

Charity number: 1145688

# Forces in Mind Trust

Report and financial statements

For the year ended 31 December 2023

# Forces in Mind Trust

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## Forces in Mind Trust

### Reference and administrative details

For the year ended 31 December 2023

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<b>Charity number</b>	1145688
<b>Registered office</b>	Alexandra House St Johns Street Salisbury SP1 2SB
<b>Operational address</b>	Mountbarrow House 6-20 Elizabeth Street London SW1W 9RB
<b>Country of registration</b>	England and Wales
<b>Trustee</b>	FIM Trustee Ltd
<b>Principal staff</b>	Michelle Alston      Chief Executive (From October 2023) Tom McBarnet      Director of Programmes (Acting Chief Executive until October 2023) Caroline Cooke      Head of Policy Rodrigo Voss      Head of Operations & Governance Clare Crookenden      Grants & Programmes Manager
<b>Bankers</b>	Barclays Bank UK PLC 1st Floor 27 Soho Square London W1D 3QR
<b>Solicitors</b>	Wilson Solicitors LLP Alexandra House St Johns Street Salisbury SP1 2SB

## Forces in Mind Trust

### Reference and administrative details

For the year ended 31 December 2023

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**Auditor** Price Bailey LLP  
Chartered Accountants  
Statutory Auditors  
24 Old Bond Street  
London  
W1S 4AP

**Investment Manager** 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 2023 to 11 June 2024 were:

Chair	J Macleod CB CVO	Chair of the Board
Director	K Alpin	Board Member
Director	AVM Retd C Elliot CB CBE DL	Board Member (resigned 8 February 2023)
Director	R P Harries	Chair of the Programmes Committee (resigned 31 May 2023)
Director	R Hornsby–Clifton	Chair of the Audit and Risk Committee
Director	Maj Gen Retd T D Hyams CB OBE	Board Member
Director	K McCullough	Board Member
Director	D Mills	Board Member (resigned 7 February 2024)
Director	Professor D Murphy	Board Member
Director	Lt Gen Retd Sir N Pope KCB CBE	Member of the Audit and Risk Committee
Director	A S D Reding	Member of the Audit and Risk Committee (resigned 15 November 2023)
Director Deputy Chair	N J Roberts	Member of the Audit and Risk Committee and Deputy Chair of the Board (resigned 8 February 2024)
Director	A Skelton	Board Member (appointed 13 December 2023)

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Director	E Spencer	Member of the Audit and Risk Committee (appointed 13 December 2023)
Director	A C Ward	Member of the Audit and Risk Committee (resigned 13 December 2023)

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

## Chair's Foreword

I am pleased to report that, after a full year as Chair, I can confidently say that my initial impressions that FiMT is delivering on its vision to support Service personnel and their families in successfully transitioning to fulfilling civilian lives were well founded. Amongst a range of successes in 2023, I would characterise this year against two broad themes: looking ahead to 2031 and our legacy when FiMT's endowment ends, whilst continuing to deliver real impact today by driving the generation, publication, and utilisation of research. Against both these broad themes I believe we have had a good year.

We are now firmly in the latter half of FiMT's 20-year endowment. As such, we are working to ensure that we can consolidate the success and credibility we have established in our first 12 years – credibility we have built up through our work in addressing the contemporary and emerging challenges the Armed Forces community may face. To support this shift, FiMT has made a number of changes to its governance and funding mechanisms, recruited a new Chief Executive and developed a strategy for the future. We have done this while continuing to fund and support evidence generation and exploitation and delivering positive impact across significant areas of the sector. For example, in 2023, through our research we have recognised the need for a trauma-informed benefits system; provided recommendations on how to support Service personnel and their families with robust life skills; and published work examining the experiences of bereaved partners and identifying the support they may need.

Forces in Mind Trust has always prided itself on funding evidence and understanding on issues that are not as well recognised or supported. This year, we have recognised the key role of the family within Service, gaining a greater understanding on the financial resilience of families and the impact of this on transition. In response to the recognition that there is no treatment available for those veterans affected by moral injury-related distress (caused by Service personnel having to make decisions that conflict with their moral beliefs), we have supported the pilot study which has trialled a new psychological treatment. This work represents the first evidence of an effective specific treatment for the challenges presented by moral-injury in the UK. We have also supported Fighting With Pride in their development of the Pride in Veterans Standard, to help further inclusion and equality of treatment for LGBTQ+ veterans.

Of course, we do not work in a vacuum and recognising the evolving challenges modern Service personnel, families and veterans may face is essential to FiMT's future work. We have therefore undertaken activities to remain abreast of the contemporary and future environment including commissioning a two-year study to understand the changing nature of transition and the experiences of contemporary Service families. Through convening key stakeholders in this space at a consultation event at St George's House, Windsor, we were able to identify some of the key issues for the research to explore. Whilst our work shows that there has been significant progress in supporting Service leavers and their families to transition well in the past decade, in no small part due to FiMT's funded research and evidence, much still needs to be done. It therefore remains essential that we continue to examine whether changes have the intended impact, whether they

remain relevant to Service life and transition in the modern era, and ensure that there are no pockets of veterans who remain disadvantaged.

One of the areas that I have been impressed by is our work with Kings College and RAND during the first year of operation of the new Forces in Mind Trust Research Centre. This partnership, amongst a range of other outcomes, is ensuring that for the first-time research on transition issues is proactively brought into a single location and is “free at the point of use” for anyone to benefit from. The power of this authoritative single repository is already being seen in the UK and it is also attracting considerable interest from overseas. In addition, the clear and digestible analysis of key research and policy issues being produced by the Centre is ensuring research conclusions are accessible to policy makers and service delivers in a manner that best helps improve outcomes for former Service personnel. I fully expect the Research Centre to form a key tenet of our future strategy and FiMT’s legacy.

The Board has also taken a deep dive into FiMT’s future to ensure that we meet the intent of our funder. We are determined to build a worthy legacy, based on the foundations of the evidence and knowledge we have generated and the independent role we have in the sector. This has been central to FiMT’s success to date and will continue to be an important part of our future as we focus on the unique role we can play in the sector and the community.

We have also undertaken a considerable review of our governance to ensure it is fit for purpose and providing the underpinning foundations for our work. This has seen a reforming of the grants process, as well as a merging of the Finance and Investment Committee and the Governance Committee to create the new Audit and Risk Committee. These changes will help strengthen our governance procedures whilst streamlining processes to ensure FiMT is achieving the most impact it can for our community. We have also welcomed Katy Sawyer as our Independent Programmes Strategic Advisor to provide a continued rigorous approach to our grant making during this transition period.

This report also marks the end of a year where there has been change within our executive leadership. We welcomed a new Chief Executive, Michelle Alston, in October 2023 who has joined us with 10 years’ experience in the military charity sector and a background in analysis, policy and communications in the public sector, providing a solid foundation for our future work and strategy. I would like to publicly thank Tom McBarnet for his significant support as interim Chief Executive during most of this year, not only providing stability for the organisation, but also supporting both Michelle and me as we onboarded into the organisation.

We have also seen changes within our board of directors, with the departure of Richard Harries, Chris Elliot, Anais Reding, Andrew Ward, Deirdre Mills and Nick Roberts, who provided the charity with generous support over the last six years. We have welcomed Adrienne Skelton and Elizabeth Spencer, who provide additional experience and expertise in policy, impact measurement, and risk management.

## Forces in Mind Trust

### Directors' annual report

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So, as I look ahead, I am delighted by the continual positive impact that FiMT has on supporting serving personnel and their families as they transition from military to civilian life; and on the great strides it has made over the last year to set itself up for continued success out to 2031. 2024 promises to be an exciting year for FiMT and I remain privileged to Chair a Board of dedicated directors, supported by the motivated and highly capable staff who make up FiMT. I remain immensely proud of our positive impact in support of the Armed Forces community and look forward to another year in which FiMT continues to make a difference to veterans and their families.

Jim Macleod CB CVO  
Chair, Forces in Mind Trust  
June 2024



## 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 2023.

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 (2019) applicable to charities preparing their accounts in accordance with FRS 102.

The Directors would like to express their gratitude for the continued support and engagement of the Trust's Protector, Alison Paines, whose report is included below.

## Comment on Protector's Report

The current Protector was appointed in December 2021 by the National Lottery Community Fund; her role and responsibilities are fully described in her Report. The Directors welcome, and are encouraged by, 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 the Board is grateful to her considered advice.

## Objectives and activities

### Purposes and aims

Forces in Mind Trust (FiMT, or the Trust) is a registered charity (Charity number: 1145688) 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.

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. In its twelfth year of operation, FiMT has taken significant steps towards delivering the impact its Founder intended by continuing work using the strong foundations that were laid in the first eleven years of its planned 20-year life. 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 conceptually well-targeted grant-giving programme, supported by strategic influence activities, has remained at the core of the Trust's activities, with an increasing emphasis on commissioning and co-creation versus responsive funding.

In October 2023, a permanent Chief Executive was appointed, Michelle Alston. Michelle joined the Trust from her previous position as Policy and Research Director at the Army Families Federation. Before joining the Trust Michelle worked in several roles across the public and charity sectors and, being part of a serving Army family, understands the opportunities and challenges associated with military life, and has brought with her a deep knowledge and networks across the Armed Forces Charity sector and FiMT's wider stakeholder base.

The Board is extremely grateful to Tom McBarnet for acting as Chief Executive between June 2022 and October 2023. During that period Tom brought much needed stability to the Trust, and he was able to hand over to Michelle an organisation that was ready to continue the Trust's work for the future.

## Achievements and performance

The Trust's main activities in the course of the year are described below. All charitable activities ultimately focus on ex-Service personnel and their families and are undertaken to further our charitable purposes for the public benefit.

## Grants and Commissioning Plan

During the period, 5 awards were made (previous period 15), listed below. Other costs related to grants awarded totalling £85,569 (2022: £84,933) are also shown. Full details of amounts and types of grants 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 2023 were:

- The MONARCH Study. Northumbria University
- Treating co-occurring alcohol use & common mental disorders. Lancaster University\*
- Efficacy & mechanisms evaluation of novel therapy vs wait list control for PTSD in UK military veterans. King's College London\*
- Our Community, Our Covenant and beyond. RAND Europe
- Understanding the Transition from Military to Civilian Life. QinetiQ

\*Award made through the Mental Health Research Programme

The Trust's aim is to create the conditions for enduring, positive change. The impact of previous years' grant awards, and also where appropriate those listed previously, is described in the following section on Impact and Influence.

Over the past decade, both through funding projects and influencing work, the Forces in Mind Trust team have significantly influenced policy and practice to support ex-Service personnel and their families to make a successful and sustainable transition.

To maintain the Trust's effectiveness and impact, in June 2023 it agreed that it was prudent to ease grant-making activities in the short-term whilst the Board undertook key strategy work to ensure that resources were targeted to the most appropriate areas.

The total value of the 2023 awards, less other costs related to grants awarded was £1.657 million (previous period £4.433 million, which had also included the substantial £2.5 million grant for the new FiMT Research Centre).

Total charitable expenditure for the year amounted to £2.549 million (previous period £5.290 million).

Previously, the Programmes Committee oversaw our grant-making strategy. Following recommendations from the Board's 2023 strategy review, the committee's functions were absorbed by the Board in August. This allowed for a comprehensive review of our future grant-making processes alongside our evolving strategic priorities. Given our limited remaining resources, this shift aimed to ensure remaining grants align even more closely with our new strategic direction.

In 2023, the Trust specifically chose to exemplify the principle of commissioning work where it saw the strongest opportunities for impact, rather than to respond, in the main, to external grant applications. Therefore, FiMT awarded two substantial awards: 'Our Community, Our Covenant, and Beyond', and 'Understanding the Transition from Military to Civilian Life'. These projects aimed to maintain the progress achieved in understanding how the Covenant and wider support is practically being delivered to veterans and their families; and to re-examine contemporary challenges of transition and progress of recent Government changes to transition support.

In addition, two other awards were made under the Trust's Mental Health Research Programme, and a separate award was also made to partner with the MOD in a sector-leading approach to develop a comprehensive national resource of verifiable veteran data which could enable better resource planning and provision in order to reduce the instances of health and social care crisis in the military veteran's community and inform early identification and intervention strategies.

## Impact and Influence

### Impact

Although, in terms of individual awards, new grant-making activity was reduced compared to previous years, in terms of value and impact the Trust has continued to play an influential role in supporting the successful and sustainable transition of ex-Service personnel and their families to civilian life, exploiting the benefits of its investment in a credible evidence base and the associated resources of the Forces in Mind Trust Research Centre to inform its and others' work.

During the course of the year, eight significant reports were published which provided important findings and recommendations for improved public policy and service provision.

- **Improving Life Skills in the UK Armed Forces:** Research into the most negative transition experiences has shown that weaker life skills are common amongst those who struggle to adapt to civilian life, including those in the criminal justice system and homeless veterans. Whilst there is significant support available for Service personnel and their families when they leave the Armed Forces, there are currently gaps in the provision for life skills development and ensuring the support available reaches those in most need. This report, undertaken with MOD support, put the reality of Service persons' experience into perspective, assessing what support is already provided, whilst also making a number of recommendations for improving life skills in the Armed Forces and aiding individuals transition to civilian life.
- **Developing an Intervention for Moral-Injury Related Mental Health Difficulties in UK Military Veterans:** A pilot study developed and trialled a new psychological treatment, named Restore & Rebuild (R&R), with UK veterans affected by moral injury distress resulting from events violating an individual's moral or ethical code. This innovative treatment, co-designed with leading international professionals and veterans, led to significant improvements in several areas, including addressing symptoms of depression and PTSD, as well as moral injury-related distress. R&R represents the first evidence of an effective, specific treatment for moral injury in the UK.
- **The Financial Stability of UK Military Families:** There are significant gaps in understanding how Service life shapes the financial stability of Service personnel, their partners and the wider family unit during their service and post-transition to civilian life. This report highlighted that, while the military employment offer is seen as strong and comprehensive, many military families have difficult lived experiences of it. Despite a steady income, disruptions such as frequent relocation or the lack of affordable childcare, present a challenge to many families' financial stability. This is particularly acute due to the persistent issues that many military partners face in finding suitable employment and building a career. The study also examined the finance-related support available for military families, the strengths and limitations of this support landscape, and opportunities to improve policy and

support provision. This provided an evidence base to engage MOD and charities to make improvements.

Although noted below under particular influence activities, last year's award to the new Research Centre began to demonstrate particular impact in its first full year of operation. Fully engaging with multiple stakeholders and contributors to the body of research evidence on veterans and Armed Forces community families, the Research Centre is now widely recognised as an accessible and free resource for information and is now being regularly used by Government, media and other researchers. Their website has received over 40,000 views and exists as a repository for nearly 4,000 articles of research and grey literature. Further, its impact is evidenced by its growing credibility amongst international research partners who wish to share data and knowledge.

### **Influence**

The Trust has continued to use the 'capital' acquired from its funding of knowledge and evidence work to convene key influencers and stakeholders to consider important issues that could help shape the future environment and lived experience for the serving and ex-serving Armed Forces community.

In October, as a prequel to the launch of its new commission into contemporary transition challenges, the Trust convened a stakeholder consultation event at St Georges House, Windsor in order to explore the key concerns regarding successful transition from the perspective of policy makers and those running support services. This consultation gave the opportunity to consider the impact of environmental changes on the challenges facing the serving community and their families and the lived experience of the impact of the cost of living crisis. The consultation provided an effective foundation for our commission.

Working in partnership with stakeholders in the devolved administrations across the UK, the Trust sponsored and hosted three dissemination and influence events in Northern Ireland, Scotland and Wales to promote and encourage engagement with our report 'A Decade of the Covenant'. This report, launched in December 2022, assessed the current delivery and impact of the Armed Forces Covenant, providing a baseline from which MOD could begin to evaluate the impact of the new Statutory Duty for specified bodies to have due regard to the principles of the Covenant when exercising statutory functions across health, housing and education. These well-attended events were delivered in partnership with the MOD Covenant Team and allowed a wide range of veteran and Armed Forces Community support groups to engage with the practical considerations of Government policy alongside regional representatives charged with local implementation.

Working closely with other stakeholders supporting veterans and the wider Armed Forces Community has been an enduring and central theme for the Trust since its inception. In 2023, the Trust maintained its sponsorship of the Kings Mental Health Research Conference, bringing together academics, clinicians and public sector leaders to present new initiatives and to facilitate a forum for the open exchange of views and perspectives.

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In 2022, the Trust committed to a £2.5M investment in the Forces in Mind Trust Research Centre, jointly delivered by Kings College London and RAND UK. As part of this substantial, five year award, the Research Centre team delivered the first of their annual research conferences presenting research affecting the wider Armed Forces and families community.

The Mental Health Research Programme has continued to provide input to the Contact Group Research Sub Group to share the latest research of subject matter experts in the veteran field and into the OVA's newly developing serving & ex-serving personnel Data Dashboard. The Trust's work on health has also resulted in the Trust contributing to the OVA's Health Priority Setting Process with the James Lind Alliance, which resulted in identification of, and stakeholder alignment on a 'top 10 priorities for health research'.

A fuller description of the Trust's impact, influence and engagement can be found in the 2023 Impact Report <http://www.fim-trust.org/reports/>

### Beneficiaries of our services

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

## Financial review

At the end of 2023 the Trust held total unrestricted charity funds of £13.324 million (2022: £15.377 million). In March 2023, the Board agreed to further de-risk the investment portfolios. Given the macro-economic and current market uncertainty, the increased yields for gilts presented a timely opportunity to protect the investment portfolios whilst maintaining flexibility for any future change of strategy direction. The option to invest entirely in Government bonds carried essentially no market risk and would bring returns of about 3.5% over the remaining years. Other options that could potentially give a higher return were considered but it was determined that those would carry considerable risk, and taking into account that the Trust had experienced very high returns in the first 10 years of the investments, it would be difficult to justify taking that level of risk again at this stage of the Trust's existence.

At the close of 2023, a total of £2.259 million (2022: £4.413 million) was held by Sarasin in cash/cash instruments, and £13.538 million was held in fixed income or liquid assets. This is in addition to the instant access bank account holdings, described in the subsequent section on Reserves. The total value of the portfolio managed by Sarasin reduced by £3.877 million to £15.797 million (2022: £19.675 million), with an investment income of £343.4k (2022: £299.7k). 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 £1.026 million (2022: £964k) represent good value and reflect the Board's strategic intent to invest in increasing the Trust's impact.

## Principal risks and uncertainties

During the course of the year, the Directors considered the major risks to which the Trust is exposed and the systems that it has to mitigate them. The Directors concluded that there are appropriate 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 the Trust is that it fails to have delivered sufficient impact at the end of its 20-year life. It is controlling that risk by focusing on effective impact, 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 the Trust 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 organisations, and investing in the technical knowledge of the Board and staff, who 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 the Trust is staff turnover and/or unexpected absence resulting in under-staffing and loss of corporate knowledge. It is mitigating that risk by appropriately enhancing the employment 'offer' and by investing in staff development and thus developing resilience and contingent capacity across the team.

Previously the Board had assessed that the major financial risk to the Trust was that equity market volatility caused encashment of medium-term investments at low values in order to maintain planned expenditure. It has controlled the risk by investing in UK Government bonds, as described later in its investment policy, by proactive engagement with the Trust's Investment manager, Sarasin, and by the membership of lay advisers on the Audit and Risk Committee with investment expertise.

The Board has assessed that the major governance risk to the Trust is not having the right skillset needed to support the Trust's strategy going forward. It is controlling that risk by regularly reviewing the Board succession plan and its matrix of skills and experience.

Over the years, the main uncertainty faced by the Trust has been the level of grant and commission awards that will be made over the remainder of the Trust's 20-year life. The Board is comfortable with the current level of spending, noting that the Trust has produced 11 years' worth of credible research that could be exploited, and upon which, well-targeted Executive team activity could still deliver much impact in coming years. The Board agreed that the Trust's activities should not be judged solely by how much money was spent but by its impact.

### Investment policy

Considering the financial markets instability and the Trust's low risk appetite, the Board directed Sarasin to:

- a. Maintain up to £6m in cash instruments in separate segregated mandate
- b. Invest the remaining capital entirely in UK Government bonds which carried essentially no market risk and would bring returns of about 3.5% over the remaining years.

The Programmes and FiMT operating costs are funded both by investment income and cash withdrawal. This requires Sarasin to forecast investment income from (reducing) capital accurately and FiMT to give proper notice to Sarasin of projected cash withdrawals required in the following 12 months, as well as the expected annual expenditure until 2031.

FiMT relies solely upon its endowment to fund its activities. In order to maximise returns, it is expected that withdrawals will only be made at the maturity date of each bond. However, this presents a potential risk to FiMT if our strategy or expenditure requires the release of any capital before the bonds have matured. Therefore, a clear Trust strategy is required for accurate cashflow planning, as any changes may affect our returns. On the maturity date of each UK Government bond funds will be returned to Sarasin's short term cash portfolio, and transferred to FiMT quarterly, as agreed with the Executive.



## Reserves policy and going concern

FiMT distributes grants, awards commissions and funds the central team from both income and capital. The Trust's reserves policy is to maintain a minimum of 5 months operating costs and committed grant payments in a combination of an instant access bank account and short-term funds held by the Investment Manager. Depending on the maturity dates of investments in UK Government bonds, the short-term portfolio, which is highly liquid, will currently hold no less than £1.27 million. Cashflow requirement is regularly reviewed by the FiMT Executive and quarterly by the ARC, and Sarasin informed of any significant changes, as required. For operational reasons, at least one month's forecast expenditure is maintained in an interest-earning, instant access, current account (currently Barclays Business).

The balance of the funds is held by the Investment Manager 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 the Investment Manager's cash/cash instruments. On 31 December 2023, cash flow for January–March 2024 was forecast to be £1.174M and instant access bank account holdings were £2.017M (31 December 2022 – £740k).

The Directors do not consider that there are any sources of reasonable uncertainty at the reporting date that have a significant risk of causing a material adjustment to the amounts of assets and liabilities carried 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. There is no corresponding income recognised. In addition, the Trust has significant resources available in fixed income asset investments which could be drawn down as required to fund working capital.

## Plans for the future

In February 2023, the Trust held an in-person annual strategy review to update its vision and mission for the remaining eight years. While reaffirming its core values of independence, long-term thinking, risk-taking, and collaboration, the review also assessed Board structure and responsibilities, ensuring effective stewardship.

The Board continued to undertake strategy work throughout 2023 to strengthen the Trust's delivery of impact, which has provided the foundation for the 2024 plan and outline budget. As the Trust enters the final eight years of its existing, the Trust will see a shift to increase its work leverage the existing evidence it has funded to improve outcomes for our beneficiaries. The Trust will also consider how to undertake proactive evidence generation to tackle the unique and contemporary transition challenges of Armed Forces families, whilst retaining the flexibility to address emerging issues.

## 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. In March 2023, the Board agreed to simplify its committee structure, merging the Finance and Investment Committee with the Governance Committee into a new Audit and Risk Committee (ARC), and dissolving the Programmes Committee. In December 2023, the Board approved the final version of the revised Trust's Regulations which contains the Terms of Reference for the new ARC, as well as the new Grant Award Principles, Structures and Delegations.

The Audit and Risk Committee meets quarterly to review relevant issues, and to monitor the work of, and provide advice to, the Executive Team. The ARC provides a written report to each Board meeting. The activities that used to be part of the Programmes Committee have been absorbed into the Board, and a reviewed delegated authority allows the Chief Executive to award grants up to an agreed limit. Applications for grants outside this envelope or above the project limit, or which are novel or contentious should be seen by the Board.

The Board will continue to review the impact achieved by past and current projects and other key learnings and may provide guidance on future proposed projects over the next 12–18 months. An Independent Programmes Strategic Advisor (IPSA) was appointed to support the Board in this regard, and as a result, the Executive will execute the Board's strategy, identifying opportunities for impact in line with the Board's direction and risk appetite.

Throughout 2023, the Trust continued its Mental Health Research Programme, constituted by a Steering Group under the remunerated chairmanship of the Chief Executive of the Centre for Mental Health. The Steering Group provides expert advice to the Board and to the Executive Team, but has no grant awarding authority. One Director also sits in attendance at Steering Group meetings.

Whilst the Forces in Mind Trust Research Centre (the Centre) is an independent grantee, the Board has a nominated Research Centre Strategic Advisor (RCSA) who has relevant skills and experience to assist the Board with strategic oversight of the Centre. The Centre's Governance Board submits a formal quarterly report to the Board, and briefs the Board in person biannually. The Centre is advised by an Expert Advisory Board.

Recommendations from the formal governance review (Digi-Boards) conducted in 2022 continue to be considered and acted upon.

### **Equality, Diversity and Inclusion**

To progress work on Equality, Diversity and Inclusion (EDI), the Board continues to reaffirm that it is the Trust's mission to identify and increase understanding of the range of needs of ex-Service personnel and their families, and to ensure that an equitable and inclusive approach is built into both our own decision-making on funding and commissioning, and into our policy influencing activity. The process and rigour applied to developing grant applications and commissions, and to generating research evidence ensures that the full breadth of diversity within the ex-Service community is already considered and reflected in much of our work.

EDI in the context of staff and Board composition was also considered in 2023, and to this end recruitment campaigns for both new Directors and staff members were open and widely advertised.

### **Funders Commitment to Climate Change (FCCC)**

The FCCC recognises that charitable trusts and foundations, such as Forces in Mind Trust, have a crucial role to fulfil in the united effort to mitigate and adapt to the impact of climate change. Across our investments, grant making and operations, the Trust considers the opportunities to contribute to the prevention and mitigation of the climate emergency, cognisant of the potential impact due to our unique and privileged position as an influential funder working within a large network. The Trust continues to have a dedicated member of staff who is responsible for the delivery of the Trust's commitment to the pledge, and the newly appointed Chief Executive is keen to explore how this can be developed further.

### **Trust Staff**

Since the introduction of a hybrid working policy, the Executive Team remains working both remotely and from the Trust's offices in London. Directors believe that retaining the lease within Mountbarrow House represent a cost-effective option. However, the existing arrangements are due to be reviewed in early 2024.

The Directors have delegated day-to-day running of the Trust to the Chief Executive, Michelle Alston.

### **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. Six Directors stood down and two were recruited during this period.

In September 2023, the Board agreed to aim at a working Board size of 10 (maintaining the 2 to 1 ratio between independents and Cobseo-nominated), consistent with Charity Governance Code best practice. The Trust continues to recognise the importance of Board members with the right skillset needed to support the Trust's strategy, as well as diversity and inclusion.

The Trust recognises and embraces the benefits of having an inclusive organisation 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 (two this year) receive induction briefings from the Board Chair and the Chief Executive. 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 (six in the period) conduct 'exit' interviews with the Board Chair.

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 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. The Deputy Chair in turn discusses the Chair's needs. In addition, Directors are encouraged to attend Committees of which they are not members, including the Mental Health Research Programme Steering Group.

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.

### Related parties and relationships with other organisations

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 Trust's website.

### Army Benevolent Fund

The Chief Executive of the Army Benevolent Fund is also a Director of FIM Trustee Limited. FiMT had a lease with Army Benevolent Fund for room hire and premises services provided at Mountbarrow House until April 2024. Rent and service charges in respect of this lease for the year to 31 December 2023 were £97,724 (2022: £88,938) and pass-through cost for postal and other services was £10,524 (2022: £7,772). Rent and services remained substantially below market rate and the Army Benevolent Fund acted in the Trust's interests in its dealings with the Landlord, Grosvenor Estates.

## Barclays Bank UK PLC

An employee of Barclays Bank UK PLC was also a Director of FIM Trustee Limited until December 2023. At the year end, £295 (2022: £226) 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 was one direct transaction between FiMT and Cobseo during the period. At the year end, £180 (2022: £170) membership fee was paid on behalf of FiMT.

## 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 awarded one research contract totalling £329,225 (2022: £881,555) to King's College London, as described under Note 5 to the Financial Statements. FiMT also agreed to extend its sponsorship of the KCMHR Mental Health Conference for 2 additional years at a total cost of £32,000. The consortium RAND Europe/Kings College London continues to run the FiMT Research Centre, awarded in 2022, until 2027.

## The Poppy Factory

The former 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 former FiMT grant holder.

## Remuneration policy for key management personnel

In March 2016 (formally reviewed during 2021), 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 /Audit and Risk Committee recommends to the Board the appropriate award for the forthcoming tax year. In March 2023, the Board accepted the Governance Committee's recommendations, all of which met the Policy requirements.

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. All employees have access to an employee assistance programme and confidential employee hotline, and an annual cycle of health screening is offered to all employees. 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.

Forces in Mind Trust does not undertake any fundraising activities, either directly or using an agency. As such, we do not currently subscribe to a fundraising code or regulation. We are not aware of any failures during the year ended 31 December 2023 (2022: none) by the charity of any person acting on its behalf, to comply with our fundraising standards, nor did we receive any complaints about fundraising activity.

## 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 (2019)
- 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 11 June 2024 and signed on their behalf by:



[J Macleod \(Jun 13, 2024 08:53 GMT+1\)](#)

J N Macleod CB CVO  
Chair of the Board

Jun 13, 2024



[Michelle Alston \(Jun 13, 2024 12:35 GMT+1\)](#)

M Alston  
Chief Executive

Jun 13, 2024

## Report of the Protector for the year ended 31 December 2023

### Background

This is my second report in my role as the Protector of the Forces in Mind Trust ('FiMT' or the 'Trust') to which I was appointed by the National Lottery Community Fund (the 'Fund'), after an open recruitment process, in December 2021 for a 5 year term.

The Trust Deed dated 28 November 2011 which established FiMT requires the Protector to prepare a statement for publication by FiMT's corporate 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. This report covers my period in office from 1 January to 31 December 2023.

### Protector's Function

The functions of the Protector are 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 representing what remains of the original settlement on the Trust by 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 all Board meetings held during the period January – December 2023, as well as a meeting of the Governance Committee (prior to its merger with the Finance and Investment Committee). I also joined the Board strategy away day which took place in February 2023 (and also that in early February 2024). In addition, I spoke with the Chair, other trustees and the Acting Chief Executive of the Trust, as required, during the period under review.

I also commented on various aspects of the governance and operation of the Trust during the period.

I was not requested to consider or approve any changes to the constitution of the Trust.



### Protector's report

#### For the year ended 31 December 2023

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#### Governance and Management of the Trust

I am satisfied that the Trust was administered in accordance with the terms of the Trust Deed in the period from January – December 2023.

During this period there were a number of changes of director on the board of the Trustee:

- one director who had been nominated by the Confederation of Service Charities ('Cobseo'), stepped down in February 2023 because of pressure of work elsewhere; (Cobseo has the right under the articles of association of the Trustee to nominate up to 5 directors);
- three independent directors left the board, one in May 2023 because of pressure of work elsewhere and two (in November and December 2023 respectively) at the end of their second terms; and
- two new independent directors took up their posts in December 2023, having been identified in open recruitment processes, and bringing to the Board additional expertise in policy, impact measurement, and risk management.

In February 2024, two further directors stepped down – one Cobseo appointee because of pressure of work elsewhere, and one independent (the Deputy Chair) at the end of their second term.

The Board currently comprises 9 directors, 3 of whom were 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 those associated with Cobseo and its member charities.

The Board is a third smaller than it was this time last year (when there were 13 trustees, of whom 5 were Cobseo nominees). A smaller board is not necessarily a bad thing, but it will be important to monitor the position going forward, and also to continue to assess the skills required on the Board, including for the role of Deputy Chair. Three directors resigned because they felt unable to fulfil their role with the Trust alongside their other work commitments; the changes made during the period to the Board Committee structure and to associated executive delegation arrangements (referred to elsewhere in this document) have reduced the overall number of meetings which the Trust's directors are required to attend.

It is pleasing to report that, Covid restrictions now being well behind us, all Board meetings were held in person, with only occasional exceptional attendance online. This enables a better quality of constructive debate and challenge, as well as building better board cohesion. The Chair encourages inquiring and informed contribution during meetings, and directors engage appropriately with the issues brought to them. The Chair has also introduced opportunities at the beginning and end of each Board meeting for informal exchanges between Board members and with the Trust's Executive, and proposes to extend Board meetings for an additional hour in 2024, in order to reduce pressure on the agenda. These are positive developments.

From what I have seen, there appears to be a proper division between the strategy setting, oversight and monitoring role of the Board and the day-to-day responsibilities of the Executive Team. Board Committees report to each Board meeting.

There was during the period a review of the Board Committee structure and delegation of authority and workload (especially in relation to grant-making), which led to various governance revisions, including the abolition of the Programmes Committee and the merger of the Finance and Investment Committee with the Governance Committee to form the new Audit and Risk Committee. This simplification appears to be working well and to be appropriate at this stage of the Trust's operations.

#### **The Executive Team**

As noted in the Trustee's report, for much of 2023 Tom McBarnet was Acting CEO. He is to be commended for fulfilling this role so ably, and also for ensuring the smooth transition of leadership when Michelle Alston was appointed as the Trust's new CEO in October 2023 and Tom resumed his role as the Trust's Director of Programmes. This period and these changes, which might have been very disruptive, both internally and externally, appeared to be very smoothly managed, with continuity of endeavour and support from the other members of the Executive.

#### **Trust Research Centre**

In my report last year, I commented on the selection process which saw a consortium of RAND Europe and the King's Centre for Military Health Research being selected as the preferred bidder to operate the FiMT Research Centre. This year has therefore been its first year of operation.

Given the Trust's core commitment to evidence-generation on transition issues, the Research Centre is fundamental to the Trust's work. The Board received a detailed presentation on the Centre's first year of operation in its new guise at its December meeting, and it was apparent from that, and also from the clear and accessible analyses already being produced by the Centre, that its work will be authoritative and useful for furthering the Trust's purposes.

#### **Strategy Review**

At its strategy day in February 2023 the Board began a review of its own effectiveness; of the Trust's vision and mission for its remaining 8 years; and of its strategy for the next 2-3 years. This was timely, given the changes in Board and Executive leadership and given where the Trust was in its anticipated lifecycle.

During the year the Board has continued this work, including commissioning external research; this confirmed the Trust's achievement in generating high-quality, independent, and influential knowledge and evidence; its impact in shaping the transition landscape; and its significance in enabling and convening collaboration in this area.

The Board is further reviewing and refining its plans for the remaining period of its designated term, including in constructive discussion at a strategy day in February 2024, which indicated some clear objectives for the new CEO to take forward (for review, confirmation and reporting at future Board meetings).

## **Forces in Mind Trust**

### **Protector's report**

#### **For the year ended 31 December 2023**

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The commitment of the Chair, the rest of the Board and the Executive Team to ensuring the Trust's future effectiveness and to creating a fitting legacy for the Trust is clear. I look forward to continuing to work with the Trust through 2024.

**Alison Paines**

**Protector – Forces in Mind Trust (January – December 2023)**

**June 2024**

## **Independent auditor's report**

**To the trustees 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 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The other information comprises the information included in the 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.

## **Independent auditor's report**

To the trustees of

### **Forces in Mind Trust**

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

We have nothing to report in this regard.

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

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

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- the charity has not kept adequate and proper accounting records; 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 trustee's responsibilities statement, 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.

#### **Auditor 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 or having effect thereunder.

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

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

## Independent auditor's report

### To the trustees of

#### Forces in Mind Trust

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

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the relevant laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting, and tax legislation. In relation to the operations of the Charity this included compliance with the Charities Act 2011 and SORP 2019.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified.

These included the following:

- Review of legal fees incurred;
- Reviewing minutes of Director Board meetings;
- Agreeing the financial statement disclosures to underlying supporting documentation;
- Enquiring of management, including those charged with governance;
- Reviewing key accounting policies and estimates

To address the risk of management override of controls, we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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 FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

## **Independent auditor's report**

**To the trustees of**

**Forces in Mind Trust**

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### **Use of our report**

This report is made solely to the charity's trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's 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.

**Michael Cooper-Davis FCCA ACA**

**(Senior Statutory Auditor)**

for and on behalf of

**Price Bailey LLP**

Chartered Accountants

Statutory Auditors

24 Old Bond Street

London

W1S 4AP

Date

## Forces in Mind Trust

### Statement of financial activities

For the year ended 31 December 2023

	Note	Endowment £	Unrestricted £	2023 Total £	2022 Total £
<b>Income from:</b>					
Investments	3	343,396	–	<b>343,396</b>	299,694
<b>Total income</b>		<b>343,396</b>	<b>–</b>	<b>343,396</b>	299,694
<b>Expenditure on:</b>					
Raising funds		–	134,120	<b>134,120</b>	122,510
Charitable activities					
Knowledge and Evidence		–	1,924,402	<b>1,924,402</b>	5,115,336
Collaboration and Leadership		–	(6,760)	<b>(6,760)</b>	(26,031)
Influence and Convening		–	131,684	<b>131,684</b>	100,841
Capacity Building		–	500,151	<b>500,151</b>	99,864
<b>Total expenditure</b>	4	<b>–</b>	<b>2,683,597</b>	<b>2,683,597</b>	5,412,520
<b>Net income / (expenditure) before net gains on investments</b>		<b>343,396</b>	<b>(2,683,597)</b>	<b>(2,340,202)</b>	(5,112,826)
Net loss/(gain) on investments	12	287,744	–	<b>287,744</b>	(2,607,896)
<b>Net income / (expenditure)</b>	6	<b>631,140</b>	<b>(2,683,597)</b>	<b>(2,052,458)</b>	(7,720,722)
Transfers between funds	17	(2,683,597)	2,683,597	–	–
<b>Net movement in funds</b>		<b>(2,052,458)</b>	<b>–</b>	<b>(2,052,458)</b>	(7,720,722)
<b>Reconciliation of funds:</b>					
Total funds brought forward		15,376,789	–	<b>15,376,789</b>	23,097,511
<b>Total funds carried forward</b>	17	<b>13,324,331</b>	<b>–</b>	<b>13,324,331</b>	15,376,789

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 December 2023

	Note	£	2023 £	2022 £
<b>Fixed assets:</b>				
Tangible assets	11		-	-
Investments	12		<u>15,797,216</u>	<u>19,674,702</u>
			<b>15,797,216</b>	<b>19,674,702</b>
<b>Current assets:</b>				
Debtors	13	26,450	21,837	
Cash at bank and in hand		<u>2,017,385</u>	<u>740,424</u>	
		<b>2,043,835</b>	<b>762,261</b>	
<b>Liabilities:</b>				
Creditors: amounts falling due within one year	14	<u>(2,453,040)</u>	<u>(2,480,593)</u>	
<b>Net current liabilities</b>			<b>(409,205)</b>	<b>(1,718,332)</b>
<b>Total assets less current liabilities</b>			<b>15,388,011</b>	<b>17,956,370</b>
Creditors: amounts falling due after one year	15		<u>(2,063,680)</u>	<u>(2,579,581)</u>
<b>Total net assets</b>	16		<b><u>13,324,331</u></b>	<b><u>15,376,789</u></b>
<b>The funds of the charity:</b>				
Endowment funds			<u>13,324,331</u>	<u>15,376,789</u>
Unrestricted general funds			-	-
<b>Total charity funds</b>	17		<b><u>13,324,331</u></b>	<b><u>15,376,789</u></b>

Approved by the trustee on 11 June 2024 and signed on their behalf by



[J Macleod \(Jun 13, 2024 08:53 GMT+1\)](#)

J N Macleod CB CVO  
Chair of the Board

Jun 13, 2024



[Michelle Alston \(Jun 13, 2024 12:35 GMT+1\)](#)

M Alston  
Chief Executive

Jun 13, 2024

## Forces in Mind Trust

### Statement of cash flows

For the year ended 31 December 2023

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	Note	2023		2022	
		£	£	£	£
Net expenditure for the reporting period (as per the statement of financial activities)		<b>(2,052,458)</b>		(7,720,722)	
Dividends, interest and rent from investments	3	<b>(343,396)</b>		(299,694)	
(Gains)/losses on investments		<b>(287,744)</b>		2,607,896	
(Increase) in debtors		<b>(4,613)</b>		(42)	
(Decrease)/increase in creditors		<b>(543,454)</b>		1,167,677	
<b>Net cash (used in) operating activities</b>			<b>(3,231,664)</b>		(4,244,885)
<b>Cash flows from investing activities:</b>					
Dividends and interest from investments		<b>343,396</b>		299,694	
Depreciation of fixed assets		-		-	
Proceeds from sale of investments		<b>4,165,230</b>		4,766,825	
Purchase of investments		-		(4,351,763)	
Cash movement within investment portfolio		-		3,334,807	
<b>Net cash provided by investing activities</b>			<b>4,508,626</b>		4,049,563
<b>Change in cash and cash equivalents in the year</b>			<b>1,276,961</b>		(195,322)
Cash and cash equivalents at the beginning of the year			<b>740,424</b>		935,746
<b>Cash and cash equivalents at the end of the year</b>			<b>2,017,385</b>		740,424

# Forces in Mind Trust

## Notes to the financial statements

### For the year ended 31 December 2023

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#### 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. The financial statements are prepared in pounds sterling and are rounded to the nearest pound.

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.

##### f) Interest and dividends receivable

Interest on funds held on deposit and dividends are 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.

# Forces in Mind Trust

## Notes to the financial statements

For the year ended 31 December 2023

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### 1 Accounting policies (continued)

#### g) 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.

#### h) 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.

#### i) 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	49.0%
● Collaboration and Leadership	1.0%
● Influence and Convening	3.0%
● Capacity Building	12.0%
● 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.

# Forces in Mind Trust

## Notes to the financial statements

### For the year ended 31 December 2023

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#### 1 Accounting policies (continued)

##### j) 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.

##### k) Operating leases

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

##### l) 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.

##### m) 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)

##### n) 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.

##### o) 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.

##### p) 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.

##### q) 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.

##### r) 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.

# Forces in Mind Trust

## Notes to the financial statements

For the year ended 31 December 2023

### 2 Detailed comparatives for the statements of financial activities

	Endowment £	Unrestricted £	2022 £
<b>Income from:</b>			
Investments	299,694	-	<b>299,694</b>
<b>Total income</b>	<b>299,694</b>	<b>-</b>	<b>299,694</b>
<b>Expenditure on:</b>			
Raising funds	-	122,510	<b>122,510</b>
Charitable activities	-	5,290,010	<b>5,290,010</b>
<b>Total expenditure</b>	<b>-</b>	<b>5,412,520</b>	<b>5,412,520</b>
<b>Net income / expenditure before gains on investments</b>	<b>299,694</b>	<b>(5,412,520)</b>	<b>(5,112,826)</b>
Net gains on investments	(2,607,896)	-	<b>(2,607,896)</b>
<b>Net income / expenditure</b>	<b>(2,308,202)</b>	<b>(5,412,520)</b>	<b>(7,720,722)</b>
Transfers between funds	(5,412,520)	5,412,520	-
<b>Net movement in funds</b>	<b>(7,720,722)</b>	<b>-</b>	<b>(7,720,722)</b>
Total funds brought forward	23,097,511	-	<b>23,097,511</b>
<b>Total funds carried forward</b>	<b>15,376,789</b>	<b>-</b>	<b>15,376,789</b>

### 3 Income from investments

	2023 Total £	2022 Total £
Income from investments	<b>330,234</b>	299,353
Bank interest	<b>13,162</b>	341
	<b>343,396</b>	299,694

All income from investments is allocated to endowment funds.

# Forces in Mind Trust

## Notes to the financial statements

### For the year ended 31 December 2023

#### 4a Analysis of expenditure

	Charitable activities								2022 Total £
	Cost of raising funds £	Knowledge and Evidence £	Collaboration and Leadership £	Influence and Convening £	Capacity Building £	Governance costs £	Support costs £	2023 £	
Staff costs (Note 7)	46,866	275,632	(968)	18,861	71,637	138,645	100,241	<b>650,914</b>	667,362
Recruitment costs							24,732	<b>24,732</b>	26,713
Travel and subsistence		17,892	(63)	1,224	4,650			<b>23,703</b>	18,295
Grants payable (Note 5)		1,250,486	(4,393)	85,569	325,000			<b>1,656,662</b>	4,433,235
Investment manager's fees	31,743							<b>31,743</b>	18,539
Advisors' fees and expenses						15,000		<b>15,000</b>	15,600
Auditors' remuneration						11,030		<b>11,030</b>	10,010
Premises costs							93,779	<b>93,779</b>	88,938
Legal and professional fees		103,610	(364)	7,090	26,928			<b>137,264</b>	96,694
Marketing and communications						2,070		<b>2,070</b>	3,348
Directors' expenses						5,234	554	<b>5,788</b>	2,236
Office costs							30,911	<b>30,911</b>	31,550
	<b>78,609</b>	<b>1,647,620</b>	<b>(5,788)</b>	<b>112,744</b>	<b>428,215</b>	<b>171,979</b>	<b>250,217</b>	<b>2,683,597</b>	5,412,520
Support costs	25,022	122,765	(431)	8,401	31,907	62,554	(250,217)	-	-
Governance costs	30,489	154,017	(541)	10,539	40,029	(234,533)	-	-	-
<b>Total expenditure 2023</b>	<b>134,120</b>	<b>1,924,402</b>	<b>(6,760)</b>	<b>131,684</b>	<b>500,151</b>	<b>-</b>	<b>-</b>	<b>2,683,597</b>	5,412,520
Total Expenditure 2022	122,510	5,115,336	(26,031)	100,841	99,864	-	-	-	5,412,520

The negative balances showing for collaboration and leadership have arisen as a result of funds awarded in previous years having been returned to us in the year to 31 December 2023.

#### 4b Analysis of expenditure (prior year)

	Charitable activities								2021 Total £
	Cost of raising funds £	Knowledge and Evidence £	Collaboration and Leadership £	Influence and Convening £	Capacity Building £	Governance costs £	Support costs £	2022 Total £	
Staff costs (Note 7)	48,050	362,027	(1,842)	7,137	7,068	142,148	102,774	<b>667,362</b>	663,884
Recruitment costs							26,713	<b>26,713</b>	10,299
Travel and subsistence		15,719	(80)	310	307	2,039		<b>18,295</b>	16,905
Grants payable (Note 5)		4,286,852	(21,815)	84,508	83,690			<b>4,433,235</b>	1,805,818
Investment manager's fees	18,539							<b>18,539</b>	31,720
Advisors' fees and expenses						15,600		<b>15,600</b>	15,000
Auditors' remuneration						10,010		<b>10,010</b>	8,760
Premises costs							88,938	<b>88,938</b>	77,722
Legal and professional fees		93,501	(476)	1,844	1,825			<b>96,694</b>	68,949
Marketing and communications						3,348		<b>3,348</b>	-
Directors' expenses						2,188	48	<b>2,236</b>	772
Office costs							31,550	<b>31,550</b>	47,686
	<b>66,589</b>	<b>4,758,099</b>	<b>(24,213)</b>	<b>93,799</b>	<b>92,890</b>	<b>175,333</b>	<b>250,023</b>	<b>5,412,520</b>	2,747,515
Support costs	25,002	157,149	(800)	3,098	3,068	62,506	(250,023)	-	-
Governance costs	30,919	200,088	(1,018)	3,944	3,906	(237,839)	-	-	-
<b>Total expenditure 2022</b>	<b>122,510</b>	<b>5,115,336</b>	<b>(26,031)</b>	<b>100,841</b>	<b>99,864</b>	<b>-</b>	<b>-</b>	<b>5,412,520</b>	
Total expenditure 2021	133,276	1,647,636	403,008	397,186	166,409	-	-	-	2,747,515

The negative balances showing for collaboration and leadership have arisen as a result of funds awarded in previous years having been returned to us in the year to 31 December 2022.

# Forces in Mind Trust

## Notes to the financial statements

### For the year ended 31 December 2023

#### 5 Grant making

	2023 £	2022 £
Creditors at the start of the year	4,994,350	3,850,361
Grants awarded in the year (Note 4 and detailed below)	1,571,093	4,348,727
Costs related to monitoring and evaluation of grants awarded	85,569	84,508
Grants paid	<b>(2,210,708)</b>	<b>(3,289,246)</b>
Total creditors at the end of the year	<b>4,440,304</b>	4,994,350
Creditors due within one year (Note 14)	2,376,624	2,414,769
Creditors due in over one year (Note 15)	2,063,680	2,579,581
Total creditors at the end of the year	<b>4,440,304</b>	4,994,350

	2023 £	2022 £
<b>Grants awarded in the year:</b>		
No Homeless Veterans. Stoll on behalf of the Cobseo Housing Cluster		1,404
Armed Forces Charities Expanding Knowledge and Evidence, 2021–2023. Directory of Social Change		149,900
Ex-Service personnel in the Criminal Justice System in England, Wales and Scotland. Nacro in partnership with the Institute of Public Safety, Crime and Justice (IPSCJ) and the Institute for Social Innovation and Impact (ISII) at the University of Northampton		56,338
Our Community, Our Covenant 3: Examining the impact of the Armed Forces Covenant. Shared Intelligence in partnership with RAND Europe and Meri Mayhew		4,398
Non-UK Personnel, Veterans and Families. Anglia Ruskin University. Additional Award		38,368
Sub-total carried forward	-	250,408



# Forces in Mind Trust

## Notes to the financial statements

For the year ended 31 December 2023

5 Grant making (continued)	Charitable Activity	2023 £	2022 £
<b>Grants awarded in the year:</b>			
Sub-total brought forward		-	250,408
Understanding the psychosocial determinants of psychological health and wellbeing for veteran families in the UK. Queen's University Belfast.	Knowledge and Evidence		28,761
A Roadmap to ensure achievement of No Homeless Veterans. The Riverside Group Limited on behalf of the Cobseo Housing Cluster	Influence and Convening		46,947
A Comparative Study: Common Mental Health Disorders in the Veteran & Non-Veteran Populations. Chester Uni*	Knowledge and Evidence		110,987
Examining and mapping the support needs of female veterans in the UK. King's College London	Knowledge and Evidence		220,066
Exploring Suicidality in Northern Ireland's Veterans. Queen's University Belfast*	Knowledge and Evidence		130,659
Exploring veterans physical and mental health needs: the use of the Clinical Practice Research Datalink, King's College London	Knowledge and Evidence		164,050
FiMT Research Centre	Knowledge and Evidence		2,500,000
Improving life skills in the UK Armed Forces. QinetiQ	Knowledge and Evidence		174,127
Influences on alcohol consumption among partners of UK military personnel/veterans, King's College London*	Knowledge and Evidence		96,755
Mental health and wellbeing of UK Gurkha veterans. King's College London *	Knowledge and Evidence		152,058
Phase 2 Feasibility Pilot RCT for Restore & Rebuild (R&R): A Psychological Treatment for Moral Injury. King's*	Knowledge and Evidence		261,941
Pride in Veterans Standard (PiVS) – Early Intervention for LGBT+ Veterans. Fighting with Pride	Capacity Building		83,690
SCiP Alliance Funders' Forum – Support for service children a proposed scoping report. Directory of Social Change	Knowledge and Evidence		49,762
The Experiences and Support Needs of Veterans Living with Dementia in their Own Homes. University of Manchester	Knowledge and Evidence		102,561
Understanding The Patterns Of Serious Offending Among ex-Service Personnel. Probation Institute. Additional Award. University of Sunderland	Knowledge and Evidence Collaboration and Leadership		2,116 (2,941)
Clore Social Leadership	Collaboration and Leadership		(23,645)
The MONARCH Study (formally known as Map of Need), Northumbria University	Capacity Building	325,000	
Treating co-occurring alcohol use & common mental disorders, Lancaster University	Knowledge and Evidence	148,386	
Efficacy & mechanisms evaluation of novel therapy vs waiting list control for PTSD in UK military veterans, King's College London	Knowledge and Evidence	329,225	
Our Community, Our Covenant 4, RAND Europe	Knowledge and Evidence	499,701	
Transition Mapping Study 3, QinetiQ	Knowledge and Evidence	406,799	
Veterans entering the criminal justice system, King's College London	Knowledge and Evidence	(2,989)	
Windsor Leadership Trust	Knowledge and Evidence	(4,395)	
The Poppy Factory IPS Pilot for Wounded, Injured and Sick Veterans, The Poppy Factory	Knowledge and Evidence	(15,543)	
Pioneer Programme – MDMA-Assisted Psychotherapy Research for treatment-resistant PTSD, Supporting Wounded Veterans and King's College London	Capacity Building	(81,250)	
Edinburgh Napier underspend	Knowledge and Evidence	(3,352)	
Northumbria University underspend	Knowledge and Evidence	(20,493)	
Examining prevalence and understanding of social isolation and loneliness of war widows, Northumbria University	Knowledge and Evidence	(9,997)	
Sub-total – grant awards		<b>1,571,093</b>	4,348,302
Other costs related to grants awarded		85,569	84,933
<b>Total costs of grant making</b>		<b>1,656,662</b>	4,433,235

## Forces in Mind Trust

### Notes to the financial statements

#### For the year ended 31 December 2023

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

	2023	2022
	£	£
This is stated after charging / crediting:		
Auditor's remuneration (excluding VAT):		
▪ Audit	9,850	9,250
Advisor's fees and expenses (Protector)	15,000	15,600
Operating lease rentals		
▪ Property	13,070	13,070
	<u>13,070</u>	<u>13,070</u>

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

	2023	2022
	£	£
Staff costs were as follows:		
Salaries and wages	557,017	565,626
Social security costs	55,369	58,369
Employer's contribution to defined contribution pension schemes	32,769	37,261
Death in Service benefit	3,359	2,696
Other Staff costs	2,400	3,410
	<u>650,914</u>	<u>667,362</u>

There were four employees whose costs excluding contributions exceeded £60,000 during the year, these are summarised as follows:

	2023	2022
	No.	No.
In the band £60,000 – £70,000	3	–
In the band £110,000 – £120,000	1	1
	<u>1</u>	<u>1</u>

The charity considers its key management personnel to comprise of two persons. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £123,809 (2022: £140,832).

The charity directors were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity director received payment for professional or other services supplied to the charity (2021: £nil).

Directors' expenses represents the payment or reimbursement of travel and subsistence costs totalling £5,788 (2022: £2,236) incurred by 6 (2022: 3) 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:

	2023	2022
	No.	No.
Raising funds – investment management	0.9	0.9
Governance	2.6	2.5
Knowledge and Evidence	4.8	6.3
Collaboration and Leadership	–	–
Influence and Convening	0.3	0.1
Capacity Building	1.3	–
	<u>9.9</u>	<u>9.8</u>

# Forces in Mind Trust

## Notes to the financial statements

### For the year ended 31 December 2023

#### 9 Related party transactions

The value of the related party transactions is £433.9k (2022: £3,679.6k). Full details of this figure is given on pages 18–19 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	<b>14,400</b>
Disposals in year	(14,400)	<b>(14,400)</b>
At the end of the year	-	-
<b>Depreciation</b>		
At the start of the year	14,400	<b>14,400</b>
Eliminated on disposal	(14,400)	<b>(14,400)</b>
At the end of the year	-	-
<b>Net book value</b>		
<b>At the end of the year</b>	-	-
At the start of the year	-	-

The above asset relates to a CRM system that was purchased in 2014. This was brought into use in July 2016 and was depreciated over 5 years and was disposed of during 2023. It was used solely for charitable purposes.

#### 12 Listed investments

	2023 £	2022 £
Fair value at the start of the year	<b>19,674,702</b>	20,006,030
Additions at cost	-	4,351,763
Disposal proceeds	<b>(4,165,230)</b>	(4,766,825)
Net loss/(gain) on change in fair value	<b>287,744</b>	(2,607,896)
	<b>15,797,216</b>	16,983,072
Cash held by investment broker pending reinvestment	-	2,691,630
Fair value at the end of the year	<b>15,797,216</b>	19,674,702
<b>Investments comprise:</b>	<b>2023 £</b>	<b>2022 £</b>
Fixed Interest Bonds	<b>13,538,055</b>	3,539,017
Equities	-	9,302,889
Property Funds & Trusts	-	921,273
Alternative Assets	-	1,497,852
Liquid Funds	<b>2,259,161</b>	4,413,671
	<b>15,797,216</b>	19,674,702

# Forces in Mind Trust

## Notes to the financial statements

### For the year ended 31 December 2023

#### 13 Debtors

	2023 £	2022 £
Prepayments	26,450	21,837
	<u>26,450</u>	<u>21,837</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

	2023 £	2022 £
Trade creditors	29,982	20,940
Taxation and social security	20,289	15,801
Accruals	20,600	24,000
Grants payable (Note 5)	2,376,624	2,414,769
Other creditors	5,545	5,083
	<u>2,453,040</u>	<u>2,480,593</u>

#### 15 Creditors: amounts falling due after one year

	2023 £	2022 £
Grants payable (Note 5)	2,063,680	2,579,581
Grants are paid in line with agreed timetables and are payable:		
In less than one year	2,376,624	2,414,769
Between one and five years	2,063,680	2,579,581
	<u>4,440,304</u>	<u>4,994,350</u>

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

	Endowment funds £	General funds £	Total funds £
Tangible fixed assets	-	-	-
Investments	15,797,216	-	15,797,216
Net current liabilities	(409,205)	-	(409,205)
Long term liabilities	(2,063,680)	-	(2,063,680)
<b>Net assets at the end of the year</b>	<u>13,324,331</u>	<u>-</u>	<u>13,324,331</u>

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

	Endowment funds £	General funds £	Total funds £
Tangible fixed assets	-	-	-
Investments	19,674,702	-	19,674,702
Net current liabilities	(1,718,332)	-	(1,718,332)
Long term liabilities	(2,579,581)	-	(2,579,581)
<b>Net assets at the end of the year</b>	<u>15,376,789</u>	<u>-</u>	<u>15,376,789</u>

## Forces in Mind Trust

### Notes to the financial statements

#### For the year ended 31 December 2023

##### 17a Movements in funds (current year)

	At 1 January 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2023 £
Endowment funds	15,376,789	631,140	–	(2,683,597)	<b>13,324,331</b>
<b>Total endowment funds</b>	<b>15,376,789</b>	<b>631,140</b>	<b>–</b>	<b>(2,683,597)</b>	<b>13,324,331</b>
<b>Unrestricted funds:</b>					
General funds	–	–	(2,683,597)	2,683,597	–
<b>Total unrestricted funds</b>	<b>–</b>	<b>–</b>	<b>(2,683,597)</b>	<b>2,683,597</b>	<b>–</b>
<b>Total funds</b>	<b>15,376,789</b>	<b>631,140</b>	<b>(2,683,597)</b>	<b>–</b>	<b>13,324,331</b>

##### 17b Movements in funds (prior year)

	At 1 January 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2022 £
Endowment funds	23,097,511	(2,308,202)	–	(5,412,520)	<b>15,376,789</b>
<b>Total endowment funds</b>	<b>23,097,511</b>	<b>(2,308,202)</b>	<b>–</b>	<b>(5,412,520)</b>	<b>15,376,789</b>
<b>Unrestricted funds:</b>					
General funds	–	–	(5,412,520)	5,412,520	–
<b>Total unrestricted funds</b>	<b>–</b>	<b>–</b>	<b>(5,412,520)</b>	<b>5,412,520</b>	<b>–</b>
<b>Total funds</b>	<b>23,097,511</b>	<b>(2,308,202)</b>	<b>(5,412,520)</b>	<b>–</b>	<b>15,376,789</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 2023 £	2022 £
Less than one year	13,070	13,070
	<b>13,070</b>	<b>13,070</b>

##### 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.