aims:

The prevention and relief of poverty, the protection of mental and physical health and the relief of sickness and need amongst serving and former serving members of the Armed Forces by means of the provision of mentoring, services, facilities and equipment to support their treatment, rehabilitation, resettlement, education, training and employment and thereby support their transition to civilian life;



and

The protection of the mental and physical health, and the relief of poverty of the families and dependants of serving and former serving members of the Armed Forces in all cases for the benefit of the public.

Throughout this document, the concept of transition is as described above.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities, and are confident that the Trust's activities meet the Charity Commission's requirements with regard to public benefit. In particular, the Directors considered how the planned activities will contribute to the aims and objectives that have been set.

The Directors review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Directors report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Directors ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The year was dominated by the global Covid-19 pandemic and the UK's national response, which included a range of restrictions that affected the Trust's works in a variety of ways. The Directors considered both the impact on the Trust's work, and the need to change its overall strategy, and these remain under regular review into 2021. They are described in greater detail in subsequent sections. However, in summary, the Directors concluded that: the Trust's strategy remained valid; greater effort would be invested in enabling the whole Armed Forces charities sector through the crisis; current grant holders would be supported on an individual basis; the Programmatic approach and its constituent themes would remain central to the Trust's development; and prudent resource management would ensure the ongoing capability of the Trust to fulfil its mission.

At its annual February Strategy Day, the final face-to-face event of the year, Directors considered the various trajectories the Trust might take in its second decade, and what the implications were in particular for the level of Grants and Commissioning Programme expenditure. The Directors decided at the June Board meeting to establish a new concept of 'Mission Spend' defined as expenditure across all four Change Mechanisms regardless of whether commission, co-creation, responsive grant or services for influence, and set a 4-year planning figure at £2.6 million pa. Subsequently the Directors concluded that the Trust should also examine how it should adapt to take advantage of this certainty, and commissioned a paper on 'Positioning for a More Strategic Approach'. These initiatives are described in greater detail under the Future Plans section.

Following a recruitment campaign conducted with social sector leading agency Prospectus, the Trust appointed a new (and only its second) Chief Executive, Mike Ellicock, who will take over from Ray Lock in June 2021.

## Achievements and performance

The Trust's main activities and who it tries to help are described below. All its charitable activities focus on ex-Service personnel and their families and are undertaken to further FiMT's charitable purposes for the public benefit.

During 2020, the Trust reviewed its Change model and adjusted and confirmed the framework as below:

Our **Vision** is that all ex-Service personnel and their families lead fulfilled civilian lives.

Our **Mission** is to enable them (all ex-Service personnel and their families) to make a successful and sustainable transition.

Our six **Outcomes** (the ends we seek) are:

- Housing
- Employment
- Health
- Finance
- Criminal Justice System
- Relationships

and our four **Change Mechanisms** (the way we work) are:

- Knowledge and evidence
- Influence and convening
- Collaboration and leadership
- Capacity building

The Trust operates a 'Programmatic Approach' which places at its core: coherence; creating (measurable) impact through influence; and widespread consultation and collaboration. Each of the six Outcome areas has an associated eponymous Programme, and a seventh, Enabler Programme, has as its vision 'Successful and sustainable transition through the better enablement of measures promoting wider understanding, and improved coordination and collaboration within the military charity Sector'. The Directors recognize that some of the Trust's most impactful work has derived from this Programme and have afforded it the appropriate attention and priority.

The Trust's Strategy has not been changed and is as follows:

Our **Strategy** is to use our spend-out endowment to fund targeted, conceptually sound, evidence generation and influence activities that will cause policy makers and service providers to support our **Mission**, and to strengthen the Armed Forces charities sector through collaboration and leadership, and by building its capacity, in order to realize our **Vision**.

## Grants and Commissioning Plan

During the period, 31 grant awards were made, in addition to a grant to provide the supporting infrastructure for the Mental Health Research Programme (previous period 26 plus infrastructure), listed below by organization. Other costs related to grants awarded totalling £215,220 (2019: £153,612) are also shown. Of these 31 awards, 20 (16) were for Knowledge and evidence, 5 (4) were for Influence and convening, 2 (3) were for Collaboration and leadership and 4 (2) were for Capacity building.

### A short note on Covid-19

In recognition of the impact of the global Covid-19 pandemic, the Trust contacted all of its existing grant holders at the commencement of the first national lockdown to offer immediate support, and subsequently to discuss the likely effect on its funded projects. As a consequence, five projects received additional awards totalling £164,033 included in the list below, and 26 were given no-cost time extensions. All were processed in accordance with the Trust's existing governance procedures, which proved responsive and robust.

As part of its strategy to strengthen the Armed Forces charities sector, the Trust worked closely with the staff of the Confederation of Service Charities (Cobseo) to understand what role it could fulfil. It was decided that the Trust was well placed to provide an evidence base through its long-standing strategic relationship with the Directory of Social Change, which allowed Cobseo to identify priority areas and to successfully put forward a case for emergency Government funding. The Trust also extended its contract with strategic public relations adviser Amazon PR to support smaller Armed Forces charities facing catastrophic shortfalls in voluntary income.

Services totalling £48,493 were expended on both these areas in 2020. The results included public provision of a £6 million Covid Impact Fund for Armed Force charities, and an additional 27 million 'opportunities to see', a public relations metric. In the words of one of the recipients of this support:

"We saw an increase in donations, website visits and social media followers. We are extremely grateful for the support you gave us throughout the process."

In February 2021, a grant was awarded to the Directory of Social Change for a project that included maintenance of that evidence base to the benefit of the Armed Forces charities sector.

## The Grants and Commissioning Plan in 2020

Full details of amounts and types of grant can be found at Note 5 to the financial statements and on the Trust's website (section 'who we have helped' <http://www.fim-trust.org/who-we-have-helped/>). Grants made in 2020, by organization title, were:

- Sector Leadership Programme. Windsor Leadership Trust, Additional Award
- Shoulder to Shoulder Online. TimeBank. Additional Award
- MINDFit Development & Initial Assessment of a MH Toolkit for Veterans. King's College London. Additional Award \*
- Where are all the veterans? Motivating military veterans to register with a Primary Healthcare practice. University of Chester
- Exploring War Widows' experiences of social isolation and loneliness. University of Northumbria
- Household Survey 2021. The Royal British Legion
- Longer-term employment outcomes for ex-Service personnel. QinetiQ Ltd
- Treating veterans with Complex PTSD using modular therapy. A pilot case study design. Edinburgh Napier University \*
- Advance 2020. ADVANCE Study Charitable Trust
- Caring and Coping: Living with Loss of Use of Limb/s, the family experience. Blesma
- Sanctions, Support & Service Leavers: Experiences of the UK social security system in transition. University of Salford
- Understanding the psychosocial determinants of psychological health and wellbeing for veteran families in the UK. Queen's University Belfast
- Casework Transformation Project. Royal Air Force Benevolent Fund on behalf of the Casework Steering Group
- Helping the Armed Forces Community to be the Best in Business. X Forces
- Shoulder to Shoulder Erskine Online. TimeBank. Additional Award
- Beyond the Finish Line: Examining the Invictus Games. Invictus Games Foundation. Additional Award
- Psychological treatment for morally injured UK Armed Forces veterans: A feasibility study. King's Centre for Military Health Research \*
- Scotland's Bravest Manufacturing Company - Progressive Employment Training. Royal British Legion Industries
- MINDFit Development & Initial Assessment of a Mental Health Toolkit for Veterans. King's College London. Additional Award \*
- Future Trends Commission (Lifting our Sights)
- DVA Conference, 7 October 2020. The Royal British Legion
- Veterans Mental Health Conference 2021-2023. King's Centre for Military Health Research
- Informing Scotland 2020-2023. Veterans Scotland
- High Intensity Service (HIS) Consultancy Project. Combat Stress on behalf of Contact Group
- Transition into Construction: Short Term Support. BuildForce
- You're in Your Own Time Now: Understanding Current Experiences of Transition to Civilian Life in Scotland. The University of Edinburgh

- Future Trends Commission (Lifting our Sights) website. CE Additional Award.
- A Roadmap to ensure achievement of No Homeless Veterans. The Riverside Group Limited on behalf of the Cobseo Housing Cluster
- Knowledge Transfer between TimeBank and SSAFA. TimeBank
- Pilot Randomised Controlled Trial (RCT) to evaluate to compare the Reconsolidation of Traumatic Memories (RTM) intervention with Trauma-Focused CBT (TF-CBT) delivery by charities to treat PTSD in UK veterans (aka PETT – PTSD Experimental Treatment Trial). King's College London. Additional Award.
- Understanding 'Negative Transitioning' in British Ex-Service Personnel. Queen's University Belfast. Additional Award
- MHRP Infrastructure Costs\*

\*Awards made through the Mental Health Research Programme

The impact of these grant awards will mainly be felt in subsequent years. The impact of previous years' grant awards, and also where appropriate those listed previously, is described in the following section on Impact and Influence.

In March 2020, the Board agreed a revised grants allocation for 2020 of £4.3 million which was £1.3 million higher than the original budget allocation. It reflected the excellent progress of the Programmatic Approach, and the investment that had been identified through effective collaboration, and which needed to be made on high quality, impactful projects. The total value of the 2020 awards, less other costs related to grants awarded but including Mental Health Research Programme infrastructure, was £4.151 million (previous period £2.574 million). Thus the annual award made by the Trust was 97% of its revised target.

Total charitable expenditure for the year amounted to £5.121 million (previous period £3.497 million).

Since the introduction of the Employment Programme in 2019, all of the Trust's Outcome areas have been developed on a common structure of a programme policy goal and vision, and a series of supporting objectives. This has focused the direction and increased the coherence of project funding (ie grant awarding) activity. The largest Programmes have established consultative Programme Reference Panels made up of a wide range of subject matter experts and Armed Forces charities stakeholders, to ensure that each Programme's development is properly focused on addressing recognised needs and challenges, and to ensure that the Trust's intentions are as widely understood as possible.

This structured approach has also introduced a significant series of policy statements for each Programme. These statements have enabled the Trust's vision and objectives to be widely promulgated to a range of hitherto unaware policy makers and influencers, and have maximised the benefit of using the Trust's professional public relations and media consultants, who now have a clear statement on what the Trust stands for in each of its core domains.

The previous approach of commissioning external Deep Dives has been superseded by a regular cycle of Programmes Committee Deep Dives, at which the aims, objectives and coherence of each Programme, together with planned influence activity and impact across all the Trust's change mechanisms, are scrutinized, and direction and guidance are passed to the executive. These Deep Dives are subsequently replayed at a more strategic level to the Board on a rolling schedule to ensure that Directors who are not serving on the Programmes Committee are able to discharge their responsibilities fully, and are engaged in, and able to affect the conduct of, the main strands of the Trust's work. Directors review each Programme in depth at approximately 18-month intervals. This process has been augmented by the development of Programme Dashboards, which are now presented as standing items on Board meetings and are readily accessible through the Trust's website. To increase external stakeholder understanding and transparency, slightly redacted versions of the Dashboards are also available on the public areas of the website.

As the Programmatic Approach gathered momentum, 2020 saw the largest total of awards in the Trust's history. This included £871,000 of Trust-commissioned work into long-term employment outcomes, family health, and a unique 'futures' study. The new Health Programme alone attracted some £2.1 million of grant awards. The Trust's increased ability to set the direction of its own work was also reflected in bringing to market two further commissions, which will be funded in Spring 2021.

## Impact and Influence

### Impact

The Trust once again played a key role in developing policies and supporting that contributed to improvements in the lives of the Armed Forces Community. This impact was achieved across the Trust's seven Programmes. Some examples are listed here.

- Families (Relationships Programme). The Trust has always emphasized that it works for ex-Service personnel and their families and, throughout 2020, its contribution to national policy development was substantial. A small grant (£6000) to the Independent Review of Families in the Armed Forces made in 2019 and continual support, some of it financial (£210), resulted in the Trust playing a key role in ensuring that the report was of a high quality, well presented, and contained effective recommendations. The Secretary of State for Defence, who was interviewed by the Trust's Chief Executive during the public on-line launch of the report 'Living in our Shoes', pledged to respond formally to all of the 110 recommendations. At virtually the same time, the Trust was asked by the Ministry of Defence to convene a series of charity sector workshops to inform its new Families Strategy. The credibility, independence and skill the Trust's staff brought to this exercise, which saw four on-line round table discussion and a lengthy submission, had a substantial impact on national policy development to the benefit of Armed Forces Community families.
- Mental Health (Health Programme). A ground-breaking study into Moral Injury, which had begun in 2018, reported in autumn 2020. The findings were covered extensively in national

media as the report's publication coincided with concerns being raised about the mental health of the NHS's front-line workforce. The Trust ensured that its project was utilised by those supporting the NHS, whilst also pursuing recommendations affecting the Armed Forces Community. Five papers were published in high-impact academic journals. The Trust recognizes that this is not impact of itself, but in the field of health, it is a necessary enabler and proxy indicator of future impact. A further project was funded in 2020 to develop a psychological treatment for ex-Service personnel who had suffered moral injury, which is likely to yield further evidence for the civilian healthcare workers. The Mental Health Research Programme began its second 5-year period as described in last year's Annual Report with a new strategic relationship with the Centre for Mental Health that will further increase the Trust's understanding of the environment, and its ability to create impact.

- Difficult transition (Employment and Health Programmes). Shoulder to Shoulder is a long-running mentoring project operated by TimeBank. During the year and following on from a highly successful pilot based near Glasgow, the Trust had funded the development of an on-line version. As national lockdown restrictions began to affect other mentoring services, the Trust provided additional funding to TimeBank to increase its capacity. At the end of the project, however, TimeBank was unable to attract sustainable funding. The Trust has always been clear in its strategy that it does not provide sustained funding, but will work with grant holders to scale up successful models. In this case, SSAFA – the Armed Forces Charity had secured public funding for its mentoring service, and therefore the Trust was able via a small further award to transfer the knowledge gained from the TimeBank work into SSAFA's scheme, which will result, at no cost to the charity, in a more effective programme that will increase its benefit to the Armed Forces Community.
- The world of work (Employment Programme). The announcement in 2020 of a relief commencing the following year for National Insurance Contributions of ex-Service personnel in the first year of their civilian employment followed a 2-year campaign inspired in part by a report commissioned by the Trust on self-employment. As The Royal Foundation, with whom the Trust enjoys a privileged strategic relationship, began to move away from its interest in ex-Service personnel, the Trust increased its interest in industry sector bodies. As Covid-19 struck, the building industry consortium that assisted ex-Service personnel into employment lost its corporate funding. Thanks to the work the Trust had previously conducted with BuildForce, it was able to provide expert advice, and bridge funding whilst it sought sustainable funding. A number of ex-Service personnel who would otherwise not have found a route into construction industry employment directly benefited from the Trust's support; but the real impact will be enjoyed by years of future Service leavers who will find a readier path into a more knowledgeable industry. Both these initiatives, together with the continued modest investment in the Deloitte-led 'Veterans Work' consortium, illustrate how in the Employment Programme the Trust has shifted its efforts from Change Mechanism 1 (knowledge and evidence) to 2 (influence and convening), 3 (collaboration and leadership) and 4 (capacity building). The level of grant awards in this Programme was low in 2020, but staff effort was high.

- **Wounded, Injured and Sick personnel (Health Programme).** ADVANCE is the Armed Services Trauma Rehabilitation Outcome Study. It is investigating the long-term physical and psycho-social outcomes of battlefield casualties from the UK Armed Forces following deployment to Afghanistan between 2002 and 2014. It is a unique and world-leading project. At the end of 2019, the Trust learned that ADVANCE had not secured substantial external funding that would allow it to operate beyond its start-up phase. Thanks to its network and reputation, the Trust was able quickly to convene relevant bodies for a round table. As a direct consequence of this leadership, the ADVANCE study secured funding for 10 years from the Headley Court Trust, Blesma and the Nuffield Trust. In 2020, the Trust decided to fund a 5-year position on the study to investigate specifically transition aspects of the cohort. It is almost impossible to measure the impact of the Trust's work, but its early pivotal role, advice and finally funding will positively affect a priority group of the Armed Force Community, namely those who have given most.
- **Non-UK personnel (Finance Programme).** A project on meeting the needs of non-UK personnel that was started in 2017 resulted in 2020 with the Minister for Defence People and Veterans publicly undertaking to work with the Home Office to offer greater flexibility such Service leavers. Aside from the many other benefits that the project had delivered, this was the first time that the UK Government had acknowledged that the issue (of settlement fees) warranted examination and change.
- **Enhancing the capability of the Armed Forces charities sector (Enabler Programme).** The Trust has always understood that a more effective Armed Forces charities sector leads directly to improved outcomes for members of the Armed Forces Community, and that central to its effectiveness is the part played by Cobseo. The Trust therefore played a leading role in supporting Cobseo last year in a number of ways. As well as contributing to the Cobseo Board as a permanent Director, the Trust's Chief Executive led on a Sector Strategic Review, and the formulation of a Digital and Data Strategy and associated Treasury business case. Thanks also to the Trust's intelligent challenge, another major sector change programme was paused pending review. The Trust, in conjunction with the Research Centre, led the Research Cluster throughout the year to improve sector awareness and collaboration. In addition, the Trust's staff advised many of the other clusters including Employment, non-UK, Care, Housing and Female serving and veterans, and also provided access to the Research Centre's knowledge hub and academic staff. The Trust also continued its support to Veterans Scotland, the membership infrastructure body representing Scottish Armed Forces charities, by funding a second 3-year term of its key Informing Scotland project, which continued to provide the glue binding the Armed Forces charities sector and the socket into which the public sector can and does plug. Finally the Trust's assistance to Cobseo to overcome the impact of Covid-19 is described earlier. The impact of this work can best be summarised in a quote from a small Armed Forces charity:

"Without this support I am not sure that we would have survived as a charity by the end of Covid-19 which would mean those veterans we help would feel lost and isolated, I would like to say a huge thank you for your support".



### Influence

Much of the success of the Trust is achieved by influencing others to adopt policies and adapt service provision in accordance with evidence-based recommendations. Consequently, the Trust places a high premium on its network and its ability to reach into key decision makers. This requires continual external staff engagement and the constant generation of credible evidence. During the year, the Trust engaged at Ministerial levels in London, Cardiff and Edinburgh, and with the Veterans Commissioners in Scotland and Northern Ireland. In addition, the Trust spoke at meetings of Westminster's All-Party Parliamentary Groups on Veterans and the Armed Forces Covenant, the Welsh Government's Expert Group on the Armed Forces, and the Scottish Parliament's Cross-Party Group on the Armed Forces, and convened a mental health forum for the Labour Party's Friends of the Forces group. Many of these interactions were inspired by the Trust's determined efforts to bring policies and research reports, supported by a vigorous social media effort, to the attention of those with the power to make the necessary changes. Somewhat less in the headlines, but arguably with more substantial long-term outcomes, the Trust surged its efforts to become a recognized thought leader, with considerable success. Careful targeting of sector specialist media led to extensive coverage and substantial generated content, and hence greater interest in the Trust's work and wider knowledge of policy and other recommendations.

The Trust formed a strong collaborative relationship with the Office for Veterans' Affairs and through this was able to take its work to one of the Whitehall organizations most responsible for the Armed Forces Community. As a result, implementation of the UK Government's 'Strategy for our Veterans' was strongly influenced by the Trust. At local government level, the 'No Homeless Veterans' campaign, a key project within the Trust's Housing Programme, concluded having delivered key education on-line and via 121 face to face sessions, in all cases far exceeding the project's KPIs. The Trust also assembled some of its key grant holders to provide the UK contingent for an inter-governmental '5-Eyes' research conference, and publication of the Directory of Social Change's 'Sector Insight' report was distributed to every UK Parliament MP.

In academia, the Trust once again played an important convening role through its support of the King's College London annual Veterans' Mental Health conference, a truly global and world-leading event where the Trust's research projects formed the backbone of the programme. The Trust also part-convened and funded a unique conference on Domestic Violence and Abuse which attracted over 500 delegates, the first time a spotlight had been placed upon the needs of the Armed Forces Community.

With the Forces in Mind Trust Research Centre's conference having been postponed due to Covid-19, a shorter on-line session with the three annual award winners was held, to great acclaim. In its other work, the Research Centre continued to grow its repository, and the number of visitors to its research hub. Its reputation also grew, both internationally and with the Veterans Advisory and Pensions Committees, who are set to become more significant actors within the public sector supporting the Armed Forces Community. As well as fulfilling its sector influence role, the Research Centre met its objectives of providing support to the Trust's staff as well as to Cobseo cluster groups and member charities.

This year saw the culmination of a 10-month project to redevelop the Trust's website. The new website provides much greater visibility of all the Trust's work, from concept to delivery, better promotion of published reports and policy news, and easier access for Trustees to important information and papers. The website incorporates new security features, and has an easier interface for those submitting grant applications. The cost of the website was £47,520 with much of the graphics work also being used in other areas, such as social media and the annual Impact Report.

A fuller description of the Trust's impact, influence and engagement can be found in the 2020 Impact Report <http://www.fim-trust.org/reports/>

### Beneficiaries of our services

The beneficiaries of the Trust's services are former members of the United Kingdom's Armed Forces, and their families. The Trust's strategy of achieving impact through its four Change Mechanisms listed previously means that benefit is gained not by the direct provision of welfare, relief in need or other grants, but by the improvements made to the support and preventative work provided by the public, private and voluntary sectors.

### Financial review

At the end of 2020 the Trust held total unrestricted charity funds of £23.677 million (2019: £27.193 million). Despite finishing on a high, concerns about global market volatility remain due to the Covid-19 pandemic, and the Finance and Investment Committee reviewed and decided to recommend to the Board (who agreed) in June 2020 a halt to the replenishment of 'cash instruments' which had been set at that required to maintain the Trust's current level of activity and grant awarding for a 2-year period without drawing down from the medium-term investment portfolios. At the close of 2020, a total of £4.533 million (2019: £6.272 million) was held by the investment managers in liquid funds. This is in addition to the instant access bank account holdings, described in the subsequent section on Reserves.

Draw down from medium-term funds totalled £3.5 million (2019: £4 million), and this, combined with stock market gains, led to the value of the portfolios managed by Cazenove and Sarasin reducing by £1.786 million to £28.258 million (2019: £30.044 million). As a result of drawdowns, investment income fell to £492.7k (2019: £628.7k). With the Trust required to have spent out by November 2031, the Directors are satisfied that the planned Grants and Commissioning Plan, incorporating costs associated with monitoring and evaluation, is currently set at an appropriate level and that the Trust's other (ie non-grant awards) costs of £889.6k (2019: £910k) represent good value and reflect the Board's strategic intent to invest in increasing the Trust's impact.

For much of 2020, the Trust's offices in London were unoccupied. In December, the Directors agreed that retaining the sub-lease within Mountbarrow House represented the most cost-effective option. To enable the extended periods of remote working, the Trust incurred additional

expenditure of £3,231 (eg postal redirection, office chairs and additional computer screens for home working) and was passed through rent rebates totalling £13,292.

In recognition of the clarity provided by the Board's ongoing discussion on the Trust's future plans, work entitled 'reconfiguring the endowment' was begun, to be concluded by the end of 2021. It includes an examination of how best to manage medium-term investments, how to limit the impact of stock market volatility, and how to ensure the Trust continues to gain maximum impact from its resources. At the beginning of 2021, it was decided to reconstitute the 'cash instruments' to £6 million.

### **Principal risks and uncertainties**

During the course of the year, the Directors considered the major risks to which FiMT is exposed and the systems that it has to mitigate them. The Directors concluded that there are policies, procedures and systems in place to deal with the identified risks, which have been captured and are routinely managed through a comprehensive Risk Register.

The Board has assessed that the major strategic risk to FiMT is that it fails to have delivered sufficient impact at the end of its 20-year life. It is controlling that risk by further implementing its programmatic approach, and by taking early steps to consult, identify and plan for when the current endowment is spent out.

The Board has assessed that the major legal and regulatory compliance risk to FiMT is failure to keep abreast of regulatory changes. It is controlling that risk by a combination of advice and updates from professional advisers including Cobseo and other third sector organizations, and technical knowledge of the Board and staff, both of whom undergo regular relevant training. An internal Conformance Review Programme continues to identify and review conformance with policies following a risk-based approach.

The Board has assessed that the major operational risk to FiMT is staff turnover and/or unexpected absence resulting in under-staffing and loss of corporate knowledge. It is controlling that risk by enhancing the employment 'offer' and by investing in staff development and so providing contingent capacity across the team. A full review of all roles and job descriptions was conducted in February 2020 to ensure remuneration is set at appropriate levels and hence support retention and, where necessary, recruitment.

The Board has assessed that the major financial risk to FiMT is that Equity market volatility causes encashment of medium-term investments at low values in order to maintain planned expenditure. It has controlled the risk through its investment policy as described later, by proactive engagement with FiMT's two Investment managers, and by the membership of two lay advisers on the Finance and Investment Committee with investment expertise.

The Board has assessed that the major governance risk to FiMT is insufficient Board capacity or skills. It is controlling that risk by running inclusive and active recruitment campaigns based upon a matrix of skills and experience.

The main uncertainty faced by FiMT has been the level of grant and commission awards that will be made over the remainder of the Trust's 20-year life. To reduce this uncertainty, the Board has established a 4-year mission spend target, at the end of which it intends to have identified its approach to the Trust's remaining years under the current endowment.

In addition to these risks and uncertainties, the Directors conducted a rolling review of the impact of the extended periods of remote working brought on by the national response to the global pandemic, and a specific review of the Trust's Business Continuity Plan. Advice on governance and operational matters was readily available from a range of infrastructure and professional organizations. The Directors are content that the Trust continues to meet all its statutory requirements, delivers best practice, has processes in place to adapt to a changing environment, and is a learning organization.

### Investment policy

The Investment Policy is based upon the ability to fund 24 months of operations and grant making at full planned rates without drawing down on medium-term investments. This equates to approximately £6m. There are therefore two objectives for each Investment Manager:

- To each maintain at all times £3m in cash instruments in separate segregated mandates. This was achieved when directed. The condition was temporarily removed by the Board in June 2020 and re-instated in February 2021.
- To generate a real return of 3% annually over a rolling 5-year period from the remaining medium-term investments, after expenses and using CPI as the inflation measure. Over the last 12-month period, returns were positive with Cazenove at 2.8% (2019: 8.8%) and Sarasin at 7.2% (2019: 13.6%). Since inception, overall performance against target has been 30.4% for Cazenove and 52.7% for Sarasin. The Finance and Investment Committee has instigated work on 'reconfiguring the endowment' that will overcome such performance disparity.

The Trust's Grants and Commissioning Plan and operating costs are funded both by investment income and cash withdrawal. This requires both Investment Managers to forecast investment income from (reducing) capital accurately and FiMT to give proper notice to Investment Managers of projected cash withdrawals required in the following 12 months at least.

At the beginning of 2021, having taken into account work on 'reconfiguring the endowment', the Board approved the formal investment policy statement for 2021 in accordance with Charity Finance Group best practice.

## **Reserves policy and going concern**

The Trust's reserves policy is to maintain 24 months of operating costs, committed grant payments, and future grant making at the full strategically planned rates in a combination of an instant access bank account and held by the Investment Managers as cash/cash instruments to ensure FiMT's ability to fulfil its Grants and Commissioning Plan. The balance of the funds is held by the Investment Managers in medium-term portfolios in accordance with the Investment Policy. The Directors consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

Cash held in the instant access bank account is calculated so as to meet monthly cash flow forecasts and can be replenished at 24 hours' notice from Investment Managers' cash/cash instruments. At 31 December 2020, cash flow for January 2021 was forecast to be £215k and instant access bank account holdings were £477k (31 December 2018 – £1.092 million)

The Directors do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Directors are aware that there are net current liabilities, but this is principally due to timing and the fact that liabilities are recognised in full for the following 12 months but there is no corresponding income recognised. In addition, the Trust has significant resources available in fixed asset investments which can be drawn down as required to fund working capital.

## **Plans for the future**

This year saw the Trust's ability to influence policy makers grow significantly, and therefore the Programmatic Approach with its emphasis on coherence and impact is one the Trust intends to continue to pursue, indeed to accelerate. Directors approved the establishment of one additional position within the Policy team in order to further grow this influence capability.

The founding of the Office for Veterans' Affairs and the Northern Ireland Veterans Commissioner provides further opportunities to bring the Trust's recommendations to the fore, and the ubiquity and acceptance of remote meetings has greatly increased the ease with which contact can be made, and collaborations forged. These play to the strengths of the Trust as well as its strategic aspirations.

The work the Board reviewed on 'Life beyond 2031' led directly to the clearest direction on how much of, and upon what, the Trust's resources should be expended over the next four years. The £2.6 million pa mission spend has now defined the parameters within which the Trust will operate its Programmes, and 'Positioning for a More Strategic Approach' has ensured that the Trust is best configured to achieve its mission in its second decade.

The Directors confirmed that the Forces in Mind Trust Research Centre should continue for a second 5-year term from September 2022, and allocated the necessary total budget of £2.5

million within the mission spend envelope. A competitive tendering process is underway to identify a suitable host and provider.

It is normal at this point to comment upon the output from the Trust's Annual Strategy Review (awayday) held early in the year following the reporting period. Continued national restrictions on meetings and movement led to the Board electing to conduct a short remote session in February 2021 with the intention of holding the more traditional one day face-to-face Strategy Review in May, or when permitted. The Directors were confident that this small delay to collaborative strategic thinking was inconsequential. The stage of development of the Programmatic Approach strategy, the Board papers 'Positioning for a More Strategic Approach' and 'Life Beyond 2031' having been endorsed during 2020, and the ongoing work described elsewhere on 'Reconfiguring the Endowment' meant that the Trust's strategic development was as thorough and vigorous as it had ever been. The short February review concluded that the Trust should develop clearer priorities for its Programmes, refine its strategic planning process, and investigate more effective impact measurement for its policy influence.

## Structure, governance and management

Forces in Mind Trust is an unincorporated charity registered as a charity on 31 January 2012. The Forces in Mind Trust was established under a sole corporate trustee, FIM Trustee Limited (Trustee), on 21 November 2011 and the Trust Deed was agreed between BIG (the Founder) and Trustee on 28 November 2011. BIG is now known as the National Lottery Community Fund.

All Directors give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Notes 4 and 7 to the accounts.

The Board meets quarterly. The Protector of the Trust also attends Board meetings. The Board has three sub-committees, and has approved Terms of Reference and appointments for each. The Governance (bi-annually) and the Finance and Investment (quarterly) Committees meet regularly to review relevant issues, and to monitor the work of, and provide advice to, the Executive Team. The Programmes Committee assesses and awards grants and commissions to applicants, advises on aspects of the Trust's influence planning and activity, and also supports the Executive Team as required in this activity. The Programmes Committee may authorise the award of grants for projects up to an agreed limit. Applications for grants outside this envelope or above the project limit, or which the Programmes Committee believes should be seen by the Board, must be assessed first by the Committee and recommendations made to the Board accordingly. All three committees provide a written report to each Board meeting.

Following an extensive review 'Positioning for a More Strategic Approach', the Committee's level of financial delegated authority was raised to £400,000 per project, provided it falls within the budget envelope (known as mission spend) agreed annually by the Board, and is not 'novel or contentious'. In addition, the Chief Executive's delegated authority for micro-grants and contingency awards was raised to £50,000. These changes were agreed by the Board in

## Forces in Mind Trust

### Directors' annual report

#### For the year ended 31 December 2020

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September 2020, and will be subject to a formal review 12 months later. The Trust's Regulations, Grants Manual and Committee Terms of Reference were amended accordingly.

Throughout 2020, the Trust conducted its Mental Health Research Programme, constituted by a Steering Group under the remunerated co-chairmanship of the Centre for Mental Health and King's Centre for Military Health Research. The Steering Group provides expert advice to the Grants and Commissioning Committee and to the Executive Team, but has no grant awarding authority. One Director also sits in attendance at Steering Group meetings.

The Forces in Mind Trust Research Centre is governed by an Executive Committee, chaired by a nominated Trust Director. The Centre's full-time director, a University employee based at Anglia Ruskin University, works from the Trust's offices once a week when restrictions permit and submits a formal quarterly report to the Board. Both the Director and the Academic Chair of the Research Centre brief the Board in person biannually. The Centre is advised by a strategic panel and an advisory group.

At the end of 2020, the Charity Governance Code was updated and reissued. Whilst the structure of the Code is broadly unchanged, the refreshed Code focuses on the third and sixth principles of Integrity and Diversity (now flanked by Equality and Inclusion). The Board, via the Governance Committee, considered the changes and initiated an action plan to ensure the Trust remained fully compliant with the Code.

Complementing the Code's new emphasis on Equality, Diversity and Inclusion, the Directors had already discussed how the Trust should change its approach to this area earlier in the year. The arrival into mainstream consciousness of the Black Lives Matter movement provided further impetus. Recognizing that it will take intentional, sizeable and persistent effort to generate significant progress, the Board decided that the Trust needed to invest in the cultural foundations so that equality, diversity, and inclusion in their many forms, can flourish. The Board identified three specific areas: Board composition; Staff composition and workplace; and the Trust's Programmes.

By adopting sector best practice, the recruitment in early 2021 of two independent Directors will be used to increase the diversity of the Board's composition. Staff composition and recruitment processes reflect and enable a diverse and inclusive executive team. Discussions with Cobseo, which has produced a clear plan for its members, will identify the role the Trust can play as a catalyst for generating the necessary changes in the sector, and the Trust intends to integrate this into its approach, as well as its own Programmes.

The Directors have delegated day-to-day running of the Trust to the Chief Executive, Air Vice-Marshal Retd Ray Lock CBE.

## Appointment of Directors

At the start of the reporting period, the Board had 13 Directors, comprising the Chair (an independent Director), 5 Directors who were nominated by Cobseo, and 7 other independent Directors who ensure a wide range of skills and knowledge, listed previously. Three Directors stood down and one was recruited during this period. At the start of 2021, the Board held three vacancies and recruitment was underway to fill two independent Directors to cover a range of skills, experiences, attributes and characteristics. In June 2021, there is one vacancy (independent). Directors are aiming for a Board size of 12 to 13 (5 Cobseo and 8 independent), consistent with Charity Governance Code best practice, and will use the remaining vacancy when appropriate to develop future members and improve diversity.

The Trust recognises and embraces the benefits of having an inclusive organization that makes good use of differences between Directors, staff and external partners. In this context, FiMT recognises such differences can include gender, race, national and ethnic origin, colour, religion, age, sexual orientation, marital and family status, and physical or mental disabilities, as well as differences in political and other beliefs. The Trust ensures that all individuals are provided with equal opportunities and seeks positively to create opportunities for those groups that may be disadvantaged.

## Director induction and training

New Directors (one this year) receive induction briefings from the Board and Committee chairs, the Protector and the Chief Executive in accordance with a continuously reviewed programme. Depending upon a new Director's experience, access to legal, trust and military expert briefings are also arranged as required. The Trust meets the full costs of such attendances. Departing Directors (three in 2020) conduct 'exit' interviews with the Board Chair and Chief Executive.

Current Directors are offered attendance at a range of professional development events throughout the year, for which the Trust will pay. In particular, NCVO, ACEVO, ACF, Legal Adviser and Investment manager programmes are highlighted to Directors in the Trust's monthly Newsletter. The Operations Manager maintains a log of all such events attended by Directors.

The Board reviews its own performance and that of individual Directors, including the Chair. All Directors conduct an annual one-to-one discussion with the Board Chair, during which any training needs are identified. The Deputy Chair in turn discusses the Chair's needs. In addition, Directors are strongly encouraged to attend Committees of which they are not members, including the Mental Health Research Programme Steering Group, and it is expected that all Directors will attend a Programmes Committee meeting at least once during each term of office (3 years maximum).

External evaluation of collective Board performance was not considered necessary this year; the presence of the Protector at all Board meetings provided adequate independent review. However, in recognition of the challenges faced by remote working, the first on-line Board meeting was



externally assessed by the Trust's regular expert facilitator. His report was considered by the Governance Committee and Board, and his conclusions were noted.

### Related parties and relationships with other organizations

The Trust has in place robust procedures for handling conflicts of interest. In particular, Directors and staff with a conflict of interest are not present when discussions are held and funding decisions are made in relation to that interest. The Trust maintains a full register of interests, which is brought to Directors' attention at every meeting, and is also available on the organization's website.

#### ABF – The Soldiers' Charity

The Chief Executive of ABF – The Soldiers' Charity is also a Director of FIM Trustee Limited. The FiMT Protector is also a Trustee of ABF – The Soldiers' Charity. FiMT has a lease with ABF – The Soldiers' Charity for room hire and premises services provided at Mountbarrow House. Rent and service charges in respect of this lease for the year to 31 December 2020 were £ 78,537 (2019: £80,116) and pass-through cost for postal and other services was £6,520 (2019: £5,114). Rent and services remain substantially below market rate and ABF – The Soldiers' Charity continues to act in the Trust's interests in its dealings with the Landlord, Grosvenor Estates.

#### Barclays Bank UK PLC

An employee of Barclays Bank UK PLC is also a Director of FIM Trustee Limited. At the year end, £273 (2019: £241) was paid for banking services to Barclays Bank UK PLC and Barclaycard.

#### Cobseo

The Executive Chair of Cobseo is also a Director of FIM Trustee Limited. Up to 5 members of the Board of Directors of FIM Trustee Limited are nominated by Cobseo and appointed by FiMT. There have been two direct transactions between FiMT and Cobseo. At the year end, £570 (2019: £550) membership fee was paid on behalf of FiMT, and £70.40 expenses was paid for attendance at a Cobseo organised event. During the period, Cobseo's Housing Cluster was awarded £ 219,243 for the project 'A Roadmap to ensure achievement of No Homeless Veterans', coordinated by The Riverside Group Limited, described under Note 5 to the Financial Statements. Payments to Chairman of Cobseo were exclusively for personal expenses associated with his role as a Director of FIM Trustee Limited, and are included within Note 7 to the financial statements.

#### King's College London – King's Centre for Military Health Research

An Honorary Professor of King's Centre for Military Health Research (KCMHR), which is a part of King's College London (KCL), is also a Director of FIM Trustee Limited. During the period, FiMT

## Forces in Mind Trust

### Directors' annual report

#### For the year ended 31 December 2020

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awarded 5 research contracts directly to KCL which are described under Note 5 to the Financial Statements, and which totalled £420,460.11 (2019: £967,616.78).

#### RAND Europe

The President (Chief Executive) of RAND Europe is also a Director of FIM Trustee Limited. No awards were granted to RAND Europe during the period, but it is a current FiMT grant holder.

#### The Poppy Factory

The Chief Executive of the Poppy Factory is also a Director of FIM Trustee Limited. No awards were granted to The Poppy Factory during the period, but it is a current FiMT grant holder.

#### The Sir Oswald Stoll Foundation

The Chair of Trustees of The Sir Oswald Stoll Foundation is also the Chief Executive of Forces in Mind Trust/FIM Trustee Limited. No awards were granted to The Sir Oswald Stoll Foundation during the period, but it was, on behalf of Cobseo's Housing Cluster, a FiMT grant holder until April 2020.

### Remuneration policy for key management personnel

In March 2016, the Board adopted a formal remuneration policy based upon an incremental salary scale, benchmarked annually using a leading market provider (currently Croner Reward) to cover cost-of-living and market comparators. The Governance Committee recommends to the Board the appropriate award for the forthcoming tax year. In March 2020, the Board accepted the Governance Committee's recommendations, all of which met the Policy requirements. The Policy will be formally reviewed during 2021, ahead of the 2022 remuneration review.

In addition to the annual salary review, the Trust also considers other employee benefits, where it is guided by sector comparators. All staff receive death-in-service insurance, and can take advantage of a cycle-to-work scheme and season ticket loan. The annual health screening did not take place in 2020 because of Covid-19 restrictions but all employees still have access to an employee assistance programme and confidential employee hotline. Annual leave at 30 days (plus bank holidays) is above sector average, and the Trust offers flexible working and 'time off in lieu'. The Board uses all these factors to encourage retention, which remains high; only one employee has served for less than two years.

## Statement of responsibilities of the Directors

The Directors are responsible for preparing the Directors' annual 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 Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Directors are required to:

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors' report has been approved by the Directors on 8 June 2021 and signed on their behalf by:

H J R Pung  
Chair of the Board

Air Vice-Marshal Retd R Lock CBE  
Chief Executive

## **Report of the Protector for the year ended 31 December 2020**

### **Background**

I was appointed as the Protector of the Forces in Mind Trust ("FIMT" or "the Trust") in November 2011 for a 5 year term. My appointment was extended in September 2016 for a further 5 years and will expire in November 2021.

Pursuant to the Trust Deed dated 28 November 2011 constituting the Forces in Mind Trust, I am required to prepare a statement for publication by the Trustee (FIM Trustee Limited) in its annual report, explaining the Protector's function, how the function has been exercised and, if appropriate, identifying any areas of administration which require improvement and steps to be taken by the Trustee to effect such improvement.

### **Protector's Function**

The function of the Protector is to ensure that the Trustee administers the Trust properly and to protect the Trust property. The principal objects of the Trust are set out elsewhere in this document. The Trust property consists of a portfolio of investments and cash derived from an original settlement on the Trust by the Big Lottery Fund – now titled the National Lottery Community Fund ("the Fund") of £35 million. If necessary, the Protector must report matters of serious concern to the Fund or to the Charity Commission. The Protector therefore has a "watch-dog" role and must monitor the Trustee and prevent it from abusing its powers or breaching its duties. More positively, the Protector must seek to ensure, as far as possible, that the Trust is administered in accordance with the terms of the Trust Deed and give or withhold consent or approval to the exercise of certain powers by the Trustee.

### **How I have discharged the Protector's function**

I attended the four board meetings held during the year ended 31 December 2020. I also joined the Board strategy away day which took place in February 2020 and attended a meeting of the Programmes Committee in May 2020. In addition, I have had a number of meetings with, and spoken to, the Chair, other trustees and the Chief Executive of the Trust, as required, during the course of the year.

I have given advice on the interpretation and application of certain provisions in the Trust Deed during the course of the year. I have not been required to consider or approve any changes to the constitution of the Trust.

### **Administration and Governance of the Trust**

I am satisfied that the Trust has been administered in accordance with the terms of the Trust Deed in the year to 31 December 2020.

## Forces in Mind Trust

### Protector's report

#### For the year ended 31 December 2020

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Three trustees stepped down during the course of the year. I am satisfied that there were no factors relating to these resignations that have an impact on the operation or governance of the Trust.

One new trustee was appointed during the year. The new trustee was nominated by the Confederation of Service Charities ("Cobseo"), which has the right to nominate up to 5 individuals for appointment to the Board. At the end of the year, there were 11 trustees in post, with two vacancies. The trustees have decided to reduce the number of trustees in post from 14 (the maximum permitted by the Trustee's constitution) to 12 individuals, 5 of whom will be nominated by Cobseo. This ratio preserves an appropriate balance between the independent and Cobseo nominated directors, whilst ensuring that the Trust benefits from the knowledge and sector expertise of the Cobseo representatives. In recruiting for the current vacancies, the Trustees are mindful of the need to achieve, if possible, greater diversity on the Board. This is an open recruitment process.

Covid lockdown and social distancing restrictions have resulted in three of the four Board meetings held during the year taking place on an online virtual meeting platform. The Board and the executive team have adapted well to this different environment. Board discussions have continued to be open and constructive with an appropriate level of robust scrutiny and challenge. Attendance at Board and Committee meetings has generally been good. An independent external facilitator attended one of the virtual Board meetings to observe and offer useful and positive feedback about Board behaviours and effectiveness.

The administration of the Trust's activity is generally efficient and effective. There continues to be, in my view, an appropriate delegation of authority and workload from the full Board to the three functioning committees of the Board: the Finance and Investment Committee, the Programmes Committee and the Governance Committee. Reports from each of the Committees are presented at each Board meeting.

The Board has reviewed and increased the level of delegated authority given to the Programmes Committee (PC) to approve grants. The effect of this change will be to reduce the number of grants that are referred from the PC to the full Board for approval. Setting a higher threshold is a pragmatic step, given the time that needs to be taken to scrutinize each grant properly and the difficulty faced by the Board when asked to approve a grant that has already been endorsed by the executive team and the PC. There is a risk, however, that those trustees who do not sit on the PC will become less well informed about the detail of the programmes. This can be addressed by the executive and the PC bringing an in-depth review (a 'Deep Dive') of each of the seven FiMT programmes to the full Board on a rolling basis and continuing to encourage the trustees who do not sit on the PC to attend meetings of that committee from time to time to gain a better understanding of its work.

I am satisfied that there is a proper division between the strategy setting, oversight and monitoring role of the Board and the day to day responsibilities of the executive team.

## The Executive Team

The executive team has spent much of the year working from home due to covid restrictions. Despite this challenge, there has been no discernible reduction in output, enthusiasm or efficiency. Ray Lock, the Trust's CEO, informed the Board part way through the year of his intention to step down as CEO in June 2021 after 9 years in post. The progress that FiMT has made and its now established reputation and ability to influence is in large measure due to Ray Lock's hard work, energy, persistence and leadership. The recruitment of the new CEO was completed by December 2020, allowing 6 months for an orderly transition and handover, notwithstanding the continuing challenges of lockdown.

## The impact of covid-19

There are reports elsewhere in this document of the impact of covid-19 on the Trust's activities, on the military charity sector and on those the Trust seeks to help. From my perspective as Protector, I am satisfied that:

- appropriate steps have been taken to enable the executive team to work effectively and safely from home;
- as noted above, the Board and the Board Committees have continued to discharge their respective strategic review and oversight functions;
- the impact of covid-19 pandemic and related restrictions on the FiMT programmes, on the sector and on beneficiaries was assessed at an early stage and has been kept under review and, where necessary, the Trust has changed its focus and delivery; and
- the Trust's endowment and cashflow requirements have been closely and prudently monitored by the Finance and Investment Committee.

## The next 5 years

I reported last year on the ongoing strategic debate about the legacy of FiMT and in particular whether the Trust's work could continue in some form beyond the end date of the Trust in November 2031. The Board has taken two important decisions this year. Firstly, the Board agreed a spenddown profile that will allow the Trust to maintain the current rate of spend for the next few years, moving increasingly from evidence generation to the pursuit of change through influencing activities, exploiting the research and knowledge generated over the first 10 years of the Trust's life. This change in emphasis from output to impact, through dissemination of evidence based best practice and holding government and delivery bodies and organisations to account, will be a critical task for the Trust over the next 5 years. I am pleased to note that the Board has approved further investment in the executive team to enable the influencing and exploitation work to be undertaken without an adverse impact on the ongoing programmes work.

Secondly, the Board has put in train a review of the activities and impact of the FiMT Research Centre as part of the process of determining whether to extend the Trust's existing contract with Anglia Ruskin University, which ends in September 2022, on the same or revised terms or whether

## **Forces in Mind Trust**

### **Protector's report**

#### **For the year ended 31 December 2020**

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to seek a new partner. An important component of the tender process will be to explore whether the FiMT Research Centre can become wholly or partly independently funded which would go some way towards securing the legacy of FiMT beyond 2031.

Simon Martin

Protector – Forces in Mind Trust

February 2021

## Independent auditor's report

To the trustee of

**Forces in Mind Trust**

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### Opinion

We have audited the financial statements of Forces in Mind Trust (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2020 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
- Have been prepared in accordance with the requirements of the Charities Act 2011

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustee with respect to going concern are described in the relevant sections of this report.



## Independent auditor's report

To the trustee of

**Forces in Mind Trust**

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### Other Information

The other information comprises the information included in the trustee's annual report, other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 requires us to report to you if, in our opinion:

- The information given in the trustee's annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

### Responsibilities of the trustee

As explained more fully in the statement of trustee's responsibilities set out in the trustee's annual report, the trustee is 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 trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## Independent auditor's report

To the trustee of

**Forces in Mind Trust**

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### 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 regulations made under section 154 of that Act.

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

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

### Capability of the audit in detecting irregularities

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

- We enquired of management and the Finance & Investment Committee Meeting, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

## Independent auditor's report

To the trustee of

### Forces in Mind Trust

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- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

## Use of our report

This report is made solely to the charity's trustee as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee 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 trustee as a body, for our audit work, for this report, or for the opinions we have formed.

11 June 2021

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Forces in Mind Trust

Statement of financial activities

For the year ended 31 December 2020

	Note	Endowment £	Unrestricted £	2020 Total £	2019 Total £
<b>Income from:</b>					
Investments	3	455,695	–	455,695	628,687
<b>Total income</b>		<u>455,695</u>	<u>–</u>	<u>455,695</u>	<u>628,687</u>
<b>Expenditure on:</b>					
Raising funds		–	134,853	134,853	139,834
Charitable activities					
Knowledge and Evidence		–	3,845,364	3,845,364	2,687,322
Collaboration and Leadership		–	11,841	11,841	139,943
Influence and Convening		–	818,246	818,246	503,472
Capacity Building		–	445,769	445,769	166,650
<b>Total expenditure</b>	4	<u>–</u>	<u>5,256,073</u>	<u>5,256,073</u>	<u>3,637,221</u>
<b>Net income / (expenditure) before net gains / (losses) on investments</b>		455,695	(5,256,073)	<b>(4,800,378)</b>	(3,008,534)
Net gains on investments	12	<u>1,284,205</u>	<u>–</u>	<u>1,284,205</u>	<u>2,985,519</u>
<b>Net income / (expenditure)</b>	6	1,739,900	(5,256,073)	<b>(3,516,173)</b>	(23,015)
Transfers between funds	17	<u>(5,256,073)</u>	<u>5,256,073</u>	<u>–</u>	<u>–</u>
<b>Net movement in funds</b>		<u>(3,516,173)</u>	<u>–</u>	<u><b>(3,516,173)</b></u>	<u>(23,015)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>27,192,854</u>	<u>–</u>	<u>27,192,854</u>	27,215,869
<b>Total funds carried forward</b>	17	<u><u>23,676,681</u></u>	<u><u>–</u></u>	<u><u>23,676,681</u></u>	<u>27,192,854</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

## Forces in Mind Trust

### Balance sheet

As at 31 December 2020

	Note	£	2020 £	2019 £
<b>Fixed assets:</b>				
Tangible assets	11		1,440	4,320
Investments	12		28,258,465	30,044,107
			<u>28,259,905</u>	<u>30,048,427</u>
<b>Current assets:</b>				
Debtors	13	21,792		5,044
Cash at bank and in hand		477,048		1,091,931
		<u>498,840</u>		<u>1,096,975</u>
<b>Liabilities:</b>				
Creditors: amounts falling due within one year	14	(3,094,891)		(2,485,553)
			<u>(2,596,051)</u>	<u>(1,388,578)</u>
<b>Net current liabilities</b>				
			<u>(2,596,051)</u>	<u>(1,388,578)</u>
<b>Total assets less current liabilities</b>			<u>25,663,854</u>	<u>28,659,849</u>
Creditors: amounts falling due after one year	15		(1,987,173)	(1,466,995)
			<u>(1,987,173)</u>	<u>(1,466,995)</u>
<b>Total net assets</b>	16		<u>23,676,681</u>	<u>27,192,854</u>
<b>The funds of the charity:</b>				
Endowment funds			23,676,681	27,192,854
Unrestricted general funds			-	-
			<u>23,676,681</u>	<u>27,192,854</u>
<b>Total charity funds</b>	17		<u>23,676,681</u>	<u>27,192,854</u>

Approved by the trustee on 8 June 2021 and signed on their behalf by

H J R Pung  
Chairman of the Board

Air Vice-Marshal R Lock  
Chief Executive

Forces in Mind Trust

Statement of cash flows

For the year ended 31 December 2020

	Note	2020 £	£	2019 £	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)		(3,516,173)		(23,015)	
Dividends, interest and rent from investments	3	(455,695)		(628,687)	
Gains on investments		(1,284,205)		(2,985,519)	
(Increase)/decrease in debtors		(16,748)		16,693	
Increase/(decrease) in creditors		1,129,516		(562,344)	
<b>Net cash used in operating activities</b>			<b>(4,143,305)</b>		<b>(4,182,872)</b>
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		455,695		628,687	
Depreciation of fixed assets		2,880		2,880	
Proceeds from sale of investments		6,707,589		7,725,578	
Purchase of investments		(5,377,365)		(3,379,342)	
Cash movement within investment portfolio		1,739,623		(260,180)	
<b>Net cash provided by investing activities</b>			<b>3,528,422</b>		<b>4,717,623</b>
<b>Change in cash and cash equivalents in the year</b>			<b>(614,883)</b>		<b>534,751</b>
Cash and cash equivalents at the beginning of the year			1,091,931		557,180
<b>Cash and cash equivalents at the end of the year</b>			<b>477,048</b>		<b>1,091,931</b>

## 1 Accounting policies

### a) Statutory information

Forces in Mind Trust is an unincorporated charity, registered with the Charity Commission in England and Wales.

The registered office address is Mountbarrow House, 6–20 Elizabeth Street, London, SW1W 9RB.

### b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

### c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

### d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Key judgements that the charity has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**1 Accounting policies (continued)**

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**g) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**h) Fund accounting**

The expendable endowment fund provided by the Big Lottery Fund will be used over a 20 year period to support the charitable activities of the Trust. In accordance with the Trust Deed, the whole of the Trust Fund and Income will have been applied in furtherance of the charitable objectives by 28 November 2031. Transfers are made from the endowment fund to cover expenditure incurred during the year by the Trust

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to investment manager fees
- Expenditure on charitable activities includes the costs of grant making undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.



**1 Accounting policies (continued)**

**j) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Knowledge and Evidence	48.8%
● Collaboration and Leadership	0.2%
● Influence and Convening	10.4%
● Capacity Building	5.7%
● Cost of raising funds	10.0%
● Governance costs	25.0%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with the constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**k) Grants payable**

Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Multi-year grants are fully accounted for in the year the grant is approved. Payments falling due in later years are provided for as a liability on the balance sheet. This reflects the Trust's experience that only in exceptional circumstance are approved grants subsequently not paid.

**l) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**m) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £5,000, including VAT. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Software is assumed to have a useful economic life of five years and depreciated on that basis on a straight line basis. Assets not yet in use but which are expected to be utilised in future are held at cost until they are brought into use.

**n) Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

**1 Accounting policies (continued)**

**o) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**p) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**q) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**r) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**s) Pensions**

The charity makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The charity has no liability under the schemes other than the payment of those contributions.

2 Detailed comparatives for the statements of financial activities

	Endowment £	Unrestricted £	2019 Total £
<b>Income from:</b>			
Investments	628,687	–	<b>628,687</b>
<b>Total income</b>	<b>628,687</b>	<b>–</b>	<b>628,687</b>
<b>Expenditure on:</b>			
Raising funds	–	139,834	<b>139,834</b>
Charitable activities	–	3,497,387	<b>3,497,387</b>
<b>Total expenditure</b>	<b>–</b>	<b>3,637,221</b>	<b>3,637,221</b>
<b>Net income / expenditure before gains / (losses) on investments</b>	<b>628,687</b>	<b>(3,637,221)</b>	<b>(3,008,534)</b>
Net (losses) / gains on investments	2,985,519	–	<b>2,985,519</b>
<b>Net income / expenditure</b>	<b>3,614,206</b>	<b>(3,637,221)</b>	<b>(23,015)</b>
Transfers between funds	(3,637,221)	3,637,221	–
<b>Net movement in funds</b>	<b>(23,015)</b>	<b>–</b>	<b>(23,015)</b>
Total funds brought forward	27,215,869	–	<b>27,215,869</b>
<b>Total funds carried forward</b>	<b>27,192,854</b>	<b>–</b>	<b>27,192,854</b>

3 Income from investments

	2020 Total £	2019 Total £
Income from investments	<b>454,491</b>	624,651
Bank interest	<b>1,204</b>	4,036
	<b>455,695</b>	<b>628,687</b>

All income from investments is allocated to endowment funds.

Forces in Mind Trust

Notes to the financial statements

For the year ended 31 December 2020

4a Analysis of expenditure (current year)

Charitable activities

	Cost of raising funds £	Knowledge and Evidence £	Collaboration and Leadership £	Influence and Convening £	Capacity Building £	Governance costs £	Support costs £	2020 Total £	2019 Total £
Staff costs (Note 7)	40,227	235,348	725	50,079	27,282	119,004	86,041	558,706	557,981
Recruitment costs	-	-	-	-	-	-	28,850	28,850	3,223
Travel and subsistence	-	5,220	16	1,111	605	3,080	-	10,032	30,813
Grants payable (Note 5)	-	3,278,685	10,095	697,663	380,078	-	-	4,366,521	2,727,300
Investment manager's fees	42,772	-	-	-	-	-	-	42,772	50,081
Advisors' fees and expenses	-	-	-	-	-	15,161	-	15,161	15,149
Auditors' remuneration	-	-	-	-	-	8,900	-	8,900	8,690
Premises costs	-	-	-	-	-	-	78,538	78,538	79,018
Legal and professional fees	-	69,090	213	14,702	8,009	-	-	92,014	101,084
Marketing and communications	-	-	-	-	-	-	-	-	2,142
Directors' expenses	-	-	-	-	-	2,671	-	2,671	6,322
Office costs	-	-	-	-	-	-	51,908	51,908	55,418
	82,999	3,588,343	11,049	763,555	415,974	148,816	245,337	5,256,073	3,637,221
Support costs	24,534	119,740	369	25,479	13,881	61,334	(245,337)	-	-
Governance costs	27,320	137,281	423	29,212	15,914	(210,150)	-	-	-
<b>Total expenditure 2020</b>	<b>134,853</b>	<b>3,845,364</b>	<b>11,841</b>	<b>818,246</b>	<b>445,769</b>	<b>-</b>	<b>-</b>	<b>5,256,073</b>	
Total expenditure 2019	139,834	2,687,322	139,943	503,472	166,650	-	-		3,637,221

Forces in Mind Trust

Notes to the financial statements

For the year ended 31 December 2020

4b Analysis of expenditure (prior year)

	Charitable activities							2019 Total £
	Cost of raising funds £	Knowledge and Evidence £	Collaboration and Leadership £	Influence and Convening	Capacity Building £	Governance costs £	Support costs £	
Staff costs (Note 7)	40,175	241,031	12,521	43,824	15,651	118,850	85,929	557,981
Recruitment costs	-	-	-	-	-	-	3,223	3,223
Travel and subsistence	-	20,283	1,054	3,688	1,317	4,471	-	30,813
Grants payable (Note 5)	-	2,094,355	109,140	395,659	128,146	-	-	2,727,300
Investment manager's fees	50,081	-	-	-	-	-	-	50,081
Advisors' fees and expenses	-	-	-	-	-	15,149	-	15,149
Auditors' remuneration	-	-	-	-	-	8,690	-	8,690
Premises costs	-	-	-	-	-	-	79,018	79,018
Legal and professional fees	-	77,835	4,043	14,152	5,054	-	-	101,084
Marketing and communications	-	1,649	86	300	107	-	-	2,142
Directors' expenses	-	-	-	-	-	6,322	-	6,322
Office costs	-	-	-	-	-	-	55,418	55,418
	<b>90,256</b>	<b>2,435,153</b>	<b>126,844</b>	<b>457,623</b>	<b>150,275</b>	<b>153,482</b>	<b>223,588</b>	<b>3,637,221</b>
Support costs	22,359	111,906	5,813	20,347	7,267	55,896	(223,588)	-
Governance costs	27,219	140,263	7,286	25,502	9,108	(209,378)	-	-
<b>Total expenditure 2019</b>	<b>139,834</b>	<b>2,687,322</b>	<b>139,943</b>	<b>503,472</b>	<b>166,650</b>	<b>-</b>	<b>-</b>	<b>3,637,221</b>

5 Grant making

	2020 £	2019 £
Creditors at the start of the year	3,893,782	4,450,143
Grants awarded in the year (Note 4 and detailed below)	4,151,301	2,573,688
Costs related to monitoring and evaluation of grants awarded	215,220	153,612
Grants paid	(3,260,169)	(3,283,661)
Total creditors at the end of the year	<u>5,000,134</u>	<u>3,893,782</u>
Creditors due within one year (Note 14)	3,012,961	2,426,787
Creditors due in over one year (Note 15)	1,987,173	1,466,995
Total creditors at the end of the year	<u>5,000,134</u>	<u>3,893,782</u>

Grants awarded in the year:	Charitable Activity	2020 £	2019 £
Understanding the transition to civilian life for ex-Service personnel with physical conditions as a direct result of Service or acquired whilst in Service. University of Central Lancashire with the University of Salford	Knowledge and Evidence	-	149,625
The Poppy Factory IPS Pilot for Wounded, Injured and Sick Veterans. The Poppy Factory	Knowledge and Evidence	-	289,843
Shoulder to Shoulder Erskine Online. TimeBank	Knowledge and Evidence	-	143,281
Detailing the specific needs of veterans who have committed serious offences of harm for informed probation practice. Probation Institute	Knowledge and Evidence	-	80,404
The evolution of post-traumatic stress disorder in UK Armed Forces Serving and ex-Serving personnel: a mixed methods exploration. King's College London (Stevelink) *	Knowledge and Evidence	-	83,162
St Georges House. Brian Parry Associates	Knowledge and Evidence	-	(9,779)
RAND Europe 2017	Knowledge and Evidence	-	(12,461)
The evaluation of the mental fitness initiative: an implementation study. King's College London, MOD and The Royal Foundation (Stevelink)*	Knowledge and Evidence	-	92,757
A pilot RCT to evaluate the performance of a research protocol to compare Reconsolidation of Traumatic Memories (RTM) intervention vs Trauma-Focused CBT delivered by charities for veterans with PTSD. King's College London (Sturt)*	Knowledge and Evidence	-	318,114
Campaign to end Veterans' Homelessness. Cobseo Housing Cluster.	Influence and Convening	-	197,450
Independent Review on Armed Forces Families	Knowledge and Evidence	-	6,000
Skills Transfer and Employment Access Development Model. GoodPeople.	Knowledge and Evidence	-	87,140
Experiences and impact of moral injury in UK Armed Forces veterans. King's College London (Williamson), Additional Award. *	Knowledge and Evidence	-	16,790
Experienced Leaders Programme 2020. Clore Social Leadership	Collaboration and Leadership	-	21,000
Veterans Work 4 project. Deloitte	Influence and Convening	-	25,000
Research into engagement of families preparing for transition. Behavioural Insights Team	Knowledge and Evidence	-	-
Soldiering On Award 2020. Soldiering On, operated by X-Forces Enterprise.	Collaboration and Leadership	-	15,000
Improving the Financial Stability of Military Families. RAND Europe	Knowledge and Evidence	-	99,498
Sub-total carried forward		<u>-</u>	<u>1,602,824</u>

5 Grant making (continued)		2020	2019
Grants awarded in the year:	Charitable Activity	£	£
Sub-total brought forward		–	1,602,824
An external pilot RCT to evaluate the performance of a research protocol to compare Reconsolidation of Traumatic Memories vs Trauma-Focused CBT delivered by charities for veterans with PTSD. King's College London (Sturt), Additional Award*	Knowledge and Evidence	–	10,800
Contact Group operations. Contact Group (Winstanley)*	Capacity Building	–	50,500
SLAM 2 Veteran Detection Tool Validation. King's College London (Stevellink), Additional Award*	Knowledge and Evidence	–	15,186
Chamber of Commerce Military and Business Project. Black Country Chamber of Commerce	Collaboration and Leadership	–	128,146
An RCT to assess the efficacy of InDEx to reduce alcohol consumption in veterans at Combat Stress. King's College London	Knowledge and Evidence	–	310,144
Lifetime offending by UK military personnel: A data linkage study. King's College London.	Knowledge and Evidence	–	120,664
Evaluation of Glasgow Helping Heroes: A model for providing co-ordinated, holistic support to ex-service personnel and their families. SSAFA	Knowledge and Evidence	–	112,074
Armed Forces Charities Project 2020. Directory of Social Change	Knowledge and Evidence	–	125,825
Campaign to end Veterans' Homelessness. Cobseo Housing Cluster, Additional Award	Influence and Convening	–	5,067
Assessment to understand the needs of imprisoned veterans and their families. Barnardo's, Additional Award	Knowledge and Evidence	–	14,530
St George's House 2018	Influence and Convening	–	(7,006)
Sector Leadership Programme. Windsor Leadership Trust, Additional Award	Collaboration and Leadership	595	–
Cobseo Emerging Leaders Programme 2019–2020. Clore Social Leadership, Additional Award	Collaboration and Leadership	–	1,000
Shoulder to Shoulder Online. TimeBank. Additional Award	Knowledge and Evidence	10,000	–
MINDFit Development & Initial Assessment of a MH Toolkit for Veterans. King's College London. Additional Award *	Knowledge and Evidence	9,293	–
Where are all the veterans? Motivating military veterans to register with a Primary Healthcare practice. University of Chester.	Knowledge and Evidence	133,150	–
Exploring War Widows' experiences of social isolation and loneliness. University of Northumbria.	Knowledge and Evidence	99,979	–
Household Survey 2021. The Royal British Legion.	Knowledge and Evidence	100,000	–
Longer-term employment outcomes for ex-Service personnel. QinetiQ Ltd.	Knowledge and Evidence	265,745	–
Treating veterans with Complex PTSD using modular therapy. A pilot case study design. Edinburgh Napier University. *	Knowledge and Evidence	304,494	–
Advance 2020. ADVANCE Study Charitable Trust	Knowledge and Evidence	500,000	–
Caring and Coping: Living with Loss of Use of Limb/s, the family experience. Blesma	Knowledge and Evidence	197,645	–
Sanctions, Support & Service Leavers: Experiences of the UK social security system in transition. University of Salford.	Knowledge and Evidence	299,150	–
Understanding the psychosocial determinants of psychological health and wellbeing for veteran families in the UK. Queen's University Belfast.	Knowledge and Evidence	306,956	–
Casework Transformation Project. Royal Air Force Benevolent Fund on behalf of the Casework Steering Group.	Collaboration and Leadership	9,500	–
Helping the Armed Forces Community to be the Best in Business. X Forces.	Influence and Convening	7,500	–
Shoulder to Shoulder Erskine Online. TimeBank. Additional Award.	Knowledge and Evidence	1,626	–
Sub-total carried forward		<b>2,245,633</b>	<b>2,489,754</b>

5 Grant making (continued)		2020	2019
Grants awarded in the year:	Charitable Activity	£	£
Sub-total brought forward		2,245,633	2,489,754
Beyond the Finish Line: Examining the Invictus Games. Invictus Games Foundation. Additional Award	Knowledge and Evidence	43,180	-
Psychological treatment for morally injured UK Armed Forces veterans: A feasibility study. King's Centre for Military Health Research*	Knowledge and Evidence	270,830	-
Scotland's Bravest Manufacturing Company – Progressive Employment Training. Royal British Legion Industries. MINDFit Development & Initial Assessment of a MH Toolkit for Veterans. King's College London. Additional Award *	Capacity Buiding	298,996	-
Future Trends Commission (Lifting our Sights)	Knowledge and Evidence	8,057	-
DVA Conference, 7 October 2020. The Royal British Legion	Knowledge and Evidence	298,200	-
Veterans Mental Health Conference 2021–2023. King's Centre for Military Health Research	Influence and Convening	1,000	-
Informing Scotland 2020–2023. Veterans Scotland	Influence and Convening	45,000	-
High Intensity Service (HIS) Consultancy Project. Combat Stress on behalf of Contact Group	Influence and Convening	209,700	-
Transition into Construction: Short Term Support. BuildForce	Capacity Buiding	19,800	-
You're in Your Own Time Now: Understanding Current Experiences of Transition to Civilian Life in Scotland. The University of Edinburgh	Capacity Buiding	40,000	-
Future Trends Commission (Lifting our Sights) website. CE Additional Award.	Knowledge and Evidence	301,868	-
A Roadmap to ensure achievement of No Homeless Veterans. The Riverside Group Limited on behalf of the Cobseo Housing Cluster	Knowledge and Evidence	14,982	-
Knowledge Transfer between TimeBank and SSAFA. TimeBank	Influence and Convening	219,243	-
Pilot Randomised Controlled Trial (RCT) to evaluate to compare the Reconsolidation of Traumatic Memories (RTM) intervention with Trauma-Focused CBT (TF-CBT) delivery by charities to treat PTSD in UK veterans (aka PETT – PTSD Experimental Treatment Trial). King's College London. Additional Award.	Capacity Buiding	21,283	-
Understanding 'Negative Transitioning' in British Ex-Service Personnel. Queen's University Belfast. Additional Award	Knowledge and Evidence	87,280	-
University of Bristol underspend refund	Knowledge and Evidence	23,890	-
Female Veterans and Employment (Cranfield)	Knowledge and Evidence	(10,788)	-
KCMHR Veterans Mental Health Conference 2017–2019	Knowledge and Evidence	(597)	-
MHRP Infrastructure Quarterly Costs	Knowledge and Evidence	(624)	-
	Knowledge and Evidence	14,368	83,934
Sub-total – grant awards		4,151,301	2,573,688
Other costs related to grants awarded		215,220	153,612
Total costs of grant making		4,366,521	2,727,300



**6 Net income/(expenditure) for the year**

	2020	2019
	£	£
This is stated after charging / crediting:		
Depreciation	2,880	2,880
Auditor's remuneration (excluding VAT):		
▪ Audit	7,300	7,150
Advisor's fees and expenses (Protector)	15,161	15,149
Operating lease rentals		
▪ Property	78,538	79,018
	<u>78,538</u>	<u>79,018</u>

**7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

	2020	2019
	£	£
Staff costs were as follows:		
Salaries and wages	483,034	483,046
Social security costs	49,540	49,440
Employer's contribution to defined contribution pension schemes	19,728	20,513
Death in Service benefit	6,374	3,477
Other Staff costs	30	1,505
	<u>558,706</u>	<u>557,981</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2020	2019
	No.	No.
£70,000 – £79,999	1	–
£90,000 – £99,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £111,323 (2019: £110,080).

The charity directors were not paid or received any other benefits from employment with the charity in the year (2019: £nil). No charity director received payment for professional or other services supplied to the charity (2019: £nil).

Directors' expenses represents the payment or reimbursement of travel and subsistence costs totalling £2,671 (2019: £6,322) incurred by 6 (2019: 7) members relating to attendance at meetings of the directors.

**8 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020	2019
	No.	No.
Raising funds – investment management	0.9	1.0
Governance	2.4	2.6
Knowledge and Evidence	4.5	5.0
Collaboration and Leadership	0.0	0.3
Influence and Convening	1.0	0.8
Capacity Building	0.5	0.3
	<u>9.3</u>	<u>10.0</u>

**9 Related party transactions**

The value of the related party transactions is £725,675 (2019: £1,667,426). Full details of this figure is given on pages 23–24 of the Directors' Annual Report.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**10 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**11 Tangible fixed assets**

	Software £	Total £
<b>Cost</b>		
At the start of the year	14,400	14,400
Additions in year	-	-
At the end of the year	<u>14,400</u>	<u>14,400</u>
<b>Depreciation</b>		
At the start of the year	10,080	10,080
Charge for the year	2,880	2,880
At the end of the year	<u>12,960</u>	<u>12,960</u>
<b>Net book value</b>		
<b>At the end of the year</b>	<u>1,440</u>	<u>1,440</u>
At the start of the year	<u>4,320</u>	<u>4,320</u>

The above asset relates to a CRM system that was purchased in 2014. This was brought into use in July 2016 and is being depreciated over 5 years. It is used solely for charitable purposes.

12 Listed investments

	2020 £	2019 £
Fair value at the start of the year	23,771,609	25,132,326
Additions at cost	5,377,365	3,379,342
Disposal proceeds	(6,707,589)	(7,725,578)
Net gains on change in fair value	1,284,205	2,985,519
	<u>23,725,590</u>	<u>23,771,609</u>
Cash held by investment broker pending reinvestment	4,532,875	6,272,498
Fair value at the end of the year	<u><u>28,258,465</u></u>	<u><u>30,044,107</u></u>

Investments comprise:

	2020 £	2019 £
Fixed Interest Bonds	4,118,018	4,329,603
UK Shares listed on the London Stock Exchange	2,343,032	4,136,116
Non UK Shares listed on the London Stock Exchange	12,721,470	11,133,765
Hedge Funds	547,562	526,202
Property Funds & Trusts	1,199,199	1,715,065
Alternative Assets	1,486,418	1,449,221
Liquid Funds	5,842,766	6,754,135
	<u><u>28,258,465</u></u>	<u><u>30,044,107</u></u>

13 Debtors

	2020 £	2019 £
Prepayments	21,792	-
Cycle to work scheme and season ticket loans	-	5,044
	<u><u>21,792</u></u>	<u><u>5,044</u></u>

With the exception of listed investments, all of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 14 and 15 below.

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	53,870	31,333
Taxation and social security	16,954	14,441
Accruals	7,570	9,650
Grants payable (Note 5)	3,012,961	2,426,787
Other creditors	3,536	3,342
	<u><u>3,094,891</u></u>	<u><u>2,485,553</u></u>

15 Creditors: amounts falling due after one year

	2020 £	2019 £
Grants payable (Note 5)	<u>1,987,173</u>	<u>1,466,995</u>
Grants are paid in line with agreed timetables and are payable:		
In less than one year	3,012,961	2,426,787
Between one and five years	<u>1,987,173</u>	<u>1,466,995</u>
	<u>5,000,134</u>	<u>3,893,782</u>

16a Analysis of net assets between funds (current year)

	Endowment funds £	General funds £	Total funds £
Tangible fixed assets	1,440	-	1,440
Investments	28,258,465	-	28,258,465
Net current liabilities	(2,596,051)	-	(2,596,051)
Long term liabilities	(1,987,173)	-	(1,987,173)
<b>Net assets at the end of the year</b>	<u>23,676,681</u>	<u>-</u>	<u>23,676,681</u>

16b Analysis of net assets between funds (prior year)

	Endowment funds £	General funds £	Total funds £
Tangible fixed assets	4,320	-	4,320
Investments	30,044,107	-	30,044,107
Net current liabilities	(1,388,578)	-	(1,388,578)
Long term liabilities	(1,466,995)	-	(1,466,995)
<b>Net assets at the end of the year</b>	<u>27,192,854</u>	<u>-</u>	<u>27,192,854</u>

## 17a Movements in funds (current year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
Endowment funds	27,192,854	1,739,900	-	(5,256,073)	<b>23,676,681</b>
<b>Total endowment funds</b>	<b>27,192,854</b>	<b>1,739,900</b>	<b>-</b>	<b>(5,256,073)</b>	<b>23,676,681</b>
<b>Unrestricted funds:</b>					
General funds	-	-	(5,256,073)	5,256,073	-
<b>Total unrestricted funds</b>	<b>-</b>	<b>-</b>	<b>(5,256,073)</b>	<b>5,256,073</b>	<b>-</b>
<b>Total funds</b>	<b>27,192,854</b>	<b>1,739,900</b>	<b>(5,256,073)</b>	<b>-</b>	<b>23,676,681</b>

## 17b Movements in funds (prior year)

	At 1 January 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2019 £
Endowment funds	27,215,869	3,614,206	-	(3,637,221)	<b>27,192,854</b>
<b>Total endowment funds</b>	<b>27,215,869</b>	<b>3,614,206</b>	<b>-</b>	<b>(3,637,221)</b>	<b>27,192,854</b>
<b>Unrestricted funds:</b>					
General funds	-	-	(3,637,221)	3,637,221	-
<b>Total unrestricted funds</b>	<b>-</b>	<b>-</b>	<b>(3,637,221)</b>	<b>3,637,221</b>	<b>-</b>
<b>Total funds</b>	<b>27,215,869</b>	<b>3,614,206</b>	<b>(3,637,221)</b>	<b>-</b>	<b>27,192,854</b>

## Purposes of endowment funds

The expendable endowment fund provided by the Big Lottery Fund will be used over a 20 year period to support the charitable activities of the Trust. In accordance with the Trust Deed, the whole of the Trust Fund and Income will have been applied in furtherance of the charitable objects by 28 November 2031.

**18 Operating lease commitments**

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2020 £	2019 £
Less than one year	7,797	7,526
	<u>7,797</u>	<u>7,526</u>

**19 Corporate Trustee**

Forces in Mind Trust is managed by a sole corporate trustee which is FIM Trustee Limited, registered company no. 07855145. Forces in Mind Trust is used to disburse funds for charitable purposes or activities. All activities take place within the Trust and are directed by the Trustee, FIM Trustee Limited.